

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

*of the*

**TOWN OF THOMASTON,  
CONNECTICUT**

**YEAR ENDED**

**JUNE 30, 2014**

**PREPARED BY:**

**THE FINANCE DEPARTMENT**

**TRACY A. DECKER, FINANCE DIRECTOR**

**TOWN OF THOMASTON, CONNECTICUT**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

---

	<u>PAGE</u>
<b><u>INTRODUCTORY SECTION</u></b>	
ORGANIZATIONAL CHART.....	1
LETTER OF TRANSMITTAL.....	2-6
LIST OF PRINCIPAL OFFICIALS.....	7
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING FOR THE YEAR ENDED JUNE 30, 2013.....	8
<b><u>FINANCIAL SECTION</u></b>	
INDEPENDENT AUDITOR'S REPORT.....	9-11
MANAGEMENT'S DISCUSSION AND ANALYSIS .....	12-23
<b><u>EXHIBITS</u></b>	
<b><u>BASIC FINANCIAL STATEMENTS</u></b>	
<b><u>GOVERNMENT-WIDE FINANCIAL STATEMENTS:</u></b>	
A STATEMENT OF NET POSITION.....	24-25
B STATEMENT OF ACTIVITIES .....	26
<b><u>FUND FINANCIAL STATEMENTS:</u></b>	
C BALANCE SHEET - GOVERNMENTAL FUNDS AND RECONCILIATION OF FUND BALANCE TO NET POSITION OF GOVERNMENTAL ACTIVITIES.	27-28
D STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS .....	29
E RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES.....	30-31
F STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND.....	32
G STATEMENT OF FIDUCIARY NET POSITION .....	33
H STATEMENT OF CHANGES IN FIDUCIARY NET POSITION.....	34
<b><u>NOTES TO FINANCIAL STATEMENTS:</u></b>	
I NOTES TO FINANCIAL STATEMENTS .....	35-66

**REQUIRED SUPPLEMENTARY INFORMATION**

TOWN OF THOMASTON RETIREMENT SYSTEM

RSI -1 SCHEDULE OF CHANGES IN NET PENSION LIABILITY .....	67
RSI -2 SCHEDULE OF NET PENSION LIABILITY AND SCHEDULE OF INVESTMENT RETURNS.....	68
RSI -3 SCHEDULE OF CONTRIBUTIONS .....	69
RSI -4 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION .....	70

TOWN OF THOMASTON OTHER POST-EMPLOYMENT BENEFIT PLANS

RSI -5 SCHEDULES OF FUNDING PROGRESS.....	71
RSI -6 SCHEDULES OF EMPLOYER CONTRIBUTIONS.....	72
RSI -7 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION .....	73

TOWN OF THOMASTON RETIREMENT SYSTEM

RSI -8 SCHEDULE OF FUNDING PROGRESS .....	74
---	----

SCHEDULES

**SUPPLEMENTAL SCHEDULES**

GENERAL FUND

1 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL .....	75-76
2 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL .....	77-78
3 REPORT OF TAX COLLECTOR.....	79

NONMAJOR GOVERNMENTAL FUNDS

4 COMBINING BALANCE SHEET .....	80-81
5 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES .....	82-83
6 SEWER COMMISSION USAGE FUND - SCHEDULE OF SEWER USE CHARGES RECEIVABLE .....	84

TOWN OF THOMASTON, CONNECTICUT  
 TABLE OF CONTENTS (CONTINUED)

PAGE

FIDUCIARY FUNDS

7	COMBINING STATEMENT OF FIDUCIARY NET POSITION - PRIVATE-PURPOSE TRUST FUNDS .....	85
8	COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - PRIVATE-PURPOSE TRUST FUNDS .....	86
9	COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS.....	87

**STATISTICAL SECTION**

TABLE

1	NET POSITION BY COMPONENT .....	88
2	CHANGES IN NET POSITION .....	89
3	FUND BALANCES, GOVERNMENTAL FUNDS .....	90
4	CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS.....	91
5	ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY...	92
6	PRINCIPAL TAXPAYERS .....	93
7	PROPERTY TAX RATES, LEVIES AND COLLECTIONS .....	94
8	RATIOS OF OUTSTANDING DEBT BY TYPE .....	95
9	RATIO OF LONG-TERM DEBT TO NET ASSESSED VALUE AND LONG-TERM DEBT PER CAPITA.....	96
10	SCHEDULE OF DEBT LIMITATION .....	97
11	LEGAL DEBT MARGIN INFORMATION .....	98
12	DEMOGRAPHIC STATISTICS.....	99
13	PRINCIPAL EMPLOYERS.....	100
14	FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM .....	101
15	OPERATING INDICATORS BY FUNCTION/PROGRAM .....	102
16	CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM .....	103

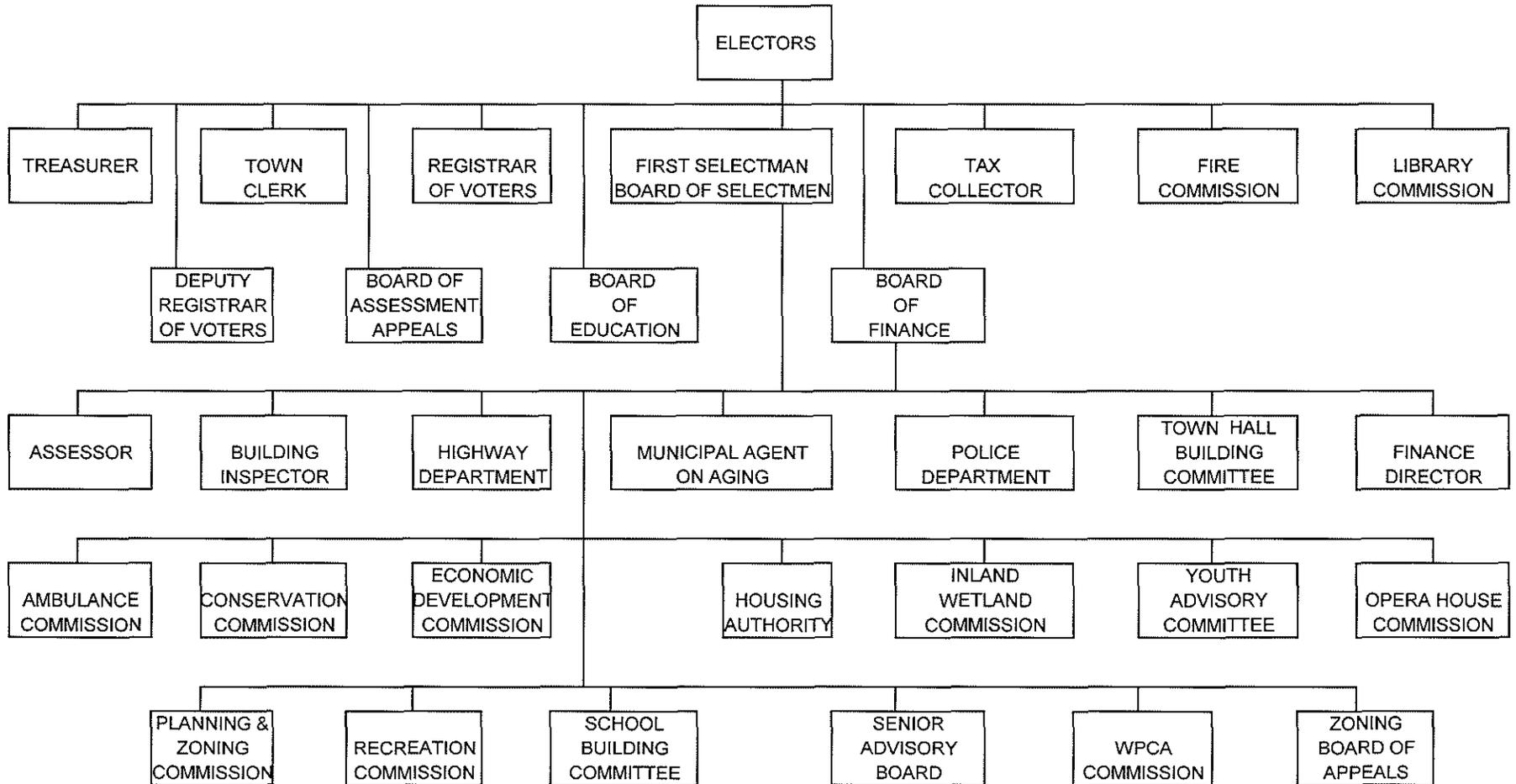
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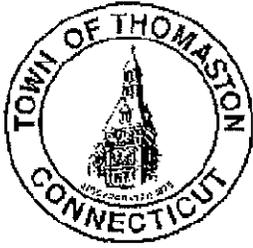
# Introductory Section

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# TOWN OF THOMASTON, CONNECTICUT

## ORGANIZATIONAL CHART





**Town of Thomaston**  
**Finance Department**  
158 Main Street  
Thomaston, Connecticut 06787  
(860) 283-9678

December 4, 2014

Board of Finance  
Town of Thomaston  
Thomaston, Connecticut 06787

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, I hereby submit the Comprehensive Annual Financial Report (CAFR) of the Town of Thomaston, Connecticut, for the fiscal year ended June 30, 2014.

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

The Town of Thomaston's financial statements have been audited by CohnReznick LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Thomaston for the fiscal year ended June 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Thomaston's financial statements for the fiscal year ended June 30, 2014, 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.

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

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

## **Profile of the Town of Thomaston**

The Town of Thomaston, located in Litchfield County, is a suburb consisting of 12 square miles and located 10 miles south of Torrington, Connecticut, 23 miles west of Hartford, Connecticut, with a population of 7,862. The Town is easily accessible by an excellent highway system. Route 8, a four-lane State highway, provides north-south interstate connections from Bridgeport to Winsted, where it meets Route 44 and continues north to the Massachusetts border. Interstate 84, the major east-west highway through Connecticut, is located just 11 miles south of the Town. Intra-town traffic is served by U.S. Route 6 and State routes 254, 109, and 262, which pass through the Town. Air transport is available at the Oxford Regional, New Haven-Tweed and Bradley International Airports.

Thomaston originated in 1674 as part of the Mattatuck Plantation, now the City of Waterbury. The Town operates under a Town Meeting form of government, with a Board of Selectmen consisting of three elected members and a Board of Finance made up of six elected members. The Town Meeting is the legislative body of the Town and must approve the annual budget and all bond and note authorizations, except for refunding bonds which only need to be approved by the Board of Selectmen. The First Selectman is the Chief Executive of the Town, and is responsible for carrying out the policies and ordinances, overseeing the day-to-day operations of the Town, and for appointing the various department heads. The First Selectman presides over the Board of Selectmen, has full voting privileges, and is elected to a two-year term of office every odd-numbered year.

The Town of Thomaston provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, a water pollution control facility, household waste collection and disposal, health and welfare, education and recreational activities.

The annual budget serves as the foundation for the Town of Thomaston's financial planning and control. All agencies of the Town of Thomaston are required to submit requests for appropriations to the Board of Finance. The Board of Finance uses these requests as the starting point for developing a proposed budget for presentation to the public. The Board of Finance holds one or more public hearings on the budget not later than sixty days before the end of the fiscal year. The general fund is the only fund for which a legal budget is adopted.

## **Local Economy and Major Initiatives**

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the Town of Thomaston operates.

### **Local Economy:**

Thomaston is a residential community with a diversified manufacturing economic base. The Town's proximity to the Naugatuck River continues to be a major factor in its natural appeal to the development of certain types of industries.

Best known for its namesake and founder, Seth Thomas, who established the Seth Thomas Clock Company in Thomaston in the late 1800s, the Town continues to be home to many small and medium-sized manufacturers. The original clock factory has now become a vibrant industrial park and is home to more than 20 tenants, employing nearly 500 people, many of whom work in skilled manufacturing trades. The current owners have expanded the site from 275,000 square feet to nearly 312,000 over the past decade to accommodate growth and demand for industrial and manufacturing space.

The Town of Thomaston has made changes in its Plan of Development that permits the creation of an industrial park located on Reynolds Bridge Road adjacent to an area already zoned and in use by many small to medium size manufacturers. Five large lots are proposed for development in the 22.39-acre parcel. The area is contiguous to Route 8, a divided highway which permits easy access to freight transport. The developer of this industrial park has already constructed a 50 unit senior housing complex near the industrial park. There is currently a 47 unit active adult community under construction at 500 South Main Street by a local developer.

The former Star Manufacturing building located on Route 254 has transformed into a mixed use professional services and office space building. The developer took advantage of a tax assessment abatement ordinance that the Town of Thomaston has in place to assist with development.

The Planning & Zoning Commission is in the process of updating the zoning maps based upon a digitized parcel map created by the Central Naugatuck Valley Council of Governments and working in conjunctions with the WPCA to create a master sewer plan for the Town of Thomaston that is in conformance with the State of Connecticut Plan of Conservation and Development. Changes to the Zoning District Map have been made to slow the pace of residential development, which in the past decade has been more than double the State average, by increasing lot sizes, particularly in those areas not served by municipal water and sewer service.

Also economically significant is the ongoing renovations of the town-owned Thomaston Opera House, which is considered to be one of the finest examples of Victorian/Gothic architecture in the state. In the past decade, the theater has undergone many improvements and restorations perpetuating its original function as a multipurpose cultural and recreational center for Litchfield County and Greater Waterbury. The Town's Opera House Commission plans additional restoration projects. The Thomaston Opera House closed in 2010 but was reopened in January 2012 under a new management company and shows have been ongoing.

The Economic Development Commission's mission is to organize and promote sound economic growth in Thomaston by stimulating the expansion of existing business, attracting new enterprises and assuring a favorable community climate for new ideas and economic growth while respecting the character and history of the community. This nine member commission has been proactive in seeking business growth opportunities in Thomaston since its reestablishment. In 2007, a tax incentive program was established in order to attract, retain, and expand qualified businesses, to create employment opportunities, and to promote responsible economic growth to ensure Thomaston's future as a desirable community in which to live and work. Four developers have since taken advantage of this ordinance.

The Board of Selectmen appointed the previously established Thomaston Historical Commission to manage and oversee the Seth Thomas-Bradstreet House, grounds and furnishings at 237 Main Street, and such other historic properties or assets as the Town of Thomaston may acquire in the future. The home, which the Town purchased in November, 2005 has stood on Main Street at least since 1838. A very well preserved two-story building, it has a long association with one of the most important families in Connecticut. Seth Thomas was the famed clockmaker whose company would attain an international reputation. The Town has made this home into a museum, which will entice future economic development.

The Department of Economic and Community Development approved the reallocation of certain Small Cities federal funds the Town holds, which will benefit low to moderate income families and Americans with Disabilities. \$300,000 has been reallocated for housing rehabilitation for those who qualify. Many taxpayers have taken advantage of this program.

A ten year Plan of Conservation and Development has been underway for the past year and is just about complete. The plan is intended to address all aspects of governmental services including economic development. One aspect of this plan is to establish goals and develop a plan for the Downtown Development District in conjunction with local merchants.

The Small Town Economic Assistance Program (STEAP) funds economic development, community conservation and quality of life projects for localities that are ineligible to receive Urban Action (CGS Section 4-66c) bonds. Public Act 05-194 allows an Urban Act Town that is not designated as a regional center under the State Plan of Conservation and Development to opt out of the Urban Action program and become a STEAP town for a period of four years.

The Town elected this option in 2006 and has since been awarded \$1,098,300 for sidewalk replacement, \$300,000 for the repair of Altair Avenue Bridge and culvert, \$100,000 for an emergency generator, \$500,000 towards a town-wide communication system and \$500,000 for the first phase of improvements to an athletic facility at Nystroms Park. The Town is currently seeking funding for additional projects including additional sidewalk replacement and a downtown parking area.

Thomaston's residential sector consists predominantly of single-family homes affordable across a broad range of income levels. Affordability and accessibility have been prime factors in the consistent levels of residential development. The Planning & Zoning Commission is reviewing an Incentive Housing Zone in an effort to encourage redevelopment of the downtown for commercial and residential uses.

### **Long-Term Financial Planning**

Prepared as part of the annual budget process, a five year plan of capital improvement projects attempts to identify and provide a responsible funding/execution plan for public betterments to ensure a stable community infrastructure. The plan is designed to budget adequate reserves for replacement of obsolete equipment and vehicles and provide for the betterment of town-wide roads. The Town leans toward equipment financing arrangements for fleet replacement and ranks projects based on safety issues and the needs of the departments. The Town recently had an architectural/engineering firm perform an assessment of all town facilities. The results of this assessment will assist the capital improvement committee in prioritizing future capital needs.

The Town through referendum approved a \$10,674,500 appropriation for a Multi-Year Road Program for a full reclamation of many of its roads. The Town has postponed a certain section of Town which is known to have sewer infrastructure needs. A more in depth study of the sewer system is underway in anticipation of handling both the roads and sewer needs simultaneously.

The Town approved \$3,975,000 for a town-wide communication system used by public safety and public works personnel. The system was recently brought online and has greatly improved communication among emergency personnel.

The Town approved funds for various vehicles and equipment as follows: \$75,000 for an ambulance (to be reimbursed by the EMS Fund), \$600,000 for a new fire truck, \$150,000 for a pay-loader and \$300,000 for Board of Education computers.

Additionally, the Town approved \$3,998,400 for the replacement or reconstruction of the roofs at all three Town schools. The authorization was amended to include repairs to the Town Hall roof and clock tower and roof replacements at the Thomaston Public Library and Thomaston Fire Department.

### **Relevant Financial Position**

The Town's financial policies have been applied consistently with the prior year and had no notable current year effect on the financial statements. There were no developments at the State level that impacted the current year financial statements.

### **Awards and Acknowledgements**

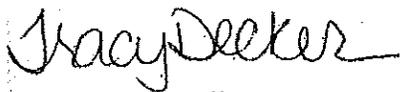
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Thomaston for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. This was the tenth consecutive year that the Town has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy 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 continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Finance Department continuously strives to enhance the quality and ensure the integrity of the financial information provided to elected officials and staff, as well as to the citizens of the Town of Thomaston. The Finance Department will continue pursuit of its goals: to provide the highest degree of public credibility and confidence in its operations; working to foster and maintain a local government environment which demonstrates fiscal accountability, efficiency, integrity, and stability; and of course, the overall strive towards excellence.

The preparation of this report would not have been possible without the dedicated service of the finance staff and the cooperation of Town departments. My sincerest appreciation is extended to all of the contributing staff members. We also appreciate the professional service and assistance rendered by CohnReznick LLP.

Respectfully submitted,

A handwritten signature in cursive script that reads "Tracy Decker".

Tracy A. Decker, CPA  
Finance Director

**TOWN OF THOMASTON, CONNECTICUT**

LIST OF PRINCIPAL OFFICIALS  
JUNE 30, 2014

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**BOARD OF SELECTMEN**

Edmond V. Mone, First Selectman  
Bruce J. Barrett Sr., Selectman  
Kristin Mosimann, Selectman

**BOARD OF FINANCE**

George Seabourne, Chairman  
Stephen R. Turner  
Frank A. Treglia  
Michael S. Madow  
David Bernagel  
Luke Freimuth

**TOWN DEPARTMENTS**

Kenneth C. Hopkins, Jr., Treasurer  
Tracy A. Decker, Finance Director  
Todd Bendtsen, School Business Manager  
David Ambrose, Tax Assessor  
Peggy K. Duffy, Tax Collector  
Francine Coss, Superintendent of Schools  
Glenn C. Clark, Superintendent of Highway  
Richard Tingle, Superintendent of W.P.C.A.  
Catherine P. Dupont, Town Clerk  
James L. Campbell, Jr., Chief of Police  
James O'Neil, Fire Chief  
Robert V. Norton, Sr., Fire Marshal  
Roger Natusch, Building Inspector  
Martin Egan, Park and Recreation Director

**AUDITORS**

CohnReznick LLP



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Thomaston  
Connecticut**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

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# Financial Section

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INDEPENDENT AUDITOR'S REPORT

Board of Finance  
Town of Thomaston, 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 Thomaston, Connecticut, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town'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.

*Auditor's 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 auditor's 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 auditor considers 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 Thomaston, Connecticut, as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the pension and other post-employment benefit schedules on pages 12 to 23 and pages 67 to 74, respectively, 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, who 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*

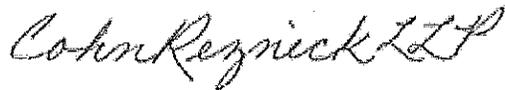
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Thomaston, Connecticut's basic financial statements. The introductory section, supplemental schedules and statistical section are presented for purposes of additional analysis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

The supplemental 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 supplemental schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

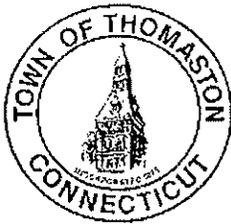
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2014, on our consideration of the Town of Thomaston, 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 Thomaston, Connecticut's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Cohn Reznick LLP".

Hartford, Connecticut  
December 4, 2014



**Town of Thomaston  
Finance Department  
158 Main Street  
Thomaston, Connecticut 06787  
(860) 283-9678**

**Management's Discussion and Analysis  
Year Ended June 30, 2014**

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As management of the Town of Thomaston, we offer readers of the Town of Thomaston's financial statements this narrative overview and analysis of the financial activities of the Town of Thomaston for the fiscal year ended June 30, 2014.

**Financial Highlights**

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$35,505,086 (*net position*). Of this amount, \$1,946,645 (*unrestricted net position*) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$1,092,021. The Town's total liabilities increased by \$1,534,115 due primarily to the issuance of debt for municipal building roofs, a fire truck, a pay-loader and school computers. This was offset by the net increase in total assets and deferred outflows of resources of \$2,626,136 due primarily to the new roofs at the Town's three schools and the installation of the Town-wide communication system.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$6,836,650, an increase of \$660,344 in comparison with the prior year. This increase is due primarily to the issuance of the long-term debt mentioned above offset by the expenditures for the roofs and communication system.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,890,109, an increase of \$188,671 in comparison with the prior year. This represents 11 percent of total general fund revenues.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Town of Thomaston'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.** One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The *statement of net position* and *statement of activities* report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

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* health or position of the Town is improving or deteriorating.

You will need to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's infrastructure, to assess the overall health of the Town.

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 occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements present the functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, public safety, public works, health and welfare, culture and recreation, housing and development and education.

**Fund financial statements.** The fund financial statements provide detailed information about the most significant funds, not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Town establishes many other funds to help it maintain control and manage money that has been segregated for specific activities or objectives. Funds are also established to ensure and demonstrate compliance with finance related legal requirements for using certain grants. All of the funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

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

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

The Town maintains 24 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general, debt service, small cities, capital or nonrecurring and the communication system funds, all of which are considered to be major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the combining statements in Schedules 4 and 5 of this report.

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

**Fiduciary funds.** The Town is the trustee, or fiduciary, for its employees' pension plan. It is also responsible for other assets that, because of a trust agreement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position (Exhibits G and H). We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's net pension liability and the progress in funding its obligation to provide pension and other post-employment benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found in Schedules 4 through 6 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position. The Town's combined net position increased by 3.2 percent from a year ago – increasing from \$34,413,065 to \$35,505,086.

By far the largest portion of the Town's net position (92.5 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets 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.

<b>Summary Statement of Net Position</b>		
	<b>2014</b>	<b>2013</b>
Current and other assets.....	\$ 11,020,497	\$ 12,992,795
Capital assets (net).....	63,349,378	58,722,208
<b>Total assets.....</b>	<b>74,369,875</b>	<b>71,715,003</b>
Total deferred outflows of resources.....	258,620	287,356
Long-term liabilities outstanding.....	33,923,136	29,911,035
Other liabilities.....	5,200,273	7,678,259
<b>Total liabilities.....</b>	<b>39,123,409</b>	<b>37,589,294</b>
<b>Net position:</b>		
Net investment in capital assets.....	32,848,325	32,134,289
Restricted.....	710,116	859,784
Unrestricted.....	1,946,645	1,418,992
<b>TOTAL NET POSITION.....</b>	<b>\$ 35,505,086</b>	<b>\$ 34,413,065</b>

A portion of the Town's net position (2.0 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (5.5 percent) may be used to meet the Town's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town is able to report a positive balance in all the categories of net position. The same situation held true for the prior fiscal year.

**Governmental activities.** Governmental activities increased the Town's net position by \$1,092,021. Key elements of this increase are as follows:

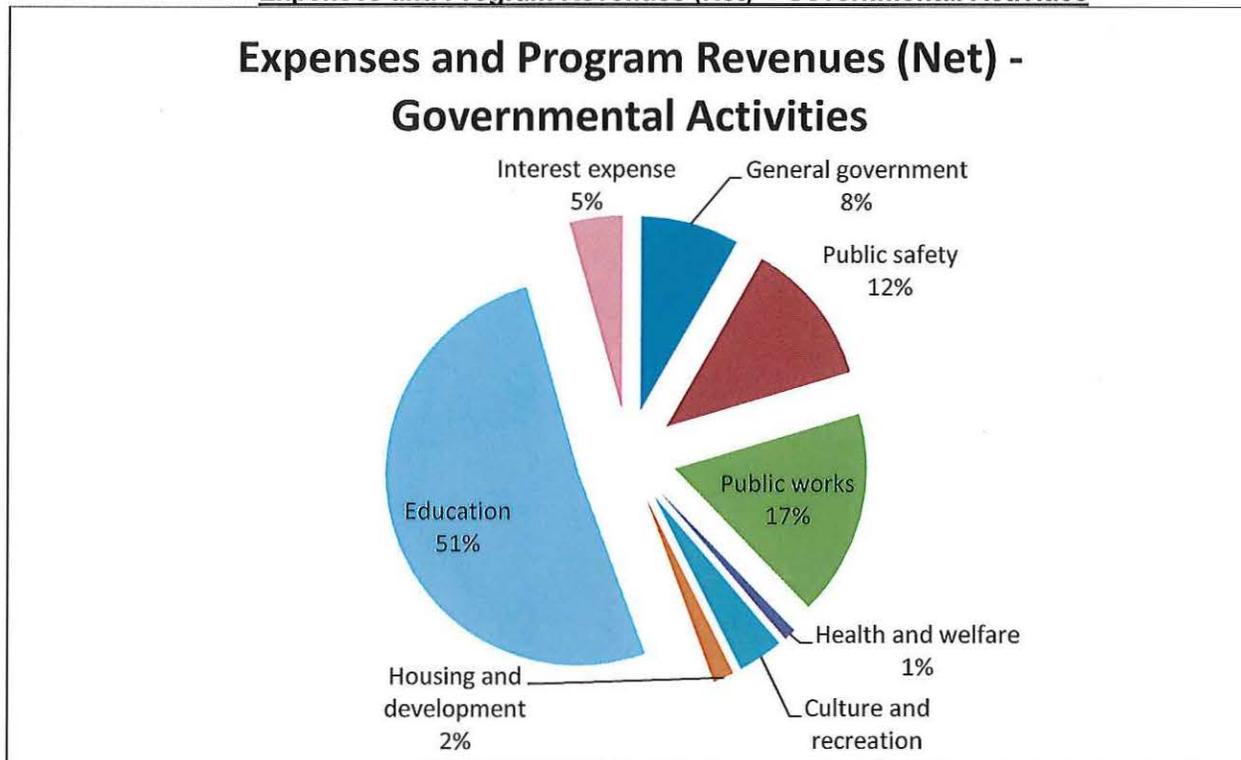
**Statement of Changes in Net Position**

	2014	2013
<b>REVENUES:</b>		
Program revenues:		
Charges for services.....	\$ 1,853,029	\$ 1,818,822
Operating grants and contributions.....	8,781,136	9,515,488
Capital grants and contributions.....	655,034	299,942
General revenues:		
Property taxes.....	18,118,289	17,679,388
Grants and contributions not restricted to specific programs.....	517,874	509,956
Investment income.....	64,153	47,706
Miscellaneous.....	31,362	71,174
<b>TOTAL REVENUES.....</b>	<b>30,020,877</b>	<b>29,942,476</b>
<b>EXPENSES:</b>		
General government.....	1,662,601	1,824,272
Public safety.....	2,817,840	2,425,896
Public works.....	4,523,074	4,590,427
Health and welfare.....	189,646	142,874
Culture and recreation.....	856,538	873,818
Housing and development.....	384,582	255,635
Education.....	17,715,754	18,236,951
Interest expense.....	778,821	695,454
<b>TOTAL EXPENSES.....</b>	<b>28,928,856</b>	<b>29,045,327</b>
<b>(INCREASE) DECREASE IN NET POSITION..</b>	<b>1,092,021</b>	<b>897,149</b>
<b>NET POSITION - JULY 1.....</b>	<b>34,413,065</b>	<b>33,515,916</b>
<b>NET POSITION - JUNE 30.....</b>	<b>\$ 35,505,086</b>	<b>\$ 34,413,065</b>

- Operating grants and contributions decreased by \$734,352 (7.7%) after a large increase in 2013 due to utility rebates earned as a result of the energy efficiency project. These funds were set aside to be used to pay down the debt associated with those energy upgrades.
- Capital grants and contributions increased by \$355,092 (118.4%) due to a \$500,000 STEAP grant for the new communication system.

- Property tax revenue increased by \$438,901 (2.4 %) due to increased levy and interest receivable.
- Public safety expenses increased by \$391,944 due to increases in post-employment benefit and compensated absences liabilities.
- Education expenses decreased \$521,197 due to the decreases in pension and compensated absences liabilities.

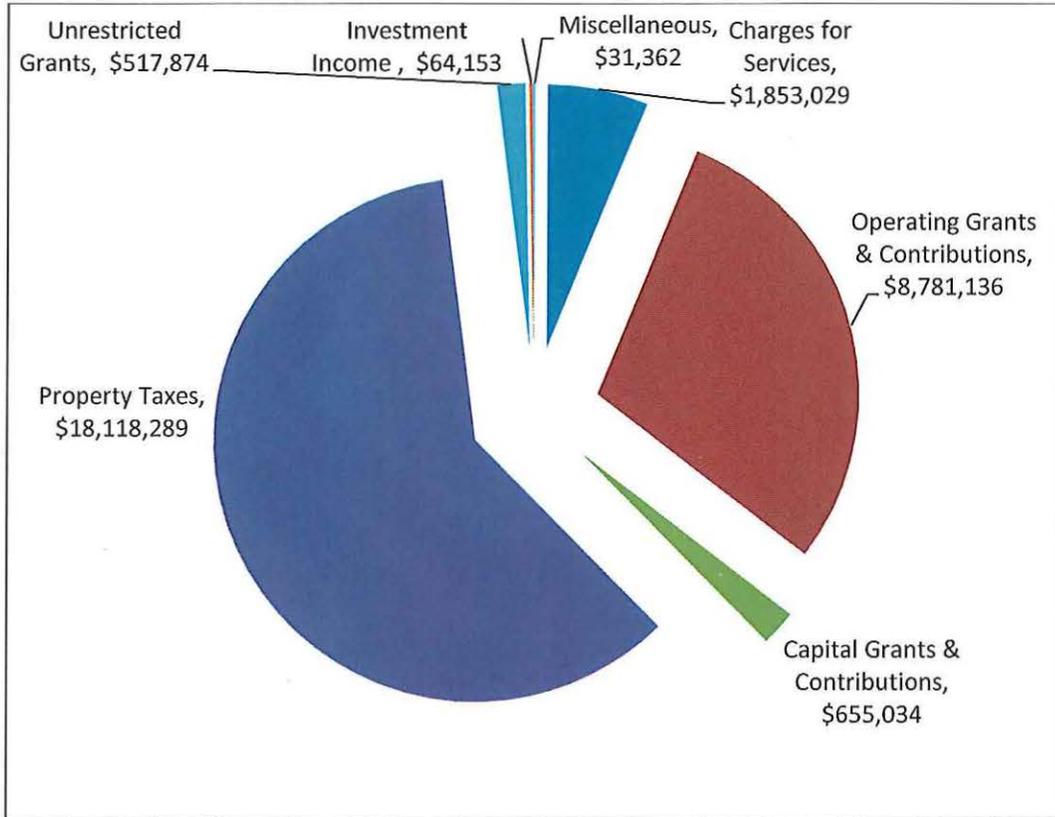
**Expenses and Program Revenues (Net) - Governmental Activities**



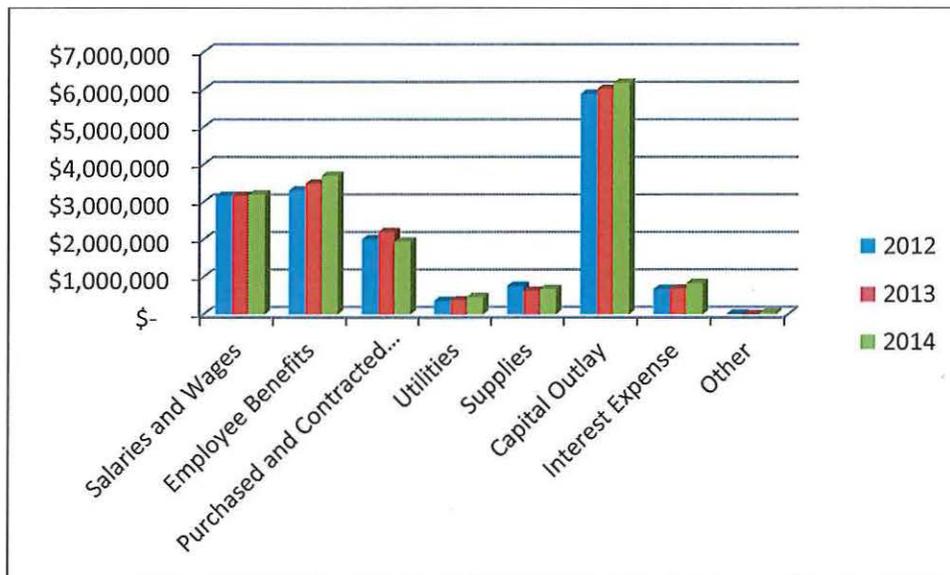
The above represents the percentage of net cost by function as presented in the Statement of Activities (Exhibit B). In most cases, the above chart represents the true cost of the departments because we have offset the costs by the revenues derived by those departments. For example, the net cost of Education of \$9,041,220 includes expenses of \$17,715,754 offset by charges for services of \$213,589, operating grants and contributions (including the Education Cost sharing grant) of \$8,445,024 and capital grants and contributions of \$15,921.

The Statement of Activities requires that we report capital grants, which often offset capital outlay and not operating expenses. Therefore, in this particular case, capital grants tend to distort the net costs in the Statement of Activities. Based on capital grants received in 2014, the net costs above are understated by \$500,000 in Public Safety for an infrastructure grant (STEAP) which was charged to Capital Outlay.

**Revenues by Source - Governmental Activities**



The chart above reflects the sources of revenue for 2014, which provide the services the taxpayers of Thomaston receive. Property taxes of \$18,118,289 (60.4 percent) is the major source of revenue, followed by operating grants and contributions of \$8,781,136 (29.2 percent) and charges for services of \$1,853,029 (6.2 percent). The remaining \$1,268,423 (4.2 percent) is made up of capital grants, unrestricted grants and contributions, investment income, and miscellaneous income.



The above chart was derived directly from the classification of expenses in the Town's chart of accounts on a government-wide basis excluding the Board of Education operating budget and the education grant fund for fiscal years 2014, 2013 and 2012. The overall trend is level spending. The increase in capital outlay is due to the ongoing multi-year road rehabilitation program, a new communication system and new roofs at the Town's three schools.

Capital outlay includes construction, building improvements, improvements to roads and other infrastructure assets, vehicles and machinery and equipment purchases. Purchased and contracted services include professional and technical services such as data processing, legal fees, repairs and maintenance, water, telephone, advertising, dues and rental of equipment. Supplies include general supplies, postage, gas, diesel and oil, sand and salt and other infrastructure materials.

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$6,836,650. GASB 54 requires that fund balance be reported in one of five categories: nonspendable, restricted, committed, assigned or unassigned. The Town has a nonspendable balance of \$1,279,423 because it has been reserved as loans to residents and commercial businesses under the Federal Small Cities Economic Development Program (\$1,079,223) and to generate income to pay for the perpetual care of Kenea Park and the municipal cemetery and to generate income for various projects at the Fire Department (\$200,200). \$509,916 has been restricted, \$827,605 has been committed and \$1,336,043 has been assigned, leaving a balance of \$2,883,663 as unassigned.

The total fund balances increased by \$660,344 to a total of \$6,836,650. This increase is due primarily to the issuance of the long-term debt mentioned above offset by the expenditures for the roofs and communication system.

The general fund is the operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,890,109. As a measure of the general fund's liquidity, it is useful to compare unassigned fund balance to total fund revenue. Unassigned fund balance represents 10.81 percent of total general fund revenues.

The fund balance of the Town's general fund increased \$123,671 during the current fiscal year. The Town had budgeted the use of prior year fund balance of \$315,000 to balance the fiscal 2013-2014 budget, but these key factors defray the use of fund balance and contributed toward a fiscal year end surplus:

- Total revenue exceeded estimates by \$558,144 primarily in property tax revenue, which exceeded estimates by \$436,313 due to higher than budgeted collection rate and intergovernmental revenue, which exceeded the budget by \$114,228 due to the unbudgeted Town Aid Road related municipal grant in aid grant received. Additionally, expenditures came in \$86,181 less than anticipated primarily in general government expenditures.
- The largest contributing departments/line items were in legal and solid waste and recycling.

A comparative analysis of the general fund (GAAP basis) is shown below.

**TOWN OF THOMASTON  
GENERAL FUND**

	2014	2013	Increase (Decrease)
<b>REVENUES:</b>			
Property taxes.....	\$ 18,134,271	\$ 17,943,306	\$ 190,965
Charges for services.....	266,698	244,676	22,022
Intergovernmental.....	8,298,939	8,104,930	194,009
Income from investments.....	6,208	5,262	946
Other.....	31,062	21,345	9,717
<b>TOTAL REVENUES.....</b>	<b>26,737,178</b>	<b>26,319,519</b>	<b>417,659</b>
<b>EXPENDITURES:</b>			
General government.....	3,494,547	3,278,391	216,156
Public safety.....	1,522,893	1,475,432	47,461
Public works.....	1,637,099	1,434,937	202,162
Health and welfare.....	81,645	61,061	20,584
Culture and recreation.....	407,406	398,610	8,796
Housing and development.....	108,882	93,670	15,212
Education.....	15,838,445	15,702,579	135,866
Debt service.....	-	8,500	(8,500)
Capital outlay.....	-	18,491	(18,491)
<b>TOTAL EXPENDITURES.....</b>	<b>23,090,917</b>	<b>22,471,671</b>	<b>619,246</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES..</b>	<b>3,646,261</b>	<b>3,847,848</b>	<b>(201,587)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer in.....	15,000	20,310	(5,310)
Transfer out.....	(3,537,590)	(3,177,031)	(360,559)
<b>NET OTHER FINANCING SOURCES (USES).....</b>	<b>(3,522,590)</b>	<b>(3,156,721)</b>	<b>(365,869)</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>\$ 123,671</b>	<b>\$ 691,127</b>	<b>\$ (567,456)</b>

- Intergovernmental revenue increased by \$194,009 due to the additional funding from the grant related to the Town Aid Road grant (municipal grant in aid) received during the year.
- General government expenditures increased due to an increase in pension and retiree medical costs.
- Public works expenditures increased due to additional spending for salt and ice over the winter and for road resurfacing paid for with Town Aid Road funds.

**Debt Service Fund.** This fund accounts for financial resources to be used for current and future principal and interest payments for long-term debt. As part of the Town's Capital improvement policy, the Town committed to funding a minimum annual appropriation of \$2,800,000 into Debt Service to minimize a mill rate impact of an expected significant increase in debt service in future budget years. The assigned fund balance as of June 30, 2014 is \$1,086,043.

**Small Cities Fund.** The Small Cities fund provides residential loan assistance and commercial economic development loans to qualifying citizens and town businesses. The Town started receiving Federal funds for this program in 1985. The Small Cities funded activities must meet one of three national objectives: (1) benefit low and moderate income persons; (2) aid in the prevention or elimination of slums or blight; or (3) meet community development needs having a particular urgency. The Town provided new residential loans in the amount of \$109,054 and received back \$88,188 in loan principal repayments. The total loan balance at June 30, 2014 was \$979,223 (net of an allowance for uncollectible loans). Restricted fund balance of \$183,242 is available for future loan assistance.

**Capital or Nonrecurring Fund.** This fund accounts for the financial revenues including resources from borrowing to be used for major capital asset construction and/or purchases and items, which are reserved for special purposes. There are sixty-four separate projects, a summary of which can be found in Note II.F. of the notes to financial statements. The capital projects fund's expenditures exceeded its revenue and other financing sources by \$1,877,491, primarily due to the cost of re-roofing the Town's three schools and completion of the town-wide communication system that were funded in the prior year.

**Communications System Fund.** This fund accounts for the purchase and construction of a Town-wide communication system used by emergency personnel (police, fire and ambulance) and other town departments. The Town received a \$500,000 STEAP grant from the State of Connecticut and the balance of the cost was bonded by the Town. Construction of new towers began in 2012 and the final radios were installed in the fall of 2014.

**General Fund Budgetary Highlights**

There was an additional appropriation during the year of \$5,321 from the sale of vehicles and other equipment at auction and \$205,654 use of fund balance to eliminate the amount due from the Thomaston Opera House.

Transfers from contingency of \$100,000 were made during the year as follows:

- \$18,538 for salary and benefit increase due to the ratification of the White Collar union contract.
- \$26,789 for soil remediation at the Thomaston Fire Department.
- \$8,107 transferred to Capital Non-recurring for repairs to the Thomaston Public Library.
- \$9,925 transferred to Capital Non-recurring for CMED radios for Thomaston Volunteer Ambulance Corp.
- \$36,641 to help defray year end overruns in the Snow & Ice Removal budget.

The following summarizes the year end overruns and the budgets that were used to defray those overages:

<u>Overrun:</u>		<u>Funded by:</u>	
Board of Selectmen	\$ 1,134	Independent Audit	\$ 4,142
Tax Assessor	1,527	Medical/Life Insurance	45,220
Fire Marshal	614	Retiree Medical/Life Insurance	13,295
Ambulance	812	Insurance	22,210
Social Services	19	Contingency	36,641
Economic Development Commission	36	Police	38,274
Town Hall Operations & Maintenance	10,983	Solid Waste & Recycling	12,426
Pension	11,765		<u>\$ 172,208</u>
Fire Protection	13,211		
Animal Control	4,752		
Recreation	5,061		
Nystroms Park	2,587		
Public Library	10,156		
Communications & Dispatch	33,460		
Highways and Streets	21,813		
Snow & Ice Removal	54,278		
	<u>\$ 172,208</u>		

**Capital Assets and Debt Administration**

**Capital assets.** The Town's investment in capital assets for its governmental type activities as of June 30, 2014, amounts to \$63,349,378 (net of accumulated depreciation). This investment in capital assets includes land, buildings, land improvements, vehicles, machinery and equipment, sewer lines, roads, bridges, sidewalks and system storm drains. The total increase in the Town's investment in capital assets for the current fiscal year was \$4,627,170 (7.88%). This increase is largely due to the town-wide communication system and new roofs at the Town's three schools. Only those assets which cost \$5,000 or more with a useful life exceeding one year are capitalized. Assets costing less than \$5,000 are expensed.

<b>Town of Thomaston Capital Assets - Net</b>		
	<b>2014</b>	<b>2013</b>
Land.....	\$ 1,315,620	\$ 1,315,620
Construction in progress.....	5,930,141	5,567,410
Buildings.....	32,262,489	28,307,747
Land improvements.....	467,606	494,887
Machinery and equipment.....	3,153,020	3,456,952
Intangible assets.....	6,041	8,459
Vehicles.....	806,679	908,069
Infrastructure.....	19,407,782	18,663,064
<b>TOTAL.....</b>	<b>\$ 63,349,378</b>	<b>\$ 58,722,208</b>

Major capital asset events during the current fiscal year included the following:

- The second phase of the Multi-Year Road Reconstruction Program included reclamation and reconstruction of Carter Road, Patricia Lane, Electric Avenue, Stoughton Street, Meadow Street and North Main Street. Total costs of roads capitalized were \$1,169,135.
- The upgrades to Town buildings to improve energy efficiency were completed and capitalized with a total cost of \$3,003,266.
- The Town's three schools received new roofs and roofing work was started on the Town Hall and Library roofs. Total costs capitalized were \$1,634,534 and construction in progress totaled \$1,596,962.
- The Board of Education purchased and capitalized Learnpads and laptops totaling \$34,614.
- The Opera House Commission received approval for a Historic Preservation matching grant not to exceed \$50,000 to remove a production booth and upgrade lighting and electrical in the Opera House. Total construction in progress was \$116,616.
- Construction in progress for the Town-wide Communication system was increased by \$1,245,129 to \$3,490,780.
- Additional items recorded as construction in progress include deposits for an ambulance (\$20,391) and a fire truck (\$298,730) and the initial costs for the reconstruction of the Walnut Hill Bridge (\$2,718).

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

**Long-term debt.** At the end of the current fiscal year, the Town had total bonded debt outstanding of \$19,520,000. All debt is backed by the full faith and credit of the Town. The remainder of the Town's debt represents notes totaling \$3,566,374 funded by the State of Connecticut Clean Water Fund, bond anticipation notes which were permanently financed on November 6, 2014 and unamortized bond premium of \$608,756.

**TOWN OF THOMASTON'S OUTSTANDING DEBT  
LONG-TERM OBLIGATIONS**

	2014	2013
General obligation bonds.....	\$ 19,520,000	\$ 21,290,000
Notes.....	3,566,374	4,100,821
Bond anticipation notes.....	6,025,000	
Bond premium.....	608,756	664,948
<b>Total.....</b>	<b>\$ 29,720,130</b>	<b>\$ 26,055,769</b>

On October 16, 2014, Standard & Poor's assigned ratings of AA and SP-1 to the Town's general obligation bonds and bond anticipation notes, respectively, and affirmed its AA long-term rating on the Town's parity debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total tax collections including interest and lien fees and the tax relief for elderly freeze grant. The current debt limitation for the Town is \$126,610,372, which is significantly in excess of the Town's outstanding general obligation debt.

On May 9, 2014, the Town issued \$7,200,000 of short-term bond anticipation notes for a Town-wide communication system (\$3,799,000), municipal building roofs (\$2,250,000), a fire truck (\$600,000), Board of Education computers (\$300,000), a pay-loader (\$150,000) and the balance borrowed on behalf of the Thomaston Volunteer Ambulance Corp for ambulances (\$101,000).

On November 6, 2014, the Town issued \$6,025,000 General Obligation Bonds for the Town-wide communication system (\$3,475,000), the municipal building roofs (\$2,250,000) and computers for the Board of Education (\$300,000) and \$795,000 of bond anticipation notes for a fire truck (\$600,000), a pay-loader (\$145,000) and the balance on behalf of the Thomaston Volunteer Ambulance Corp for an ambulance (\$50,000).

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

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

- The unemployment rate for the Town is currently 5.8%, which is a decrease from a rate of 8.0% a year ago. The Town's rate is favorable compared to the State rate of 6.7% and the Hartford Labor Market rate of 6.5%. While Connecticut is still in line with the national average of 6.1%, the overall market has not seen significant upward movement and unemployment rates are expected to stay elevated through 2015.
- The Town is under even greater fiscal pressure from voter opposition in the tax levy. Voter opposition remains regardless of the fact that the Town has no control over its significant revenue sources other than property taxes. The Town faces cost increases from contractual obligations as well as fixed costs, and failed budgets will only result in loss of services, personnel and infrastructure improvements.
- Recently the Town negotiated and settled the Police Union contract. The union agreed to switch to a High Deductible Health Plan with a Health Savings account for health insurance.

These factors were considered in preparing the Town's budget for the 2014-2015 fiscal year.

**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 Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Tracy Decker, CPA, Town of Thomaston, CT 158 Main Street, Thomaston, CT. 06787.

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# Basic Financial Statements

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TOWN OF THOMASTON, CONNECTICUT

STATEMENT OF NET POSITION  
GOVERNMENTAL ACTIVITIES  
JUNE 30, 2014

<u>ASSETS</u>	
Current assets:	
Cash.....	\$ 1,538,371
Investments.....	6,133,786
Receivables:	
Property taxes.....	340,666
Assessments/use charges.....	136,250
Loans.....	114,584
Intergovernmental.....	286,606
Notes.....	114,916
Other assets.....	<u>24,343</u>
Total Current assets.....	<u>8,689,522</u>
Noncurrent assets:	
Restricted assets:	
Temporarily restricted:	
Investments.....	85,072
Permanently restricted:	
Investments.....	<u>200,200</u>
Total Restricted assets.....	<u>285,272</u>
Receivables (net):	
Property taxes.....	376,372
Assessments/use charges.....	153,644
Loans.....	864,639
Intergovernmental.....	593,670
Notes.....	<u>57,378</u>
Total Receivables (net).....	<u>2,045,703</u>
Capital assets (net of accumulated depreciation):	
Land.....	1,315,620
Construction in progress.....	5,930,141
Buildings.....	32,262,489
Land improvements.....	467,606
Machinery and equipment.....	3,153,020
Intangible assets.....	6,041
Vehicles.....	806,679
Infrastructure.....	<u>19,407,782</u>
Total Capital assets (net of accumulated depreciation).....	<u>63,349,378</u>
Total Noncurrent assets.....	<u>65,680,353</u>
TOTAL ASSETS.....	<u>74,369,875</u>

(Continued)

TOWN OF THOMASTON, CONNECTICUT

STATEMENT OF NET POSITION  
GOVERNMENTAL ACTIVITIES  
JUNE 30, 2014

DEFERRED OUTFLOWS OF RESOURCES

Deferred charge on refunding.....	\$ 258,620
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LIABILITIES

Current liabilities:

Accounts payable.....	1,063,817
Accrued payroll.....	100,872
Accrued interest payable.....	167,713
Unearned revenue.....	74,609
Bond anticipation notes.....	1,175,000
Bonds and notes payable.....	2,270,234
Capital lease payable.....	60,363
Compensated absences.....	172,919
Other liabilities.....	114,746

Total Current liabilities.....	<u>5,200,273</u>
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Noncurrent liabilities:

Bonds and notes payable and related liabilities.....	27,449,896
Capital lease payable.....	24,527
Net pension and OPEB obligations.....	5,363,252
Compensated absences.....	979,871
Other liabilities.....	105,590

Total Noncurrent liabilities.....	<u>33,923,136</u>
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TOTAL LIABILITIES.....	<u>39,123,409</u>
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NET POSITION

Net investment in capital assets.....	32,848,325
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Restricted for:

Endowments:

Nonexpendable.....	95,700
Expendable.....	13,502

Perpetual Care:

Nonexpendable.....	104,500
Expendable.....	71,570

Public safety.....	38,365
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Housing and development.....	183,242
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Debt service.....	177,277
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Other.....	25,960
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Unrestricted.....	<u>1,946,645</u>
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TOTAL NET POSITION.....	<u>\$ 35,505,086</u>
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(Concluded)

See Notes to Financial Statements.

TOWN OF THOMASTON, CONNECTICUT

STATEMENT OF ACTIVITIES  
GOVERNMENTAL ACTIVITIES  
YEAR ENDED JUNE 30, 2014

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET EXPENSES AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
General government.....	\$ 1,662,601	\$ 143,897	\$ 12,026	\$ 55,084	\$ (1,451,594)
Public safety.....	2,817,840	158,884	98	511,272	(2,147,586)
Public works.....	4,523,074	1,216,145	254,640		(3,052,289)
Health and welfare.....	189,646	444	12,912		(176,290)
Culture and recreation.....	856,538	50,645	54,579	72,757	(678,557)
Housing and development.....	384,582	69,425	1,857		(313,300)
Education.....	17,715,754	213,589	8,445,024	15,921	(9,041,220)
Interest expense.....	778,821				(778,821)
<b>TOTAL.....</b>	<b>\$ 28,928,856</b>	<b>\$ 1,853,029</b>	<b>\$ 8,781,136</b>	<b>\$ 655,034</b>	<b>\$ (17,639,657)</b>
GENERAL REVENUES:					
Property taxes.....					\$ 18,118,289
Grants and contributions not restricted to specific programs.....					517,874
Investment income.....					64,153
Miscellaneous.....					31,362
<b>TOTAL GENERAL REVENUES.....</b>					<b>18,731,678</b>
<b>CHANGE IN NET POSITION.....</b>					<b>1,092,021</b>
<b>NET POSITION - JULY 1, 2013.....</b>					<b>34,413,065</b>
<b>NET POSITION - JUNE 30, 2014.....</b>					<b>\$ 35,505,086</b>

TOWN OF THOMASTON, CONNECTICUT

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2014

	GENERAL	DEBT SERVICE	SMALL CITIES	CAPITAL OR NONRECURRING	COMMUNICATION SYSTEM	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>							
Cash.....	\$ 641,545	\$	\$ 284,322	\$	\$	\$ 612,504	\$ 1,538,371
Investments.....	5,141,794	8,132		36,821		1,232,311	6,419,058
Receivables, net:							
Property taxes.....	639,367						639,367
Assessments/use charges.....						227,256	227,256
Loans.....			979,223				979,223
Intergovernmental.....	54,334			51,384		18,829	124,547
Other.....	88,452					26,464	114,916
Due from other funds.....	601,516	1,178,911		959,288	808,220	45,889	3,593,824
Other assets.....	8,142					16,201	24,343
<b>TOTAL ASSETS.....</b>	<b>\$ 7,175,150</b>	<b>\$ 1,187,043</b>	<b>\$ 1,263,545</b>	<b>\$ 1,047,493</b>	<b>\$ 808,220</b>	<b>\$ 2,179,454</b>	<b>\$ 13,660,905</b>
<u>LIABILITIES</u>							
Accounts payable.....	\$ 378,064	\$	\$ 1,080	\$ 300,372	\$ 321,865	\$ 62,436	\$ 1,063,817
Accrued payroll.....	92,742					8,130	100,872
Due to other funds.....	2,964,704					629,120	3,593,824
Unearned revenue.....						74,609	74,609
Bond anticipation notes.....		101,000		750,000	324,000		1,175,000
<b>TOTAL LIABILITIES.....</b>	<b>3,435,510</b>	<b>101,000</b>	<b>1,080</b>	<b>1,050,372</b>	<b>645,865</b>	<b>774,295</b>	<b>6,008,122</b>
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Unavailable revenue - property taxes.....	542,153						542,153
Unavailable revenue - sewer charges.....	57,378					216,602	273,980
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>599,531</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>216,602</b>	<b>816,133</b>
<u>FUND BALANCES</u>							
Nonspendable.....			1,079,223			200,200	1,279,423
Restricted.....			183,242			326,674	509,916
Committed.....					162,355	768,609	930,964
Assigned.....	250,000	1,086,043					1,336,043
Unassigned.....	2,890,109			(2,879)		(106,926)	2,780,304
<b>TOTAL FUND BALANCES.....</b>	<b>3,140,109</b>	<b>1,086,043</b>	<b>1,262,465</b>	<b>(2,879)</b>	<b>162,355</b>	<b>1,188,557</b>	<b>6,836,650</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 7,175,150</b>	<b>\$ 1,187,043</b>	<b>\$ 1,263,545</b>	<b>\$ 1,047,493</b>	<b>\$ 808,220</b>	<b>\$ 2,179,454</b>	<b>\$ 13,660,905</b>

**TOWN OF THOMASTON, CONNECTICUT**

RECONCILIATION OF FUND BALANCE  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2014

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION (EXHIBIT A) ARE DIFFERENT FROM THE GOVERNMENTAL FUND BALANCE SHEET. THE DETAILS OF THIS DIFFERENCE ARE AS FOLLOWS:

TOTAL FUND BALANCE (EXHIBIT C, PAGE 1).....	\$	6,836,650
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CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL RESOURCES AND, THEREFORE, ARE NOT REPORTED IN THE FUNDS:

Beginning capital assets.....		58,722,208
Current year additions (net of construction in progress).....		6,258,365
Depreciation expense.....		(1,624,875)
Disposal of assets.....		(6,320)

OTHER LONG-TERM ASSETS ARE NOT AVAILABLE AND, THEREFORE, ARE NOT REPORTED IN THE FUNDS:

Property tax, sewer use and sewer assessment interest and lien accrual.....		447,309
School building grant receivable.....		755,729
Notes receivable.....		57,378
Allowance for doubtful accounts.....		(307,000)

OTHER LONG-TERM ASSETS ARE NOT AVAILABLE TO PAY FOR CURRENT PERIOD EXPENDITURES AND, THEREFORE, ARE UNAVAILABLE IN THE FUNDS:

Property tax, sewer use and sewer assessment receivable - accrual basis change.....		816,133
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SOME LIABILITIES, INCLUDING BONDS PAYABLE, ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND, THEREFORE, ARE NOT REPORTED IN THE FUNDS:

Bonds and notes payable.....		(29,111,374)
Bond premium.....		(608,756)
Deferred charge.....		258,620
Capital lease payable.....		(84,890)
Net pension / OPEB obligations.....		(5,363,252)
Compensated absences.....		(1,152,790)
Other liabilities.....		(220,336)
Accrued interest payable.....		(167,713)

NET POSITION OF GOVERNMENTAL ACTIVITIES.....	\$	<u>35,505,086</u>
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(Concluded)

See Notes to Financial Statements.

## TOWN OF THOMASTON, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

	GENERAL	DEBT SERVICE	SMALL CITIES	CAPITAL OR NONRECURRING	COMMUNICATION SYSTEM	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>							
Property taxes.....	\$ 18,134,271	\$	\$	\$	\$	\$	\$ 18,134,271
Charges for services.....	266,698		130	26,653		1,570,782	1,864,263
Intergovernmental.....	8,298,939		1,857	53,508	500,000	1,169,451	10,023,755
Contributions.....				31,805		77,208	109,013
Income from investments.....	6,208	417	323	55		12,141	19,144
Net change in fair value of investments.....						45,009	45,009
Other.....	31,062					299	31,361
<b>TOTAL REVENUES.....</b>	<b>26,737,178</b>	<b>417</b>	<b>2,310</b>	<b>112,021</b>	<b>500,000</b>	<b>2,874,890</b>	<b>30,226,816</b>
<b>EXPENDITURES:</b>							
Current:							
General government.....	3,494,547			13,852		8,922	3,517,321
Public safety.....	1,522,893			26,132		13,431	1,562,456
Public works.....	1,637,099			60,998		1,301,922	3,000,019
Health and welfare.....	81,645					69,339	150,984
Culture and recreation.....	407,406			9,710		87,082	504,198
Housing and development.....	108,882		162,553	23,280			294,715
Education.....	15,838,445			5,805		1,336,812	17,181,062
Debt service.....		3,160,623		28,198			3,188,821
Capital outlay.....				4,639,879	1,566,994	51,492	6,258,365
<b>TOTAL EXPENDITURES.....</b>	<b>23,090,917</b>	<b>3,160,623</b>	<b>162,553</b>	<b>4,807,854</b>	<b>1,566,994</b>	<b>2,869,000</b>	<b>35,657,941</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....</b>	<b>3,646,261</b>	<b>(3,160,206)</b>	<b>(160,243)</b>	<b>(4,695,833)</b>	<b>(1,066,994)</b>	<b>5,890</b>	<b>(5,431,125)</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Capital lease.....				54,085			54,085
Issuance of bonds (BANS).....				2,550,000	3,475,000		6,025,000
BAN premiums.....		12,384					12,384
Transfers in.....	15,000	3,085,813		214,257		364,773	3,679,843
Transfers out.....	(3,537,590)					(142,253)	(3,679,843)
<b>NET OTHER FINANCING SOURCES (USES).....</b>	<b>(3,522,590)</b>	<b>3,098,197</b>	<b>-</b>	<b>2,818,342</b>	<b>3,475,000</b>	<b>222,520</b>	<b>6,091,469</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>123,671</b>	<b>(62,009)</b>	<b>(160,243)</b>	<b>(1,877,491)</b>	<b>2,408,006</b>	<b>228,410</b>	<b>660,344</b>
<b>FUND BALANCES - JULY 1, 2013.....</b>	<b>3,016,438</b>	<b>1,148,052</b>	<b>1,422,708</b>	<b>1,874,612</b>	<b>(2,245,651)</b>	<b>960,147</b>	<b>6,176,306</b>
<b>FUND BALANCES - JUNE 30, 2014.....</b>	<b>\$ 3,140,109</b>	<b>\$ 1,086,043</b>	<b>\$ 1,262,465</b>	<b>\$ (2,879)</b>	<b>\$ 162,355</b>	<b>\$ 1,188,557</b>	<b>\$ 6,836,650</b>

TOWN OF THOMASTON, CONNECTICUT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2014

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES  
(EXHIBIT B) ARE DUE TO:

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS (EXHIBIT D)..... \$ 660,344

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlay.....	6,258,365
Depreciation expense.....	<u>(1,624,875)</u>
 Total .....	 <u>4,633,490</u>

The net effect of various miscellaneous transactions involving capital assets (i. e., sales, trade-ins and donations) is to increase net position. In the Statement of Activities, only the *loss* on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.

Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold... (6,320)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

School building grant receipts.....	(178,723)
Notes receivable.....	(8,868)
Change in property tax, sewer use and sewer assessment receivable - accrual basis change.....	(59,949)
Change in property tax, sewer use and sewer assessment interest and lien revenue.....	16,601
Change in property tax and sewer use allowance for doubtful accounts.....	<u>25,000</u>
 Total .....	 <u>(205,939)</u>

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. The details of these differences in the treatment of long-term debt and related items are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds (BANs).....	(6,025,000)
Capital lease.....	(54,085)
Principal repayments:	
General obligation bonds.....	1,770,000
Notes payable.....	534,447
Capital lease.....	<u>60,315</u>
 Total .....	 <u>(3,714,323)</u>

(Continued)

**TOWN OF THOMASTON, CONNECTICUT**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2014

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 bond premium.....	\$ 56,192
Net pension obligation.....	195,658
Net OPEB obligation.....	(843,215)
Compensated absences.....	138,138
Remediation liability.....	102,000
Termination benefits.....	99,334
Accrued interest payable.....	5,398
Amortization of deferred charges.....	<u>(28,736)</u>
Total .....	<u>(275,231)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (EXHIBIT B) .....	<u>\$ 1,092,021</u>

(Concluded)

See Notes to Financial Statements.

TOWN OF THOMASTON, CONNECTICUT

GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>REVENUES:</b>				
Property taxes.....	\$ 17,697,958	\$ 17,697,958	\$ 18,134,271	\$ 436,313
Charges for services.....	248,160	248,160	266,698	18,538
Intergovernmental.....	6,596,146	6,596,146	6,710,374	114,228
Income from investments.....	25,000	25,000	6,208	(18,792)
Other.....	17,884	23,205	31,062	7,857
<b>TOTAL REVENUES.....</b>	<b>24,585,148</b>	<b>24,590,469</b>	<b>25,148,613</b>	<b>558,144</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	3,699,406	3,543,051	3,494,547	48,504
Public safety.....	1,481,332	1,525,043	1,522,893	2,150
Public works.....	1,594,732	1,661,371	1,637,099	24,272
Health and welfare.....	86,029	86,048	81,645	4,403
Culture and recreation.....	383,193	407,406	407,406	-
Housing and development.....	114,897	115,734	108,882	6,852
Education.....	14,249,880	14,249,880	14,249,880	-
<b>TOTAL EXPENDITURES.....</b>	<b>21,609,469</b>	<b>21,588,533</b>	<b>21,502,352</b>	<b>86,181</b>
<b>EXCESS ( DEFICIENCY ) OF REVENUES OVER EXPENDITURES.....</b>	<b>2,975,679</b>	<b>3,001,936</b>	<b>3,646,261</b>	<b>644,325</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Appropriation of fund balance.....	315,000	520,654		(520,654)
Transfers in.....	15,000	15,000	15,000	-
Transfers out.....	(3,305,679)	(3,537,590)	(3,537,590)	-
<b>NET OTHER FINANCING SOURCES (USES).....</b>	<b>(2,975,679)</b>	<b>(3,001,936)</b>	<b>(3,522,590)</b>	<b>(520,654)</b>
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>123,671</b>	<b>\$ 123,671</b>
<b>FUND BALANCE - JULY 1, 2013.....</b>			<b>3,016,438</b>	
<b>FUND BALANCE - JUNE 30, 2014.....</b>			<b>\$ 3,140,109</b>	

See Notes to Financial Statements.

TOWN OF THOMASTON, CONNECTICUTSTATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2014

	PENSION TRUST FUND	OTHER POST- EMPLOYMENT BENEFITS TRUST FUND	PRIVATE- PURPOSE TRUST FUNDS	AGENCY FUNDS
<u>ASSETS</u>				
Cash.....	\$	\$	\$ 1,264	\$ 269,679
Investments:				
Certificates of Deposit.....			6,618	4,242
Mutual Funds:				
Money Market Funds.....	277,106	459		
Equity.....	8,799,683	91,605		
Bonds.....	5,215,761	54,419		
Total Investments.....	14,292,550	146,483	6,618	4,242
Interest receivable.....	20,410	87		
TOTAL ASSETS.....	14,312,960	146,570	7,882	273,921
<u>LIABILITY</u>				
Accounts payable.....	15,275	125		273,921
<u>NET POSITION</u>				
NET POSITION HELD IN TRUST FOR PENSION BENEFITS AND OTHER POST-EMPLOYMENT BENEFITS AND OTHER PURPOSES.....	\$ 14,297,685	\$ 146,445	\$ 7,882	\$ -

See Notes to Financial Statements.

TOWN OF THOMASTON, CONNECTICUTSTATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2014

	PENSION TRUST FUND	OTHER POST- EMPLOYMENT BENEFITS TRUST FUND	PRIVATE- PURPOSE TRUST FUNDS
<b>ADDITIONS:</b>			
Contributions:			
Employer.....	\$ 924,999	\$ 652,571	\$
Employees.....	153,778		
Total contributions.....	1,078,777	652,571	-
Investment income (loss):			
Net change in fair value of investments.....	1,650,062	15,659	
Interest and dividends.....	285,800	3,191	28
Total investment income (loss).....	1,935,862	18,850	28
Less investment expenses.....	33,298	331	
Net investment income (loss).....	1,902,564	18,519	28
TOTAL ADDITIONS.....	2,981,341	671,090	28
<b>DEDUCTIONS:</b>			
Benefits.....	1,059,644	617,571	
Administration.....	31,839	626	
Awards.....			100
TOTAL DEDUCTIONS.....	1,091,483	618,197	100
CHANGES IN NET POSITION.....	1,889,858	52,893	(72)
NET POSITION - JULY 1, 2013.....	12,407,827	93,552	7,954
NET POSITION - JUNE 30, 2014.....	\$ 14,297,685	\$ 146,445	\$ 7,882

See Notes to Financial Statements.

**TOWN OF THOMASTON, CONNECTICUT**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**HISTORY AND ORGANIZATION**

The Town of Thomaston, Connecticut (the "Town") was incorporated July 6, 1875, and operates under the provisions of the General Statutes of the State of Connecticut. The legislative power of the Town is vested in a Board of Selectmen and the Town Meeting. The Town provides the following services: Public Safety (police, fire and ambulance), Public Works (streets and solid waste), Public Health and Welfare, Culture and Recreation (parks, programs and public library), Housing and Development (building and land use) and Education encompassing grades PreK-12.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****A. 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. *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. *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 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.

**B. 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 fiduciary fund financial statements. Agency funds do not have a measurement focus, but are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

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. Tax 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 tax revenues to be available if they are collected within 30 days of the end of the current fiscal period. For reimbursement grants, the Town considers revenues to be available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes, expenditure reimbursement type grants, certain intergovernmental revenues, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

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

The *Debt Service Fund* accounts for the accumulation of resources for, and the payment of, long-term debt, principal, interest and related costs.

The *Small Cities Fund* accounts for the revolving loans for commercial and residential use under the Federal program administered by the Department of Economic and Community Development. Revenue consists of interest due on loan repayments and investment income.

The *Capital or Nonrecurring Fund* accounts for the financial revenues to be used for major capital asset construction and/or purchases and items, which are reserved for special purposes.

The *Communication System Fund* accounts for the full replacement of the Town-wide radio communication system.

Additionally, the Town reports the following fund types:

The *Pension Trust Fund* accounts for the activities of the Town's Employees' Retirement System, which accumulates resources for pension benefit payments to qualified employees.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****B. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

The *Other Post-Employment Benefit Trust Fund* accounts for the activities of the Town OPEB Plan, which accumulates resources for retiree medical and life insurance benefits.

The *Private-Purpose Trust Funds* are used to account for resources legally held in trust for educational purposes.

The *Agency Funds* account for monies held on-behalf of students and various community organizations and committees and amounts held for performance bonds.

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

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

**C. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity****1. Deposits and Investments**

Deposits - The Town considers cash as cash on hand, demand deposits and money market accounts.

Investments - In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. Investment income is recorded in the fund in which it was earned other than the Capital or Nonrecurring Fund whose interest is recorded in the General Fund.

Pension fund investments may be invested in fixed income, equities and real estate. The target asset allocation is 40% fixed income, 55% equities and 5% real estate. There are also minimum and maximum target levels defined. Professional investment managers are employed to manage the assets allocated to them. The Retirement Plan Committee, as trustee of the pension plan, is responsible for overall investment policy.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****C. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)****1. Deposits and Investments (Continued)**

Method used to value investments - Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

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

**2. Receivables and Payables****a. Interfunds**

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 non-current portion of interfund loans).

**b. Property Taxes and Other Receivables**

In the government-wide financial statements, all trade, property tax, sewer use, sewer assessment and loan receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 2 to 53 percent of outstanding receivable balances and are calculated based upon prior collections.

Loan receivables consist of low interest bearing loans to Town residents and businesses primarily for residential rehabilitation and economic development. The loans were provided through the State Department of Economic and Community Development Small Cities grant program.

In the fund financial statements, all property taxes receivable at June 30, which have not been collected within 30 days of June 30, have been recorded as a deferred inflows of resources since they are not considered to be available to finance expenditures of the current year. Property taxes are assessed on property as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and January 1. Personal property and motor vehicle taxes are billed in July and are due in one installment, July 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date.

**3. Restricted Assets**

The restricted assets of the Town are restricted for endowment purposes determined by the donor requests.

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)**

**4. 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 in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

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

<u>Assets</u>	<u>Years</u>
Buildings	100
Land improvements	20-50
Machinery and equipment	3-40
Intangible assets	10
Vehicles	8-15
Infrastructure:	
Roads	50-75
Sewer lines	65
Storm drains	65

**5. 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 that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported 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.

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 that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town does not have any items that qualify for reporting in this category.

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)**

**5. Deferred Outflows/Inflows of Resources (Continued)**

For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds' balance sheet. The governmental funds report unavailable revenues from several sources: property taxes (including advance collections, if any) and user charges. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**6. Compensated Absences**

All employees are granted vacation and sick time based upon contractual provisions. Employees are not permitted to carry vacation days from one calendar year to the next without prior approval. The Board of Education employees are paid vacation on a fiscal year basis and, therefore, unused vacation lapses at June 30. The Town employees are paid vacation on an anniversary date basis and, therefore, a liability for unused vacation has been recorded. Certified employees at the Board of Education may accumulate up to 165 days of unused sick time or 150 days for employees hired after June 30, 1998. Employees are one-third vested with 20 - 24 years of service and two-thirds vested with 25 or more years of service. Unused sick time does not accumulate for certified employees hired after July 1, 1992. A liability in the amount of \$558,974 has been accrued for certified teachers and \$220,336 has been accrued for severance payments for retirees.

For employees other than certified teachers, sick leave accrues at the rate of 1¼ days per month, cumulative to a maximum of one hundred days. Upon the death or pension retirement of an employee, the estate of, or such employee, shall receive a sum of money equal to the accumulated sick days times the rate of pay per day of such employee at the time of such death or retirement. Employees who resign or are terminated are not entitled to their unused sick days. Police officers hired after July 1, 2005 are entitled to 45 percent up to a maximum of 50 days; public works employees hired after January 1, 2006 are entitled to 50 percent up to a maximum of 50 days; and sewer and white collar employees hired after July 1, 2005 are not entitled to the benefit. A liability in the amount of \$86,451 has been accrued for non-certified Board of Education employees and \$507,365 for Town employees.

Compensated absences are only reported in governmental funds if they are due and payable to an employee who has resigned or retired before or at fiscal year end.

**7. Net Position Flow Assumption**

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****C. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)****8. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

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.

**9. Fund Equity and Net Position**

In the government-wide financial statements, net position is classified into the following categories:

**Net Investment in Capital Assets**

This category presents the net position that reflect capital assets net of only the debt applicable to the acquisition or construction of these assets. Debt issued for non-capital purpose is excluded.

**Restricted Net Position**

This category presents the net position restricted by external parties (creditors, grantors, contributors or laws and regulations).

**Unrestricted Net Position**

The category presents the net position of the Town, which is not restricted.

In the fund financial statements, fund balances are classified into the following categories:

**Nonspendable**

This category presents amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**Restricted**

This category presents amounts that can be spent only for specific purposes because of enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****C. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)****9. Fund Equity and Net Position (Continued)**Committed

This category presents amounts that can be used only for specific purposes established, modified or rescinded through resolutions approved by Town Meeting for capital and appropriation and Board of Finance for special revenue and other commitments.

Assigned

This category presents amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent is expressed by the passage of a resolution by the Board or a properly approved purchase order.

Unassigned

This category presents amounts that do not meet the criteria above and are available for any purpose. This category is only reported in the general fund for positive amounts and in any other fund that has a fund balance deficit.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless Board of Finance has provided otherwise in its commitment or assignment actions.

The Board of Finance adopted a minimum fund balance policy for the general fund. The policy is that Town Boards shall propose budgets that provide for the unassigned fund balance at fiscal year end to be not less than 5 percent nor more than 10 percent of the total operating general fund expenditures.

**10. Use of Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year. Accordingly, actual results could differ from those estimates.

**11. Comparative Data/Reclassifications**

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgets and Budgetary Accounting**

The Town adheres to the following procedures in establishing the budgetary data included in the general fund financial statements. The general fund is the only fund for which a legal budget is adopted.

- The Board of Finance submits a proposed operating budget for the fiscal year commencing July 1 to the annual Town Meeting at which taxpayer comments are obtained. The operating budget includes proposed expenditures and the means of financing them.
- Prior to July 1, the budget is legally adopted by vote at the annual Town budget meeting.
- The Board of Selectmen and the Board of Education are authorized to transfer budgeted amounts within departments. Transfers of budgeted amounts between departments must be approved by the Board of Finance.
- The Board of Finance can approve additional appropriations for a department, provided such additional appropriations do not exceed \$20,000. Appropriations in excess of \$20,000 must be approved by vote of a Town Meeting. There was an additional appropriation of \$205,654 from fund balance during the year and \$5,321 from revised revenue for sale of capital assets.
- Formal budgetary integration is employed as a management control device during the year.
- Except for encumbrance accounting and the on-behalf payment, the budget is prepared on the modified accrual basis of accounting.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.
- The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under state law to make any transfers required within their budget at their discretion. Any additional appropriations must have Board of Education and Board of Finance approval and, if over \$20,000, Town Meeting approval.

**B. Budget - GAAP Reconciliation**

A reconciliation of revenues and expenditures between the accounting treatment required by GAAP (Exhibit D), and budgetary requirements (Exhibit F), is as follows:

	<u>REVENUES</u>	<u>EXPENDITURES</u>
BALANCE, BUDGETARY BASIS, EXHIBIT F.....	\$ 25,148,613	\$ 21,502,352
State Teachers' Retirement on-behalf payment.....	<u>1,588,565</u>	<u>1,588,565</u>
BALANCE, GAAP BASIS, EXHIBIT D.....	<u>\$ 26,737,178</u>	<u>\$ 23,090,917</u>

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**C. Donor-Restricted Endowments**

The Town has received certain endowments for the maintenance of the Hillside Cemetery and fire department operation purposes. The amounts are reflected in net position as restricted for endowments. Investment income (including appreciation) is approved for expenditure by the individual Boards. At June 30, 2014, the amount of appreciation (depreciation) included in restricted fund balance of the Hillside Cemetery Trust was \$79,873.

**D. Deficit Fund Balance**

The following individual funds had a deficit fund balance at June 30, 2014:

Sewer Commission Usage Fund .....	\$	76,687
School Lunch Fund .....		5,325
Transfer Station Fund .....		24,914

The Sewer Commission Usage Fund deficit will be eliminated with a transfer from the WPCA Repair and Replacement Fund. Future charges for services will be used to fund the deficits in the Transfer Station and School Lunch funds.

**E. Capital Project Authorizations**

The following is a summary of certain capital projects at June 30, 2014:

<u>Project</u>	<u>Project Authorization</u>	<u>Cumulative Expenditures</u>	<u>Balance</u>
Thomaston High School and Center School	<u>\$16,280,000</u>	<u>\$15,366,050</u>	<u>\$913,950</u>

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**F. Capital or Nonrecurring Project Authorizations**

The following is a summary of capital or nonrecurring projects at June 30, 2014:

	PROJECT AUTHORIZATION	CURRENT YEAR EXPENDITURES	CUMULATIVE EXPENDITURES	BALANCE JUNE 30, 2014
Assessors revaluation.....	\$ 504,875	\$	\$ 478,277	\$ 26,598
Beautification: Seth Thomas Park sign .....	625		171	454
BOE projects.....	658,392	40,418	230,098	428,294
Christmas lights - reserve .....	12,000			12,000
Emergency generator.....	102,023		102,023	-
Emergency shelter.....	5,000			5,000
Energy efficiency project.....	3,172,835	21,165	3,020,597	152,238
FEMA: storm repairs .....	27,730		27,730	-
Fire Department projects.....	675,105	299,061	373,835	301,270
Highway Department projects .....	11,888,342	944,237	11,379,743	508,599
Housing for Economic Growth Grant.....	36,981		40,652	(3,671)
K-9 donation reserves .....	10,015		9,904	111
Library building repairs.....	8,107			8,107
Opera House renovation .....		45,603	45,603	(45,603)
Park bench wood repairs .....	1,125		889	236
Police Department projects .....	234,000	106,032	257,052	(23,052)
Phone system.....	85,833		85,833	-
Property condition assessment .....	50,209		50,209	-
P&Z: Plan of conservation & development ....	56,000	23,280	45,120	10,880
Roof replacement schools & town buildings..	4,020,027	3,284,284	3,313,576	706,454
Skate park proceeds .....	1,090			1,090
Town-wide sick pay reserve .....	877,219		840,398	36,821
Track Committee .....	200,131	9,710	81,846	118,285
Town Hall projects .....	558,481	13,852	402,300	156,181
TVAC projects.....	22,425	2,051	8,531	13,894
WPCA: Web study.....	175,000	18,161	129,947	45,053
Total.....	\$ 23,383,570	\$ 4,807,854	\$ 20,924,334	\$ 2,459,236

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

III. DETAILED NOTES

A. Cash and Investments

Deposits – Custodial Credit Risk – Custodial credit risk is risk that, in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2014, \$2,727,165 of the Town's bank balance of \$3,855,208 (including certificates of deposit and money market funds) was exposed to custodial credit risk as follows:

Uninsured and uncollateralized.....	\$ 2,379,449
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name.....	<u>347,716</u>
Total amount subject to custodial credit risk.....	<u>\$ 2,727,165</u>

Financial instruments that potentially subject the Town to significant concentrations of credit risk consist primarily of cash. From time to time, the Town's cash account balances exceed the Federal Deposit Insurance Corporation limit. The Town reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.

At June 30, 2014, the Town's investments (including restricted investments) consisted of the following investment types and maturities. Specific identification was used to determine the maturities.

TYPE OF INVESTMENT	INVESTMENT MATURITIES (IN YEARS)				
	FAIR VALUE	N/A	LESS THAN 1	1-5 YEARS	5-10 YEARS
Mutual Funds:					
Equity.....	\$ 8,891,288	\$ 8,891,288	\$	\$	\$
Money Market.....	277,565		277,565		
Bond.....	5,612,927			342,747	5,270,180
Certificates of Deposit.....	233,279		233,279		
Bank Money Market Funds.....	2,247,812		2,247,812		
Pooled Fixed Income.....	3,541,374		3,541,374		
Common Stock.....	<u>64,706</u>	<u>64,706</u>			
TOTAL.....	<u>\$ 20,868,951</u>	<u>\$ 8,955,994</u>	<u>\$ 6,300,030</u>	<u>\$ 342,747</u>	<u>\$ 5,270,180</u>

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

Credit risk - The Town has no investment policy that would limit its investment choices due to credit risk in addition to abiding by State Statutes, which govern investments in obligations of any State or political subdivision or in obligations of the State of Connecticut or political subdivision.

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

III. **DETAILED NOTES (CONTINUED)**

A. **Cash and Investments (Continued)**

The Town's investments subject to credit risk has average ratings by Standard & Poor's as follows:

AVERAGE RATING	POOLED FIXED INCOME	BOND MUTUAL FUNDS	MONEY MARKET MUTUAL FUNDS
AAA.....	\$ 3,541,374	\$ 3,010,905	\$ 277,565
AA.....		342,747	
A.....		746,472	
BBB.....		757,195	
BB.....		228,000	
B.....		455,759	
Below B.....		71,849	
TOTAL .....	\$ 3,541,374	\$ 5,612,927	\$ 277,565

Custodial credit risk - The Town does not have a formal policy with respect to 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 of its investment or collateral securities that are in the possession of an outside party.

The investments are covered by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including \$250,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, bonds, debentures, certificates of deposit and money market funds.

The Town did not have any investments at June 30, 2014 subject to custodial credit risk since the common stock is held in the Town's name.

B. **Receivables**

Receivable balances have been disaggregated by type and presented separately in the financial statements. Only receivables for the Town's financial statements with allowances for uncollectible accounts as of June 30, 2014, including the applicable allowances for uncollectible accounts, are presented below.

	PROPERTY TAXES		
	TAXES	INTEREST & LIEN FEES	TOTAL
Current Portion.....	\$ 209,598	\$ 131,068	\$ 340,666
Long-term Portion .....	\$ 429,769	\$ 246,603	\$ 676,372
Less Allowance for Uncollectibles .....	(100,000)	(200,000)	(300,000)
Net Long-term Portion .....	\$ 329,769	\$ 46,603	\$ 376,372

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

III. **DETAILED NOTES (CONTINUED)**

B. **Receivables (Continued)**

	<u>SEWER USE/ASSESSMENTS</u>			<u>CDBG LOANS</u>
	<u>CHARGES</u>	<u>INTEREST &amp; LIEN FEES</u>	<u>TOTAL</u>	
Current Portion.....	\$ 104,225	\$ 32,025	\$ 136,250	\$ 114,584
Long-term Portion .....	\$ 123,031	\$ 37,613	\$ 160,644	\$ 964,639
Less Allowance for Uncollectibles .....	(5,500)	(1,500)	(7,000)	(100,000)
Net Long-term Portion .....	\$ 117,531	\$ 36,113	\$ 153,644	\$ 864,639

C. **Capital Assets**

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>BALANCE JULY 1, 2013</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>BALANCE JUNE 30, 2014</u>
<u>Capital Assets, not being depreciated:</u>				
Land.....	\$ 1,315,620	\$	\$	\$ 1,315,620
Construction in progress .....	5,567,410	3,642,108	3,279,377	5,930,141
Total capital assets, not being depreciated .....	6,883,030	3,642,108	3,279,377	7,245,761
<u>Capital assets, being depreciated:</u>				
Buildings .....	36,969,019	4,637,800		41,606,819
Land improvements.....	1,347,004			1,347,004
Machinery and equipment.....	8,390,309	34,614		8,424,923
Intangible assets .....	24,165			24,165
Vehicles .....	3,006,465	54,085	227,608	2,832,942
Infrastructure .....	24,613,114	1,169,135	240,256	25,541,993
Total capital assets, being depreciated .....	74,350,076	5,895,634	467,864	79,777,846
Total capital assets.....	81,233,106	9,537,742	3,747,241	87,023,607
<u>Less accumulated depreciation for:</u>				
Buildings .....	8,661,272	683,058		9,344,330
Land improvements.....	852,117	27,281		879,398
Machinery and equipment.....	4,933,357	338,546		5,271,903
Intangible assets .....	15,706	2,418		18,124
Vehicles .....	2,098,396	149,155	221,288	2,026,263
Infrastructure .....	5,950,050	424,417	240,256	6,134,211
Total accumulated depreciation .....	22,510,898	1,624,875	461,544	23,674,229
Total Capital Assets, being depreciated, net ...	51,839,178	4,270,759	6,320	56,103,617
Capital Assets, net .....	\$ 58,722,208	\$ 7,912,867	\$ 3,285,697	\$ 63,349,378

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

III. **DETAILED NOTES (CONTINUED)**

C. **Capital Assets (Continued)**

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

General government .....	\$ 63,819
Public safety .....	124,080
Public works .....	852,759
Culture and recreation.....	36,126
Housing and development .....	1,130
Education.....	<u>546,961</u>
Total Depreciation Expense.....	<u>\$ 1,624,875</u>

**Construction Commitments**

The Town has active construction projects as of June 30, 2014. At year end, the Town's commitments with contractors were as follows:

<u>Project Description</u>	<u>Commitment</u>
Communications project .....	\$ 321,865
Black Rock School roof.....	<u>121,421</u>
Total Commitments .....	<u>\$ 443,286</u>

D. **Interfund Accounts**

1. **Interfund Payables and Receivables**

At June 30, 2014, the amounts due from and due to other funds were as follows

INTERFUND PAYABLE FUND	INTERFUND RECEIVABLE FUND						TOTAL
	GENERAL FUND	DEBT SERVICE FUND	CAPITAL OR NON-RECURRING	COMMUN-ICATION SYSTEM	NONMAJOR SPECIAL REVENUE FUNDS	NONMAJOR CAPITAL PROJECTS FUNDS	
GENERAL FUND.....	\$	\$ 1,152,911	\$ 957,684	\$ 808,220	\$ 15,780	\$ 30,109	\$ 2,964,704
NONMAJOR FUNDS:							
SPECIAL REVENUE FUNDS:							
Sewer commission usage fund.....		51,753					51,753
School lunch fund.....		51,439					51,439
Education grants fund.....		397,512					397,512
Transfer station fund.....		21,764					21,764
EMS fund.....		20,391	26,000				46,391
CAPITAL PROJECT FUNDS:							
Thomaston Center School.....			1,604				1,604
PERMANENT FUNDS:							
Kenea Park.....		31					31
Hillside Cemetery Trust Fund.....		58,626					58,626
TOTAL NONMAJOR FUNDS.....		601,516	26,000	1,604	-	-	629,120
TOTAL.....	\$	\$ 601,516	\$ 1,178,911	\$ 959,288	\$ 808,220	\$ 15,780	\$ 3,593,824

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

III. **DETAILED NOTES (CONTINUED)**

D. **Interfund Accounts (Continued)**

1. **Interfund Payables and Receivables (Continued)**

All interfund balances resulted from the time lag between the dates payments occurred between funds for short-term internal financing.

2. **Interfund Transfers**

A summary of interfund transfers for the year ended June 30, 2014 is as follows:

	TRANSFERS OUT			TOTAL
	GENERAL FUND	SPECIAL REVENUE FUND	NONMAJOR CAPITAL PROJECTS	
TRANSFERS IN:				
GENERAL FUND.....	\$	\$	\$ 15,000	\$ 15,000
DEBT SERVICE FUND.....		3,085,813		3,085,813
CAPITAL OR NONRECURRING FUND.....		214,257		214,257
NONMAJOR FUNDS:				
SPECIAL REVENUE FUNDS:				
Sewer commission usage fund.....			77,253	77,253
Thomaston Opera House.....	205,654			205,654
CAPITAL PROJECTS FUNDS:				
WPCA repair and replacement fund.....		50,000		50,000
Seth Thomas museum fund.....	5,866			5,866
PERMANENT FUNDS:				
Hillside Cemetery Trust Fund.....	26,000			26,000
TOTAL NONMAJOR FUNDS.....	237,520	50,000	77,253	364,773
TOTAL.....	\$ 3,537,590	\$ 50,000	\$ 92,253	\$ 3,679,843

Transfers are used to account for the financing by the General Fund of various programs and activities in the Debt Service, Capital Projects, Capital or Nonrecurring and Special Revenue Funds. In turn, the EMS fund offsets its budget by transferring money to the general fund. Operating surpluses (deficits) in the Sewer Commission Usage fund are transferred to (from) the WPCA Repair and Replacement Fund.

E. **Short-Term Obligations - Bond Anticipation Notes**

The Town uses bond anticipation notes ("BANs") during the construction period of various public projects prior to the issuance of the bonds at the completion of the project.

Short-term obligation activity for the year ended June 30, 2014 was as follows:

PURPOSE	BALANCE JULY 1, 2013	ADDITIONS	REDUCTIONS	PERMANENTLY FINANCED	BALANCE JUNE 30, 2014
Ambulance	\$ 53,000	\$ 101,000	\$ 53,000	\$	\$ 101,000
CNR		3,300,000		(2,550,000)	750,000
Communication system	3,797,000	3,799,000	3,797,000	(3,475,000)	324,000
Total	\$ 3,850,000	\$ 7,200,000	\$ 3,850,000	\$ (6,025,000)	\$ 1,175,000

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**III. DETAILED NOTES (CONTINUED)**

**E. Short-Term Obligations - Bond Anticipation Notes (Continued)**

The BANs carry an interest rate of 0.50% and mature in November 2014. In November 2014, the Town issued \$6,025,000 of general obligation bonds for the communication system and school roofs maturing through 2034 and carrying interest rates of 3-4%.

**F. Changes in Long-Term Obligations**

**1. Summary of Changes**

The following is a summary of changes in long-term obligations during the fiscal year:

DESCRIPTION	ORIGINAL AMOUNT	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE JULY 1, 2013	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2014	CURRENT PORTION
<b>BONDS/NOTES</b>									
General Purpose:									
Refunding bond .....	\$ 417,938	02/05/10	08/15/18	1.50-3.00%	\$ 269,360	\$	\$ 50,320	\$ 219,040	\$ 45,880
Improvement bond .	7,520,000	02/05/10	02/01/30	2.00-4.00	6,300,000		405,000	5,895,000	405,000
Refunding bond .....	140,008	12/21/10	12/01/22	2.00-4.00	113,599		13,809	99,790	13,507
Improvement bond .	4,570,571	05/01/13	05/01/33	2.00-4.00	4,570,571		244,645	4,325,926	242,405
Total General Purpose .....					11,253,530	-	713,774	10,539,756	706,792
Schools:									
Improvement bond .	7,700,000	04/15/05	04/15/25	3.75-4.50%	800,000			800,000	-
Refunding bond .....	2,402,062	02/05/10	08/15/18	1.50-3.00	1,550,640		289,680	1,260,960	264,120
Refunding bond .....	6,244,960	12/21/10	12/01/22	2.00-4.00	5,067,006		615,954	4,451,052	602,465
Improvement bond .	2,164,429	05/01/13	05/01/33	2.00-4.00	2,164,429		95,355	2,069,074	97,595
Total Schools .....					9,582,075	-	1,000,989	8,581,086	964,180
Sewer:									
Clean water .....	1,077,413	04/30/97	04/30/16	2.00%	178,342		61,795	116,547	63,042
Clean water .....	9,091,656	02/28/02	03/31/21	2.00	3,922,479		472,652	3,449,827	482,192
Refunding bond .....	556,000	12/21/10	12/01/22	2.00-4.00	454,395		55,237	399,158	54,028
Total Sewer .....					4,555,216	-	589,684	3,965,532	599,262
TOTAL BONDS/NOTES .....					25,390,821	-	2,304,447	23,086,374	2,270,234
BOND ANTICIPATION NOTES .....						6,025,000		6,025,000	-
PREMIUMS .....					664,948		56,192	608,756	-
TOTAL BOND/NOTES AND RELATED LIABILITIES .....					26,055,769	6,025,000	2,360,639	29,720,130	2,270,234
CAPITAL LEASE OBLIGATIONS .....					91,120	54,085	60,315	84,890	60,363
NET PENSION OBLIGATION .....					305,813	729,341	924,999	110,155	-
NET OPEB OBLIGATION .....					4,409,882	1,683,801	840,586	5,253,097	-
COMPENSATED ABSENCES .....					1,290,928	142,319	280,457	1,152,790	172,919
REMEDATION OBLIGATIONS .....					102,000		102,000	-	-
TERMINATION BENEFITS (SEVERANCE) .....					319,670		99,334	220,336	114,746
TOTAL LONG-TERM OBLIGATIONS .....					\$ 32,575,182	\$ 8,634,546	\$ 4,668,330	\$ 36,541,398	\$ 2,618,262

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

III. DETAILED NOTES (CONTINUED)

F. Changes in Long-Term Obligations (Continued)

1. Summary of Changes (Continued)

All long-term liabilities are generally liquidated by the General Fund.

The following is a summary of debt maturities and of amounts to be provided by the State of Connecticut for repayment of school bonds:

FISCAL YEAR	BONDS		NOTES		STATE REIMBURSEMENT	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2015	\$ 1,725,000	\$ 651,450	\$ 545,234	\$ 66,343	\$ 152,275	\$ 9,784
2016	1,710,000	607,025	545,430	55,347	147,363	7,975
2017	1,620,000	556,413	501,854	44,926	144,907	5,993
2018	1,570,000	499,788	511,984	34,796	142,451	3,717
2019	1,535,000	444,525	522,318	24,462	139,995	1,269
2020	1,250,000	390,250	532,861	13,919		
2021	1,245,000	340,250	406,693	3,397		
2022	1,100,000	300,050				
2023	1,095,000	262,850				
2024	1,095,000	233,331				
2025	1,095,000	193,594				
2026	695,000	152,819				
2027	695,000	128,369				
2028	695,000	103,919				
2029	695,000	79,469				
2030	695,000	55,019				
2031	335,000	30,569				
2032	335,000	20,519				
2033	335,000	10,466				
TOTALS	\$19,520,000	\$ 5,060,675	\$ 3,566,374	\$ 243,190	\$ 726,991	\$ 28,738

2. Statutory Debt Limitations

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

CATEGORY	DEBT LIMIT	NET	
		INDEBTEDNESS	BALANCE
General purpose .....	\$ 40,696,191	\$15,189,756	\$ 25,506,435
Schools.....	81,392,382	10,404,095	70,988,287
Sewers .....	67,826,985	399,158	67,427,827
Urban renewal.....	58,783,387		58,783,387
Pension deficit.....	54,261,588		54,261,588

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

III. **DETAILED NOTES (CONTINUED)**

F. **Changes in Long-Term Obligations (Continued)**

2. **Statutory Debt Limitations (Continued)**

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$126,610,372.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding. School building grants receivable of \$726,991 for bond principal is reflected as deductions in the computation of net indebtedness.

3. **Capital Leases**

At June 30, 2014, the Town is committed under capital leases for phone system and vehicles. These lease agreements qualify as capital leases for accounting purposes (title transfers at the end of the lease term) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

Phone system and vehicles totaling \$181,790, net of accumulated depreciation of \$21,108, are recorded under the leases as of June 30, 2014. This year, \$14,956 was included in depreciation expense.

The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments as of June 30, 2014:

Year Ending <u>June 30,</u>	
2015	\$ 64,475
2016	25,657
Less amount representing interest	<u>(5,242)</u>
Present value of minimum lease payments	<u>\$ 84,890</u>

4. **Termination Benefits**

The Board of Education provides severance benefit payments to eligible former employees. Benefits are paid annually based on the retirement agreement for each employee and are payable through 2017. The benefits were paid from the General Fund Board of Education Department.

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

III. **DETAILED NOTES (CONTINUED)**

5. **Environmental Remediation**

The Town settled a claim relating to contamination resulting from use of underground storage tanks. The Town is working with the State on a plan of remediation that it filed with the State of Connecticut Department of Environmental Protection. Under terms of the remediation plan, the Town is responsible for annual operation and maintenance costs relating to the remediation system. The Town does not expect any future environmental remediation costs; therefore, the liability has been reduced accordingly as of June 30, 2014.

6. **Authorized/Unissued Bonds**

The amount of authorized, unissued bonds is \$12,391,505, as follows:

PROJECT	BONDING AUTHORIZATION	PREVIOUSLY BONDED	AUTHORIZED BUT UNISSUED
Wastewater Treatment plant system upgrade ....	\$ 13,291,607	\$ 13,117,462	\$ 174,145
Black Rock School renovations.....	6,530,000	6,400,000	130,000
Altair Avenue Bridge project.....	220,000	106,572	113,428
Public works trucks.....	324,460	309,316	15,144
Refunding bonds.....	9,000,000	6,945,000	2,055,000
Seven Year Road Program.....	10,674,500	10,674,112	388
WPCA Upgrade – Phosphorus effluent limits.....	725,000		725,000
Ambulance I.....	80,000		80,000
Ambulance II.....	75,000		75,000
Communication system.....	3,975,000		3,975,000
Municipal building roofs.....	3,998,400		3,998,400
Fire truck.....	600,000		600,000
Payloader.....	150,000		150,000
BOE computers.....	300,000		300,000
 TOTAL.....	 \$ 49,943,967	 \$ 37,552,462	 \$ 12,391,505

The Wastewater Treatment plant, Black Rock School renovations, Altair Avenue Bridge project and public works trucks are completed, and the Town does not intend to issue any bonds for the amounts authorized and unissued.

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**III. DETAILED NOTES (CONTINUED)**

**F. Changes in Long-Term Obligations (Continued)**

**6. Authorized/Unissued Bonds (Continued)**

Pursuant to a resolution passed at a Town referendum held on June 4, 2008, the Town authorized \$10,674,500 for the reconstruction and repair of various Town roads and roadside elements, in accordance with the Town's Seven Year Road Program prepared by the Highway Department. The Town issued bonds in the amount of \$7,104,112 on February 5, 2010 for three phases of this project and \$3,570,000 on May 1, 2013 for the remainder of the project.

Pursuant to a resolution adopted at a Special Town Meeting held on May 16, 2007, the Town authorized an appropriation of \$750,000 and a bond authorization not to exceed \$220,000 for reconstruction and repair of the Altair Avenue Bridge. The Town issued bonds in the amount of \$106,572 on February 5, 2010 for this project.

Pursuant to a resolution adopted at a Special Town Meeting held on February 4, 2009, the Town authorized an appropriation of \$324,460 and a bond authorization not to exceed \$324,460 for the purchase of two dump trucks for the Public Works Department. The Town issued bonds in the amount of \$309,316 on February 5, 2010.

Pursuant to a resolution adopted by the Board of Selectmen of the Town at a meeting held on September 21, 2010, the Town authorized the issuance of bonds in an amount not exceeding \$9,000,000 for the purpose of refunding, at or prior to maturity, all or any portion of the Town's outstanding general obligation bonds dated September 1, 2003 and April 15, 2005. The Town issued bonds in the amount of \$6,945,000 on December 21, 2010.

Pursuant to a resolution adopted at a Special Town Meeting held on August 17, 2011, the Town authorized an appropriation of \$725,000 and a bond authorization not to exceed \$725,000 for upgrades to the Water Pollution Control Facility to meet phosphorus effluent limits.

Pursuant to a resolution adopted at a Special Town Meeting held on October 3, 2011, the Town authorized an appropriation of \$187,500 and a bond authorization not to exceed \$80,000 to purchase and equip a 2012 Lifeline Type III Superliner Custom Modular Ambulance.

Pursuant to a resolution adopted at a Special Town Meeting held on May 16, 2012, the Town authorized an appropriation of \$3,165,000 and a bond authorization not to exceed \$3,165,000 for the purchase and installation of energy conservation improvements in Town and school facilities.

Pursuant to a resolution adopted at a Special Town Meeting held on September 12, 2012, the Town authorized an appropriation of \$3,975,000 and a bond authorization not to exceed \$3,975,000 for the full replacement of the Town-wide radio communication system.

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**III. DETAILED NOTES (CONTINUED)****F. Changes in Long-Term Obligations (Continued)****6. Authorized/Unissued Bonds (Continued)**

Pursuant to a resolution adopted at a Special Town Meeting held on April 24, 2013, the Town authorized an appropriation of \$3,998,400 and a bond authorization not to exceed \$3,998,400 for the replacement or reconstruction of the roofs at Black Rock School, Thomaston High School and Thomaston Center School. This authorization was amended at a Special Town Meeting on May 20, 2014 to include the following: Town Hall roof and clock tower repair, Library roof, Fire House roof.

**G. Restricted Net Position**

The amount of restricted net position, which was restricted by enabling legislation, totaled \$180,791 at June 30, 2014.

**H. Fund Balances**

As of June 30, 2014, fund balances are composed of the following:

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

III. DETAILED NOTES (CONTINUED)

F. Changes in Long-Term Obligations (Continued)

6. Authorized/Unissued Bonds (Continued)

Pursuant to a resolution adopted at a Special Town Meeting held on April 24, 2013, the Town authorized an appropriation of \$3,998,400 and a bond authorization not to exceed \$3,998,400 for the replacement or reconstruction of the roofs at Black Rock School, Thomaston High School and Thomaston Center School. This authorization was amended at a Special Town Meeting on May 20, 2014 to include the following: Town Hall roof and clock tower repair, Library roof, Fire House roof.

G. Restricted Net Position

The amount of restricted net position, which was restricted by enabling legislation, totaled \$180,791 at June 30, 2014.

H. Fund Balances

As of June 30, 2014, fund balances are composed of the following:

	GENERAL FUND	DEBT SERVICE	SMALL CITIES	CAPITAL OR NON- RECURRING	COMMUN- ICATION SYSTEM	NONMAJOR FUNDS	TOTAL
<u>NONSPENDABLE:</u>							
Permanent fund principal	\$	\$	\$	\$	\$	\$ 200,200	\$ 200,200
Loans			1,079,223				1,079,223
TOTAL NONSPENDABLE	-	-	1,079,223	-	-	200,200	1,279,423
<u>RESTRICTED:</u>							
General government						3,514	3,514
Ambulance purchase						39,044	39,044
Cemetery maintenance						71,570	71,570
Health and welfare						4,464	4,464
Culture and recreation						30,805	30,805
Grant program purchases			183,242				183,242
Debt service						177,277	177,277
TOTAL RESTRICTED	-	-	183,242	-	-	326,674	509,916
<u>COMMITTED:</u>							
General government						995	995
Public safety - police						13,434	13,434
Public safety - EMS						103,359	103,359
Cemetery maintenance						321,119	321,119
Education						8,355	8,355
Culture and recreation						15,937	15,937
Approved CNR projects					162,355	305,410	467,765
TOTAL COMMITTED	-	-	-	-	162,355	768,609	930,964
<u>ASSIGNED:</u>							
Subsequent year's budget	250,000						250,000
Debt service		1,086,043					1,086,043
TOTAL ASSIGNED	250,000	1,086,043	-	-	-	-	1,336,043
UNASSIGNED	2,890,109			(2,879)		(106,926)	2,780,304
TOTAL	\$ 3,140,109	\$ 1,086,043	\$ 1,262,465	\$ (2,879)	\$ 162,355	\$ 1,188,557	\$ 6,836,650

**IV. OTHER INFORMATION****A. Risk Management**

The Town is exposed to various risks of loss related to public official liability, police liability, Board of Education legal liability, theft or impairment of assets, errors and omissions, injury to employees and natural disasters. The Town purchases commercial insurance for all other risks of loss, including blanket and umbrella policies.

The Town of Thomaston is a member of the Connecticut Interlocal Risk Management Agency ("CIRMA"), an unincorporated association of Connecticut local public agencies, which was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-479a et. seq. of the Connecticut General Statutes.

The Town is a member of CIRMA's workers' compensation pool, a risk sharing pool, which began on July 1, 1980. The workers' compensation pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 30 and 42 months after the effective date of coverage. CIRMA's workers' compensation pool retains \$1,000,000 per occurrence and purchases reinsurance above that amount to the limit of liability of \$10 million per occurrence. Settled claims have not exceeded commercial coverage in any of the past three years, and there have not been any significant reductions in insurance coverage from amounts held in prior years.

The Town is a self-insured provider of claims under C.G.S. 7-433c, the Heart and Hypertension Act.

**B. Commitments and Litigation**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

**C. Pension Plan****1. Plan Description****Plan Administration**

The Town administers the Town of Thomaston Retirement Plan - a single-employer defined benefit pension plan that provides pensions for any person who has completed or is expected to complete a Year of Participation Service with a minimum of 1,250 hours and is employed by the employer, including the school nurse and paid elected officials. The plan was established through an ordinance at a Town Meeting and may be amended by the Board of Selectmen per Article IX of the Pension Plan. The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial statements as a pension trust fund. The plan does not issue stand-alone financial statements.

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

IV. OTHER INFORMATION (CONTINUED)

C. Pension Plan (Continued)

1. Plan Description (Continued)

Management of the plan is vested in the Retirement Committee, which consists of four members appointed by the Board of Selectmen.

Plan membership

At January 1, 2014, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits .....	73
Inactive plan members entitled to but not yet receiving benefits .....	18
Active plan members .....	<u>70</u>
Total .....	<u>161</u>

This plan was closed to new entrants during 2010. At that time, employees became eligible for participation in the Town's 457(b) deferred compensation plan.

2. Benefit Provisions

The plan provides retirement, disability and death benefits. Retirement benefits for Town employees are calculated as 2 percent of final average compensation times credited service for benefit accrual purposes, to a maximum of 50 percent of final average compensation. Town plan members employed after January 1, 1998 with 25 years of credited service can retire at the earlier of age 65 or 62. For Town plan members employed before January 1, 1998, they can retire at the earlier of age 55 and 10 years of credited service or the completion of 25 years of credited service. Town plan members with 10 years of credited service are eligible to receive an actuarially reduced benefit at age 55.

Retirement benefits for Police and the Superintendent of Highways are calculated as 2.25 percent of final average compensation times credited service for benefit accrual purposes to a maximum of 67.5 percent of final average compensation. Police plan members can retire at full benefits at age 50 and the completion of 10 years of credited service, or the completion of 25 years of credited service.

All plan members are eligible for disability benefits after 10 years of service who become disabled. Disability retirement benefits are determined in the same manner as retirement benefits and are paid as an annuity, reduced by any workers' compensation payments. Death benefits will be paid if a member reaches age 55 and has at least 10 years of service. For a surviving spouse, the death benefit will be equal to 50 percent of the accrued benefit. If a participant dies without a surviving spouse, the beneficiary will receive a payment equal to the participant's net amount of contributions.

A plan member who leaves Town service may withdraw his or her net contributions. A plan member who completes 10 years of service may choose to receive his normal retirement benefit at the date of termination and commencing at his normal retirement age.

**IV. OTHER INFORMATION (CONTINUED)****C. Pension Plan (Continued)****2. Benefit Provisions (Continued)**

A plan member's retirement benefit may be increased, by majority vote of the Thomaston Pension Committee, for cost of living adjustments. Such benefit increase may be reviewed every year in accordance with past practices to determine the amount of cost of living increase, if any, to be granted.

**3. Contributions**

Article IV of the Pension Plan provides that employees make mandatory contributions of 2 – 8% as required by their respective collective bargaining agreements or by their employment agreement with the employer.

The Town is required to contribute the amount determined by the actuary, considering the member contributions.

For the year ended June 30, 2014, the average active member contribution rate was 4.0% of annual base compensation, and the Town's average contribution rate was 22.37% of annual payroll.

**4. 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 Committee by a majority vote of its members. It is the policy of the Town's Retirement Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's adopted asset allocation policy as of June 30, 2014:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed Income	40%
Domestic Equities	35%
International Equities	20%
Real Estate	<u>5%</u>
Total	<u>100%</u>

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**IV. OTHER INFORMATION (CONTINUED)**

**C. Pension Plan (Continued)**

**5. Concentrations**

There were no investments in any one organization that represents 5% or more of the pension plan's net position.

**6. Rate of Return**

For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.34%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**7. Net Pension Liability**

The components of the net pension liability at June 30, 2014 were as follows:

Total pension liability	\$ 18,651,143
Plan Fiduciary net position	<u>(14,297,685)</u>
Net pension liability	<u>\$ 4,353,458</u>
Plan fiduciary net position as percentage of the total pension liability	<u>76.66%</u>

**8. Actuarial Assumptions**

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

**GASB 27**

Actuarial cost method	Entry Age Normal
Asset valuation method	5 Year Smoothing
Amortization method	Level Amount, closed
Remaining amortization period	15 Years
Inflation	2.5%
Salary increase	5.0%, including inflation
Investment rate of return	7.0%, net of pension plan investment expense, including inflation

The actuarial accrued liability is determined under the Entry Age Normal method. Under this method, actuarial gains and losses are identified each year and are automatically included in the unfunded actuarial accrued liability. Therefore, they are amortized over the same number of years as the unfunded actuarial accrued liability.

**IV. OTHER INFORMATION (CONTINUED)****C. Pension Plan (Continued)****8. Actuarial Assumptions (Continued)****GASB 67**

Actuarial cost method	Entry age
Asset valuation method	Fair market value of assets on the measurement date adjusted for a five year phase in of gains and losses of plan assets
Post-retirement increases	None
Amortization method	Level percent
Inflation	3.00%
Salary increase	4.00%, average, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Mortality rates	Based on the RP 2000+ Mortality Table projected to 2014 with scale AA

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

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	4.70%
International Equity	5.00%
Fixed Income	.70%
Real Estate	3.60%
Cash	(.70)%

**9. 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.

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**IV. OTHER INFORMATION (CONTINUED)**

**C. Pension Plan (Continued)**

**9. Discount Rate (Continued)**

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.

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

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

	1% Decrease <u>(6.00%)</u>	Current Discount <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Net Pension Liability	\$ 6,253,301	\$4,353,458	\$ 2,573,571

**11. Funding Status and Funding Progress**

The funded status of the plan is as follows:

<u>Actuarial Valuation Date</u>	<u>(A) Actuarial Value of Assets</u>	<u>(B) Actuarial Accrued Liability (AAL)</u>	<u>(A-B) Over (Under) Funded AAL</u>	<u>(A/B) Funded AAL Ratio</u>	<u>(C) Covered Payroll</u>	<u>[(A-B/C) Over (Under) Funded AAL as a Percentage of Covered Payroll</u>
Jan 1, 2014	\$13,287,588	\$18,367,259	\$5,079,671	72.3%	\$ 3,285,183	(154.6)%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress ("RSI"), immediately following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time, relative to the actuarial accrued liability for benefits.

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**IV. OTHER INFORMATION (CONTINUED)**

**C. Pension Plan (Continued)**

**12. Annual Pension Cost and Net Pension Obligation (NPO)**

The changes in the NPO were as follows:

Annual require contribution	\$ 734,912
Interest on net pension obligation	21,407
Adjustment to annual required contribution	<u>(26,978)</u>
Annual pension cost	729,341
Contributions made	<u>(924,999)</u>
Decrease in net pension obligation	(195,658)
Net pension obligation - July 1, 2013	<u>305,813</u>
Net pension obligation - June 30, 2014	<u>\$ 110,155</u>

Three Year Trend Information

<u>Year Ending June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2014	\$ 729,341	126.8%	\$ 110,155
2013	817,030	109.5%	305,813
2012	844,729	108.1%	383,783

**D. Other Post-Employment Benefits Plan**

**1. Plan Description**

The Town administers two single-employer, post retirement healthcare plans: Town of Thomaston (Police, Sewer, Highway, Non-Union and White Collar) and the Board of Education (Administrators, AFSCME, Non-Union, Superintendent, Teachers and Non-Union Cafeteria). The Town plan provides medical and dental benefits for eligible retirees and their spouses. The Board of Education plan provides medical, dental and life insurance benefits to eligible retirees and their spouses. The plans do not issue stand-alone financial reports.

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**IV. OTHER INFORMATION (CONTINUED)**

**D. Other Post-Employment Benefits Plan (Continued)**

**2. Summary of Significant Accounting Policies and Plan Asset Matters**

**Basis of Accounting**

The OPEB trust fund is accounted for using the accrual basis of accounting. Contributions are recognized when due, pursuant to formal commitments and contractual requirements, and revenue (investment income) is recognized when earned and expenses (benefits, administration and refunds) are recognized when due and payable in accordance with the terms of the plan.

**3. Benefit Provisions**

**a. Benefit Provisions**

The Town plan provides for medical and dental benefits for all eligible Town Highway, Police, Sewer and White Collar retirees and their spouses. The Board of Education plan provides medical, dental and life insurance benefits for all Board of Education retirees and their spouses. Benefits and contributions are established by contract and may be amended by union negotiations. Administration costs are financed from investment earnings.

**b. Employer Contributions**

The Town's contributions are actuarially determined on an annual basis using the projected unit credit method. The Town and Board of Education's total plan contributions were \$652,571 and \$188,015, respectively.

**c. Employee Contributions**

There are no employee contributions to the plans.

**4. Funded Status and Funding Progress**

The funded status of the plan as of July 1, 2013 was as follows:

	(A) ACTUARIAL VALUATION DATE	(B) ACTUARIAL ACCRUED LIABILITY (AAL)	(A-B) OVER (UNDER) FUNDED AAL	(A/B) FUNDED AAL RATIO	(C) COVERED PAYROLL	[(A-B)/C] OVER (UNDER) FUNDED AAL AS A PERCENTAGE OF COVERED PAYROLL
<u>TOWN</u>						
JULY 1, 2013	\$ 93,552	\$15,904,480	\$(15,810,928)	0.6%	\$2,310,927	(684.2%)
<u>BOARD OF EDUCATION</u>						
JULY 1, 2013	\$ -	\$ 5,064,158	\$(5,064,158)	0.0%	\$7,458,734	(67.9%)

TOWN OF THOMASTON, CONNECTICUT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**IV. OTHER INFORMATION (CONTINUED)**

**D. Other Post-Employment Benefits Plan (Continued)**

**4. Funded Status and Funding Progress (Continued)**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress ("RSI"), immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time, relative to the actuarial accrued liability for benefits.

**5. Actuarial Methods and Assumptions**

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The data presented in the schedules of funding progress and schedules of contributions were determined as part of the actuarial valuation at the date indicated. Additional information for all plans as of the latest valuation date is as follows:

Valuation Date	July 1, 2013
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar
Remaining Amortization Period	28 years open
Asset Valuation Method	Fair Value

Actuarial Assumptions:

Investment rate of return - Town	5.33%
Investment rate of return - Board of Education	4.50%
Healthcare cost trend rate:	
Initial	8.00%
Ultimate	4.50%
Inflation rate:	3.00%

TOWN OF THOMASTON, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**IV. OTHER INFORMATION (CONTINUED)**

**D. Other Post-Employment Benefits Plan (Continued)**

**6. Annual OPEB Cost and Net OPEB Obligation (NOO)**

The changes in the NOO were as follows:

	<u>TOWN</u>	<u>BOARD OF EDUCATION</u>
Annual required contribution .....	\$ 1,249,797	\$ 414,469
Interest on net OPEB obligation .....	148,040	73,457
Adjustment to annual required contribution .....	<u>(132,385)</u>	<u>(69,577)</u>
Annual OPEB cost.....	1,265,452	418,349
Contributions made .....	<u>(652,571)</u>	<u>(188,015)</u>
Change in net OPEB obligation.....	612,881	230,334
Net OPEB obligation - July 1, 2013.....	<u>2,777,494</u>	<u>1,632,388</u>
Net OPEB obligation - June 30, 2014 .....	<u>\$ 3,390,375</u>	<u>\$ 1,862,722</u>

**7. Three Year Trend Information**

YEAR ENDING JUNE 30	ANNUAL OPEB COST (AOC)	PERCENTAGE OF AOC CONTRIBUTED	NET OPEB OBLIGATION
<b>TOWN</b>			
2014	\$1,265,452	51.6%	\$3,390,375
2013	1,237,833	49.1%	2,777,494
2012	1,068,018	48.1%	2,147,377
<b>BOARD OF EDUCATION</b>			
2014	\$ 418,349	44.9%	\$1,862,722
2013	437,543	41.5%	1,632,388
2012	498,303	32.0%	1,376,292

**E. On-Behalf Payments**

The amount recognized in the general fund intergovernmental revenues and education expenditures for contributions made by the State to the State Teachers' Retirement Plan was \$1,588,565.

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**Required  
Supplementary  
Information**

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TOWN OF THOMASTON, CONNECTICUT

## TOWN OF THOMASTON RETIREMENT SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY

YEAR ENDED JUNE 30, 2014

	2014
Total pension liability:	
Service cost.....	\$ 401,270
Interest .....	1,269,639
Differences between expected and actual experience.....	(19,597)
Benefit payments, including refunds of member contributions.....	<u>(1,059,644)</u>
Net change in total pension liability.....	591,668
Total pension liability - July 1.....	<u>18,059,475</u>
Total pension liability - June 30 (a) .....	<u><u>\$ 18,651,143</u></u>
Plan fiduciary net position:	
Contributions - employer .....	\$ 924,999
Contributions - member.....	153,778
Net investment income .....	1,902,564
Benefit payments, including refunds of member contributions.....	(1,059,644)
Administrative expenses.....	<u>(31,839)</u>
Net change in plan fiduciary net position.....	1,889,858
Plan fiduciary net position - July 1.....	<u>12,407,827</u>
Plan fiduciary net position - June 30.....	<u><u>\$ 14,297,685</u></u>
Net pension liability - June 30 (a)-(b).....	<u><u>\$ 4,353,458</u></u>

TOWN OF THOMASTON, CONNECTICUT

## TOWN OF THOMASTON RETIREMENT SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF NET PENSION LIABILITY

YEAR ENDED JUNE 30, 2014

	2014
Total pension liability.....	\$ 18,651,143
Plan fiduciary net position.....	<u>(14,297,685)</u>
Net pension liability.....	<u>\$ 4,353,458</u>
Plan fiduciary net position as a percentage of the total pension liability.....	<u>76.66%</u>
Covered-employee payroll.....	<u>\$ 3,285,183</u>
Net pension liability as a percentage of covered-employee payroll.....	<u>132.52%</u>

## SCHEDULE OF INVESTMENT RETURNS

	2014
Annual Money weighted rate of return, net investment expense.....	<u>15.34%</u>

TOWN OF THOMASTON, CONNECTICUT

## TOWN OF THOMASTON RETIREMENT SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS

LAST 10 FISCAL YEARS

FISCAL YEAR	ACTUARIALLY DETERMINED CONTRIBUTION	CONTRIBUTIONS IN RELATION TO THE ACTUARIALLY DETERMINED CONTRIBUTION	CONTRIBUTION EXCESS (DEFICIENCY)	COVERED-EMPLOYEE PAYROLL	CONTRIBUTIONS AS A PERCENTAGE OF COVERED-EMPLOYEE PAYROLL
2014	\$ 734,912	\$ 924,999	\$ 190,087	\$ 3,285,183	28.16%
2013	824,021	895,000	70,979	3,381,120	26.47%
2012	852,964	913,000	60,036	3,805,200	23.99%
2011	820,223	946,555	126,332	3,838,262	24.66%
2010	882,428	1,015,078	132,650	4,122,857	24.62%
2009	880,798	753,078	(127,720)	4,311,802	17.47%
2008	703,728	719,078	15,350	4,158,634	17.29%
2007	728,462	692,000	(36,462)	3,945,508	17.54%
2006	713,064	642,000	(71,064)	3,700,000	17.35%
2005	741,234	610,922	(130,312)	3,339,667	18.29%

TOWN OF THOMASTON, CONNECTICUT

## TOWN OF THOMASTON RETIREMENT SYSTEM

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2014

Changes of benefit terms	None
Changes of assumptions	None
Method and assumptions used in calculations of actuarially determined contribution	The actuarially determined contribution rates in the schedule of contributions are calculated as of January 1, 2014, one year prior to the end of the fiscal year in which contributions are reported

The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

Actuarial Cost Method	Entry age
Amortization Method	Level percent, 20 years closed
Asset Valuation Method	Fair market value of assets on the measurement date adjusted for a five year phase in of gains and losses of plan assets
Inflation	3.00%
Salary Increases	4.00%
Investment Rate of Return	7.00%, net of pension plan investment expense, including inflation

TOWN OF THOMASTON, CONNECTICUTREQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF FUNDING PROGRESSTHOMASTON OPEB PLANS

TOWN PLAN						
ACTUARIAL VALUATION DATE JULY 1,	A ACTUARIAL VALUE OF ASSETS	B ACTUARIAL ACCRUED LIABILITY (AAL)	(A-B) OVER (UNDER) FUNDED AAL	(A/B) FUNDED AAL RATIO	C COVERED PAYROLL	[(A-B)/C] OVER(UNDER) FUNDED AAL AS A PERCENTAGE OF COVERED PAYROLL
2013	\$ 93,552	\$ 15,904,480	\$ (15,810,928)	0.6%	\$ 2,310,927	-(684.2)%
2012	85,194	15,644,587	(15,559,393)	0.5%	2,243,618	-(693.5)%
2011	82,105	12,841,107	(12,759,002)	0.6%	2,400,858	-(531.4)%
2010	-	12,662,763	(12,662,763)	0.0%	2,330,960	-(543.2)%
2009	-	14,302,699	(14,302,699)	0.0%	2,794,282	-(511.9)%
2008	-	13,728,986	(13,728,986)	0.0%	2,712,895	-(506.1)%

BOARD OF EDUCATION PLAN						
ACTUARIAL VALUATION DATE JULY 1,	A ACTUARIAL VALUE OF ASSETS	B ACTUARIAL ACCRUED LIABILITY (AAL)	(A-B) OVER (UNDER) FUNDED AAL	(A/B) FUNDED AAL RATIO	C COVERED PAYROLL	[(A-B)/C] OVER(UNDER) FUNDED AAL AS A PERCENTAGE OF COVERED PAYROLL
2013	\$ -	\$ 5,064,158	\$ (5,064,158)	0.0%	\$ 7,458,734	-(67.9)%
2012	-	5,308,995	(5,308,995)	0.0%	7,241,489	-(73.3)%
2011	-	5,153,488	(5,153,488)	0.0%	7,846,462	-(65.7)%
2010	-	5,278,926	(5,278,926)	0.0%	7,617,924	-(69.3)%
2009	-	5,382,969	(5,382,969)	0.0%	7,874,313	-(68.4)%
2008	-	5,038,876	(5,038,876)	0.0%	7,644,964	-(65.9)%

TOWN OF THOMASTON, CONNECTICUTREQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF EMPLOYER CONTRIBUTIONSTHOMASTON OPEB PLANS

## TOWN PLAN

ACTUARIAL VALUATION DATE JULY 1,	ANNUAL REQUIRED CONTRIBUTIONS	ACTUAL CONTRIBUTIONS	PERCENTAGE CONTRIBUTED
2013	\$ 1,249,797	\$ 652,571	52.2%
2012	1,225,729	607,716	49.6%
2011	1,059,036	514,196	48.6%
2010	1,045,568	582,499	55.7%
2009	1,071,050	499,864	46.7%
2008	1,026,727	475,073	46.3%

BOARD OF EDUCATION PLAN

ACTUARIAL VALUATION DATE JULY 1,	ANNUAL REQUIRED CONTRIBUTIONS	ACTUAL CONTRIBUTIONS	PERCENTAGE CONTRIBUTED
2013	\$ 414,469	\$ 188,015	45.4%
2012	434,272	181,447	41.8%
2011	495,837	159,683	32.2%
2010	514,993	164,335	31.9%
2009	534,839	186,177	34.8%
2008	507,023	171,098	33.7%

TOWN OF THOMASTON, CONNECTICUT

## TOWN OF THOMASTON OTHER POST-EMPLOYMENT BENEFIT PLANS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2014

Changes of benefit terms	None
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Changes of assumptions	None
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The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

Actuarial Cost Method	Projected Unit Credit
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Amortization Method	Level dollar
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Remaining Amortization Period	28 years open
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Investment Rate of Return - Town	5.33%
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Investment Rate of Return - Board of Ed	4.50%
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Healthcare Inflation rate - Initial	8.00%
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Healthcare Inflation rate - Ultimate	4.50%
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TOWN OF THOMASTON, CONNECTICUTREQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESSTOWN OF THOMASTON RETIREMENT SYSTEM

TOWN PLAN						
ACTUARIAL VALUATION DATE JANUARY 1,	A ACTUARIAL VALUE OF ASSETS	B ACTUARIAL ACCRUED LIABILITY (AAL)	(A-B) OVER (UNDER) FUNDED AAL	(A/B) FUNDED AAL RATIO	C COVERED PAYROLL	[(A-B)/C] OVER(UNDER) FUNDED AAL AS A PERCENTAGE OF COVERED PAYROLL
2014	\$ 13,287,588	\$ 18,367,259	\$ (5,079,671)	72.3%	\$ 3,285,183	-(154.6)%
2013	12,055,451	17,942,090	(5,886,639)	67.2%	3,381,120	-(174.1)%
2012	11,432,230	17,148,240	(5,716,010)	66.7%	3,805,200	-(150.2)%
2011	10,908,008	16,280,934	(5,372,926)	67.0%	3,838,262	-(140.0)%
2010	10,231,764	15,753,396	(5,521,632)	64.9%	4,122,857	-(133.9)%
2009	9,645,552	14,817,407	(5,171,855)	65.1%	4,311,802	-(119.9)%

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# Supplemental Schedules

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## **General Fund**

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The general fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The general fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health, social services, recreation, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

**TOWN OF THOMASTON, CONNECTICUT**

GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>PROPERTY TAXES:</b>				
Taxes.....	\$ 17,180,458	\$ 17,180,458	\$ 17,622,869	\$ 442,411
Prior year taxes.....	315,000	315,000	276,906	(38,094)
Interest and lien fees.....	160,000	160,000	195,330	35,330
Housing authority in lieu of taxes.....	14,000	14,000	17,303	3,303
Telecommunications property tax.....	28,500	28,500	21,863	(6,637)
<b>TOTAL PROPERTY TAXES.....</b>	<b>17,697,958</b>	<b>17,697,958</b>	<b>18,134,271</b>	<b>436,313</b>
<b>CHARGES FOR SERVICES:</b>				
Building permits.....	45,000	45,000	37,512	(7,488)
Conveyance tax.....	30,000	30,000	35,481	5,481
Special duty police reimbursements.....	36,000	36,000	42,859	6,859
Accident reports.....	285	285	397	112
Gun permits.....	2,000	2,000	4,385	2,385
Vendor permits.....	300	300	50	(250)
Zoning and land use fees.....	8,500	8,500	6,783	(1,717)
Minibus fares.....	800	800	444	(356)
Recreation - Nystroms.....	3,675	3,675	3,500	(175)
CGS 51-56a (d) Police ticket revenue sharing.....	1,200	1,200		(1,200)
Other licenses, fees and permits.....	100	100		(100)
Fingerprinting.....	200	200	75	(125)
Town of Litchfield - Sewer upgrade.....	8,867	8,867	8,868	1
Dam patrol.....	16,733	16,733	16,733	-
False alarms.....	300	300		(300)
Parking fines.....	200	200	895	695
Dog fines and fees.....	3,500	3,500	3,206	(294)
Rent of Tower.....	75,500	75,500	82,722	7,222
Rent of Opera House.....	15,000	15,000	15,000	-
PA 09-229 LOCIP project funding.....			7,788	7,788
<b>TOTAL CHARGES FOR SERVICES.....</b>	<b>248,160</b>	<b>248,160</b>	<b>266,698</b>	<b>18,538</b>
<b>INTERGOVERNMENTAL:</b>				
Property tax relief - state owned property.....	25,606	25,606	34,950	9,344
Property tax relief - elderly freeze.....	2,000	2,000	2,000	-
Property tax relief - circuit breaker.....	64,000	64,000	54,912	(9,088)
Property tax relief - Veterans' exemption.....	11,228	11,228	9,503	(1,725)
Property tax relief - totally disabled.....	1,051	1,051	875	(176)
Property tax relief - Municipal grant in aid.....			371,822	371,822
Federal PILOT - land authorization.....	1,449	1,449	1,513	64
LOCIP.....	301,755	301,755	54,334	(247,421)
Education cost sharing.....	5,726,245	5,726,245	5,677,866	(48,379)
School construction grants.....	178,723	178,723	178,723	-
School transportation.....			46,684	46,684
Special education excess.....			2,562	2,562
Mashantucket Pequot.....	33,291	33,291	42,299	9,008
Town Aid Road.....	224,798	224,798	224,305	(493)
Municipal Video Grant.....			8,026	8,026
FEMA Public Assistance.....	26,000	26,000		(26,000)
<b>TOTAL INTERGOVERNMENTAL.....</b>	<b>6,596,146</b>	<b>6,596,146</b>	<b>6,710,374</b>	<b>114,228</b>

(Continued)

TOWN OF THOMASTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL (CONCLUDED)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
INCOME FROM INVESTMENTS.....	\$ 25,000	\$ 25,000	\$ 6,208	\$ (18,792)
OTHER REVENUES:				
Sale of capital assets.....		5,321	8,924	3,603
Miscellaneous.....	17,884	17,884	22,138	4,254
TOTAL OTHER REVENUES.....	17,884	23,205	31,062	7,857
TOTAL REVENUES.....	24,585,148	24,590,469	25,148,613	558,144
OTHER FINANCING SOURCES:				
Appropriation of fund balance.....	315,000	520,654		(520,654)
Transfers in:				
EMS Fund.....	15,000	15,000	15,000	-
TOTAL OTHER FINANCING SOURCES.....	330,000	535,654	15,000	(520,654)
TOTAL REVENUES AND OTHER FINANCING SOURCES.....	\$ 24,915,148	\$ 25,126,123	\$ 25,163,613	\$ 37,490

(Concluded)

TOWN OF THOMASTON, CONNECTICUT

GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>GENERAL GOVERNMENT:</b>				
Board of Selectmen.....	\$ 106,367	\$ 108,414	\$ 108,414	\$ -
Elections.....	19,443	19,443	17,486	1,957
Board of Finance.....	1,800	1,800	1,500	300
Treasurer.....	176,538	177,338	175,443	1,895
Computer information systems.....	31,473	31,473	23,892	7,581
Independent audit.....	52,375	48,233	46,775	1,458
Legal.....	90,000	81,775	69,217	12,558
Tax collector.....	107,846	110,746	107,414	3,332
Tax assessor.....	113,346	117,271	117,271	-
Board of Assessment Appeals.....	3,145	3,145	3,100	45
Insurance.....	369,143	346,933	346,933	-
Town Hall operations and maintenance.....	194,694	205,677	205,677	-
Town Clerk.....	50,119	53,119	51,494	1,625
Probate court.....	3,824	3,824	3,824	-
Social security.....	210,000	211,317	202,309	9,008
Unemployment expense.....	7,500	7,500	3,876	3,624
Pension - Town employees.....	620,709	632,474	632,474	-
Pension - Volunteer Firefighters and Ambulance.....	113,200	113,200	110,300	2,900
Medical / life insurance.....	689,988	644,768	644,768	-
Retirees medical insurance.....	629,634	616,339	614,118	2,221
Council of governments.....	3,368	3,368	3,368	-
CT Conference of Municipalities.....	4,894	4,894	4,894	-
Contingency.....	100,000	-	-	-
<b>TOTAL GENERAL GOVERNMENT.....</b>	<b>3,699,406</b>	<b>3,543,051</b>	<b>3,494,547</b>	<b>48,504</b>
<b>PUBLIC SAFETY:</b>				
Police.....	964,116	928,189	928,189	-
Communications and dispatch.....	241,255	274,715	274,715	-
Fire protection.....	131,602	171,602	171,602	-
Fire marshal.....	22,595	23,209	23,209	-
Ambulance.....	58,200	59,012	59,012	-
Tree removal.....	6,000	6,000	3,850	2,150
Animal control.....	57,564	62,316	62,316	-
<b>TOTAL PUBLIC SAFETY.....</b>	<b>1,481,332</b>	<b>1,525,043</b>	<b>1,522,893</b>	<b>2,150</b>
<b>PUBLIC WORKS:</b>				
Highways.....	485,670	510,458	510,458	-
Town Aid Road.....	224,798	224,798	224,798	-
Snow and ice removal.....	143,000	197,278	197,278	-
Street lighting.....	66,150	66,150	63,816	2,334
Fire hydrants.....	170,000	170,000	167,839	2,161
Solid waste and recycling.....	479,614	467,187	455,063	12,124
Groundwater remediation.....	25,500	25,500	17,847	7,653
<b>TOTAL PUBLIC WORKS.....</b>	<b>1,594,732</b>	<b>1,661,371</b>	<b>1,637,099</b>	<b>24,272</b>

(Continued)

TOWN OF THOMASTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL (CONCLUDED)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>HEALTH AND WELFARE:</b>				
Medical services.....	\$ 7,115	\$ 7,115	\$ 4,890	\$ 2,225
Torrington Area Health District.....	39,974	39,974	39,974	-
Northwest Regional Mental Health Board.....	862	862	862	-
Social services.....	17,340	17,359	17,359	-
Elderly nutrition.....	3,174	3,174	3,174	-
Susan B. Anthony project.....	1,500	1,500	1,500	-
Minibus.....	15,064	15,064	12,886	2,178
Veterans' administration.....	1,000	1,000	1,000	-
<b>TOTAL HEALTH AND WELFARE.....</b>	<b>86,029</b>	<b>86,048</b>	<b>81,645</b>	<b>4,403</b>
<b>CULTURE AND RECREATION:</b>				
Recreation programs.....	79,139	85,594	85,594	-
Memorial Day.....	1,750	1,750	1,750	-
Nystroms Park.....	12,500	15,087	15,087	-
Public Library.....	289,804	304,975	304,975	-
<b>TOTAL CULTURE AND RECREATION.....</b>	<b>383,193</b>	<b>407,406</b>	<b>407,406</b>	<b>-</b>
<b>HOUSING AND DEVELOPMENT:</b>				
Conservation Commission.....	1,795	1,795	1,795	-
Economic Development Commission.....	400	436	436	-
Housing, Land Use and Development.....	112,702	113,503	106,651	6,852
<b>TOTAL HOUSING AND DEVELOPMENT.....</b>	<b>114,897</b>	<b>115,734</b>	<b>108,882</b>	<b>6,852</b>
<b>EDUCATION.....</b>	<b>14,249,880</b>	<b>14,249,880</b>	<b>14,249,880</b>	<b>-</b>
<b>TOTAL EXPENDITURES.....</b>	<b>21,609,469</b>	<b>21,588,533</b>	<b>21,502,352</b>	<b>86,181</b>
<b>OTHER FINANCING USES:</b>				
Transfers out:				
Debt Service Fund.....	2,925,000	2,925,000	2,925,000	-
Debt Service Fund (Education).....	160,813	160,813	160,813	-
Opera House.....	-	205,654	205,654	-
Hillside Cemetery Trust Fund.....	26,000	26,000	26,000	-
Capital or Nonrecurring .....	188,000	214,257	214,257	-
Seth Thomas/Bradstreet House.....	5,866	5,866	5,866	-
<b>TOTAL OTHER FINANCING USES.....</b>	<b>3,305,679</b>	<b>3,537,590</b>	<b>3,537,590</b>	<b>-</b>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES.....</b>	<b>\$ 24,915,148</b>	<b>\$ 25,126,123</b>	<b>\$ 25,039,942</b>	<b>\$ 86,181</b>

(Concluded)

TOWN OF THOMASTON, CONNECTICUT

GENERAL FUND  
REPORT OF TAX COLLECTOR  
YEAR ENDED JUNE 30, 2014

GRAND LIST YEAR	UNCOLLECTED TAXES JULY 1, 2013	CURRENT YEAR LEVY	LAWFUL CORRECTIONS		TRANSFERS TO SUSPENSE	ADJUSTED TAXES COLLECTIBLE	COLLECTIONS			UNCOLLECTED TAXES JUNE 30, 2014
			ADDITIONS	DEDUCTIONS			NET TAXES COLLECTED	INTEREST & LIENS	TOTAL	
1999	\$ 276	\$	\$	\$	\$ 276	\$ -	\$	\$	\$ -	\$ -
2000	-					-		159	159	-
2001	-					-		399	399	-
2002	72,436			652	414	71,370	43,147	37,448	80,595	28,223
2003	80,644		37	606	130	79,945	759	1,227	1,986	79,186
2004	16,816			150	101	16,565	1,335	1,930	3,265	15,230
2005	27,053				19	27,034	2,270	1,677	3,947	24,764
2006	24,515			74	685	23,756	4,201	3,072	7,273	19,555
2007	35,025		281	176	5,534	29,596	5,790	5,908	11,698	23,806
2008	39,996		287	99	637	39,547	13,310	8,958	22,268	26,237
2009	32,041			86	642	31,313	11,372	6,751	18,123	19,941
2010	72,198		6,082	8,714	1,940	67,626	23,949	11,166	35,115	43,677
2011	280,132		1,556	14,391	3,915	263,382	168,807	35,680	204,487	94,575
Total Prior Years	681,132	-	8,243	24,948	14,293	650,134	274,940	114,375	389,315	375,194
2012		17,951,586	18,923	90,697	712	17,879,100	17,614,927	80,954	17,695,881	264,173
<b>TOTAL</b>	<b>\$ 681,132</b>	<b>\$ 17,951,586</b>	<b>\$ 27,166</b>	<b>\$ 115,645</b>	<b>\$ 15,005</b>	<b>\$ 18,529,234</b>	<b>\$ 17,889,867</b>	<b>\$ 195,329</b>	<b>\$ 18,085,196</b>	<b>\$ 639,367</b>

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# Nonmajor Governmental Funds

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## Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

### Sewer Commission Usage Fund

To account for sewer use fees and expenditures of the sewer use fund, which was established to pay for the sewer plant operations.

### Sewer Commission Assessment & Appropriation Fund

To account for special sewer assessments for connections to the existing sewer lines.

### School Lunch Fund

To account for the receipts and expenditures associated with operating the school lunch program.

### Education Grant Fund

To account for the receipt and expenditures of Federal and state education grants.

### Town Clerk Preservation Fund

A fund established in accordance with House Bill 5178, *An Act Concerning Real Estate Filings and the Preservation of Historic Documents*, which requires a portion of recording fees to be deposited into this fund and the funds be restricted to preserving documents.

### Transfer Station Fund

To account for all revenues and expenditures associated the reopening and operations of the Town transfer station.

### Fire Marshal Fund

To account for fees charged for investigations and permits. The monies will be used for education and training.

# **NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

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## **Special Revenue Funds (Continued)**

### Neighborhood Assistance Program

To account for revenues and expenditures associated with the Neighborhood Watch Program.

### Thomaston Opera House

To account for all sales and expenditures associated with the operation of the Opera House.

### Public Library

To account for the grants and donations received by the public library.

### Recreation Fund

To account for the revenues and expenditures associated with athletic and cultural programs for residents of all ages.

### Public Safety

To account for the revenues and expenditures associated with the D.A.R.E. program and other substance abuse grants and to account for the revenues associated with the Town's participation in the Statewide Narcotics Task Force.

### Gift Fund

To account for the revenues and expenditures associated with various donations and grants, such as the Helen Philbrick Memorial fund, clock tower restoration, Citizen Emergency Response Team (CERT) and the replacement of defibrillators.

### Social Services Crisis Fund

To account for the donations in and donations out to those in need in Town.

### EMS Fund

To account for revenue received from the Thomaston Volunteer Ambulance Corp. related to billings for EMS transportation services less expenses associated with third party EMS services. The Corp. also retains \$1,600 per month of billing money for miscellaneous EMS expenses.

## **Capital Project Funds**

Capital project funds account for financial resources to be used for the construction or acquisition of capital equipment or facilities.

# NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

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## Permanent Funds

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

### Edith Kenea Park and Tree Fund

To account for money bequested to the Town of Thomaston for the purpose of replacing flowers and trees and beautification of Town parks.

### Fire Department Trust Fund

To account for money endowed to the Fire Department from Edith Kenea, for which only the interest may be used.

### Hillside Cemetery Trust Fund

To account for the endowments, perpetual care assets and operations of the Hillside Cemetery.

TOWN OF THOMASTON, CONNECTICUT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

SPECIAL REVENUE FUNDS

	SEWER COMMISSION USAGE FUND	SEWER COMMISSION ASSESSMENT & APPROPRIATION FUND	SCHOOL LUNCH FUND	EDUCATION GRANT FUND	TOWN CLERK PRESERVATION FUND	TRANSFER STATION FUND	FIRE MARSHAL FUND	NEIGHBORHOOD ASSISTANCE PROGRAM	THOMASTON OPERA HOUSE	PUBLIC LIBRARY	RECREATION FUND
<u>ASSETS</u>											
Cash.....	\$ 546	\$ 16,855	\$ 11,702	\$ 504,537	\$ 3,514	\$	\$ 995	\$ 805	\$ 407	\$ 17,982	\$
Investments.....		160,422				5,384					
Receivables:											
Assessments/use charges.....	227,256										
Intergovernmental.....			18,829								
Other.....											
Due from other funds.....											15,530
Other assets.....			16,201								
<b>TOTAL ASSETS.....</b>	<b>\$ 227,802</b>	<b>\$ 177,277</b>	<b>\$ 46,732</b>	<b>\$ 504,537</b>	<b>\$ 3,514</b>	<b>\$ 5,384</b>	<b>\$ 995</b>	<b>\$ 805</b>	<b>\$ 407</b>	<b>\$ 17,982</b>	<b>\$ 15,530</b>
<u>LIABILITIES</u>											
Accounts payable.....	\$ 28,644	\$	\$ 618	\$ 31,656	\$	\$ 939	\$	\$	\$	\$	\$
Accrued payroll.....	7,490										
Due to other funds.....	51,753		51,439	397,512		21,764					
Unearned revenue.....				67,014		7,595					
<b>TOTAL LIABILITIES.....</b>	<b>87,887</b>	<b>-</b>	<b>52,057</b>	<b>496,182</b>	<b>-</b>	<b>30,298</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>DEFERRED INFLOWS OF RESOURCES</u>											
Unavailable revenue - sewer charges.....	216,602										
<u>FUND BALANCES</u>											
Nonspendable.....											
Restricted.....		177,277			3,514					17,982	
Committed.....				8,355			995	805	407		15,530
Unassigned.....	(76,687)		(5,325)			(24,914)					
<b>TOTAL FUND BALANCES.....</b>	<b>(76,687)</b>	<b>177,277</b>	<b>(5,325)</b>	<b>8,355</b>	<b>3,514</b>	<b>(24,914)</b>	<b>995</b>	<b>805</b>	<b>407</b>	<b>17,982</b>	<b>15,530</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 227,802</b>	<b>\$ 177,277</b>	<b>\$ 46,732</b>	<b>\$ 504,537</b>	<b>\$ 3,514</b>	<b>\$ 5,384</b>	<b>\$ 995</b>	<b>\$ 805</b>	<b>\$ 407</b>	<b>\$ 17,982</b>	<b>\$ 15,530</b>

(Continued)

TOWN OF THOMASTON, CONNECTICUT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

	SPECIAL REVENUE FUNDS				CAPITAL	PERMANENT FUNDS				TOTAL NONMAJOR GOVERNMENTAL FUNDS	
	PUBLIC SAFETY	GIFT FUND	SOCIAL SERVICES CRISIS FUND	EMS FUND	TOTAL SPECIAL REVENUE FUNDS	CAPITAL PROJECTS	EDITH KENEAN PARK AND TREE FUND	FIRE DEPARTMENT TRUST FUND	HILLSDALE CEMETERY TRUST FUND		TOTAL PERMANENT FUNDS
<b>ASSETS</b>											
Cash.....		\$ 3,908	\$ 159	\$	\$ 561,410	\$ 27,619	\$	\$	\$ 23,475	\$ 23,475	\$ 612,504
Investments.....	12,629		147	163,115	341,697	249,362	92,854	16,379	532,019	641,252	1,232,311
Receivables:											
Assessments/use charges.....					227,256					-	227,256
Intergovernmental.....					18,829					-	18,829
Other.....				25,000	25,000			1,464	1,464	1,464	26,464
Due from other funds.....		250			15,780	30,109				-	45,889
Other assets.....					16,201					-	16,201
<b>TOTAL ASSETS.....</b>	<b>\$ 12,629</b>	<b>\$ 4,158</b>	<b>\$ 306</b>	<b>\$ 188,115</b>	<b>\$ 1,206,173</b>	<b>\$ 307,090</b>	<b>\$ 92,854</b>	<b>\$ 16,379</b>	<b>\$ 556,958</b>	<b>\$ 666,191</b>	<b>\$ 2,179,454</b>
<b>LIABILITIES</b>											
Accounts payable.....	\$	\$	\$	\$	\$ 61,857	\$ 76	\$	\$	\$ 503	\$ 503	\$ 62,436
Accrued payroll.....					7,490				640	640	8,130
Due to other funds.....				46,391	568,859	1,604	31		58,626	58,657	629,120
Unearned revenue.....					74,609					-	74,609
<b>TOTAL LIABILITIES.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,391</b>	<b>712,815</b>	<b>1,680</b>	<b>31</b>	<b>-</b>	<b>59,769</b>	<b>59,800</b>	<b>774,295</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>											
Unavailable revenue - sewer charges.....					216,602						216,602
<b>FUND BALANCES</b>											
Nonspendable.....					-		80,000	15,700	104,500	200,200	200,200
Restricted.....		4,158	306	38,365	241,602		12,823	679	71,570	85,072	326,674
Committed.....	12,629			103,359	142,080	305,410			321,119	321,119	768,609
Unassigned.....					(106,926)					-	(106,926)
<b>TOTAL FUND BALANCES.....</b>	<b>12,629</b>	<b>4,158</b>	<b>306</b>	<b>141,724</b>	<b>276,756</b>	<b>305,410</b>	<b>92,823</b>	<b>16,379</b>	<b>497,189</b>	<b>606,391</b>	<b>1,188,557</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 12,629</b>	<b>\$ 4,158</b>	<b>\$ 306</b>	<b>\$ 188,115</b>	<b>\$ 1,206,173</b>	<b>\$ 307,090</b>	<b>\$ 92,854</b>	<b>\$ 16,379</b>	<b>\$ 556,958</b>	<b>\$ 666,191</b>	<b>\$ 2,179,454</b>

(Concluded)

TOWN OF THOMASTON, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

	SPECIAL REVENUE FUNDS										
	SEWER COMMISSION USAGE FUND	SEWER COMMISSION ASSESSMENT & APPROPRIATION FUND	SCHOOL LUNCH FUND	EDUCATION GRANT FUND	TOWN CLERK PRESERVATION FUND	TRANSFER STATION FUND	FIRE MARSHAL FUND	NEIGHBORHOOD ASSISTANCE PROGRAM	THOMASTON OPERA HOUSE	PUBLIC LIBRARY	RECREATION FUND
REVENUES:											
Charges for services.....	\$ 1,159,750	\$ 8,000	\$ 209,762	\$	\$ 2,904	\$ 25,522	\$ 460	\$	\$	\$	\$ 46,927
Intergovernmental.....			154,898	974,450	4,000					5,768	
Contributions.....				8,085					17,813	30,998	
Income from investments.....		855			5	55	1	1	2		
Other.....											
TOTAL REVENUES.....	1,159,750	8,855	364,660	982,535	6,909	25,577	461	1	17,815	36,766	46,927
EXPENDITURES:											
Current:											
General government.....					8,922						
Public safety.....							305				
Public works.....	1,190,658	4,900				28,267					
Culture and recreation.....								508		32,379	48,627
Education.....			356,689	980,123							
Capital outlay.....								19,837			
TOTAL EXPENDITURES.....	1,190,658	4,900	356,689	980,123	8,922	28,267	305	-	20,345	32,379	48,627
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(30,908)	3,955	7,971	2,412	(2,013)	(2,690)	156	1	(2,530)	4,387	(1,700)
OTHER FINANCING SOURCES (USES):											
Transfers in.....	77,253								205,654		
Transfers out.....	(50,000)										
NET OTHER FINANCING SOURCES (USES).....	27,253	-	-	-	-	-	-	-	205,654	-	-
NET CHANGE IN FUND BALANCES.....	(3,655)	3,955	7,971	2,412	(2,013)	(2,690)	156	1	203,124	4,387	(1,700)
FUND BALANCES, JULY 1, 2013.....	(73,032)	173,322	(13,296)	5,943	5,527	(22,224)	839	804	(202,717)	13,595	17,230
FUND BALANCES, JUNE 30, 2014.....	\$ (76,687)	\$ 177,277	\$ (5,325)	\$ 8,355	\$ 3,514	\$ (24,914)	\$ 995	\$ 805	\$ 407	\$ 17,982	\$ 15,530

(Continued)

TOWN OF THOMASTON, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

	SPECIAL REVENUE FUNDS				TOTAL SPECIAL REVENUE FUNDS	CAPITAL PROJECTS	PERMANENT FUNDS				TOTAL NONMAJOR GOVERNMENTAL FUNDS
	PUBLIC SAFETY	GIFT FUND	SOCIAL SERVICES CRISIS FUND	EMS FUND		CAPITAL PROJECTS	EDITH KENE PARK AND TREE FUND	FIRE DEPARTMENT TRUST FUND	HILLSIDE CEMETERY TRUST FUND	TOTAL PERMANENT FUNDS	
REVENUES:											
Charges for services.....	\$	\$	\$	\$ 67,000	\$ 1,520,325	\$ 28,745	\$	\$	\$ 21,712	\$ 21,712	\$ 1,570,782
Intergovernmental.....					1,139,116	30,335				-	1,169,451
Contributions.....		250	12,912		70,058	6,650	500			500	77,208
Income from investments.....	30	4	3	235	1,191	563	139	114	10,134	10,387	12,141
Net change in fair value of investments.....					-				45,009	45,009	45,009
Other.....					-	299					299
<b>TOTAL REVENUES.....</b>	<b>30</b>	<b>254</b>	<b>12,915</b>	<b>67,235</b>	<b>2,730,690</b>	<b>66,592</b>	<b>639</b>	<b>114</b>	<b>76,855</b>	<b>77,608</b>	<b>2,874,890</b>
EXPENDITURES:											
Current:											
General government.....					8,922					-	8,922
Public safety.....	13,126				13,431					-	13,431
Public works.....		482			1,224,307	77,615				-	1,301,922
Health and welfare.....			15,010		15,010				54,329	54,329	69,339
Culture and recreation.....					81,514	4,988	580			580	87,082
Education.....					1,336,812					-	1,336,812
Capital outlay.....				20,391	40,228	11,264				-	51,492
<b>TOTAL EXPENDITURES.....</b>	<b>13,126</b>	<b>482</b>	<b>15,010</b>	<b>20,391</b>	<b>2,720,224</b>	<b>93,867</b>	<b>580</b>	<b>-</b>	<b>54,329</b>	<b>54,909</b>	<b>2,869,000</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(13,096)	(228)	(2,095)	46,844	10,466	(27,275)	59	114	22,526	22,699	5,890
OTHER FINANCING SOURCES (USES):											
Transfers in.....					282,907	55,866			26,000	26,000	364,773
Transfers out.....				(15,000)	(65,000)	(77,253)				-	(142,253)
NET OTHER FINANCING SOURCES (USES).....	-	-	-	(15,000)	217,907	(21,387)	-	-	26,000	26,000	222,520
NET CHANGE IN FUND BALANCES.....	(13,096)	(228)	(2,095)	31,844	228,373	(48,662)	59	114	48,526	48,699	228,410
FUND BALANCES, JULY 1, 2013.....	25,725	4,386	2,401	109,880	48,383	354,072	92,764	16,265	448,663	557,692	960,147
FUND BALANCES, JUNE 30, 2014.....	\$ 12,629	\$ 4,158	\$ 306	\$ 141,724	\$ 276,756	\$ 305,410	\$ 92,823	\$ 16,379	\$ 497,189	\$ 606,391	\$ 1,188,557

(Concluded)

TOWN OF THOMASTON, CONNECTICUT

SEWER COMMISSION USAGE FUND  
 SCHEDULE OF SEWER USE CHARGES RECEIVABLE  
 YEAR ENDED JUNE 30, 2014

84

FISCAL YEAR	UNCOLLECTED BALANCE JULY 1, 2013	CURRENT YEAR BILLING	CORRECTIONS		ADJUSTED USER CHARGES COLLECTIBLE	COLLECTIONS			UNCOLLECTED BALANCE JUNE 30, 2014
			ADDITIONS	DEDUCTIONS		USE CHARGES	INTEREST & LIENS	TOTAL	
2002	\$ 200	\$	\$	\$ 200	\$ -	\$	\$	\$ -	\$ -
2003	200			200	-			-	-
2004	470			235	235			-	235
2005	605			235	370	135	72	207	235
2006	1,547			295	1,252	662	532	1,194	590
2007	3,832			319	3,513	1,921	1,915	3,836	1,592
2008	9,940			319	9,621	4,392	4,819	9,211	5,229
2009	21,192			310	20,882	11,142	8,242	19,384	9,740
2010	33,927			312	33,615	17,819	11,106	28,925	15,796
2011	56,794		598		57,392	29,338	14,356	43,694	28,054
2012	119,291		650	311	119,630	65,142	16,930	82,072	54,488
Total Prior Years	247,998	-	1,248	2,736	246,510	130,551	57,972	188,523	115,959
2013		1,094,596		7,455	1,087,141	975,844	7,939	983,783	111,297
<b>TOTAL</b>	<b>\$ 247,998</b>	<b>\$ 1,094,596</b>	<b>\$ 1,248</b>	<b>\$ 10,191</b>	<b>\$ 1,333,651</b>	<b>\$ 1,106,395</b>	<b>\$ 65,911</b>	<b>\$ 1,172,306</b>	<b>\$ 227,256</b>

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# Fiduciary Funds

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Fiduciary funds are used to account for assets held by the Town in a trustee capacity for individuals, private organizations or other governments.

## Pension Trust Fund

To account for the Town's single employer defined benefit pension plan, which provides pension benefits for full-time personnel except teachers of the Board of Education who are covered under the State Teachers' Retirement System.

## OPEB Trust Fund

To account for the Town's other post-employment benefit plan, which provides medical and life insurance benefits to retirees.

## Private-Purpose Trust Funds

A fiduciary trust fund type used to report all trust arrangements, other than those properly reported in a pension trust fund or investment trust fund, under which principal and income benefit individuals, private organizations, or other governments.

### Leander Smith Award

To account for an endowment from which the interest is used to award exceptional teachers.

### Peppie Wagner Fund

To account for a \$2,000 donation, which will be used to award \$50 annually for an exceptional 8<sup>th</sup> grade student.

### Seth Thomas Prize Fund

To account for a \$1,000 endowment from which the interest is used to award exceptional students.

## Agency Funds

Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

# FIDUCIARY FUNDS (CONTINUED)

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## Agency Funds (Continued)

### School Activities Fund

To account for collections and payments related to education extracurricular activities at the schools. Financing is provided by individual fundraising projects.

### High School Athletic Council

To account for the operation of extracurricular recreational activities at the schools. Funding is provided by fees from individuals attending the programs.

### Athletic Pay to Participate

To account for the collection and payments related to athletic activities at the schools. Funding is provided by fees from individuals participating in the programs.

### Public School Internal Account

To account for collections and payments related to education extracurricular activities at the schools. Financing is provided by individual fundraising projects.

### Public Library Staff Fund

To account for extracurricular activities sponsored by the library such as bus trips. Funding is provided by fees from individuals attending the programs and sales from the use of the copier.

### Join Against Insensible Lawlessness

To account for donations received specifically to be used to reward people coming forward with information related to crimes committed.

### Class Reunions

To account for fees collected from students and held for their use on class reunions.

### Christmas Lights Fund

To account for the donations and expenditures associated with the Light Up the Town Celebration and maintenance of the lights.

### Police Recreation and Educational Fund

To account for donations received specifically to be used towards police recreational and educational activities.

### Railroad Museum Commission

To account for fundraising through the sale of pavers; the proceeds of which will help preserve the railroad museum.

# FIDUCIARY FUNDS (CONTINUED)

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## Agency Funds (Continued)

### Recreation Commission

To account for the operation of extracurricular recreational activities. Funding is provided by fees from individuals attending the programs.

### Thomaston Police Explorers

To account for the revenue and expenditures associated with education and training of the Police Explorers.

### Car Show

To account for the revenue and expenditures associated with the annual car show.

### TRIAD

To account for donations which will be used to serve the community's elderly by way of offering more public safety for seniors and streamlining emergency care for first responders with their patients.

### Christmas Committee

To account for donations that will be used to give gifts to the less fortunate at Christmas time.

### Noah Rogozinski Playground Fund

To account for donations that will be used to replace broken and worn out playground equipment.

### Tri-centennial Committee

To account for donations received for the Town's tricentennial celebration.

TOWN OF THOMASTON, CONNECTICUT

PRIVATE-PURPOSE TRUST FUNDS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2014

	LEANDER SMITH AWARD	PEPPIE WAGNER FUND	SETH THOMAS PRIZE FUND	TOTAL
<u>ASSETS</u>				
Cash.....	\$	\$ 1,264	\$	\$ 1,264
Investments:				
Certificates of Deposit.....	5,576		1,042	6,618
<b>TOTAL ASSETS.....</b>	<b>5,576</b>	<b>1,264</b>	<b>1,042</b>	<b>7,882</b>
<u>NET POSITION</u>				
Net Position Held in Trust.....	\$ 5,576	\$ 1,264	\$ 1,042	\$ 7,882

TOWN OF THOMASTON, CONNECTICUT

PRIVATE-PURPOSE TRUST FUNDS  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 YEAR ENDED JUNE 30, 2014

	LEANDER SMITH AWARD	PEPPIE WAGNER FUND	SETH THOMAS PRIZE FUND	TOTAL
ADDITIONS:				
Income from investments.....	\$ 19	\$ 1	\$ 8	\$ 28
DEDUCTIONS:				
Awards.....	100			100
CHANGES IN NET POSITION.....	(81)	1	8	(72)
NET POSITION, JULY 1, 2013.....	5,657	1,263	1,034	7,954
NET POSITION, JUNE 30, 2014.....	\$ 5,576	\$ 1,264	\$ 1,042	\$ 7,882

TOWN OF THOMASTON, CONNECTICUT

AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 YEAR ENDED JUNE 30, 2014

	BALANCE JULY 1, 2013	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2014
<u>ASSETS</u>				
CASH:				
School Activities Fund.....	\$ 94,075	\$ 100,091	\$ 93,378	\$ 100,788
High School Athletic Council.....	1,320	36,718	36,771	1,267
Athletics Pay to Participate.....	18,147	12,559	14,309	16,397
Public School Internal Account.....	82,184	81,159	87,386	75,957
Public Library Staff Fund.....	1,662	5,117	6,065	714
Join Against Insensible Lawlessness.....	5,316	5	25	5,296
Class Reunions.....	858	1	35	824
Christmas Lights Fund.....	17,212	7,406	8,258	16,360
Police Recreation and Educational Fund.....	4,248		2,212	2,036
Railroad Museum Commission.....	3,164	253	269	3,148
Recreation Commission.....	14,986	53,157	57,840	10,303
Thomaston Police Explorers.....	1,505	1,325	1,918	912
Car Show.....	27,534	1,135	8,383	20,286
TRIAD.....	1,816	2		1,818
Christmas Committee.....	7,989	1,836	2,750	7,075
Noah Rogozinski Playground Fund.....	11,808	8	5,318	6,498
TOTAL CASH.....	293,824	300,772	324,917	269,679
INVESTMENTS:				
Tri-centennial Committee.....	4,155	87		4,242
TOTAL ASSETS.....	\$ 297,979	\$ 300,859	\$ 324,917	\$ 273,921
<u>LIABILITIES</u>				
ACCOUNTS PAYABLE:				
School Activities Fund.....	\$ 94,075	\$ 100,091	\$ 93,378	\$ 100,788
High School Athletic Council.....	1,320	36,718	36,771	1,267
Athletics Pay to Participate.....	18,147	12,559	14,309	16,397
Public School Internal Account.....	82,184	81,159	87,386	75,957
Public Library Staff Fund.....	1,662	5,117	6,065	714
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TRIAD.....	1,816	2		1,818
Christmas Committee.....	7,989	1,836	2,750	7,075
Noah Rogozinski Playground Fund.....	11,808	8	5,318	6,498
Tri-centennial Committee.....	4,155	87		4,242
TOTAL LIABILITIES.....	\$ 297,979	\$ 300,859	\$ 324,917	\$ 273,921

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# Statistical Section

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This part of the Town's comprehensive annual financial 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.

## **CONTENTS**

### **FINANCIAL TRENDS (TABLES 1 - 4)**

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 (TABLES 5 - 7)**

These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

### **DEBT CAPACITY (TABLES 8 - 11)**

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

### **DEMOGRAPHIC AND ECONOMIC INFORMATION (TABLES 12 - 13)**

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 (TABLES 14 - 16)**

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.

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

**TABLE 1**

**TOWN OF THOMASTON, CONNECTICUT**

**NET POSITION BY COMPONENT  
LAST TEN YEARS (1)  
(UNAUDITED)**

	FISCAL YEAR ENDED									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net investment in capital assets.....	\$ 32,848,325	\$ 32,134,289	\$ 32,469,999	\$ 30,913,796	\$ 25,851,843	\$ 25,467,102	\$ 27,183,637	\$ 25,534,737	\$ 22,865,552	\$ 19,449,596
Restricted for:										
Endowments:										
Nonexpendable.....	95,700	95,700	95,700	95,700	200,200	200,200	200,200	200,200	200,200	200,200
Expendable.....	13,502	13,329	12,772	12,593	1,823	1,109	425	1,314	1,314	1,314
Perpetual Care:										
Nonexpendable.....	104,500	104,500	104,500	104,500	104,500	104,500	104,500	104,500	104,500	104,500
Expendable.....	71,570	71,570	71,570	71,570	40,894					
Public safety.....	38,365	58,365	58,365	120,000	90,000	60,000	30,000			
Housing and development.....	183,242	317,089	233,177	183,905	212,196					
Debt service.....	177,277	173,322	168,203	189,869	237,002	211,000	217,229	212,929	204,139	201,489
Other.....	25,960	25,909	41,023	112,944	77,495					
Unrestricted.....	1,946,645	1,418,992	260,607	1,823,160	7,399,655	8,605,088	7,105,859	8,715,089	10,732,985	11,971,162
<b>TOTAL NET POSITION.....</b>	<b>\$ 35,505,086</b>	<b>\$ 34,413,065</b>	<b>\$ 33,515,916</b>	<b>\$ 33,628,057</b>	<b>\$ 34,215,608</b>	<b>\$ 34,648,999</b>	<b>\$ 34,841,850</b>	<b>\$ 34,768,769</b>	<b>\$ 34,108,690</b>	<b>\$ 31,928,261</b>

(1) Only fiscal year 2010 was fully restated for the impact of GASB 54.

## TOWN OF THOMASTON, CONNECTICUT

CHANGES IN NET POSITION  
LAST TEN YEARS  
(UNAUDITED)

	FISCAL YEAR ENDED									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>EXPENSES:</b>										
General government.....	\$ 1,662,601	\$ 1,718,977	\$ 1,792,675	\$ 1,668,332	\$ 1,737,840	\$ 1,667,898	\$ 1,697,981	\$ 1,493,290	\$ 1,318,822	\$ 1,659,892
Public safety.....	2,817,840	2,531,191	2,645,588	2,350,689	2,429,014	2,403,832	2,205,660	2,252,002	2,313,428	1,943,257
Public works.....	4,523,074	4,590,427	4,264,949	4,297,830	4,258,496	4,345,216	3,953,285	3,785,089	3,695,376	3,346,625
Health and welfare.....	189,646	142,874	82,192	102,826	86,991	142,079	176,275	174,341	151,226	196,049
Culture and recreation.....	856,538	873,818	849,888	1,054,447	1,224,333	1,418,346	1,404,087	1,372,057	1,250,946	1,243,253
Housing and development.....	384,582	255,635	208,886	235,491	351,387	271,461	197,298	255,595	221,051	204,261
Education.....	17,715,754	18,236,951	17,893,897	18,141,755	17,516,144	17,620,403	19,045,383	16,011,966	14,937,047	13,624,717
Interest expense.....	778,821	695,454	1,011,416	655,789	777,173	718,142	760,841	823,502	868,833	713,760
<b>TOTAL EXPENSES.....</b>	<b>28,928,856</b>	<b>29,045,327</b>	<b>28,749,491</b>	<b>28,507,159</b>	<b>28,381,378</b>	<b>28,587,377</b>	<b>29,440,810</b>	<b>26,167,842</b>	<b>24,756,729</b>	<b>22,931,814</b>
<b>PROGRAM REVENUES:</b>										
Charges for services:										
General government.....	143,897	132,663	112,966	34,561	45,806	47,646	113,248	145,710	146,781	148,871
Public safety.....	158,884	144,636	178,532	157,914	148,106	158,988	130,819	198,027	81,746	37,524
Public works.....	1,216,145	1,207,400	1,174,659	1,167,243	1,155,344	1,161,218	1,154,767	1,108,832	882,825	1,038,705
Health and welfare.....	444	596	915	755	885	1,816	1,866	1,938	2,289	1,669
Culture and recreation.....	50,645	55,195	51,091	156,737	354,639	411,361	393,855	454,209	350,430	398,806
Housing and development.....	69,425	57,044	55,659	41,689	57,543	61,149	56,508	69,453	84,417	108,679
Education.....	213,589	221,288	243,921	273,650	297,431	330,850	312,213	328,342	332,542	331,359
Operating grants and contributions.....	8,781,136	9,515,488	8,860,269	8,342,648	8,437,791	8,348,877	10,403,236	6,813,623	6,590,309	6,156,094
Capital grants and contributions.....	655,034	299,942	386,186	564,196	311,838	715,950	555,629	307,086	1,863,703	3,743,257
<b>TOTAL PROGRAM REVENUES.....</b>	<b>11,289,199</b>	<b>11,634,252</b>	<b>11,064,208</b>	<b>10,739,403</b>	<b>10,810,383</b>	<b>11,237,855</b>	<b>13,122,141</b>	<b>9,427,220</b>	<b>10,335,042</b>	<b>11,964,964</b>
<b>NET EXPENSES.....</b>	<b>(17,639,657)</b>	<b>(17,411,075)</b>	<b>(17,685,283)</b>	<b>(17,767,756)</b>	<b>(17,570,995)</b>	<b>(17,349,522)</b>	<b>(16,318,669)</b>	<b>(16,740,622)</b>	<b>(14,421,687)</b>	<b>(10,966,850)</b>
<b>GENERAL REVENUES:</b>										
Property taxes.....	18,118,289	17,679,388	16,785,654	16,549,427	16,452,886	16,444,961	15,506,863	16,066,609	15,368,327	14,065,657
Grants and contributions not restricted to specific programs.....	517,874	509,956	691,072	457,793	500,552	514,848	399,510	779,885	742,520	748,179
Investment income.....	64,153	47,706	49,314	89,062	90,133	89,454	228,647	520,009	438,209	200,395
Miscellaneous.....	31,362	71,174	47,102	63,923	94,033	107,408	256,730	34,198	53,060	64,753
<b>TOTAL GENERAL REVENUES.....</b>	<b>18,731,678</b>	<b>18,308,224</b>	<b>17,573,142</b>	<b>17,160,205</b>	<b>17,137,604</b>	<b>17,156,671</b>	<b>16,391,750</b>	<b>17,400,701</b>	<b>16,602,116</b>	<b>15,078,984</b>
<b>CHANGE IN NET POSITION.....</b>	<b>\$ 1,092,021</b>	<b>\$ 897,149</b>	<b>\$ (112,141)</b>	<b>\$ (587,551)</b>	<b>\$ (433,391)</b>	<b>\$ (192,651)</b>	<b>\$ 73,081</b>	<b>\$ 660,079</b>	<b>\$ 2,180,429</b>	<b>\$ 4,112,134</b>

TOWN OF THOMASTON, CONNECTICUT  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (UNAUDITED)

	FISCAL YEAR ENDED JUNE 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>GENERAL FUND:</b>										
Nonspendable.....	\$	\$	\$	\$ 250,932	\$	\$	\$	\$	\$	\$
Committed.....										
Assigned.....	250,000	315,000	84,533	153,207	350,000	273,000	250,000	1,185,800	587,800	670,000
Unassigned.....	2,890,109	2,701,438	2,240,778	1,766,537	1,626,920	1,554,869	1,743,007	1,553,554	2,384,337	1,741,694
<b>TOTAL GENERAL FUND.....</b>	<b>3,140,109</b>	<b>3,016,438</b>	<b>2,325,311</b>	<b>2,170,676</b>	<b>1,976,920</b>	<b>1,827,869</b>	<b>1,993,007</b>	<b>2,739,354</b>	<b>2,972,137</b>	<b>2,411,694</b>
<b>ALL OTHER GOVERNMENTAL FUNDS:</b>										
Nonspendable.....	1,279,423	1,305,819	1,306,788	1,366,650	1,303,437	1,351,772	1,326,688	1,326,955	1,364,569	1,385,347
Restricted.....	509,916	659,584	585,110	690,901	573,765	728,726	1,252,866	964,020	615,319	2,159,884
Committed.....	930,964	2,520,150	558,852	3,047,788	5,578,523	780,549	899,188	919,398	850,968	875,797
Assigned.....	1,086,043	1,179,720	363,589	309,413	112,784					
Unassigned.....	(109,805)	(2,505,405)	(1,980,505)	(179,998)	203,085	(488,523)	1,137,653	2,240,330	3,970,335	3,739,578
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>3,696,541</b>	<b>3,159,868</b>	<b>833,834</b>	<b>5,234,754</b>	<b>7,771,594</b>	<b>2,372,524</b>	<b>4,616,395</b>	<b>5,450,703</b>	<b>6,801,191</b>	<b>8,160,606</b>
<b>GRAND TOTAL.....</b>	<b>\$ 6,836,650</b>	<b>\$ 6,176,306</b>	<b>\$ 3,159,145</b>	<b>\$ 7,405,430</b>	<b>\$ 9,748,514</b>	<b>\$ 4,200,393</b>	<b>\$ 6,609,402</b>	<b>\$ 8,190,057</b>	<b>\$ 9,773,328</b>	<b>\$ 10,572,300</b>

**TOWN OF THOMASTON, CONNECTICUT**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
**(UNAUDITED)**

	FISCAL YEAR ENDED JUNE 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>REVENUES:</b>										
Property taxes.....	\$ 18,134,271	\$ 17,943,306	\$ 16,932,230	\$ 16,858,253	\$ 16,525,756	\$ 16,138,322	\$ 15,488,705	\$ 16,027,666	\$ 15,353,444	\$ 13,980,389
Charges for services.....	1,864,263	1,826,482	1,817,625	1,840,244	2,048,914	2,164,402	2,125,660	2,259,932	1,834,142	1,917,267
Intergovernmental.....	10,023,755	9,816,369	9,730,818	9,496,291	9,380,430	9,627,289	11,424,372	8,247,795	9,283,405	10,145,178
Contributions.....	109,013	684,800	129,773	46,019	67,190	155,075	129,857	93,471	154,955	59,295
Income from investments.....	19,144	47,709	49,314	89,061	90,133	117,301	260,567	520,007	438,209	200,395
Net change in fair value of investments.....	45,009					(39,572)				
Other.....	31,361	79,912	47,104	83,923	94,033	107,409	268,748	86,115	105,203	77,153
<b>TOTAL REVENUES.....</b>	<b>30,226,816</b>	<b>30,397,578</b>	<b>29,706,864</b>	<b>28,413,791</b>	<b>28,206,456</b>	<b>28,270,226</b>	<b>29,697,909</b>	<b>27,234,986</b>	<b>27,169,358</b>	<b>26,379,677</b>
<b>EXPENDITURES:</b>										
Current:										
General government.....	3,517,321	3,412,749	3,343,498	3,390,754	3,250,801	3,096,831	3,176,283	3,149,242	3,118,103	2,990,309
Public safety.....	1,562,456	1,506,881	1,536,180	1,345,780	1,489,274	1,470,060	1,513,799	1,419,646	1,379,520	1,400,427
Public works.....	3,000,019	2,758,011	2,886,572	2,637,989	2,658,236	2,710,550	2,754,083	2,548,694	2,374,480	2,191,308
Health and welfare.....	150,984	126,396	84,551	88,257	72,358	98,539	118,260	120,849	116,505	137,479
Culture and recreation.....	504,198	502,030	494,639	623,821	863,441	1,021,600	1,045,793	1,002,376	1,002,115	906,865
Housing and development.....	294,715	159,504	115,834	145,477	280,865	228,556	153,805	200,834	171,770	154,875
Education.....	17,181,062	17,361,746	17,148,470	16,781,904	16,523,775	16,536,919	18,514,871	15,397,354	14,416,639	13,369,915
Debt service:										
Principal.....	2,174,261	1,777,286	1,604,385	1,663,002	1,788,959	1,556,043	1,650,416	1,699,680	1,280,487	1,192,696
Interest.....	1,014,560	1,014,560	1,014,560	1,014,560	1,014,560	1,014,560	1,014,560	1,014,560	931,902	784,773
Capital outlay.....	6,258,365	5,842,077	4,960,660	3,176,564	2,385,154	2,957,302	1,304,774	2,408,022	3,548,126	7,221,877
<b>TOTAL EXPENDITURES.....</b>	<b>35,657,941</b>	<b>34,461,240</b>	<b>32,969,349</b>	<b>30,868,108</b>	<b>30,427,423</b>	<b>30,690,960</b>	<b>31,246,644</b>	<b>28,961,257</b>	<b>28,339,647</b>	<b>30,350,524</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....</b>	<b>(5,431,125)</b>	<b>(4,063,662)</b>	<b>(4,262,485)</b>	<b>(2,454,317)</b>	<b>(2,220,967)</b>	<b>(2,420,734)</b>	<b>(1,548,735)</b>	<b>(1,726,271)</b>	<b>(1,170,289)</b>	<b>(3,970,847)</b>
<b>OTHER FINANCING SOURCES (USES):</b>										
Capital lease.....	54,085	127,645						143,000	371,317	
Issuance of bonds (BANS).....	6,025,000	6,735,000			7,520,000					7,700,000
Issuance of refunding bonds.....				6,945,000	2,820,000					
Payment to refunding bond escrow.....				(7,239,828)	(2,800,000)					
Premium.....	12,384	218,178	16,200	406,061	229,088	11,725				83,816
Transfers in.....	3,679,843	3,247,341	3,059,313	3,113,769	2,928,843	400,038	687,897	3,538,490	3,166,372	2,743,736
Transfers out.....	(3,679,843)	(3,247,341)	(3,059,313)	(3,113,769)	(2,928,843)	(400,038)	(687,897)	(3,538,490)	(3,166,372)	(2,743,736)
<b>NET OTHER FINANCING SOURCES (USES).....</b>	<b>6,091,469</b>	<b>7,080,823</b>	<b>16,200</b>	<b>111,233</b>	<b>7,769,088</b>	<b>11,725</b>	<b>-</b>	<b>143,000</b>	<b>371,317</b>	<b>7,783,816</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>\$ 660,344</b>	<b>\$ 3,017,161</b>	<b>\$ (4,246,285)</b>	<b>\$ (2,343,084)</b>	<b>\$ 5,548,121</b>	<b>\$ (2,409,009)</b>	<b>\$ (1,548,735)</b>	<b>\$ (1,583,271)</b>	<b>\$ (798,972)</b>	<b>\$ 3,812,969</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES.....</b>	<b>10.85%</b>	<b>9.76%</b>	<b>9.40%</b>	<b>9.67%</b>	<b>10.02%</b>	<b>9.27%</b>	<b>8.88%</b>	<b>10.22%</b>	<b>8.92%</b>	<b>8.55%</b>

TOWN OF THOMASTON, CONNECTICUT

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS  
(UNAUDITED)

YEAR ENDED JUNE 30	GRAND LIST	REAL ESTATE		PERSONAL PROPERTY			TOTALS		RATIO OF TOTAL ASSESSED VALUE TO TOTAL ESTIMATED ACTUAL VALUE	TOTAL DIRECT TAX RATE	
		ASSESSED VALUE	ESTIMATED ACTUAL VALUE	MOTOR VEHICLE ASSESSED VALUE	PERSONAL PROPERTY ASSESSED VALUE	TOTAL ASSESSED VALUE	ESTIMATED ACTUAL VALUE	GROSS ASSESSED VALUE			ESTIMATED ACTUAL VALUE
2014	2012	\$ 452,163,616	\$ 645,948,023	\$ 54,202,556	\$ 59,821,474	\$ 114,024,030	\$ 162,891,471	\$ 566,187,646	\$ 808,839,494	70.00%	33.13
2013	* 2011	537,525,240	767,893,200	50,253,419	55,234,100	105,487,519	150,696,456	643,012,759	918,589,656	70.00%	32.83
2012	2010	537,525,240	767,893,200	50,253,419	55,234,100	105,487,519	150,696,456	643,012,759	918,589,656	70.00%	26.98
2011	2009	534,211,167	763,158,810	49,483,309	48,600,045	98,083,354	140,119,077	632,294,521	903,277,887	70.00%	26.54
2010	2008	533,956,500	762,795,000	50,028,393	49,300,103	99,328,496	141,897,851	633,284,996	904,692,851	70.00%	26.28
2009	2007	534,050,143	762,928,776	46,307,505	52,696,749	99,004,254	141,434,649	633,054,397	904,363,425	70.00%	26.28
2008	* 2006	535,758,290	765,368,986	51,810,436	47,824,927	99,635,363	142,336,233	635,393,653	907,705,219	70.00%	24.99
2007	2005	310,737,220	443,910,314	53,061,256	50,272,468	103,333,724	147,619,606	414,070,944	591,529,920	70.00%	39.62
2006	2004	306,571,130	437,958,757	49,776,370	49,209,162	98,985,532	141,407,903	405,556,662	579,366,660	70.00%	38.66
2005	2003	301,626,770	430,895,386	46,025,767	49,844,828	95,870,595	136,957,993	397,497,365	567,853,379	70.00%	37.18

\* Revaluation performed

**TABLE 6**

**TOWN OF THOMASTON, CONNECTICUT**

PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

TAXPAYER	2014			2005		
	(1) ASSESSMENT	RANK	PERCENT OF NET TAXABLE GRAND LIST	ASSESSMENT	RANK	PERCENT OF NET TAXABLE GRAND LIST
Connecticut Light & Power Co.	\$ 8,116,950	1	1.55%	\$ 4,451,444	2	1.19%
Albea	5,443,990	2	1.04%			0.00%
Connecticut Water Company	3,704,640	3	0.71%	3,289,426	3	0.88%
Yankee Gas Services Company	3,402,120	4	0.65%			0.00%
Tyler Properties	3,326,382	5	0.64%	2,144,068	8	0.57%
Thomaston Savings Bank	3,124,270	6	0.60%	2,096,148	9	0.56%
GLC Associates One, LLC	2,804,450	7	0.54%			0.00%
Summit Corp of America	2,703,250	8	0.52%	2,451,440	5	0.65%
Subs Realty	2,283,820	9	0.44%	5,977,391	1	1.59%
W L Real Estate Company	2,170,000	10	0.41%			0.00%
	<u>\$ 37,079,872</u>		<u>7.10%</u>	<u>\$ 20,409,917</u>		<u>5.44%</u>

Source: Town Assessor Department.

(1) The net taxable grand list as of October 1, 2012 totaled \$523,199,267.

**TABLE 7**

**TOWN OF THOMASTON, CONNECTICUT**

**PROPERTY TAX RATES, LEVIES AND COLLECTIONS  
LAST TEN YEARS  
(UNAUDITED)**

YEAR ENDED JUNE 30	(1) (2) TOTAL TAX RATE IN MILLS	GRAND LIST OF OCTOBER 1,	TOTAL ADJUSTED TAX LEVY	NET CURRENT TAX COLLECTIONS	PERCENT OF CURRENT LEVY COLLECTED	TOTAL COLLECTIONS TO DATE			
						COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS	PERCENTAGE OF LEVY COLLECTED	CURRENT DELINQUENT BALANCE
2014	33.13	2012	\$ 17,879,100	\$ 17,614,927	98.5%	\$	\$ 17,614,927	98.5%	\$ 264,173
2013	*	2011	17,645,073	17,364,941	98.4%	185,557	17,550,498	99.5%	94,575
2012	26.98	2010	16,626,776	16,324,968	98.2%	258,131	16,583,099	99.7%	43,677
2011	26.54	2009	16,462,140	16,192,962	98.4%	249,237	16,442,199	99.9%	19,941
2010	26.28	2008	16,070,948	15,687,137	97.6%	357,574	16,044,711	99.8%	26,237
2009	26.28	2007	16,017,616	15,511,321	96.8%	482,489	15,993,810	99.9%	23,806
2008	*	2006	15,325,961	14,907,955	97.3%	398,451	14,907,955	97.3%	19,555
2007	39.62	2005	15,758,093	15,384,998	97.6%	348,331	15,384,998	97.6%	24,764
2006	38.66	2004	15,003,165	14,679,512	97.8%	308,423	14,987,935	99.9%	15,230
2005	37.18	2003	14,043,736	13,487,766	96.0%	476,784	13,964,550	99.4%	79,186

Source: Town Audit Reports.

\* Revaluation performed

(1) There are no overlapping of tax rates.

(2) Tax levy is per \$1,000 of the assessed value of taxable property.

**TABLE 8**

**TOWN OF THOMASTON, CONNECTICUT**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS  
(UNAUDITED)**

**GENERAL LONG-TERM DEBT OUTSTANDING**

YEAR ENDED JUNE 30	GENERAL OBLIGATION BONDS/BOND ANTICIPATION NOTES	PREMIUM	CLEAN WATER NOTES	CAPITAL LEASE PAYABLE	TOTAL	PERCENTAGE OF PERSONAL INCOME	DEBT PER CAPITA
2014	\$ 25,545,000	\$ 608,756	\$ 3,566,374	\$ 84,890	\$ 29,805,020	N/A	\$ 3,791
2013	21,290,000	664,948	4,100,821	91,120	26,146,889	N/A	3,336
2012	16,000,000	582,448	4,624,694	-	21,207,142	N/A	2,659
2011	17,425,000	632,036	5,138,202	-	23,195,238	N/A	2,941
2010	18,715,000	353,311	5,641,550	-	24,709,861	N/A	3,168
2009	12,410,000	134,374	6,134,939	122,009	18,801,322	0.36%	2,421
2008	13,645,000	144,525	6,618,567	240,811	20,648,903	N/A	2,641
2007	14,880,000	154,676	7,092,626	421,704	22,549,006	N/A	2,846
2006	16,115,000	-	7,557,306	-	23,672,306	N/A	2,982
2005	16,940,000	-	8,012,793	-	24,952,793	N/A	3,158

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

N/A Information not available.

TABLE 9

TOWN OF THOMASTON, CONNECTICUTRATIO OF LONG-TERM DEBT TO NET ASSESSED VALUE AND LONG-TERM DEBT PER CAPITA  
LAST TEN YEARS  
(UNAUDITED)

YEAR ENDED JUNE 30	(1) POPULATION	(2) NET ASSESSED VALUE	(3) LONG TERM DEBT AND RELATED LIABILITIES	RATIO OF BONDED DEBT/NOTES TO NET ASSESSED VALUE	DEBT PER CAPITA
2014	7,862	\$ 523,199,267	\$ 29,805,020	5.70%	\$ 3,791
2013	7,838	525,998,215	26,146,889	4.97%	3,336
2012	7,975	599,951,403	21,207,142	3.53%	2,659
2011	7,887	607,818,174	23,195,238	3.82%	2,941
2010	7,801	612,278,500	24,709,861	4.04%	3,168
2009	7,766	613,301,069	18,801,322	3.07%	2,421
2008	7,818	615,374,875	20,648,903	3.36%	2,641
2007	7,922	395,518,561	22,549,006	5.70%	2,846
2006	7,938	385,160,536	23,672,306	6.15%	2,982
2005	7,901	375,351,717	24,952,793	6.65%	3,158

**Sources:**

- (1) CT Health Department.  
(2) Town Assessor's Department.  
(3) From Table 8.

TOWN OF THOMASTON, CONNECTICUT

SCHEDULE OF DEBT LIMITATION  
CONNECTICUT GENERAL STATUTES, SECTION 7-374 (b)  
YEAR ENDED JUNE 30, 2014  
(UNAUDITED)

Total tax collections (including interest and lien fees) for current year.....	\$ 18,085,196
Reimbursement for revenue loss on:	
Tax relief for elderly freeze.....	<u>2,000</u>
BASE FOR DEBT LIMITATION COMPUTATION.....	<u>\$ 18,087,196</u>

DEBT LIMITATION:	GENERAL PURPOSE	SCHOOLS	SEWERS	URBAN RENEWAL	PENSION DEFICIT
2 1/4 times base.....	\$ 40,696,191	\$	\$	\$	\$
4 1/2 times base.....		81,392,382			
3 3/4 times base.....			67,826,985		
3 1/4 times base.....				58,783,387	
3 times base.....					54,261,588
<b>TOTAL DEBT LIMITATION.....</b>	<u>40,696,191</u>	<u>81,392,382</u>	<u>67,826,985</u>	<u>58,783,387</u>	<u>54,261,588</u>
<b>INDEBTEDNESS:</b>					
Bonds payable.....	10,539,756	8,581,086	399,158		
Bond anticipation notes - long-term...	3,475,000	2,550,000			
Bond anticipation notes - short-term..	1,175,000				
Less: School building grants.....		(726,991)			
<b>TOTAL INDEBTEDNESS.....</b>	<u>15,189,756</u>	<u>10,404,095</u>	<u>399,158</u>	<u>-</u>	<u>-</u>
<b>DEBT LIMITATION IN EXCESS OF OUTSTANDING DEBT</b>	<u>\$ 25,506,435</u>	<u>\$ 70,988,287</u>	<u>\$ 67,427,827</u>	<u>\$ 58,783,387</u>	<u>\$ 54,261,588</u>

The total net indebtedness above amounts to: \$ 25,993,009

In no event shall total indebtedness exceed seven time the base for debt limitation computation: \$ 126,610,372

(1) There is no overlapping debt.

**TABLE 11****TOWN OF THOMASTON, CONNECTICUT**LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS  
(UNAUDITED)

YEAR ENDED JUNE 30	DEBT LIMIT	NET DEBT APPLICABLE TO LIMIT	LEGAL DEBT MARGIN	TOTAL NET DEBT APPLICABLE
2014	\$ 126,610,372	\$ 25,993,009	\$ 100,617,363	20.53%
2013	125,550,264	24,245,997	101,304,267	19.31%
2012	117,980,709	18,686,529	99,294,180	15.84%
2011	118,368,957	16,296,459	102,072,498	13.77%
2010	114,583,798	17,452,561	97,131,237	15.23%
2009	112,410,347	15,826,028	96,584,319	14.08%
2008	107,773,680	12,089,494	245,797,526	4.69%
2007	111,579,636	13,177,964	98,401,672	11.81%
2006	254,959,825	14,113,425	240,846,400	5.54%
2005	243,114,241	14,779,764	228,334,477	6.08%

TABLE 12

TOWN OF THOMASTON, CONNECTICUTDEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(UNAUDITED)

YEAR ENDED JUNE 30	(1) POPULATION	(2) PERSONAL INCOME	(3) PER CAPITA INCOME	(2) MEDIAN AGE	EDUCATION LEVEL IN YEARS OF SCHOOLING	(3) SCHOOL ENROLLMENT	(4) UNEMPLOYMENT PERCENTAGE
2014	7,862	\$ 64,982	(5)	43	High School 35% Some College 35%	941	5.8%
2013	7,838	66,197	(5)	44	High School 35% Some College 58%	1,004	8.0%
2012	7,975	66,197	(5)	44	High School 35% Some College 58%	1,010	8.5%
2011	7,887	(5)	(5)	(5)	(5)	1,114	8.2%
2010	7,801	(5)	(5)	(5)	(5)	1,186	8.6%
2009	7,766	67,558	(5)	(5)	(5)	1,216	9.4%
2008	7,818	(5)	(5)	(5)	(5)	1,259	6.3%
2007	7,922	(5)	(5)	(5)	(5)	1,295	4.5%
2006	7,938	(5)	(5)	(5)	(5)	1,306	4.2%
2005	7,901	(5)	(5)	(5)	(5)	1,298	5.2%

(1) Source: State of Connecticut, Department of Public Health and Addiction Services.

(2) Connecticut Economic Resource Center, Inc.

(3) Thomaston Board of Education.

(4) Connecticut Labor Department - Research and Statistics.

(5) Information not available.

**TABLE 13**

**TOWN OF THOMASTON, CONNECTICUT**

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

EMPLOYER	2014			2005		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL TOWN EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL TOWN EMPLOYMENT
Albea	395	1	9%	326	1	7%
State of Connecticut	317	2	7%	N/A		N/A
Town of Thomaston	219	3	5%	N/A		N/A
Thomaston Savings Bank	173	4	4%	114	3	3%
Ward Leonard Electric, Inc.	155	5	3%	74	7	2%
UniMetal	135	6	3%	102	6	2%
Stewart Eyelets for Industry, Inc.	124	7	3%	109	5	2%
Summit Corporation of America	78	8	2%	116	2	3%
Stevens Co., Inc.	42	9	1%	57	8	1%
WHYCO Chromium, Inc	32	10	1%	110	4	2%
<b>TOTAL.....</b>	<b>1,670</b>		<b>38%</b>	<b>1,008</b>		<b>22%</b>
<b>Total Town Employment</b>	<b>4,509</b>			<b>4,521</b>		

SOURCE: Annual Town survey.

N/A - Companies did not respond or information was unavailable.

TOWN OF THOMASTON, CONNECTICUT  
 FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN YEARS  
 (UNAUDITED)

FUNCTION / PROGRAM	FULL -TIME EQUIVALENT EMPLOYEES AS OF JUNE 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>GENERAL GOVERNMENT:</b>										
Selectmen.....	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.7	2.2
Elections.....	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.7	1.3
Treasurer.....	3.0	3.0	3.9	3.9	2.9	3.3	3.5	3.3	3.3	3.4
Tax Collector.....	2.0	2.0	2.0	2.0	1.9	2.0	2.0	2.0	2.0	2.0
Assessor/Assessment appeals.....	1.0	1.0	1.0	1.0	1.0	1.0	1.5	2.3	1.6	1.4
Town Hall maintenance.....	1.5	1.4	1.5	1.0	1.0	1.1	1.0	0.8	0.6	0.6
Town Clerk.....	1.7	1.5	1.7	1.6	1.6	1.7	1.7	1.7	1.5	1.5
<b>PUBLIC SAFETY:</b>										
Police officers.....	13.4	11.6	11.7	11.4	12.3	12.5	13.2	13.4	13.8	13.7
Inmate supervision.....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0
Dispatch.....	4.5	4.8	4.0	4.6	4.7	4.8	5.1	5.0	4.1	3.8
Fire Marshall.....	0.1	0.1	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5
Animal control.....	1.1	1.2	1.1	1.1	1.1	1.1	1.2	1.2	1.1	1.1
<b>PUBLIC WORKS:</b>										
Highway.....	7.0	8.0	6.0	7.0	8.1	8.8	9.0	8.6	10.0	8.5
Solid waste and recycling.....	0.2	0.3	0.2	0.2	0.2	0.2	0.3	0.3	0.5	0.3
Sewer plant.....	7.0	7.0	5.0	7.0	7.0	7.0	7.0	6.9	7.0	8.3
Hillside Cemetery.....	1.7	1.9	1.7	1.5	1.0	1.6	1.3	1.5	1.7	1.8
<b>HEALTH AND WELFARE:</b>										
Social services.....	0.5	0.0	0.0	0.0	0.0	1.0	1.7	1.5	1.6	1.3
Minibus.....	0.2	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.2	0.1
Veterans administration.....	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>CULTURE AND RECREATION:</b>										
Recreation.....	1.6	1.6	3.5	2.4	2.3	2.4	2.8	3.1	2.1	1.9
Public library.....	5.4	6.1	5.8	5.8	6.2	6.2	7.4	6.6	5.9	5.9
Opera House.....	0.0	0.0	0.0	0.0	2.5	4.0	3.7	3.7	3.2	3.3
<b>HOUSING AND DEVELOPMENT:</b>										
Housing, land use & development....	2.1	2.1	2.5	2.0	2.3	2.3	2.1	1.9	2.7	2.0
EDUCATION.....	162.8	163.5	165.9	164.1	160.7	161.1	180.8	195.0	186.3	190.3
<b>TOTAL.....</b>	<b>219.3</b>	<b>220.0</b>	<b>221.0</b>	<b>220.1</b>	<b>220.3</b>	<b>225.7</b>	<b>248.9</b>	<b>262.4</b>	<b>254.2</b>	<b>256.3</b>

SOURCE: Actual payroll data.

TABLE 15

## TOWN OF THOMASTON, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS  
(UNAUDITED)

FUNCTION / PROGRAM	FISCAL YEAR ENDED JUNE 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>GENERAL GOVERNMENT</b>										
<b>PUBLIC SAFETY:</b>										
Fire:										
Emergency responses.....	239	266	436	367	268	240	338	360	335	269
Fires extinguished.....	26	17	43	26	27	40	57	29	146	116
Police:										
Incidents.....	37,715	32,646	33,503	33,523	33,299	34,946	35,162	35,191	35,641	N/A
Accidents.....	347	195	217	230	206	248	216	262	232	N/A
Physical arrests.....	565	236	258	161	165	257	155	198	115	N/A
Traffic violations.....	853	841	949	952	1,001	867	922	742	878	N/A
<b>PUBLIC WORKS:</b>										
Street resurfacing (miles).....	2.0	0.0	0.0	0.0	0.0	2.38	5.00	0.0	0.73	N/A
Streets rebuilt (miles).....	0.0	4.86	4.86	4.31	3.12	0.66	1.14	1.14	2.16	N/A
<b>PARKS AND RECREATION:</b>										
Athletic field permits issued.....	40	41	46	51	44	55	55	76	66	N/A
Number of recreation programs.....	34	36	34	29	27	26	25	27	29	29
<b>HEALTH AND WELFARE:</b>										
Number of elderly serviced.....	86	N/A	N/A	N/A	N/A	N/A	1,012	1,410	3,639	N/A
Number of families serviced.....	150	N/A	N/A	N/A	N/A	N/A	2,612	2,650	6,477	N/A
Number of disabled serviced.....	60	N/A	N/A	N/A	N/A	N/A	626	672	1,410	N/A
<b>LIBRARY:</b>										
Total print items.....	40,885	40,637	41,243	40,137	42,804	44,541	46,260	46,533	47,769	50,184
Total non-print items.....	6,291	5,991	5,775	8,095	6,366	11,578	8,221	7,652	5,407	4,962
Circulation.....	75,418	80,528	80,371	86,380	95,354	93,826	89,305	92,997	95,145	89,362
Interlibrary borrows.....	3,605	3,537	3,662	3,210	3,429	3,432	2,408	1,984	1,841	924
Interlibrary loans.....	2,427	3,003	3,391	3,467	3,298	3,289	2,392	2,308	1,675	1,018
<b>EDUCATION:</b>										
Enrollment:										
High School.....	412	438	460	518	559	547	582	600	593	598
Middle School.....	237	256	227	256	267	278	296	298	300	320
Elementary Schools.....	292	310	323	340	360	391	381	397	413	394
Total.....	941	1,004	1,010	1,114	1,186	1,216	1,259	1,295	1,306	1,312
<b>SEWER FUND:</b>										
Average daily sewage treatment (million gallons).....	0.989	0.924	0.871	0.937	0.992	0.982	0.864	1.067	1.001	N/A
Residential customers.....	2,700	2,695	2,619	2,613	2,600	2,600	2,594	2,587	2,169	N/A
Commercial & Industrial Customers.....	128	130	130	128	134	131	136	130	136	N/A
Manhole repair as part of I/I reduction.....	9	42	48	80	60	62	6	8	11	N/A
<b>SOLID WASTE &amp; RECYCLING:</b>										
CRRRA tonnage (annual).....	2,506	3,069	3,817	4,226	4,284	4,724	4,981	5,024	5,140	5,580

SOURCES: Various Town Departments.

N/A - Data not available.

TABLE 16

TOWN OF THOMASTON, CONNECTICUT  
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
 LAST TEN YEARS  
 (UNAUDITED)

FUNCTION / PROGRAM	FISCAL YEAR ENDED JUNE 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>GENERAL GOVERNMENT:</b>										
Election voting machines.....	2	2	2	2	2	2	2	2	7	7
Vehicles.....	2	2	2	1	1	1	1	1	1	1
<b>PUBLIC SAFETY:</b>										
Fire and ambulance stations.....	2	2	2	2	2	2	2	2	2	2
Police stations.....	1	1	1	1	1	1	1	1	1	1
Police vehicles.....	11	8	8	10	10	10	10	10	10	10
Fire trucks.....	5	7	7	7	7	7	7	7	7	7
Ambulances.....	2	2	2	2	2	2	2	2	2	2
Other emergency vehicles.....	6	6	6	6	6	6	6	6	6	5
<b>PUBLIC WORKS:</b>										
Miles of Streets:										
Paved.....	41.25	41.25	41.25	41.00	41.00	41.00	41.00	41.00	40.58	40.17
Accepted.....	41.25	41.25	41.25	41.00	41.00	41.00	41.00	41.00	40.58	40.17
Private.....	0.30	0.30	0.30	0.30	0.30	0.03	0.03	0.03	0.03	0.03
State Highway.....	64.89	64.89	64.89	64.89	64.89	64.89	64.89	64.89	64.89	64.89
Miles of Sidewalks.....	10.88	10.88	10.88	10.88	10.88	10.88	10.88	10.88	10.88	10.88
Miles of Sewer:										
Storm.....	95.25	95.25	95.25	95.25	95.25	95.00	95.00	85.50	85.00	70.00
Sanitation.....	50.50	50.50	50.50	50.50	50.50	50.50	50.50	50.50	50.00	50.00
Dump trucks.....	10	10	10	10	10	10	10	9	8	8
Other public works vehicles & heavy equipment.....	28	27	27	27	27	27	27	26	24	24
<b>HEALTH AND WELFARE:</b>										
Minibus.....	1	1	1	1	1	1	1	1	1	1
<b>CULTURE AND RECREATION:</b>										
Acres of park land.....	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0
Handball baseball diamonds.....	1	1	1	1	1	1	1	1	1	1
Youth baseball diamonds.....	5	5	5	5	5	5	5	5	5	5
Basketball courts.....	3	3	3	3	3	3	3	3	3	3
Soccer fields.....	3	3	3	3	3	3	3	3	3	3
Nature areas.....	1	1	1	1	1	1	1	1	1	1
Picnic areas.....	1	1	1	1	1	1	1	1	1	1
Playgrounds.....	7	7	7	7	7	7	7	7	7	7
Public beach.....	1	1	1	1	1	1	1	1	1	1
Public greens.....	3	3	3	3	3	3	3	3	3	3
Tennis courts.....	3	3	3	3	3	3	3	3	3	3
Public indoor theatres.....	1	1	1	1	1	1	1	1	1	1
Public library.....	1	1	1	1	1	1	1	1	1	1
<b>EDUCATION:</b>										
Number of high schools.....	1	1	1	1	1	1	1	1	1	1
Number of middle schools.....	1	1	1	1	1	1	1	1	1	1
Number of elementary schools.....	1	1	1	1	1	1	1	1	1	1

SOURCES: Various Town Departments.