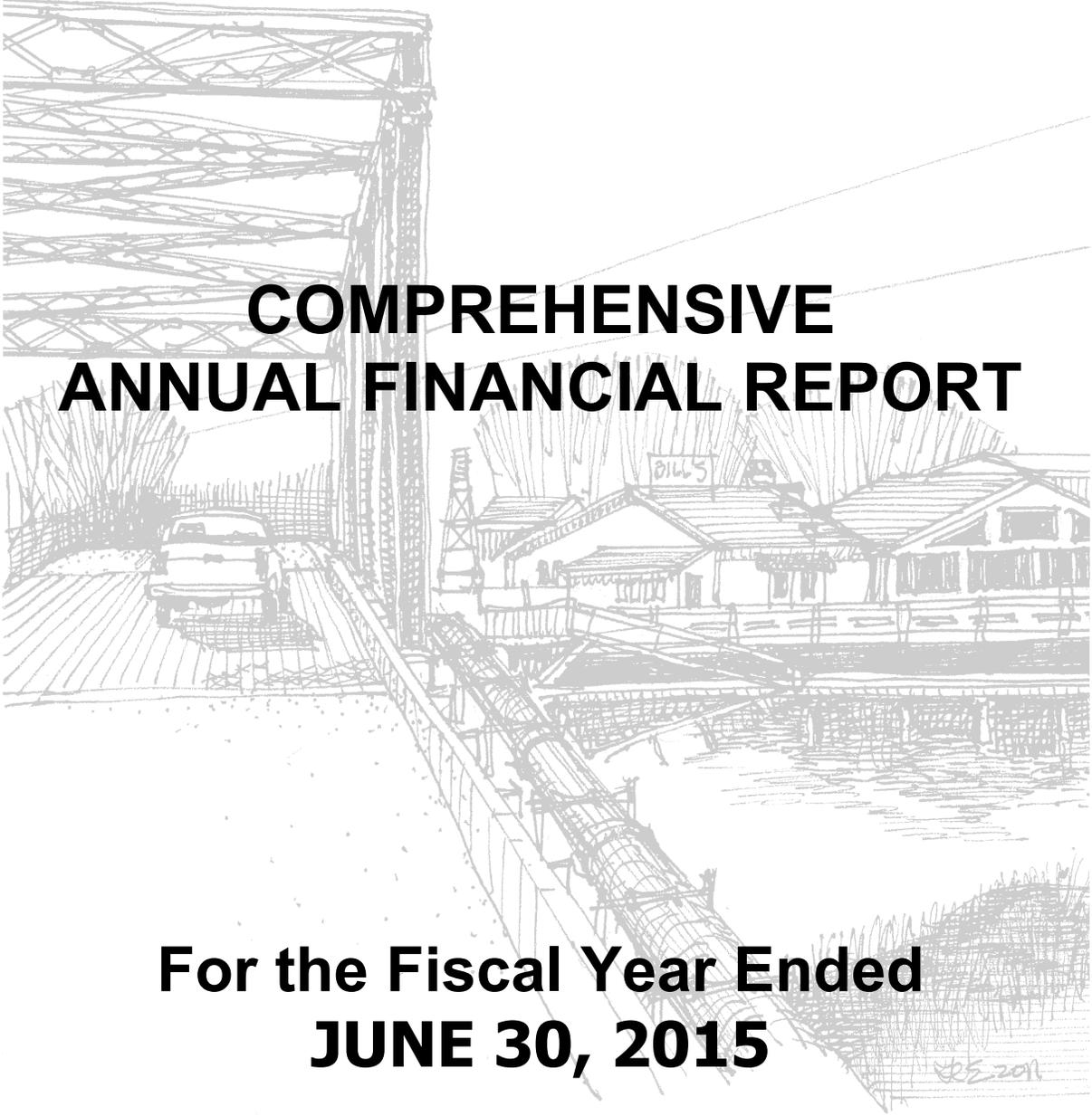


**TOWN OF WESTBROOK,
CONNECTICUT**



**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended
JUNE 30, 2015**

Cover Sketch Contributed by Tom Elliot

**TOWN OF WESTBROOK,
CONNECTICUT**

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2015

DEPARTMENT OF FINANCE

ANDREW URBAN
DIRECTOR OF FINANCE

**TOWN OF WESTBROOK, CONNECTICUT
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INTRODUCTORY SECTION



WESTBROOK, CT

TOWN OF WESTBROOK
NOEL BISHOP, FIRST SELECTMAN

866 BOSTON POST ROAD
WESTBROOK, CONNECTICUT 06498
TEL (860) 399-3040
FAX (860) 399-3015
WWW.WESTBROOKCT.US

December 2, 2015

The Honorable Noel Bishop
First Selectman
Town of Westbrook

The Honorable Paul Connolly
Chairman, Board of Finance
Town of Westbrook

Gentlemen,

The Comprehensive Annual Financial Report (CAFR) of the Town of Westbrook for the fiscal year ended June 30, 2015 is hereby submitted. The purpose of this report is to provide citizens, board members, investors, grantor agencies and other interested parties with reliable information about the Town of Westbrook. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Town. The intent is to provide reasonable assurance that the financial statements are free of any material misstatements.

The Town is required to undergo a Single Audit under Public Act 91-401 of the State of Connecticut. Information related to this single audit will be issued separately.

Seward and Monde, CPAs, have issued an unmodified ("clean") opinion on the Town of Westbrook's financial statements for the year ended June 30, 2015. The independent auditors' report is located at the front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follow the independent auditors' report and provides a narrative overview of the basic financial statements. The MD&A is intended to complement this transmittal letter and should be read in conjunction with it.

This report includes all of the funds and accounts of the Town. It includes all activities controlled or dependent on the Town. The Westbrook Board of Education (grades K through 12) as well as various boards and commissions are component units of the Town; therefore, these activities are included in this report.

PROFILE OF THE TOWN OF WESTBROOK

Originally a part of Old Saybrook, the Town of Westbrook was incorporated in 1840. It is located thirty-five miles east of the City of New Haven and twenty-one miles west of the City of New London on the Long Island Sound. Located in Middlesex County, Westbrook comprises approximately 16.2 square miles. The Town is bounded by Essex and Deep River on the north, Old Saybrook on the east, Clinton on the west and Long Island Sound on the south.

The Town is bisected by U.S. Route 1 and Interstate Route I-95 (the New York - Providence - Boston corridor) which has two exits to inland and shore points in Westbrook. The Town is also

traversed by State Highways 145, 153 and 166. In neighboring Essex, Route 9, a limited access highway, connects to Hartford.

The Town's population has grown from 2,400 in 1960 to 6,922 in 2015.

Given the Town's location and accessibility to major roadways, the Town contributes a great deal of its residents to the area's labor force. On June 30, 2015, 95.4% of the Town's available labor force was employed. This compares favorably to the State rate of 94.6%. The Town's per capita income was \$40,688 and its median household income was \$73,211, as reported by in the State of Connecticut Fiscal Indicators report.

The Town's position as a residential community is illustrated by the fact that approximately 86.7% of the October 2013 real estate grand list was residential. The percentage of the October 2012 grand list was 86.4%. Permits for ten new residential units were issued this year compared to thirteen in 2014. In the last ten years, the average number of new units per year is 11. As a percentage of the grand list, industrial and commercial property values decreased slightly from 13.6% to 13.3%.

The Town provides a full range of municipal services including public safety (police, fire, animal control and emergency management), public works (roads, building and grounds, solid waste management, engineering), health, sanitation, zoning compliance, senior citizen services, youth services, and social services; recreation; library.

GOVERNANCE

The Town of Westbrook derives its power and privileges from the provisions of Connecticut General Statutes. The Town Meeting form of government includes a three member Board of Selectmen and a six member Board of Finance. The Town Meeting acts as the legislative body for all matters. The Board of Selectmen prepares the annual budget which is then presented to the Board of Finance to establish the tax rate, ascertain the need for appropriations and transfers of monies to and from Town accounts and publishes the annual report.

ECONOMIC CONDITIONS

- The unemployment rate for the Town as of June 2015 was 4.6%, which is a moderate improvement from a rate of 5.3% a year ago. This compares very favorably to the state's average unemployment rate of 5.4% and the national average rate of 5.3%.
- Inflationary trends in the region compare favorably to national indices.

MAJOR INITIATIVES

For the Year:

Major initiatives tend to be measured by large expenditures and/or project size and are usually thought of in terms of capital projects. However, presented below are the highlights of the Town's special programmatic and service initiatives followed by the explanation of capital initiatives.

Programs and Services:

Finance Department: The Finance Department began formal operations on January 5, 2011 with the employment of the Town's first Director of Finance. Other than the Director, the Department is staffed with one full-time and one part-time employee. Some accomplishments during FY2015 include:

- Preparation and management of the FY2015-16 annual budget process.
- Preparation of the 5 Year Capital Improvement Plan for FY2016-20.

Planning Commission

- Sidewalk Improvement Plan - work ongoing.
- Rte. 1 Corridor Study - work ongoing with regional planning agency (RiverCOG).
- Applications - the Planning Commission reviewed 3 subdivision applications, 8 zoning commission referrals, 5 regulation amendments, and 4 municipal improvements.

Town Center Revitalization Committee

- Town Center Parking Project - work ongoing.
- Town Center Master Plan - continued work with the UCONN Community Research & Design Collaborative to develop a Master Plan.
- Adopt-A-Spot - this program, in its 5th year of operation, continues to maintain over 35 "spots" in Westbrook with the help of "adopters" and additional funding from the Westbrook Foundation.

Economic Development Committee

- Turnpike Auto Wreckers Remediation/Redevelopment - Conducted re-use study. Prepared and submitted EPA Brownfields Assessment Grant.
- Continued to develop and implement the Town welcome & way-finding signage program.
- Continued to work jointly with Town Center Revitalization Committee on projects listed above.
- Funded the appraisal of possible right-of-way acquisition for the Town Center project.
- Continued to develop and implement the Town welcome & way-finding signage program.
- Continued to work jointly with Town Center Revitalization Committee on projects listed above.

Conservation Commission

- Open Space Acquisition - awarded a \$650,000 CT DEEP Open Space Grant for 186 acres acquired in FY14. Provided staff support for negotiation of purchase and sales agreement on two additional properties - 7 acres at a cost of \$100,000 and 84 acres at a cost of \$600,000. Submitted an application for another DEEP Open Space grant for 84-acre parcel.
- Mulvey Kayak Launch/Fishing Pier - awarded Westbrook Foundation Grant for construction of kayak launch/fishing pier behind Mulvey Municipal Center.

- Chapman Mill Pond Open Space Parking Lot - awarded \$58,000 Recreational Trails Grant to develop parking facility.
- Kirtland Landing Upgrade - submitted grant application for needed upgrade (\$140,000).

Building Department

- Issued 860 building permits worth \$19,401,878 in value and generating \$220,304 in revenue. The number of permits increased from 674 to 860, or a 22% increase.
- Issued 10 permits for new single family residences with a value of \$3,697,620, and at the current mill rate of 21.79 adds \$56,400 in property taxes.

Health Department

- Health Director Position: A full time health director was hired on January 1, 2015.
- The Director successfully applied for three public health grants:
 1. Public Health Emergency Preparedness Grant (3 years) for \$5,022 per year.
 2. Lead Poisoning Prevention Financial Assistance Grant (1 year) for \$3,964 for FY16.
 3. Preventive Health and Health Services Block Grant (2 years) for \$1,713 per year.
- Collaborated with Southern Connecticut State University to conduct a Community Health Assessment.
- Collaborated with the Town's Water Pollution Control Commission on changes to the sewer avoidance ordinance and enforcement of the ordinance.
- Recommended a revised fee schedule for environmental health permits; created an inspection form for hotels and motels.

Senior Center

- Initiated an Intergenerational Program in conjunction with Cathy Dowler's second grade class at Daisy Ingraham Elementary School.
- Collaborated with the VNA, Health Department, Social Services, and WYFS to promote healthy living and offer programs in community.
- Collaborated with a fitness instructor from the Recreation Department to offer exercise programs 5x per week for every fitness ability level.
- The in house lunch program (in place of Estuary Congregate meal) increased attendance (on average) from 8 participants to 25-30 per meal.
- The Town Nurse conducts a monthly blood pressure clinic for seniors.
- A Therapy Dog visits once a month.

Recreation

- The Afterschool program has seventeen students participating and we expect more students joining when the winter sports start.
- Our Preschool programs have thirteen children registered between the Little Folks and the Fun Days programs.
- Our Summer Camps and Sports Camps maintained the same numbers as last year with just a slight increase.

- All our Adult fitness programs have shown an increase from last year except the Pilates program. This past summer we received \$4,500 for nine weeks rental of four tennis courts from the Madison Racquet and Swim Club; they provide all our tennis programs and lessons.
- Both the travel basketball and travel soccer programs had an increase in teams and players.

Public Works

The Public Works Department managed several significant events during FY2015:

- Snow Removal: During FY2015 there were twenty-one snow events while FY2014 had sixteen. This created additional cost for labor in overtime, and in some cases, double-time for the staff; additional operating costs and repairs to the vehicles; and additional need for salt and sand.
- Preliminary engineering has begun on the replacement of two bridges, the Winthrop Road Bridge at an estimated cost of \$984,260, and the Lynn Road Bridge at an estimated cost of \$997,410. The Town has been approved for 45.06% reimbursement from the State Department of Transportation's Local Bridge Program.

Capital Initiatives

Twenty-one capital projects were initiated totaling \$1,449,367 in the Capital Nonrecurring Fund, including:

- Acquisition of 43 acres of open space at a cost of \$251,200 with a DEEP Open Space grant.
- Completion of the Town's new public works facility at a final cost of \$1,881,993. This facility was placed in service in December 2014.
- The Town added \$179,853 in machinery, equipment and vehicles to the town inventory of assets, including \$161,699 for a new public works truck, \$11,864 for a replacement animal control vehicle, and \$6,290 for a tire changing machine at the public works garage.

Other projects funded from the August 2013 \$5.0 million bond issue include:

- Completion of Board of Education energy conservation measures for \$380,896.
- Investment of \$1,350,728 in a new ladder truck for the fire department, funded from bond funds. This truck was placed in service in February 2015.

The following table shows the status of capital projects from FY11 through FY15.

<u>Fiscal Year</u>	<u># of Projects</u>	<u>Appropriation</u>	<u>Expended 2015</u>	<u>Expended To Date</u>	<u>Balance</u>
2011	14	\$3,745,418	\$ 29,692	\$2,961,203	\$ 784,215
2012	33	1,518,970	44,587	1,456,378	62,592
2013	18	349,026	636	326,537	22,489
2014	16	1,794,675	21,973	1,131,926	662,749
2015	21	1,449,367	847,587	847,587	601,780
Totals	102	\$8,857,456	\$ 944,475	\$6,723,631	\$2,133,825

Budgeting Controls

In addition to internal accounting controls, the Town maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget for the General Fund approved at the annual Town Meeting and as may be amended by the Boards of Selectmen and Finance or a Special Town Meeting during the fiscal year. The General Fund level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the division level within a department. The Town does not maintain annual budgets for any other funds. However, periodically, Town agencies do wish to use their special funds in which case a budget is adopted by the Board of Finance if under \$20,000 and at a Town Meeting if over \$20,000. The Town also maintains project length budgets for all capital projects approved by special Town Meetings. The Town does not use an encumbrance system, but verification of fund availability is required prior to the payment of invoices.

As demonstrated by the statements and schedules included in the financial section of this report, the Town continues to meet its responsibility for sound financial management.

Fiscal Year 2015 Financial Results

An extensive discussion the Town's financial results of operation is contained in the Management's Discussion and Analysis. That information is not duplicated here.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Excellence in Financial Reporting to the Town for its Comprehensive Annual Financial Report for the third time for the Town's Fiscal Year 2014 report. In order to be awarded a Certificate of Achievement, the Town publishes an easily readable and efficiently organized comprehensive annual financial report. This report satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate for Excellence in Financial Reporting is valid for a period of one year only. I believe our current report continues to conform to Certificate of Achievement for Excellence in Financial Reporting Program requirements, and I am submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this annual financial report on a timely basis was made possible by the efficient and dedicated services of Carol Hess and Donna Hurteau in the Finance Department, to whom I extend my sincere appreciation. I should also thank you, the Board of Selectmen and the Board of Finance for the interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Andrew Urban".

Andrew Urban
Director of Finance



Government Finance Officers Association

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

Presented to

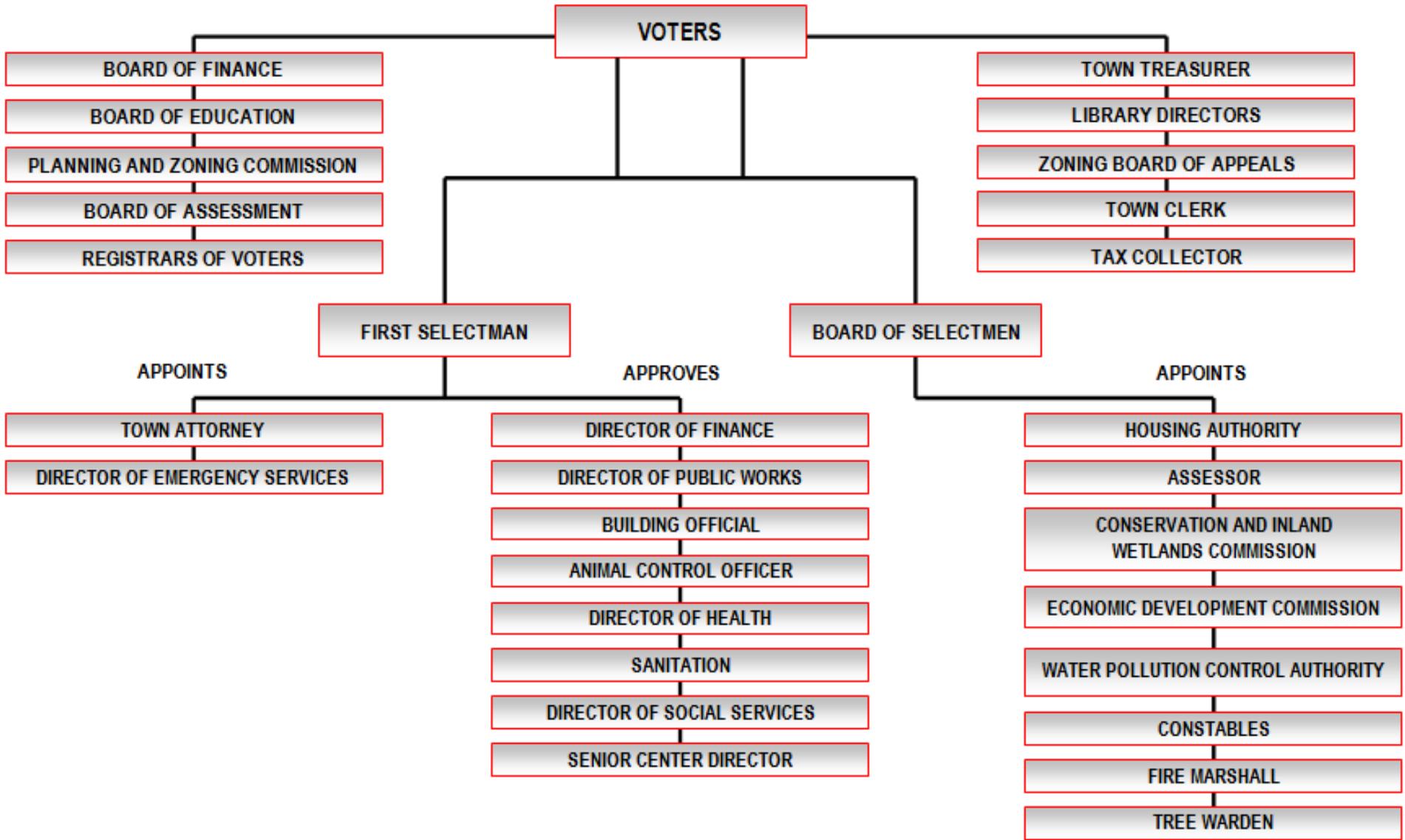
**Town of Westbrook
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

**TOWN OF WESTBROOK, CONNECTICUT
ORGANIZATIONAL CHART**



**TOWN OF WESTBROOK, CONNECTICUT
LIST OF ELECTED AND APPOINTED OFFICIALS
JUNE 30, 2015**

Elected Officials

Noel Bishop	First Selectman
John Hall	Selectman
Chris Ehlert	Selectman
Paul Connelly	Chairman, Board of Finance
Gary Gavigan	Board of Finance
Tanya Lane	Board of Finance
John Leake	Board of Finance
George Pytlik	Board of Finance
Richard Westbrook	Board of Finance
Jane Butterworth	Treasurer
Joan Angelini	Town Clerk
Kimberly Bratz	Tax Collector
Nancy Moore	Registrar
Mary Labbadia	Registrar

Appointed Officials

Andrew Urban	Director of Finance
Rich Annino	Director of Recreation
Sonia Marino	Director of Health
Courtney Burks	Senior Center Director
Elizabeth Carpenter	Director of Social Services
Lewis Daniels	Library Director
Pam Fogarty	Assessor
Donald Izzo	Director of Emergency Services
Deborah Lovelette	Director of Public Nurses
Meg Parulis	Town Planner
George Rehberg	Fire Marshall
John Riggio	Director of Public Works
Nancy Rudek	Zoning Enforcement Officer
Mike Jenkins	Fire Chief
Roger Zito	Building Official
Patricia Ciccone	Superintendent of Schools
Lesley Wysocki	Business Manager
Michael Wells	Town Attorney

FINANCIAL SECTION

SEWARD AND MONDE

CERTIFIED PUBLIC ACCOUNTANTS
296 STATE STREET
NORTH HAVEN, CONNECTICUT 06473-2165
(203) 248-9341
FAX (203) 248-5813

INDEPENDENT AUDITORS' REPORT

To the Honorable Members
of the Board of Finance
Town of Westbrook, 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 Westbrook, Connecticut (the Town) as of and for the year ended June 30, 2015, 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 U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 Westbrook, Connecticut, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended, in accordance with U.S. generally accepted accounting principles.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, during the fiscal year ended June 30, 2015, the Town adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The net position of the Town has been restated to recognize the net pension liability required in implementing GASB Statement No. 68. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 4 to 15, the schedule of changes in the town's net pension liability and related ratios on page 67 to 69, the schedule of employer contributions on pages 70 to 72, the schedule of investment returns on page 73, the schedule of the town's proportionate share of the net pension liability - Connecticut State Teachers' Retirement System on page 74 and the schedules of funding progress and employer contributions - other post-employment benefits plans on page 75 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 U.S. generally accepted auditing standards, 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's basic financial statements. The introductory section, General Fund schedules, combining and individual nonmajor fund financial statements and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The General Fund schedules and combining and individual nonmajor fund financial statements 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 U.S. generally accepted auditing standards. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken 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 assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2015 on our consideration of the Town of Westbrook, 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 Westbrook, Connecticut's internal control over financial reporting and compliance.

Seward and Monde

North Haven, Connecticut
December 2, 2015

**Town of Westbrook, Connecticut
Management's Discussion and Analysis
June 30, 2015**

As management of the Town of Westbrook, Connecticut, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2015.

FINANCIAL HIGHLIGHTS

- On a government-wide basis, the assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$46,456,089 (net position). Of this amount, \$7,438,291 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- On a government-wide basis, the Town's total net position increased by \$2,578,164. The majority of the increase is attributable to positive General Fund operating results and a reduction in the estimate for landfill closure costs.
- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$8,438,816, an increase of \$857,068 compared to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,190,266 or 14.5% of total General Fund budgetary revenue for FY2015. This is within the 12-15% fund balance margin policy established by the Board of Finance.
- The Town's total long-term obligations decreased by \$2,192,507 (8.2%) during the current fiscal year primarily due to retirement of principal payments on general obligation bonds.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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

Government-Wide Financial Statements. *The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. All of the resources the Town has at its disposal are shown, including major assets such as buildings and infrastructure. They provide both long-term and short-term information about the Town's overall financial status.*

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

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the 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 only governmental activities whose functions are principally supported by taxes and intergovernmental revenues, since the Town does not operate any business-type activities. The government activities of the Town include general government, public safety, public works, community development, health and human services, culture and recreation and education.

The government-wide financial statements (statement of net position and statement of activities) can be found on pages 16 and 17 of this report.

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

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the 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 by 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 21 individual governmental funds. Information is presented separately in the balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Capital and Nonrecurring Expenditure Fund, and the Bonded Projects Fund which are considered to be major funds. Data from the other 18 governmental funds are combined into a single, aggregated presentation titled "Other Governmental Funds". Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in 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. The Town also adopted a budget for the Library Expendable Trust Fund.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) can be found on pages 18 - 21 of this report.

Proprietary Fund. The Town maintains one internal service fund, the Health Insurance Fund to account for its self-insured medical benefits. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. Because these services predominantly benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary fund financial statements can be found on pages 23 - 25 of this report.

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

The fiduciary fund financial statements can be found on pages 26 - 27 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28 - 66 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension and OPEB to its employees. Required supplementary information can be found on pages 67 - 75 of this report.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position. In the case of the Town, assets exceeded liabilities by \$46,456,089 at the close of the most recent fiscal year.

The Town's positive net position reflects its net investment in capital assets (e.g., land, construction in progress, buildings and improvements, machinery, equipment and infrastructure); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets

are not available for future spending. Although the Town's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Condensed Statement of Net Position

	<u>2015</u>	<u>2014</u>	<u>Change</u>
Current and other assets	\$ 11,411,905	\$ 11,954,794	(\$ 542,889)
Noncurrent assets	310,289	270,475	39,814
Capital assets, net	<u>59,875,233</u>	<u>59,895,218</u>	<u>(19,985)</u>
Total assets	<u>71,597,427</u>	<u>72,120,487</u>	<u>(523,060)</u>
Deferred outflows of resources	<u>1,251,270</u>	<u>1,049,716</u>	<u>201,554</u>
Current liabilities	3,280,877	4,410,259	(1,129,382)
Noncurrent liabilities	<u>22,699,860</u>	<u>23,875,734</u>	<u>(1,175,874)</u>
Total liabilities	<u>25,980,737</u>	<u>28,285,993</u>	<u>(2,305,256)</u>
Deferred inflows of resources	<u>411,871</u>	<u>-</u>	<u>411,871</u>
Net Position			
Net investment in capital assets	38,983,724	39,903,305	(919,581)
Restricted	34,074	34,074	-
Unrestricted	<u>7,438,291</u>	<u>4,946,831</u>	<u>2,491,460</u>
Total net position	<u>\$ 46,456,089</u>	<u>\$ 44,884,210</u>	<u>\$ 1,571,879</u>

Governmental Activities. Governmental activities increased the Town's net position by \$2,578,164. The majority of the increase is attributable to substantial reductions in liabilities and a substantial operating surplus in the General Fund.

Condensed Statement of Activities

	<u>2015</u>	<u>2014</u>	<u>Change</u>
Expenses:			
General government	\$ 1,071,657	\$ 1,040,619	\$ 31,038
Public safety	1,689,133	1,604,113	85,020
Public works	2,011,913	2,232,432	(220,519)
Community development	494,255	487,239	7,016
Health and human services	25,583	688,201	(662,618)
Culture and recreation	801,727	762,784	38,943
Education	19,002,867	18,969,227	33,640
Non-departmental	2,255,708	2,315,793	(60,085)
Interest expense	<u>738,799</u>	<u>768,718</u>	<u>(29,919)</u>
Total expenses	<u>28,091,642</u>	<u>28,869,126</u>	<u>(777,484)</u>
Program Revenues:			
Charges for services	1,363,649	1,467,801	(104,152)
Operating grants and contributions	3,014,966	3,386,237	(371,271)
Capital grants and contributions	<u>704,583</u>	<u>1,435,926</u>	<u>(731,343)</u>
Total program revenues	<u>5,083,198</u>	<u>6,289,964</u>	<u>(1,206,766)</u>
Net expenses	<u>(23,008,444)</u>	<u>(22,579,162)</u>	<u>(429,282)</u>
General Revenues:			
Governmental activities:			
Property taxes	25,151,592	23,900,387	1,251,205
Grants and contributions not restricted to specific programs	411,874	385,623	26,251
Investment income	<u>23,142</u>	<u>43,805</u>	<u>(20,663)</u>
Total general revenues	<u>25,586,608</u>	<u>24,329,815</u>	<u>1,256,793</u>
Increase in net position	2,578,164	1,750,653	827,511
Net position, beginning, as restated	<u>43,877,925</u>	<u>43,133,557</u>	<u>744,368</u>
Net position, ending	<u>\$46,456,089</u>	<u>\$44,884,210</u>	<u>\$ 1,571,879</u>

Note: The Town implemented Governmental Accounting Standard Board's (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* which substantially changed the reporting of pension liabilities and expenses, and expanded the note disclosures and required supplementary information provided. The cumulative effect of this change was a \$1,006,285 decrease in net position as of July 1, 2014.

Major revenue factors included:

- Operating grants and contributions decreased by \$371,271 primarily due to a contribution for the purchase of open space in the prior year.
- Capital grants and contributions decreased due to the completion of the Town garage.

Major expense factors included:

- Overall expenses decreased \$777,484, 2.7% lower than in FY2014. Public Works expenses decreased by \$220,519 due to the transfer of infrastructure maintenance expense to capital funds; health and human services decreased by \$662,618 primarily due to a decrease in the estimate for landfill post closure costs of \$683,000; lower interest expense due to retirement of principal; and non-departmental decreased by \$60,085 due to an decrease in self-insured medical expenses.

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.

At the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$8,438,816, an increase of \$857,068 in comparison with the prior year. This increase can be attributed to a substantial operating surplus in the General Fund.

The General Fund is the operating fund of the Town. At the end of the current fiscal year, the total fund balances for the General Fund was \$4,709,126. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance, \$4,190,266 to total fund revenues of \$29,349,506. Unassigned fund balance represents 14.3% of total General Fund revenues, slightly lower than the 15% maximum fund balance policy established by the Board of Finance in 2011.

The fund balance of the Town's General Fund increased by \$911,311 compared to an increase of \$64,156 for FY2014.

GENERAL FUND BUDGETARY HIGHLIGHTS.

The difference between the original budget and the final amended budget was \$10,635, due to several grants from the Westbrook Foundation for the purchase of assets. A contingency budget of \$82,800 was included in the FY2015 adopted budget to accommodate unexpected expenses. Of this budget, \$81,117 was transferred to various departmental accounts as approved by the Board of Selectmen and Board of Finance.

During the year, revenues were lower than estimates by \$120,405, or .4%, mainly in taxes, interest and lien fees. Expenditures were \$1,059,787 or 3.9% less than budgetary estimates, primarily due to Education spending \$796,950 or 4.7% under budget. The net increase in fund balance was \$911,311. Over the past five fiscal years from FY2011 through FY2015, actual expenditures have been lower than the adopted budget averaging 2.2%. This pattern demonstrates the good management of their budgets by town department managers.

For fiscal year 2015 on a summary basis, Town agencies delivered budgetary savings of \$207,247, or 3.4%, while the Board of Education provided budgetary savings of 4.7%. \$167,945 of the unexpended balance of \$964,895 of the Board of Education's appropriation was transferred at year end to a capital reserve account for the Board of Education in the Capital Nonrecurring Expenditures (CNRE) Fund, while \$385,506 was added in a committed fund balance account for special education expenditures. This account is now at its maximum funding level of \$500,000.

- Current property tax revenues were lower than estimated by \$184,023 with a collection rate of 99.1%. Prior year collections were \$280,220 or 19.2% higher than estimated. In addition, the Town collected \$28,419 more than expected in interest and lien fees.
- Intergovernmental revenues were \$22,352 or 2% lower than estimates due to an unexpected \$30,058 reduction in the Education Equalization Grant.
- Charges for services were greater than estimates by \$19,595 primarily due to an increase in nursing fees and parks and recreation revenues.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The Town's investment in capital assets for its governmental activities as of June 30, 2015, amounts to \$ 59,875,233 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure.

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

- Acquisition of 43 acres of open space at a cost of \$251,200 with a DEEP Open Space grant.
- Completion of Board of Education energy conservation measures for \$380,896.
- Completion of the town's new public works facility at a final cost of \$1,881,993. This facility was placed in service in December 2014.
- Investment of \$1,350,728 in a new ladder truck for the fire department, funded from bond funds. This truck was placed in service in February 2015.
- The Town added \$179,853 in machinery, equipment and vehicles to the town inventory of assets, including \$161,699 for a new public works truck, \$11,864 for a replacement animal control vehicle, and \$6,290 for a tire changing machine at the public works garage.

Additional information on the Town's capital assets can be found in Note 6.

CAPITAL ASSETS, NET

	<u>2015</u>	<u>2014</u>
Land	\$ 5,661,255	\$ 5,410,055
Construction in progress	583,158	3,602,212
Buildings and improvements	47,365,571	45,900,068
Machinery, equipment and vehicles	2,892,295	1,565,354
Infrastructure	<u>3,372,954</u>	<u>3,417,529</u>
Total	<u>\$ 59,875,233</u>	<u>\$ 59,895,218</u>

Capital Financing

The Town finances capital projects for both the Town and Board of Education through the Capital Nonrecurring (CNR) and Bonded Projects Funds. Sources of income to the funds include annual contributions from the General Fund, state grants and debt financing. Projects are usually multi-year in nature and can include capital improvements, capital equipment, and certain non-recurring programs such as property revaluation that occurs every five years. The Town is progressing to a "pay as you go" approach to capital projects. Because of its fund classification, appropriations in the CNR Fund do not lapse; therefore financial reporting focuses on financial results based on revenues and expenditures over the life of a project rather than a single fiscal year.

The Capital Nonrecurring Fund (CNR)

In September 2012, the Board of Finance adopted a policy to include a contribution from the Town's General Fund in an amount equal to 2% of the annual General Fund Operating Budget to the Town's Capital Nonrecurring Fund in order to establish or increase a reserve account balance that may be only be used to offset future capital projects, required grant matches and other capital and non-recurring program needs.

In fiscal year 2015, the Town General Fund contributed \$475,000 in planned contributions to the CNRE for various purposes. Additional income of \$244,193 in the CNR came from a variety of grants and contributions (\$104,183), and additional transfers of \$169,593, mainly from the Board of Education, as discussed above.

New appropriations for 21 projects and programs in the CNR Fund during FY2015 totaled \$1,449,367. Expenditures by project year are shown in the table on the next page.

<u>Fiscal Year</u>	<u># of Projects</u>	<u>Appropriation</u>	<u>Expended 2015</u>	<u>Expended To Date</u>	<u>Balance</u>
2011	14	\$ 3,745,418	\$ 29,692	\$2,961,203	\$ 784,215
2012	33	1,518,970	44,587	1,456,378	62,592
2013	18	349,026	636	326,537	22,489
2014	16	1,794,675	21,973	1,131,926	662,749
2015	21	1,449,367	847,587	847,587	601,780
Totals	<u>102</u>	<u>\$8,857,456</u>	<u>\$ 944,475</u>	<u>\$6,723,631</u>	<u>\$2,133,825</u>

Expenditures exceed revenues and other financing sources by \$195,699. At the end of the fiscal year, the CNR Fund had \$873,696 in its committed fund balance.

The Bonded Projects Funds

In May 2013 the Town passed three bond authorizations totaling \$7,090,000, for the purposes shown in the table below. In August, 2013 the Town issued \$5,000,000 of 20 year bonds.

<u>Purpose</u>	<u>Authorized</u>	<u>Issued</u>	<u>Unissued</u>	<u>Expended</u>
Fire Equipment	\$3,625,000	\$ 1,725,000	\$ 1,900,000	\$ 1,397,393
Infrastructure	1,540,000	1,350,000	190,000	635,223
Board of Education	<u>1,925,000</u>	<u>1,925,000</u>	-	<u>1,375,936</u>
Totals	<u>\$7,090,000</u>	<u>\$5,000,000</u>	<u>\$2,090,000</u>	<u>\$3,408,552</u>

Fire Equipment: These included four pieces of fire equipment, one ladder truck and three pumpers. In February 2015 the Town placed a new ladder truck in service. The remaining three pieces of equipment will be purchased in FY2016 with the issuance of the remaining \$1,900,000 in bonds.

Infrastructure: These bonds are to finance the replacement of two bridges, repair of a main road into an outlet mall, and the paving of nine streets. The street paving projects have been completed. The two bridges will be replaced during FY2017 with 45% participation from the Local Bridge Program of the State of Connecticut, and issuance of the remaining bonds.

Board of Education: These bonds are to finance a variety of improvements to the High School and Daisy Elementary School, a system-wide energy conservation program, and security improvements. Nearly all projects are complete with the remainder to be completed during FY2017.

Long-term Debt. At the end of the current fiscal year, the Town had \$20,815,000 of long-term bonded debt outstanding (excluding bond premiums). All outstanding debt of the Town is general obligation debt and is backed by the full faith and credit of the Town.

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 \$175,872,088, which is significantly in excess of the Town's outstanding general obligation debt.

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

CASH MANAGEMENT AND INVESTMENTS

Cash temporarily idle during the year was invested in demand deposits, time deposits, money market accounts, and an authorized statewide investment pool, the State Treasurer's Investment Fund (STIF).

Significant changes were made in the cash management and investment of town funds during the fiscal year. The Town's primary bank is Citizens Bank, which offered just .01% interest on the balance of Town funds. The State Treasurer's Investment Fund (STIF), however, offered as much as .16% interest. During the fiscal year, 83.3% of the Town's funds were invested in STIF.

On June 30, 2015, the General Fund had cash and cash equivalents of \$5,431,308. There was \$876,188 in the Capital Nonrecurring (CNR) Fund, and \$1,651,948 in the Bonded Projects Fund. The Health Insurance (internal service) Fund had \$1,254,192 which is exclusively reserved for the payment of health claims. The total cash and cash equivalents for all funds, exclusive of fiduciary funds, was \$9,750,549.

During the fiscal year, all cash accounts and cash equivalents were held by qualified public depositories as defined by State Statutes. Section 36-386 of the Connecticut General Statutes requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk based capital ratio. By itself, a bank's risk based capital ratio is an indication of the bank's strength.

The Pension Fund assets are held in trust supervised by the Town's Retirement Board and invested by various money managers selected by the Board.

PROPRIETARY FUND OPERATIONS

The Town is self-insured for health and dental expenses of its employees in the Health Insurance Fund. Income to the fund comes from budgetary contributions from the Town and Board of Education budgets. Additional income comes from employee and retiree contributions toward the cost of health care. During FY2015, union employees contributed 12.5% to the cost of health care benefits, while non-union employees contributed 11.5%.

Benefits are paid via a third party administrator, Anthem Blue Cross & Blue Shield. Each year during the budget process USI Consulting, the Town's benefit consultant, calculates the expected claims expense and administrative fees for budgetary purposes. At the end of the fiscal year, a reconciliation is performed with Anthem data on the year's income and expense. Any surplus or deficit is adjusted to the Health Insurance Fund's reserves. A portion of these reserves are considered to be usable and can be used to offset the subsequent year's proposed health costs. A formula allows the Town and Board to use 50% of the useable reserves to offset expenses in the next fiscal year. The Town applied \$200,000 or all of its usable reserve and the Board of Education applied 250,000, or 32%, of their usable reserves at June 30, 2014 to offset the FY2015 health insurance budget.

The Health Insurance Fund ended the fiscal year with an operating deficit of \$707,613 due to higher than anticipated claims costs. At the end of fiscal year 2015, the reserves stood at \$1,154,271, of which \$216,176 was used by the Board of Education as an offset to their FY2016 health insurance costs.

PENSIONS AND OTHER POST EMPLOYMENT BENEFITS

The Town administers three single-employer, defined benefit pension plans (Town of Westbrook Retirement Plan, Town of Westbrook Volunteer Firefighters' Pension Plan and Town of Westbrook Constables' Pension Plan) covering substantially all Town employees with the exception of certified teachers and administrative personnel at the Board of Education. The plans were established through ordinances adopted July 1, 1971, August 10, 1993 and April 24, 2007, respectively. The Retirement Board makes recommendations for plan provisions which are approved by the Board of Finance and/or Board of Selectmen. The plans are considered to be a part of the Town's financial reporting entity and are included in the Town's financial statements as pension trust funds. The plans do not issue separate, stand alone, financial reports. The certified faculty and administrative personnel of the Board of Education participate in a contributory retirement plan administered by the State Teachers Retirement Board. The Town does not contribute to this plan. The State of Connecticut contributed approximately \$1,938,000 to the plan on behalf of the Town's members.

During fiscal year 2015, the Town contributed the actuarially required contribution (ARC) to the three Town's pension plans. Net assets of the combined plans increased from \$8,703,062 to \$9,084,747. Additions to the plan included \$549,149 in employer contributions, \$138,501 in plan member contributions, \$142,660 in interest and dividends, and a loss of \$13,947 in the net fair value of investments. Deductions included \$360,226 for benefits and \$74,452 for administration. Benefit payments totaled 82.9% of the disbursements from the Pension Funds.

Actuarial valuations were conducted on all three plans as of July 1, 2013. The results of those valuations were utilized to determine the ARC for fiscal years ending June 30, 2015 and 2016. In summary, the Town's ARC for fiscal year 2016 will increase from \$549,149 to \$559,633, a \$10,484 or 1.9% increase.

ECONOMIC FACTORS

- The estimated unemployment rate for the Town as of June 2015 was 4.6%, which is a moderate improvement over the rate of 5.3% a year ago. This compares very favorably to the state's average unemployment rate of 5.4% and the national average rate of 5.3%.
- Inflationary trends in the region compare favorably to national indices.

The fiscal year 2016 budget of \$28,901,771 has an increase of \$704,680 or 6.57% on the Town side and an increase of \$668,960 or 3.98% for the Board of Education. The significant increases are for roadways, Town employee benefits, contributions to the CNR Fund and Board of Education salaries and benefits. The mill rate was increased from 21.79 to 22.51.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Office, Town of Westbrook, 866 Boston Post Road, Westbrook, CT 06498.

BASIC FINANCIAL STATEMENTS

TOWN OF WESTBROOK, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 9,750,549
Investments	204,242
Receivables (net):	
Property taxes	275,758
Intergovernmental	740,900
Other	421,509
Due from other funds	87
Prepaid expenses	10,061
Inventory	8,799
Total current assets	11,411,905
Noncurrent assets:	
Receivables (net):	
Property taxes	310,289
Total noncurrent assets	310,289
Capital assets (net of accumulated depreciation):	
Land	5,661,255
Construction in progress	583,158
Buildings and improvements	47,365,571
Machinery, equipment and vehicles	2,892,295
Infrastructure	3,372,954
Total capital assets (net of accumulated depreciation)	59,875,233
Total assets	71,597,427
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	859,774
Deferred charge related to pensions	391,496
Total deferred outflows of resources	1,251,270
LIABILITIES	
Current liabilities:	
Accounts payable	1,107,065
Accrued liabilities	2,609
Accrued interest payable	283,825
Unearned revenue	13,468
Bonds payable and related liabilities	1,830,000
Other liabilities	43,910
Total current liabilities	3,280,877
Noncurrent liabilities:	
Bonds payable and related liabilities	19,921,283
Other liabilities	2,778,577
Total noncurrent liabilities	22,699,860
Total liabilities	25,980,737
DEFERRED INFLOWS OF RESOURCES	
Advance collection of property taxes	411,871
Total deferred inflows of resources	411,871
NET POSITION	
Net investment in capital assets	38,983,724
Restricted for:	
Nonexpendable permanent endowments	34,074
Unrestricted	7,438,291
Total net position	\$ 46,456,089

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

**TOWN OF WESTBROOK, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities:					
General government	\$ 1,071,657	\$ 434,667	\$ 12,327	\$ -	(\$ 624,663)
Public safety	1,689,133	49,738	10,232	-	(1,629,163)
Public works	2,011,913	39,203	216,968	-	(1,755,742)
Community development	494,255	20,559	-	-	(473,696)
Health and human services	25,583	419,517	20,767	-	414,701
Culture and recreation	801,727	225,054	71,786	650,000	145,113
Education	19,002,867	174,911	2,682,886	54,583	(16,090,487)
Non-departmental	2,255,708	-	-	-	(2,255,708)
Interest expense	738,799	-	-	-	(738,799)
Total	<u>28,091,642</u>	<u>1,363,649</u>	<u>3,014,966</u>	<u>704,583</u>	<u>(23,008,444)</u>
General revenues:					
Property taxes					25,151,592
Grants and contributions not restricted to specific programs					411,874
Investment income					<u>23,142</u>
Total general revenues					<u>25,586,608</u>
Change in net position					2,578,164
Net position - July 1, 2014, as previously reported					44,884,210
Prior period adjustment					(1,006,285)
Net position - July 1, 2014, as restated					<u>43,877,925</u>
Net position - June 30, 2015					<u>\$ 46,456,089</u>

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

**TOWN OF WESTBROOK, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015**

	General	Capital Nonrecurring	Bonded Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 5,431,308	\$ 876,188	\$ 1,651,948	\$ 537,088	\$ 8,496,532
Investments	-	-	-	204,242	204,242
Receivables (net):					
Property taxes	586,047	-	-	-	586,047
Intergovernmental	24,348	54,583	650,000	11,969	740,900
Other	151,310	-	-	75,203	226,513
Inventory	8,799	-	-	-	8,799
Prepaid items	10,061	-	-	-	10,061
Due from other funds	87	-	-	-	87
	<u>87</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87</u>
Total assets	<u>\$ 6,211,960</u>	<u>\$ 930,771</u>	<u>\$ 2,301,948</u>	<u>\$ 828,502</u>	<u>\$ 10,273,181</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 569,340	\$ 57,075	\$ 29,300	\$ 156,608	\$ 812,323
Accrued liabilities	2,609	-	-	-	2,609
Unearned revenues	-	-	-	13,468	13,468
	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,468</u>	<u>13,468</u>
Total liabilities	<u>571,949</u>	<u>57,075</u>	<u>29,300</u>	<u>170,076</u>	<u>828,400</u>
Deferred Inflows of Resources					
Unavailable revenue - property taxes	519,014	-	-	-	519,014
Advance collection of property taxes	411,871	-	-	-	411,871
Unavailable revenue - loans receivable	-	-	-	75,080	75,080
	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,080</u>	<u>75,080</u>
Total deferred inflows of resources	<u>930,885</u>	<u>-</u>	<u>-</u>	<u>75,080</u>	<u>1,005,965</u>
Fund Balances (deficit)					
Nonspendable	18,860	-	-	34,074	52,934
Restricted	-	-	2,272,648	442,212	2,714,860
Committed	500,000	873,696	-	53,047	1,426,743
Assigned	-	-	-	54,188	54,188
Unassigned	4,190,266	-	-	(175)	4,190,091
	<u>4,190,266</u>	<u>-</u>	<u>-</u>	<u>(175)</u>	<u>4,190,091</u>
Total fund balances	<u>4,709,126</u>	<u>873,696</u>	<u>2,272,648</u>	<u>583,346</u>	<u>8,438,816</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,211,960</u>	<u>\$ 930,771</u>	<u>\$ 2,301,948</u>	<u>\$ 828,502</u>	<u>\$ 10,273,181</u>

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

**TOWN OF WESTBROOK, CONNECTICUT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2015**

Amounts reported for governmental activities in the statement of net position are different from the governmental funds balance sheet. The details of this difference are as follows:

Total fund balance	\$ 8,438,816
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Beginning net capital assets	59,895,218
Current year additions	1,050,566
Depreciation expense	(1,060,109)
Loss on disposal of capital assets	(10,442)
	59,875,233

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

Property tax receivables greater than 60 days	519,014
Loans receivable greater than 60 days	75,080

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

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	1,154,271
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Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds payable	(20,815,000)
Deferred loss on refunding	859,774
Bond premiums	(936,283)
Other post employment benefits	(924,803)
Compensated absences	(119,550)
Net pension liability	(1,378,134)
Deferred charge related to pensions	391,496
Landfill closure costs	(400,000)
Accrued interest payable	(283,825)
	(20,815,000)

Net position of governmental activities	\$ 46,456,089
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The notes to the financial statements are an integral part of this statement.

**TOWN OF WESTBROOK, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	General	Capital Nonrecurring	Bonded Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 25,107,242	\$ -	\$ -	\$ -	\$ 25,107,242
Intergovernmental	3,016,078	54,583	650,000	345,150	4,065,811
Charges for services	1,207,930	-	-	471,922	1,679,852
Contributions	-	49,600	-	18,091	67,691
Investment income	18,256	-	-	4,886	23,142
Total revenues	<u>29,349,506</u>	<u>104,183</u>	<u>650,000</u>	<u>840,049</u>	<u>30,943,738</u>
EXPENDITURES					
Current:					
General government	860,530	624	-	27,954	889,108
Public safety	1,519,715	-	-	26,922	1,546,637
Public works	1,482,039	-	-	-	1,482,039
Community development	494,255	-	-	-	494,255
Health and human services	727,285	-	-	321,316	1,048,601
Culture and recreation	718,314	-	-	18,008	736,322
Education	17,767,390	-	-	498,359	18,265,749
Non-departmental	1,583,569	-	439	-	1,584,008
Capital outlay	-	943,851	517,018	-	1,460,869
Debt service	2,579,082	-	-	-	2,579,082
Total expenditures	<u>27,732,179</u>	<u>944,475</u>	<u>517,457</u>	<u>892,559</u>	<u>30,086,670</u>
Excess (deficiency) of revenues over expenditures	<u>1,617,327</u>	<u>(840,292)</u>	<u>132,543</u>	<u>(52,510)</u>	<u>857,068</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	644,593	-	88,071	732,664
Transfers out	(706,016)	-	-	(26,648)	(732,664)
Total other financing sources (uses)	<u>(706,016)</u>	<u>644,593</u>	<u>-</u>	<u>61,423</u>	<u>-</u>
Net change in fund balance	911,311	(195,699)	132,543	8,913	857,068
Fund balance - July 1, 2014	<u>3,797,815</u>	<u>1,069,395</u>	<u>2,140,105</u>	<u>574,433</u>	<u>7,581,748</u>
Fund balance - June 30, 2015	<u>\$ 4,709,126</u>	<u>\$ 873,696</u>	<u>\$ 2,272,648</u>	<u>\$ 583,346</u>	<u>\$ 8,438,816</u>

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

**TOWN OF WESTBROOK, CONNECTICUT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

Amounts reported for governmental activities in the statement of activities are due to:

Net change in fund balances - total governmental funds \$ 857,068

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	1,050,566
Depreciation expense	(1,060,109)
Loss on disposal of capital assets	(10,442)
Total	<u>(19,985)</u>

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

Property tax, interest and liens - accrual basis change 44,350

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

Principal repayments:	
General obligation bonds	1,830,000
Total	<u>1,830,000</u>

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

Amortization of deferred loss on refunding	(189,942)
Amortization of bond premium	95,447
Change in other post employment benefits (OPEB)	(88,286)
Change in compensated absences	(23,264)
Change in net pension liability	(326,126)
Amortization of deferred charge related to pensions	391,496
Change in landfill closure costs	704,736
Change in accrued interest payable	10,283
Total	<u>574,344</u>

Internal service funds are used by management to charge costs of medical insurance premiums to individual departments (707,613)

Change in net position of governmental activities \$ 2,578,164

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

TOWN OF WESTBROOK, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes, interest and lien fees	\$ 25,218,146	\$ 25,218,146	\$ 25,107,242	(\$ 110,904)
Intergovernmental	1,100,649	1,100,649	1,078,297	(22,352)
Charges for services	1,177,700	1,188,335	1,207,930	19,595
Investment income	25,000	25,000	18,256	(6,744)
	<u>27,521,495</u>	<u>27,532,130</u>	<u>27,411,725</u>	<u>(120,405)</u>
Total revenues				
EXPENDITURES				
Current:				
General government	874,853	893,353	860,530	32,823
Public safety	1,552,862	1,553,362	1,519,715	33,647
Public works	1,484,827	1,498,672	1,482,039	16,633
Community development	528,214	547,381	494,255	53,126
Health and human services	701,694	735,334	727,285	8,049
Culture and recreation	788,983	781,283	718,314	62,969
Non-departmental	1,705,512	1,638,195	1,583,569	54,626
Education	16,794,504	16,794,504	15,997,554	796,950
Debt service	2,580,046	2,580,046	2,579,082	964
	<u>27,011,495</u>	<u>27,022,130</u>	<u>25,962,343</u>	<u>1,059,787</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>510,000</u>	<u>510,000</u>	<u>1,449,382</u>	<u>939,382</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(510,000)	(510,000)	(538,071)	(28,071)
	<u>(510,000)</u>	<u>(510,000)</u>	<u>(538,071)</u>	<u>(28,071)</u>
Net other financing sources (uses)				
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	911,311	<u>\$ 911,311</u>
Budgetary fund balance - July 1, 2014			<u>3,797,815</u>	
Budgetary fund balance - June 30, 2015			<u>\$ 4,709,126</u>	

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

**TOWN OF WESTBROOK, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015**

		Governmental Activities
		<u>Internal Service Fund</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$	1,254,192
Accounts receivable		174,066
Prepaid expenses		<u>20,930</u>
Total assets		<u>1,449,188</u>
LIABILITIES		
Current liabilities:		
Claims payable		64,917
Claims incurred but not reported		<u>230,000</u>
Total liabilities		<u>294,917</u>
NET POSITION		
Unrestricted	\$	<u><u>1,154,271</u></u>

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

**TOWN OF WESTBROOK, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	Governmental Activities
	Internal Service Fund
OPERATING REVENUES	
Charges for services	\$ 3,114,203
OPERATING EXPENSES	
Benefits and claims	3,334,863
Administration	486,953
Total operating expenses	3,821,816
Change in net position	(707,613)
Net position - July 1, 2014	1,861,884
Net position - June 30, 2015	\$ 1,154,271

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

**TOWN OF WESTBROOK, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Governmental Activities</u>	<u>Internal Service Fund</u>
Cash Flows from Operating Activities:		
Cash received for charges for services	\$ 3,114,203	
Cash paid for benefits and claims	(3,450,030)	
Cash paid for administration	(486,967)	
Net cash used by operating activities	<u>(822,794)</u>	
Net change in cash	(822,794)	
Cash - July 1, 2014	<u>2,076,986</u>	
Cash- June 30, 2015	<u><u>\$ 1,254,192</u></u>	
Reconciliation of change in net position to net cash used by operating activities:		
Change in net position	(\$ 707,613)	
Adjustments to reconcile change in net position to net cash used by operating activities:		
Increase in accounts receivable	(174,066)	
Increase in prepaid expenses	(14)	
Increase in claims payable	25,899	
Increase in claims incurred but not reported	<u>33,000</u>	
Net cash used by operating activities	<u><u>(\$ 822,794)</u></u>	

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

**TOWN OF WESTBROOK, CONNECTICUT
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015**

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ 349,543	\$ 479,201
Investments at fair value:		
Mutual funds:		
Equity	5,115,859	-
Fixed income	2,825,017	-
Balanced	805,553	-
Total investments	<u>8,746,429</u>	<u>-</u>
Accrued income	<u>10</u>	<u>-</u>
Total assets	<u>9,095,982</u>	<u>\$ 479,201</u>
LIABILITIES		
Liabilities:		
Accounts payable	11,148	\$ 479,201
Due to other funds	<u>87</u>	<u>-</u>
Total liabilities	<u>11,235</u>	<u>\$ 479,201</u>
NET POSITION		
Net position restricted for pensions	<u>\$ 9,084,747</u>	

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

**TOWN OF WESTBROOK, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Pension Trust Funds</u>
ADDITIONS	
Contributions:	
Employer	\$ 549,149
Plan members	<u>138,501</u>
Total contributions	<u>687,650</u>
Investment income:	
Net depreciation in fair value of investments	(13,947)
Interest and dividends	<u>142,660</u>
Total investment income	<u>128,713</u>
Total additions	<u>816,363</u>
DEDUCTIONS	
Benefits	360,226
Administration	<u>74,452</u>
Total deductions	<u>434,678</u>
Change in net position	381,685
Net position restricted for pensions - July 1, 2014	<u>8,703,062</u>
Net position restricted for pensions - June 30, 2015	<u><u>\$ 9,084,747</u></u>

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

**TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 1 - Summary of Significant Accounting Policies

A. Financial Reporting Entity

The Town of Westbrook, Connecticut (the Town) was incorporated in 1840. The Town covers 16.2 square miles located in Middlesex County. The Town operates under a Town Meeting/Board of Selectmen form of government under the provisions of the general statutes of the State of Connecticut, and provides a full range of services including public safety, roads, sanitation, planning and zoning, health and social services, public library, parks and recreation, education and general administrative services to its residents.

The Town operates under the provisions of its charter and the General Statutes of the State of Connecticut. The legislative powers of the Town are vested in the Town meeting. The executive body is made up of a Board of Selectmen, consisting of a First Selectman, who is the chief executive officer, and two other board members. A six-member Board of Finance is responsible for presenting fiscal operating budgets to the Annual Town Meeting.

The financial reporting entity consist of 1) the primary government, 2) organizations for which the primary government is financially accountable and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by the Governmental Accounting Standards Board (GASB).

In evaluating how to define the financial reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in this reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. The criterion has been considered and there are no agencies or entities which should be presented with this government.

B. Basis of Presentation

The financial statements of the Town have been prepared in conformity with U.S. generally accepted accounting principles as applied to government units. GASB is the accepted standards setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies used by the Town:

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Government-wide 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. As a general rule, the effect of interfund balances and activity has been eliminated in preparation of these statements. Exceptions to this rule are services provided by one fund used by another fund. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned. Governmental activities, which are normally supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial position of the Town at the end of its fiscal year. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues. The Town does not allocate indirect expenses to functions in the statement of activities.

Fund Financial Statement

The fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net assets as presented in these statements to the net position presented in the government-wide financial statements. The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

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.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

The Capital Nonrecurring Fund is a capital projects fund which is used to account for major capital asset construction and/or purchases funded substantially by grants and general fund appropriations.

The Bonded Projects Fund is a capital projects fund which is used to account for major capital asset construction and/or purchases funded substantially by general obligation bonds.

Additionally, the Town reports the following fund types:

The Special Revenue Funds are used to account for proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

The Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs. Permanent fund restricted net position are segregated between nonexpendable and expendable. The nonexpendable portion represents the original restricted principal contribution, and the expendable represents accumulated earnings which are available to be spent based on donor restrictions.

The Internal Service Fund accounts for risk financing activities for medical insurance benefits.

The Pension Trust Funds account for the activities of the Town Employees' Retirement System, the Volunteer Firefighters' Retirement System and the Constables' Retirement System, which accumulate resources for pension benefit payments to qualified employees.

The Agency Funds account for monies held on behalf of students and performance bonds.

During the course of operations the Town may have activity between funds for various purposes. Any residual balances outstanding at year end are reported as due to/from other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported as gross amounts as transfers in/out. Certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing 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.

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

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. Measurable means knowing or being able to reasonably estimate the amount. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenue when all eligibility requirements are met, including any time requirements and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Like the government-wide statements, all proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the Town finances and meets the cash flow needs of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's internal service fund are charges for services. Operating expenses for the internal service fund include the cost of medical claims and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Fiduciary fund financial statements include a statement of net position and a statement of changes in net position. The Town's Fiduciary funds represent Pension Trust Funds and Agency Funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash equivalents

The Town considers cash equivalents as cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments for the Town are reported at fair value, generally based on quoted market prices.

Property Taxes and Other Receivables

The Town's property tax is levied and payable each July 1 on the assessed value listed as of the prior October 1 for all real and personal property located in the Town. These taxes are billed and due in two installments, July 1 and the subsequent January 1. Liens are effective on the assessment date and are continued by filing prior to the following levy date. Assessed values are established at 70 percent of estimated market value to conform to State statutes.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

In the government-wide financial statements, all trade and property tax receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 15% to 29% of outstanding receivable balances at June 30, 2015, and are calculated based upon prior collections.

In the fund financial statements, all property taxes receivable at June 30, 2015, which have not been collected within 60 days of June 30, 2015, have been recorded as deferred inflows of resources, since they are not considered to be available to finance expenditures of the current fiscal year. Taxes collected during the 60 day period have been recorded as revenue.

State statutes require that a revaluation be done every five years. The last revaluation completed and enacted was for the list of October 1, 2011.

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).

Inventory and Prepaid Items

Inventory consists of fuel and is recorded at cost. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment, \$20,000 for improvements and \$100,000 for infrastructure, and an estimated useful life in excess of two years.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the Town's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10 - 80
Machinery, equipment and vehicles	5 - 25
Infrastructure	50 - 90

Unearned Revenues

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the government-wide financial statements, unearned revenues consist of revenue received in advance and/or amounts from grants received before the eligibility requirements have been met.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has two items that qualify for reporting in this category. They are the deferred charge on refunding and the deferred charge related to pensions 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. The deferred charge related to pensions results from differences between projected and actual earnings. This amount is deferred and amortized over a closed five-year period, beginning in the current reporting period.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance collection of property taxes in the government-wide statement of net position and in the governmental funds balance sheet. Also, for the governmental funds, the Town reports unavailable revenues, which arise only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and loans receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

Compensated absences of the Town consist of vacation leave and sick leave to the extent that payment to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the Town and the employee.

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Town will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30, 2015 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. Town employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation at various rates.

Net Pension Liability

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

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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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.

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.

Net Position/Fund Balance

Government-wide Statements

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

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

Restricted - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted - Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Net Position Flow Assumption - Sometimes the government 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.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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Fund Financial Statements

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

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either (a) not in spendable form (e.g., inventories and prepaid amounts) or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance - represents amounts that are constrained for a specific purpose by either (a) external parties, such as grantors, creditors, contributors, or laws and regulation of their governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolution of the Town Meeting (the highest level of decision making authority of the Town) and cannot be used for any other purpose unless the Town Meeting removes or changes the specified use by taking the same action that was used to establish the commitment.

Assigned Fund Balance - represents amounts that are constrained by the government's intent to be used for specific purposes, but are not restricted or committed. Amounts may be constrained to be used for a specific purpose by the Board of Finance.

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

Fund Balance Flow Assumptions - Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The Board of Finance adopted a financial policy to maintain the General Fund fund balance in the range of an amount between 12 and 15 percent of the annual General Fund revenue budget. If the fund balance drops below the minimum 12 percent in the current fiscal year, an appropriation will be made in the subsequent year's budget to bring it back to 12 percent.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues, expenses and expenditures. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated events through December 2, 2015, the date the financial statements were available to be issued.

Note 2 - Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

The Board of Finance recommends a proposed budget to the Annual Town Meeting which serves as the legislative body of the Town. The Town Meeting takes action on the budget appropriations recommended by the Board of Finance. Immediately after the adoption of the budget, the Board of Finance meets to set a mill rate. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level except expenditures for education, which are, by Connecticut General Statutes, appropriated as one department. The Board of Finance is empowered to transfer funds from other budget line items up to \$20,000 to a departmental appropriation. Any departmental transfer in excess of \$20,000 or any additional appropriation from fund balance must be approved at a special Town Meeting. The Board of Education may transfer unexpended balances between accounts within its total line appropriation.

Generally, all appropriations lapse at year end, except those for the Bonded Capital Projects and the Capital Nonrecurring Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

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

Application of Accounting Standards

The Town implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* which substantially changed the reporting for pension liabilities and expenses and expanded the note disclosures and required supplementary information provided. The cumulative effect of this change was a \$1,006,285 decrease in net position as of July 1, 2014.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Budget - GAAP Reconciliation

A reconciliation of revenues, expenditures, and fund balance between the accounting treatment required by GAAP, and budgetary requirements, is as follows:

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Budgetary basis (page 22)	\$ 27,411,725	\$ 26,500,414
State Teachers' Retirement on-behalf payment	1,937,781	1,937,781
GAAP basis (page 20)	\$ 29,349,506	\$ 28,438,195

Note 3 - Cash, Cash Equivalents and Investments

Cash and Cash Equivalents

The deposit of public funds is controlled by Connecticut General Statutes. Cash equivalents are defined as those liquid investments having original maturities of three months or less. The Town's cash deposits with financial institutions at June 30, 2015 was \$2,139,398.

The State Short-Term Investment Fund (STIF) is an investment pool managed by the Treasurer of the State of Connecticut. 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. The balance of the pooled fixed income investments were invested in a 2a-7 like pool, which operates within State Statutes. The fair value of the position in the pool is the same as the value of the pool shares. The pool is rated AAAM by Standard & Poor's. The carrying amount of the Town's cash equivalents (STIF) at June 30, 2015 was \$8,950,915.

The Pension Trust Funds have \$349,543 in cash equivalents in Wells Fargo Advantage Heritage money market fund.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. All of the Town's deposits are in qualified public institutions as defined by state statute. Under this statute, any bank holding public deposits must at all times maintain segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. Additionally, the Town has an agreement with its primary financial institution whereby one hundred percent of the Town deposits which exceed the FDIC limits are collateralized with assets segregated from the financial institutions' assets at the Federal Reserve Bank and identified as being pledged to the Town. The Town does not have a deposit policy for custodial risk.

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. For the capital nonrecurring fund, not more than 31% can be invested in equity securities.

The Pension Trust Funds are also authorized to invest in corporate stocks and bonds and mutual funds.

At June 30, 2015, the Town's investments including Pension Trust Funds consisted of the following types and maturities. Specific identification was used to determine maturities.

Type of Investment	Fair Value	Investment Maturities (In Years)			
		N/A	Less Than 1	1-5 Years	5-10 Years
Equity Mutual Funds	\$ 5,115,859	\$ 5,115,859	\$ -	\$ -	\$ -
Fixed Income Mutual Funds	3,029,259	-	534,236	2,188,347	306,676
Balanced Mutual Funds	805,553	-	-	805,553	-
Total	<u>\$ 8,950,671</u>	<u>\$ 5,115,859</u>	<u>\$ 534,236</u>	<u>\$ 2,993,900</u>	<u>\$ 306,676</u>

The Town's investments in the Pension Trust funds are covered by the Securities Investor Protection Corporation (SIPC) up to \$500,000, including \$100,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

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 other than State Statutes governing investments in obligations of any State or political subdivision or in obligations of the State of Connecticut or political subdivision.

The equity mutual funds, fixed income mutual funds and balanced mutual funds are not rated.

Custodial credit risk - The Town has no formal policy regarding 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. At June 30, 2015, the Town has no investments subject to custodial credit risk.

Concentrations of Credit Risk - The Town has no policy limiting the amount the Town may invest in any one issuer.

Note 4 - Property Taxes and Other Receivables

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

	<u>Property Taxes</u>	<u>Interest and Liens</u>	<u>Grants</u>	<u>Other</u>	<u>Allowance for Uncollectibles</u>	<u>Total</u>
General Fund	\$ 493,958	\$ 332,366	\$ 24,348	\$ 151,310	(\$ 240,277)	\$ 761,705
Capital Nonrecurring	-	-	54,583	-	-	54,583
Bonded Projects	-	-	650,000	-	-	650,000
Cafeteria	-	-	11,969	-	-	11,969
Special education grants	-	-	-	81	-	81
Dog fund	-	-	-	42	-	42
Small Cities repayment	-	-	-	75,080	-	75,080
Net total receivables	<u>\$ 493,958</u>	<u>\$ 332,366</u>	<u>\$ 740,900</u>	<u>\$ 226,513</u>	<u>(\$ 240,277)</u>	<u>\$ 1,553,460</u>

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Note 5 - Interfund Transactions

Interfund Balances

Interfund balances consisted of the following at June 30, 2015, as reported in the fund financial statements:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>	
General Fund	\$ 87	\$ -	
Pension Trust Funds	<u>-</u>	<u>87</u>	
Grand Total	<u>\$ 87</u>	<u>\$ 87</u>	

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not yet received. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

Internal balances between governmental funds are eliminated on the government-wide financial statements; therefore, only one interfund balance is reported on the government-wide financial statements.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Interfund Transfers

Interfund transfers for the year ended June 30, 2015, consisted of the following, as reported in the fund financial statements:

	Transfer In	Transfer Out
General Fund	\$ -	\$ 706,016
Major - Capital Nonrecurring	644,593	-
Nonmajor Governments Funds:		
Dog Fund	35,000	-
Insurance Fund	28,071	-
Open Space Preservation Fund	25,000	-
Small Cities Repayment fund	-	26,648
Total Nonmajor Governmental Funds	88,071	26,648
 Grand Total	 \$ 732,664	 \$ 732,664

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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Note 6 - Capital Assets

Capital asset activity for the year ended June 30, 2015 was as follows:

	Balance July 1, 2014	Additions/ Transfers	Disposals/ Transfers	Balance June 30, 2015
Capital Assets, not being depreciated:				
Land	\$ 5,410,055	\$ 251,200	\$ -	\$ 5,661,255
Construction in progress	3,602,212	615,073	3,634,127	583,158
Total Capital Assets, not being depreciated	9,012,267	866,273	3,634,127	6,244,413
Capital Assets, being depreciated:				
Buildings and improvements	52,821,893	2,287,839	-	55,109,732
Machinery, equipment and vehicles	3,853,750	1,530,581	28,494	5,355,837
Infrastructure	4,196,863	-	-	4,196,863
Total Capital Assets, being depreciated	60,872,506	3,818,420	28,494	64,662,432
Total Capital Assets	69,884,773	4,684,693	3,662,621	70,906,845
Less Accumulated Depreciation for:				
Buildings and improvements	6,921,825	822,336	-	7,744,161
Machinery, equipment and vehicles	2,288,396	193,198	18,052	2,463,542
Infrastructure	779,334	44,575	-	823,909
Total Accumulated Depreciated	9,989,555	1,060,109	18,052	11,031,612
Total Capital Assets, being depreciated, net	50,882,951	2,758,311	10,442	53,630,820
Government Activities Capital Assets, net	\$ 59,895,218	\$ 3,624,584	\$ 3,644,569	\$ 59,875,233

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

General government	\$ 76,422
Public safety	132,054
Public works	119,571
Culture and recreation	65,405
Education	666,657
Total depreciation expense	\$ 1,060,109

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Note 7 - Long-Term Obligations

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			Balance June 30, 2015	Current Portion
					As restated July 1, 2014	Additions	Deductions		
General Obligation Bonds									
General Purpose:									
Refunding bond	3,162,000	10/12/10	07/01/26	1.50%-4.00%	\$ 2,730,000	\$ -	\$ 210,000	\$ 2,520,000	\$ 205,000
Refunding bond	2,841,000	12/15/11	09/15/23	2.00%-4.00%	1,969,000	-	271,000	1,698,000	262,000
Improvement bond	3,075,000	08/01/13	08/01/33	2.00%-4.00%	3,075,000	-	154,000	2,921,000	154,000
Total General Purpose					<u>7,774,000</u>	<u>-</u>	<u>635,000</u>	<u>7,139,000</u>	<u>621,000</u>
Schools:									
Refunding bond	7,363,000	10/12/10	07/01/26	1.50%-4.00%	6,540,000	-	415,000	6,125,000	435,000
Refunding bond	6,769,000	12/15/11	09/15/23	2.00%-4.00%	6,406,000	-	684,000	5,722,000	678,000
Improvement bond	1,925,000	08/01/13	08/01/33	2.00%-4.00%	1,925,000	-	96,000	1,829,000	96,000
Total Schools					<u>14,871,000</u>	<u>-</u>	<u>1,195,000</u>	<u>13,676,000</u>	<u>1,209,000</u>
Total General Obligation Bonds					22,645,000	-	1,830,000	20,815,000	1,830,000
Bond Premiums					<u>1,031,730</u>	<u>-</u>	<u>95,447</u>	<u>936,283</u>	<u>-</u>
Total Bonds and Related Liabilities					<u>23,676,730</u>	<u>-</u>	<u>1,925,447</u>	<u>21,751,283</u>	<u>1,830,000</u>
Other Long-Term Obligations:									
Compensated Absences					96,286	23,264	-	119,550	23,910
Net Pension Liability					1,052,008	326,126	-	1,378,134	-
Other Post Employment Benefits (OPEB)					836,517	88,286	-	924,803	-
Landfill Closure Costs					<u>1,104,736</u>	<u>-</u>	<u>704,736</u>	<u>400,000</u>	<u>20,000</u>
Total Other Long-Term Obligations					<u>3,089,547</u>	<u>437,676</u>	<u>704,736</u>	<u>2,822,487</u>	<u>43,910</u>
Total General Long-Term Obligations					<u>\$ 26,766,277</u>	<u>\$ 437,676</u>	<u>\$ 2,630,183</u>	<u>\$ 24,573,770</u>	<u>\$ 1,873,910</u>

All other long-term liabilities are fully liquidated from the General Fund.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

The following is a summary of annual debt service requirements:

Fiscal Year	Bonds Payable	
	Principal	Interest
2016	\$ 1,830,000	\$ 686,025
2017	1,930,000	622,938
2018	1,920,000	550,438
2019	1,920,000	479,794
2020	1,905,000	409,138
2021-2025	7,630,000	1,184,240
2026-2030	2,680,000	358,095
2031-2034	1,000,000	80,000
	\$ 20,815,000	\$ 4,370,668

Landfill Closure and Postclosure Care Costs

State and Federal laws and regulations require the Town to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. An expense provision and related liability should be recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post-closure care costs is based on the amount of the landfill used during the year. The Town landfill has been closed. The estimated total current cost of the landfill closure and post-closure care is based on the amount that would be paid if all equipment, facilities and services required to close, monitor and maintain the landfill were acquired currently.

As of June 30, 2015 the estimated monitoring costs for the next 20 years are \$400,000. This amount is based on estimates which are subject to change due to inflation, changes in technology or changes in applicable laws and regulations.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Authorized/Unissued Bonds

At June 30, 2015, the Town had the following authorized, unissued bonds:

Project Name	Amount Unissued
Fire equipment	\$ 1,900,000
Infrastructure projects	190,000
	\$ 2,090,000

Note 8 - Fund Balances

	General Fund	Capital Nonrecurring	Bonded Projects	Non-major Governmental Funds	Total
Fund balances:					
Nonspendable					
Inventory	\$ 8,799	\$ -	\$ -	\$ -	\$ 8,799
Prepaid expenses	10,061	-	-	-	10,061
Nonexpendable					
permanent endowment	-	-	-	34,074	34,074
Restricted for:					
Public safety	-	-	-	5,410	5,410
Document preservation	-	-	-	15,667	15,667
Drug prevention	-	-	-	2,294	2,294
Social services	-	-	-	52,144	52,144
Library	-	-	-	304,207	304,207
Recreational activities	-	-	-	12,165	12,165
Capital projects	-	-	2,272,648	50,325	2,322,973
Committed to:					
Education	500,000	-	-	-	500,000
Capital projects	-	873,696	-	53,047	926,743
Assigned to:					
Insurance	-	-	-	50,618	50,618
Education	-	-	-	3,570	3,570
Unassigned	4,190,266	-	-	(175)	4,190,091
Total fund balances	\$ 4,709,126	\$ 873,696	\$2,272,648	\$ 583,346	\$ 8,438,816

A fund balance deficit of \$175 exists in the Family Fun Day Fund resulting from over expenditure. The deficit will be resolved through future revenues.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Note 9 - Pension Plans

The Town administers three single-employer, defined benefit public employees retirement system (PERS) plans to provide pension benefits to substantially all Town employees with the exception of certified teachers and administrative personnel at the Board of Education. The plans were established through ordinances adopted July 1, 1971, August 10, 1993 and April 24, 2007, respectively. The Pension Commission makes recommendations for plan provisions which are approved by the Board of Finance and/or Board of Selectmen. The PERS are considered to be a part of the Town's financial reporting entity and are included in the Town's financial statements as pension trust funds. The plans do not issue separate, stand alone, financial reports. The certified faculty and administrative personnel of the Board of Education participate in a contributory retirement plan administered by the State Teachers Retirement Board. The Town does not contribute to this plan.

Management of the plans rest with the Retirement Board composed of members appointed by the Board of Selectmen.

Plan Description

Retirement Provisions

Town Plan

The Town Plan provides retirement and survivorship benefits for eligible employees of the Town. Benefits vest after 5 years of service. Members may retire at age 65 with 5 years of service or at age 55 with 15 years of service with reduced benefits. Members are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1.75% of final average compensation per year of credited service up to 30 years. Final average compensation is defined as the average annual compensation for the five highest consecutive years of the last ten years immediately preceding retirement. Active plan members are required to contribute 4.0% of compensation with a maximum of 30 years of contributions to the Plan. If an employee leaves covered employment or dies before meeting the vesting requirement, accumulated employee contributions and 5.0% interest thereon are refunded. The Town is required to contribute the remaining amounts necessary to finance the benefits for its employees as are actuarially determined.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Volunteer Firefighters' Plan

The Volunteer Firefighters' Plan provides retirement, disability, and survivorship benefits to eligible volunteer firefighters of the Town. Benefits vest after 20 years of service. Members may retire at age 65 with 20 years of service. Members are entitled to a monthly retirement benefit for life, in an amount equal to \$25 per month times years of service. The maximum benefit is \$500 per month. Active plan members do not contribute. The Town is required to contribute the amounts necessary to finance the benefits for its employees as are actuarially determined.

Constables' Plan

The Constables' Plan provides retirement benefits for all active employees performing constables' duties for the Town. Benefits vest after 20 years of service. A year of service is a year in which the participant performed 440 hours of service. Members may retire at age 65 with 20 years of service or any age with 25 years of service. Members are entitled to a monthly retirement benefit for life, in an amount equal to \$25 per month times years of service. The maximum benefit is \$500 per month. Active plan members do not contribute. The Town is required to contribute the amounts necessary to finance the benefits for its employees as are actuarially determined.

At July 1, 2013, plan membership consisted of the following:

	Town	Volunteer Firefighters	Constables
Inactive plan members or beneficiaries currently receiving benefits	38	14	1
Inactive plan members entitled to but not yet receiving benefits	10	6	1
Active plan members	80	56	7
Total Plan Participants	128	76	9

Summary of Significant Accounting Policies

The Plans' financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plans are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

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

Administrative costs of the Plan are financed through investment earnings.

The individual plan net position at June 30, 2015 and changes in net position for the year then ended are as follow:

	Town Employees' Pension Trust Fund	Volunteer Firefighters' Pension Trust Fund	Constables' Pension Trust Fund	Total Pension Trust Funds
Assets				
Cash and cash equivalents	\$ 305,165	\$ 41,334	\$ 3,044	\$ 349,543
Investments at fair value:				
Mutual funds	7,635,973	1,034,277	76,179	8,746,429
Accrued income	9	1	-	10
Total assets	7,941,147	1,075,612	79,223	9,095,982
Liabilities				
Accounts payable	9,733	1,318	97	11,148
Due to other funds	87	-	-	87
Total liabilities	9,820	1,318	97	11,235
Net Position				
Net position restricted for pensions	\$ 7,931,327	\$ 1,074,294	\$ 79,126	\$ 9,084,747

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

	Town Employees' Pension Trust Fund	Volunteer Firefighters' Pension Trust Fund	Constables' Pension Trust Fund	Total Pension Trust Funds
Additions				
Contributions:				
Employer	\$ 390,843	\$ 134,759	\$ 23,547	\$ 549,149
Plan members	<u>138,501</u>	<u>-</u>	<u>-</u>	<u>138,501</u>
Total contributions	<u>529,344</u>	<u>134,759</u>	<u>23,547</u>	<u>687,650</u>
Investment earnings:				
Net depreciation in fair value of investments	(12,167)	(1,714)	(66)	(13,947)
Interest and dividends	<u>124,204</u>	<u>17,193</u>	<u>1,263</u>	<u>142,660</u>
Total investment earnings	<u>112,037</u>	<u>15,479</u>	<u>1,197</u>	<u>128,713</u>
Total additions	<u>641,381</u>	<u>150,238</u>	<u>24,744</u>	<u>816,363</u>
Deductions				
Benefits	283,376	70,850	6,000	360,226
Administration	<u>63,934</u>	<u>9,892</u>	<u>626</u>	<u>74,452</u>
Total deductions	<u>347,310</u>	<u>80,742</u>	<u>6,626</u>	<u>434,678</u>
Change in net position	294,071	69,496	18,118	381,685
Net position - July 1, 2014	<u>7,637,256</u>	<u>1,004,798</u>	<u>61,008</u>	<u>8,703,062</u>
Net position - June 30, 2015	<u>\$ 7,931,327</u>	<u>\$ 1,074,294</u>	<u>\$ 79,126</u>	<u>\$ 9,084,747</u>

Investments

Investment policy - the pension plan's policy in regard to the allocation of invested assets is established and amended by the Board of Selectmen. It is the policy of the Board of Selectmen to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

The following was the Board's adopted asset allocation policy for all plans as of June 30, 2015:

Asset Class	Target Allocation
Domestic equity	45.00 %
International equity	15.00
Core fixed income	40.00
	100.00 %

Rate of return - For the year ended June 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.42%, 1.43% and 1.51% for the town employees, volunteer firefighters, and constables plan, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The components of the net pension liability of the Town at June 30, 2015, were as follows:

	Town Employees	Volunteer Firefighters	Constables	Total
Total pension liability	\$ 8,528,194	\$ 1,686,380	\$ 248,307	\$ 10,462,881
Plan fiduciary net position	7,931,327	1,074,294	79,126	9,084,747
Town's net pension liability	\$ 596,867	\$ 612,086	\$ 169,181	\$ 1,378,134
Plan fiduciary net position as a percentage of the total pension liability	93.00 %	63.70 %	31.87 %	

Actuarial assumptions - the total pension liability was determined by an actuarial valuation as of July 1, 2013 and increased by service cost and interest and decreased by benefit payments to estimate the total pension liability as of June 30, 2015. Actuarial assumptions were as follows:

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

	Town Employees	Volunteer Firefighters	Constables
Inflation	2.50%	2.50%	2.50%
Salary increases	4.00%	N/A	N/A
Investment rate of return	7.00%	7.00%	7.00%

Mortality rates were based on the RP-2000 combined annuitant and non-annuitant tables with static projection. Mortality is projected through the valuation date plus another 7 years for annuitants and through the valuation date plus another 15 years for non-annuitants.

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, 2015 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	6.70%
International developed markets equity	7.40%
Fixed income	1.60%

Discount rate - the discount rate used to measure the total pension liability was 7.0%. 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 the Town contributions will be made at rates equal to the actuarially determined contributions. 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.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Changes in the Net Pension Liability

Town Employees	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances, June 30, 2014	\$ 7,902,956	\$ 7,637,256	\$ 265,700
Changes for the year:			
Service cost	365,158	-	365,158
Interest	543,456	-	543,456
Contributions - employer	-	390,843	(390,843)
Contributions - member	-	138,501	(138,501)
Net investment income	-	112,037	(112,037)
Benefit payments, including refunds of member contributions	(283,376)	(283,376)	-
Administrative expenses	-	(63,934)	63,934
Net changes	625,238	294,071	331,167
Balances, June 30, 2015	<u>\$ 8,528,194</u>	<u>\$ 7,931,327</u>	<u>\$ 596,867</u>

Volunteer Firefighters	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances, June 30, 2014	\$ 1,620,749	\$ 1,004,798	\$ 615,951
Changes for the year:			
Service cost	25,466	-	25,466
Interest	111,015	-	111,015
Contributions - employer	-	134,759	(134,759)
Net investment income	-	15,479	(15,479)
Benefit payments, including refunds of member contributions	(70,850)	(70,850)	-
Administrative expenses	-	(9,892)	9,892
Net changes	65,631	69,496	(3,865)
Balances, June 30, 2015	<u>\$ 1,686,380</u>	<u>\$ 1,074,294</u>	<u>\$ 612,086</u>

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Constables	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances, June 30, 2014	\$ 231,365	\$ 61,008	\$ 170,357
Changes for the year:			
Service cost	6,953	-	6,953
Interest	15,989	-	15,989
Contributions - employer	-	23,547	(23,547)
Net investment income	-	1,197	(1,197)
Benefit payments, including refunds of member contributions	(6,000)	(6,000)	-
Administrative expenses	-	(626)	626
Net changes	16,942	18,118	(1,176)
Balances, June 30, 2015	\$ 248,307	\$ 79,126	\$ 169,181

Sensitivity of the net pension liability to changes in the discount rate - the following presents the net pension liability of the Town, calculated using the discount rate of 7.0%, 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 (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Town employees' net pension liability	\$ 1,485,497	\$ 596,867	(\$ 197,205)
Volunteer Firefighters' net pension liability	815,654	612,086	441,019
Constables' net pension liability	197,878	169,181	144,715

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the Town recognized pension expense of \$379,092, \$85,499 and \$19,438 for the town employees, volunteer firefighters and constables plans, respectively. The Town reported deferred outflows of resources related to pensions from the following sources:

	Town Employees	Volunteer Firefighters	Constables	Total
Net difference between projected and actual earnings on pension plan investments	\$ 343,164	\$ 45,398	\$ 2,934	\$ 391,496

Net differences between projected and actual earnings are amortized over 5 years.

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30	Town Employees	Volunteer Firefighters	Constables	Total
2016	\$ 85,791	\$ 11,349	\$ 733	\$ 97,873
2017	85,791	11,349	733	97,873
2018	85,791	11,349	733	97,873
2019	85,791	11,351	735	97,877

Note 10 - Connecticut State Teachers' Retirement System

Plan Description

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

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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TRS is a cost sharing multi-employer pension plan with a special funding situation administered by the Connecticut State Teachers' Retirement Board. The State Teachers' Retirement Board (TRB) is responsible for the administration of the Connecticut Teachers' Retirement System. The State Treasurer is responsible for investing TRS funds for the exclusive benefit of TRS members.

Benefit Provisions

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

Normal Retirement: Retirement benefits for the employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement: Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service. Benefit amounts are reduced by 6% per year for the first 5 years preceding normal retirement age and 4% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

Disability Retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, not more than 50% of average annual salary. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of social security benefits and workers' compensation cannot exceed 75% of average annual salary.

Minimum Benefit: Effective January 1, 1999, Public Act 98-251 provides a minimum monthly benefit of \$1,200 to teachers who retire under the normal retirement provisions and who have completed at least 25 years of full time Connecticut service at retirement.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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Contribution Requirements

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut is amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The statutes require the State of Connecticut to contribute 100% of each school district's contributions, which are actuarially determined as an amount that, when combined with employee contributions and investment earnings, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

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

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

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

The State makes all contributions to the System on behalf of employees of the participating entities. Therefore, participating employers are considered to be in a special funding situation as defined by Governmental Accounting Standards Board No. 68 and the State is treated as a non-employer contributing entity in the System. Since the Town did not contribute directly to the System, there is no net pension liability or deferred inflows or outflows of resources to report in the financial statements of the Town. The portion of the 2014 State's collective contribution to the System associated with the Town was \$1,816,882, or .191545%. The portion of the collective net pension liability that was associated with the Town was \$19,425,463 and 100% of the collective net pension liability of \$10,141,454,000 is allocated to the State. The Town's share of the collective net pension liability is calculated using the employer allocation percentage.

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. There were no changes in assumptions or benefits that affected the measurement of the total pension liability since the prior measurement date.

The Town recognized the total pension expense associated with the Town as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the Town. For the fiscal year ended June 30, 2015, the Town recognized \$1,937,781 as the amount expended by the State on behalf of the Town to meet the State's funding requirements.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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Actuarial Assumptions

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2005 through June 30, 2010. The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following key actuarial assumptions:

Inflation	3.00%
Salary increases, including inflation	3.75 - 7.00%
Long-term investment rate of return, net of pension investment expense, including inflation	8.50%

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

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

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

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large cap U.S. equities	21.00 %	7.30 %
Developed non-U.S. equities	18.00	7.50
Emerging markets (non & U.S.)	9.00	8.60
Core fixed income	7.00	1.70
Emerging market bond	5.00	4.80
High yield bonds	5.00	3.70
Inflation linked bond fund	3.00	1.30
Liquidity fund	6.00	0.40
Real estate	7.00	5.90
Alternative investments	8.00	0.70
Private equity	11.00	10.90
	<u>100.00 %</u>	

Discount Rate: The discount rate used to measure the total pension liability was 8.5%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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Note 11 - Other Postemployment Benefits (OPEB)

Plan Description

The Town and the Board of Education (the Board) provide post-employment medical benefits to eligible retirees and their spouses through a single-employer, contributory, defined benefit OPEB plan. A triennial actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2014. The OPEB plan does not issue a separate, stand-alone, financial report.

Benefit Provisions

Town employees are eligible for medical coverage upon retirement at age 55 with 20 years of service.

Board teachers and administrators are eligible for medical coverage upon retirement at age 55 with 20 years of service or at any age with 25 years of service. Board hourly employees are eligible for medical coverage upon retirement at age 55 with 15 years of service or age 65 with 5 years of service.

Plan Membership

Membership in the plan consisted of the following at of July 1, 2014, the date of the last actuarial valuation:

	Town	Board
Active members	37	149
Retirees and dependents	4	16
Total	41	165

Funding Policy

The contribution requirement of plan members, the Town and the Board are established and may be amended by the Town or the Board. The Town and the Board currently contribute enough money to the plan to satisfy the current obligations on a pay-as-you go basis.

Town retirees pay 100% of the premium; however, the Town pays \$200 per month towards the cost of the retirees' medical premium upon reaching 65. The Town also contributes \$100 per month towards the cost of a surviving spouse's medical premium upon reaching age 65. Board retirees pay 100% of the premium.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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The Town and Board's contributions represent payments made for premiums for insured individuals.

Annual OPEB Cost and Net OPEB Obligation

The annual OPEB cost and net OPEB obligation of the plan as of June 30, 2015 were as follows:

	<u>Town</u>	<u>Board</u>
Annual required contribution (ARC)	\$ 46,145	\$ 87,625
Interest on net OPEB obligation	5,494	27,966
Adjustment to annual required contribution	<u>(6,723)</u>	<u>(35,051)</u>
Annual OPEB cost	44,916	80,540
Contributions made	<u>15,459</u>	<u>21,711</u>
Increase (decrease) in net OPEB obligation	29,457	58,829
Net OPEB obligation, July 1, 2014	<u>137,358</u>	<u>699,159</u>
Net OPEB obligation, June 30, 2015	<u>\$ 166,815</u>	<u>\$ 757,988</u>

Three-Year Trend Information

The Town's annual OPEB cost, the percentage of annual OPEB costs contributed to the plan, and the net OPEB obligation three-year trend information is presented below:

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual OPEB</u> <u>Cost (AOC)</u>	<u>Actual</u> <u>Contribution</u>	<u>Percentage of</u> <u>AOC Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
<u>Town</u>				
6/30/2013	\$ 40,504	\$ 12,345	30.48%	\$ 107,677
6/30/2014	42,549	12,868	30.24%	137,358
6/30/2015	44,916	15,459	34.42%	166,815
<u>Board</u>				
6/30/2013	\$ 46,766	\$ 44,448	95.04%	\$ 701,584
6/30/2014	48,346	50,771	105.02%	699,159
6/30/2015	80,540	21,711	26.96%	757,988

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
. . . Continued . . .

Funding Status and Funding Progress

The funded status of the plan as of July 1, 2014, the most recent actuarial valuation date, is as follows:

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<u>Town</u>						
7/1/2014	\$ -	\$ 418,404	\$ 418,404	0.00%	N/A	N/A
<u>Board</u>						
7/1/2014	\$ -	\$ 1,430,011	\$ 1,430,011	0.00%	N/A	N/A

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future.

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

Actuarial Methods and Assumptions

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

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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The annual required contribution for the current year for both the Town and Board plans was determined as part of the July 1, 2014 actuarial valuations. The actuarial assumptions included:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Actuarial Cost Method
Amortization Method	Level percent of payroll, closed
Remaining Amortization Period - Town	24.19
Remaining Amortization Period - Board	23.47
Actuarial Assumptions:	
Discount rate	4.0%
Investment rate of return	4.0%
Inflation rate	3.5%
Medical cost trend rates	8.0% graded to 5.0% over 6 years

Note 12 - Risk Management

The Town is exposed to various risks of loss related to public official liability, police professional liability, theft or impairment of assets, errors and omissions, injury to employees, natural disasters, and owners and contractor’s protective liability. During the year ended June 30, 2015, deductibles paid by the Town were insignificant. Settled claims, for all types of commercial coverage, have not exceeded commercial insurance coverage during any of the past three fiscal years.

Health Insurance Fund

The Town established as an internal service fund, the health insurance fund, to account for and finance the retained risk of loss for Town employee medical benefits coverage. A third party vender administers the plan for which the fund pays a fee. The health insurance fund provides coverage for all eligible full time employees.

The Town has purchased a stop loss policy for individual claims exceeding \$125,000 for hospital and major medical.

Health insurance premiums are based upon estimates by number of employees and type of coverage, trends in the insurance claims and estimates for administration. The claims liability reported in the fund is based upon the requirements of GASB Statements No. 10 and 30, which require that a liability for estimated claims incurred but not reported be recorded.

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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The internal service fund liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used to compute claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, including the effects of specific, incremental claim adjustment expenditures, salvage and subrogation; allocated claim adjustment expenditures are not included.

Fiscal Year	Claims Payable July 1	Current Year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2012-2013	\$ 225,207	\$ 2,222,624	\$ 2,306,561	\$ 141,270
2013-2014	141,270	2,945,640	2,889,910	197,000
2014-2015	197,000	3,334,863	3,301,863	230,000

Retrospectively Rated Policy

The commercial insurance carried for workers' compensation is a retrospectively rated policy for which the Town's contribution is based on the Town's loss experience. It is not possible to estimate the possible loss.

The Town purchases commercial insurance for all other risks of loss, including blanket and umbrella policies. Settled claims have not exceeded commercial coverage in any of the past three years and there has been no significant reduction of insurance coverage from amounts held in prior years.

Note 13 - Commitments and Contingencies

The Town has been named as defendant in various claims and legal actions. The Town's attorney estimates that the potential claims against the Town covered by insurance resulting from such claims and legal actions would not materially affect the financial condition of the Town.

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

TOWN OF WESTBROOK, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015
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Note 14 - Other Matters

The State of Connecticut's Office of Policy and Management has adopted new laws that will affect the Town's budgets in subsequent years. The motor vehicle mill rate will be capped at 32 mills in fiscal year 2017 and 29.36 mill in fiscal year 2018 and annually thereafter. Beginning with fiscal year 2018, a cap will be imposed on municipal spending to limit general budget expenditures to 2.5% above the previous year or the rate of inflation, whichever is greater. Exemptions from the cap include debt service, special education expenditures, expenditures from implementing court orders, arbitration awards, expenditures related to major disaster or emergency declarations, and MRSA grants distributed to special taxing districts under certain circumstances.

**REQUIRED SUPPLEMENTARY
INFORMATION**

TOWN OF WESTBROOK, CONNECTICUT
SCHEDULE OF CHANGES IN THE TOWN'S NET PENSION LIABILITY
AND RELATED RATIOS
TOWN EMPLOYEES
LAST TWO FISCAL YEARS

	2015	2014
Total pension liability		
Service cost	\$ 365,158	\$ 351,113
Interest	543,456	525,975
Benefit payments, including refunds of member contributions	(283,376)	(273,905)
Net change in total pension liability	625,238	603,183
Total pension liability - beginning	7,902,956	7,299,773
Total pension liability - ending (a)	\$ 8,528,194	\$ 7,902,956
Plan fiduciary net position		
Contributions - employer	\$ 390,843	\$ 316,917
Contributions - members	138,501	135,479
Net investment income	112,037	1,082,698
Benefit payments, including refunds of member contributions	(283,376)	(273,905)
Administrative expenses	(63,934)	(68,380)
Net change in plan fiduciary net position	294,071	1,192,809
Plan fiduciary net position - beginning	7,637,256	6,444,447
Plan fiduciary net position - ending (b)	\$ 7,931,327	\$ 7,637,256
Town's net pension liability - ending (a) - (b)	\$ 596,867	\$ 265,700
Plan fiduciary net position as a percentage of the total pension liability	93.00 %	96.64 %
Covered-employee payroll	\$ 3,330,884	\$ 3,202,773
Net pension liability as a percentage of covered-employee payroll	17.92 %	8.30 %

TOWN OF WESTBROOK, CONNECTICUT
SCHEDULE OF CHANGES IN THE TOWN'S NET PENSION LIABILITY
AND RELATED RATIOS
VOLUNTEER FIREFIGHTERS
LAST TWO FISCAL YEARS

	2015	2014
Total pension liability		
Service cost	\$ 25,466	\$ 25,466
Interest	111,015	108,258
Benefit payments, including refunds of member contributions	(70,850)	(68,100)
Net change in total pension liability	65,631	65,624
Total pension liability - beginning	1,620,749	1,555,125
Total pension liability - ending (a)	\$ 1,686,380	\$ 1,620,749
Plan fiduciary net position		
Contributions - employer	\$ 134,759	\$ 117,870
Net investment income	15,479	144,892
Benefit payments, including refunds of member contributions	(70,850)	(68,100)
Administrative expenses	(9,892)	(8,594)
Net change in plan fiduciary net position	69,496	186,068
Plan fiduciary net position - beginning	1,004,798	818,730
Plan fiduciary net position - ending (b)	\$ 1,074,294	\$ 1,004,798
Town's net pension liability - ending (a) - (b)	\$ 612,086	\$ 615,951
Plan fiduciary net position as a percentage of the total pension liability	63.70 %	62.00 %
Covered-employee payroll	N/A	N/A
Net pension liability as a percentage of covered-employee payroll	N/A	N/A

**TOWN OF WESTBROOK, CONNECTICUT
SCHEDULE OF CHANGES IN THE TOWN'S NET PENSION LIABILITY
AND RELATED RATIOS
CONSTABLES
LAST TWO FISCAL YEARS**

	2015	2014
Total pension liability		
Service cost	\$ 6,953	\$ 6,953
Interest	15,989	15,332
Benefit payments, including refunds of member contributions	(6,000)	(6,000)
Net change in total pension liability	16,942	16,285
Total pension liability - beginning	231,365	215,080
Total pension liability - ending (a)	\$ 248,307	\$ 231,365
Plan fiduciary net position		
Contributions - employer	\$ 23,547	\$ 22,846
Net investment income	1,197	8,723
Benefit payments, including refunds of member contributions	(6,000)	(6,000)
Administrative expenses	(626)	(1,268)
Net change in plan fiduciary net position	18,118	24,301
Plan fiduciary net position - beginning	61,008	36,707
Plan fiduciary net position - ending (b)	\$ 79,126	\$ 61,008
Town's net pension liability - ending (a) - (b)	\$ 169,181	\$ 170,357
Plan fiduciary net position as a percentage of the total pension liability	31.87 %	26.37 %
Covered-employee payroll	N/A	N/A
Net pension liability as a percentage of covered-employee payroll	N/A	N/A

**TOWN OF WESTBROOK, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TOWN EMPLOYEES
LAST TWO FISCAL YEARS**

	2015	2014
Actuarially determined contribution	\$ 390,843	\$ 321,436
Contribution in relation to the actuarially determined contribution	390,843	316,917
Contribution deficiency (excess)	\$ -	\$ 4,519
Covered-employee payroll	\$ 3,330,884	\$ 3,202,773
Contributions as a percentage of covered-employee payroll	11.73 %	9.90 %

Notes to Schedule

Valuation date: July 1, 2013
Measurement date: June 30, 2014
Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization period	Level dollar, open
Remaining amortization period	14 years
Asset valuation method	Expected asset value plus 20% of the difference between the expected value and the market value of assets
Inflation	2.50%
Salary increases	4.00% per annum
Investment rate of return	7.00%
Retirement age	100% at age 65 and 5 years of service
Mortality	RP-2000 combined annuitant and non-annuitant tables with static projection. Mortality is projected through the valuation date plus another 7 years for annuitants and through the valuation date plus another 15 years for non-annuitants.

**TOWN OF WESTBROOK, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
VOLUNTEER FIREFIGHTERS
LAST TWO FISCAL YEARS**

	2015	2014
Actuarially determined contribution	\$ 134,759	\$ 117,870
Contribution in relation to the actuarially determined contribution	134,759	117,870
Contribution deficiency (excess)	\$ -	\$ -
Covered-employee payroll	N/A	N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A

Notes to Schedule

Valuation date: July 1, 2013
Measurement date: June 30, 2014
Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization period	Level Percentage of inflation, closed
Remaining amortization period	11 years
Asset valuation method	Expected asset value plus 20% of the difference between the expected value and the market value of assets
Inflation	2.50%
Salary increases	N/A
Investment rate of return	7.00%
Retirement age	Age 65 and 20 years of service
Mortality	RP-2000 combined annuitant and non-annuitant tables with static projection. Mortality is projected through the valuation date plus another 7 years for annuitants and through the valuation date plus another 15 years for non-annuitants.

**TOWN OF WESTBROOK, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CONSTABLES
LAST TWO FISCAL YEARS**

	2015	2014
Actuarially determined contribution	\$ 23,547	\$ 22,846
Contribution in relation to the actuarially determined contribution	23,547	22,846
Contribution deficiency (excess)	\$ -	\$ -
Covered-employee payroll	N/A	N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A

Notes to Schedule

Valuation date: July 1, 2013
Measurement date: June 30, 2014
Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization period	Level Percentage of inflation, closed
Remaining amortization period	23 years
Asset valuation method	Expected asset value plus 20% of the difference between the expected value and the market value of assets
Inflation	2.50%
Salary increases	N/A
Investment rate of return	7.00%
Retirement age	Earlier of age 65 with 20 years of service or any age with 25 years of service
Mortality	RP-2000 combined annuitant and non-annuitant tables with static projection. Mortality is projected through the valuation date plus another 7 years for annuitants and through the valuation date plus another 15 years for non-annuitants.

**TOWN OF WESTBROOK, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
TOWN PENSION PLANS**

LAST TWO FISCAL YEARS

	<u>2015</u>	<u>2014</u>
Annual money weighted rate of return, net of investment expenses:		
Town employees	1.42 %	16.21 %
Volunteer firefighters	1.43	16.21
Constables	1.51	16.21

**TOWN OF WESTBROOK, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM
LAST FISCAL YEAR**

Town's proportion of the net pension liability		0.00 %
Town's proportionate share of the collective net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>19,425,463</u>
Total	\$	<u><u>19,425,463</u></u>
Town's covered-employee payroll	\$	<u><u>7,569,000</u></u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll		<u><u>0.00 %</u></u>
Plan fiduciary net position as a percentage of the total pension liability		<u><u>61.51 %</u></u>

Notes to Connecticut State Teachers' Retirement System

Change of Assumptions

In 2011, rates of withdrawal, retirement, and assumed rates of salary increases were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2010.

Methods and Assumptions used in Calculations of Actuarially Determined Contributions

The actuarially determined contributions in the schedule of employer contributions are calculated as of June 30 each biennium for the fiscal years ending two and three years after the valuation date. The following actuarial methods and assumptions were used to determine the most recent contributions reported in the schedule:

Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Single equivalent amortization period	22.4 years
Asset valuation method	4-year smoothed market

TOWN OF WESTBROOK, CONNECTICUT
SCHEDULE OF FUNDING PROGRESS AND SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS PLANS

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
Town						
7/1/2008	\$ -	\$ 319,991	\$ 319,991	0.00 %	N/A	N/A
7/1/2011	-	349,552	349,552	0.00	N/A	N/A
7/1/2014		418,404	418,404	0.00	N/A	N/A
Board						
7/1/2008	\$ -	\$ 1,562,290	\$ 1,562,290	0.00 %	N/A	N/A
7/1/2011	-	1,075,642	1,075,642	0.00	N/A	N/A
7/1/2014		1,430,011	1,430,011	0.00	N/A	N/A

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution	Percentage Contributed
Town		
2010	\$ 33,868	47.38 %
2011	37,227	42.06
2012	38,943	31.36
2013	41,055	30.07
2014	43,296	29.72
2015	46,145	33.50
Board		
2010	\$ 260,833	12.06 %
2011	277,137	10.87
2012	51,593	79.60
2013	53,283	83.42
2014	54,886	92.50
2015	87,625	24.78

SUPPLEMENTARY INFORMATION

GENERAL FUND

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 WESTBROOK, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Taxes, Interest and Lien Fees:				
Current property taxes	\$ 24,747,646	\$ 24,747,646	\$ 24,563,623	(\$ 184,023)
Prior year collections	235,000	235,000	280,220	45,220
Interest and lien fees	115,000	115,000	143,419	28,419
Supplemental motor vehicle	120,000	120,000	119,771	(229)
Collections from suspensions	500	500	209	(291)
Total Taxes, Interest and Lien Fees	25,218,146	25,218,146	25,107,242	(110,904)
Intergovernmental:				
Mashantucket Pequot funds	17,395	17,395	18,947	1,552
PILOT - state owned property	28,184	28,184	30,313	2,129
PILOT - VISTA	4,600	4,600	5,000	400
PILOT - hospitals	18,850	18,850	18,861	11
Youth and family services	17,300	17,300	17,259	(41)
Property tax relief - elderly	46,000	46,000	46,932	932
Property tax relief - disabled	600	600	724	124
Property tax relief - veterans	13,500	13,500	13,343	(157)
Municipal revenue sharing	251,494	251,494	251,494	-
Town aid road fund	217,457	217,457	216,968	(489)
Educational cost sharing	427,677	427,677	397,619	(30,058)
Adult education	1,674	1,674	1,744	70
Public school transportation	5,708	5,708	5,592	(116)
Telecommunication tax	26,000	26,000	26,260	260
Motor vehicle fines	12,000	12,000	10,093	(1,907)
Miscellaneous state revenues	7,210	7,210	2,327	(4,883)
Federal wildlife	5,000	5,000	4,589	(411)
DUI enforcement	-	-	3,244	3,244
Emergency management	-	-	6,988	6,988
Total Intergovernmental	1,100,649	1,100,649	1,078,297	(22,352)
Charges for Services:				
Fees:				
Private duty reimbursement	35,000	35,000	46,968	11,968
Town Clerk recording fees	86,000	86,000	58,457	(27,543)
Conveyance tax	120,000	120,000	115,876	(4,124)
Conservation land records	7,000	7,000	4,161	(2,839)
Bulky waste	44,000	44,000	39,203	(4,797)
Planning and zoning	30,000	30,000	16,750	(13,250)
Nursing fees	350,000	350,000	418,687	68,687
Library fees and fines	2,300	2,300	2,203	(97)
Parks & recreation fees	82,500	82,500	121,805	39,305
Parks & recreation youth programs	92,500	92,500	87,029	(5,471)
Riggio building rent	4,650	4,650	4,001	(649)
Board of education tuition	28,000	28,000	35,000	7,000
Senior center	15,000	15,000	11,277	(3,723)
Land Use	-	-	2,328	2,328
IWWC Fees	-	-	1,481	1,481
Social services	250	250	230	(20)
Total Fees	897,200	897,200	965,456	68,256

... Continued ...

**TOWN OF WESTBROOK, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015
. . . Continued . . .**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Licenses and Permits:				
Building permits	\$ 250,000	\$ 250,000	\$ 203,380	(\$ 46,620)
Sanitation permits	11,000	11,000	10,800	(200)
Beach permits	9,000	9,000	8,200	(800)
Pistol permits	-	-	2,030	2,030
Lodging permits	-	-	600	600
Miscellaneous	5,000	5,000	135	(4,865)
Total Licenses and Permits	<u>275,000</u>	<u>275,000</u>	<u>225,145</u>	<u>(49,855)</u>
Other Revenues:				
Motor vehicle fines	500	500	740	240
Miscellaneous	5,000	5,000	6,185	1,185
Non-government grants	-	10,635	10,404	(231)
Total Other Revenues	<u>5,500</u>	<u>16,135</u>	<u>17,329</u>	<u>1,194</u>
Total Charges for Services	<u>1,177,700</u>	<u>1,188,335</u>	<u>1,207,930</u>	<u>19,595</u>
Investment Income:				
Interest income	25,000	25,000	18,256	(6,744)
Total Revenues	<u>27,521,495</u>	<u>27,532,130</u>	<u>27,411,725</u>	<u>(120,405)</u>
Total Revenues and Other Financing Sources	<u>\$ 27,521,495</u>	<u>\$ 27,532,130</u>	<u>\$ 27,411,725</u>	<u>(\$ 120,405)</u>

**TOWN OF WESTBROOK, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget
General Government:				
Executive	\$ 161,800	\$ 165,300	\$ 159,965	\$ 5,335
Elections	46,772	46,772	43,364	3,408
Finance:				
Treasurer	14,510	14,510	14,010	500
Assessor	138,574	138,574	129,755	8,819
Tax collector	116,841	116,841	107,909	8,932
Tax refunds	20,000	35,000	35,246	(246)
Finance department	150,218	154,718	154,711	7
Total Finance	440,143	459,643	441,631	18,012
Law	53,000	53,000	49,037	3,963
Recording and Reporting	137,333	137,333	135,977	1,356
Boards and Commissions:				
Board of tax review	1,238	1,238	588	650
Board of finance	34,567	30,067	29,968	99
Total Boards and Commissions	35,805	31,305	30,556	749
Total General Government	874,853	893,353	860,530	32,823
Public Safety:				
Public safety	449,366	449,366	459,237	(9,871)
Police Protection:				
Police - protection	20,755	20,755	19,762	993
Resident troopers	418,788	419,523	419,521	2
Harbor patrol	11,981	12,536	12,534	2
Police vehicles	22,854	21,564	20,486	1,078
Constables	242,809	242,809	221,692	21,117
Police advisory/traffic	4,113	4,113	2,823	1,290
Total Police Protection	721,300	721,300	696,818	24,482
Fire Protection:				
Training	21,695	21,695	17,405	4,290
Fire prevention	3,000	3,000	2,997	3
Fire protection	240,870	240,870	231,312	9,558
Fire station	72,260	72,260	68,718	3,542
Fire marshal	21,976	21,976	21,050	926
Fire commissioner	710	1,210	1,118	92
Open burning official	1,000	1,000	1,000	-
Total Fire Protection	361,511	362,011	343,600	18,411
Emergency management	20,685	20,685	20,060	625
Total Public Safety	1,552,862	1,553,362	1,519,715	33,647

. . . Continued . . .

**TOWN OF WESTBROOK, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015
... Continued ...**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Public Works:				
Public Works Department:				
Administration	\$ 441,772	\$ 469,772	\$ 469,694	\$ 78
Roads	115,890	137,890	136,938	952
Garage	52,200	37,700	37,364	336
Landfill	75,794	75,794	74,405	1,389
Equipment maintenance	84,650	91,350	90,777	573
Property maintenance	22,750	5,750	5,337	413
Waste collection	73,500	80,600	80,502	98
Parks	205,000	195,700	195,628	72
Total Public Works Department	<u>1,071,556</u>	<u>1,094,556</u>	<u>1,090,645</u>	<u>3,911</u>
Water pollution control commission	<u>87,068</u>	<u>26,278</u>	<u>15,113</u>	<u>11,165</u>
Facilities Management:				
Town Hall	54,265	50,265	49,446	819
Academy building	8,000	8,000	7,475	525
Riggio building	22,033	68,768	68,748	20
Old library	9,300	6,300	6,121	179
Mulvey Center	232,605	244,505	244,491	14
Total Municipal Buildings	<u>326,203</u>	<u>377,838</u>	<u>376,281</u>	<u>1,557</u>
Total Public Works	<u>1,484,827</u>	<u>1,498,672</u>	<u>1,482,039</u>	<u>16,633</u>
Community Development:				
Planning and Zoning:				
Planning	118,385	106,660	94,899	11,761
Zoning	88,480	93,805	93,805	-
Zoning board of appeals	14,457	20,857	20,788	69
Total Planning and Zoning	<u>221,322</u>	<u>221,322</u>	<u>209,492</u>	<u>11,830</u>
Town Center	<u>15,797</u>	<u>15,797</u>	<u>8,076</u>	<u>7,721</u>
Land Use	<u>94,826</u>	<u>105,993</u>	<u>97,502</u>	<u>8,491</u>
Conservation	<u>18,571</u>	<u>22,571</u>	<u>18,809</u>	<u>3,762</u>
Economic Development	<u>5,223</u>	<u>5,223</u>	<u>4,070</u>	<u>1,153</u>
Inlands Wetlands	<u>64,199</u>	<u>64,199</u>	<u>52,190</u>	<u>12,009</u>
Inspections	<u>98,226</u>	<u>102,226</u>	<u>98,716</u>	<u>3,510</u>
Harbor Commissions	<u>10,050</u>	<u>10,050</u>	<u>5,400</u>	<u>4,650</u>
Total Community Development	<u>528,214</u>	<u>547,381</u>	<u>494,255</u>	<u>53,126</u>

... Continued ...

**TOWN OF WESTBROOK, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015
... Continued ...**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Health and Human Services:				
Health:				
Director of Health	\$ 23,888	\$ 51,178	\$ 51,080	\$ 98
Public health nurses	470,261	480,561	480,556	5
Sanitarian	91,877	83,927	83,237	690
Total Health	<u>586,026</u>	<u>615,666</u>	<u>614,873</u>	<u>793</u>
Human Services:				
Social services	42,326	42,326	40,944	1,382
Senior Center	73,342	77,342	71,468	5,874
Total Human Services	<u>115,668</u>	<u>119,668</u>	<u>112,412</u>	<u>7,256</u>
Total Health and Human Services	<u>701,694</u>	<u>735,334</u>	<u>727,285</u>	<u>8,049</u>
Culture and Recreation:				
Library	<u>406,964</u>	<u>406,964</u>	<u>396,095</u>	<u>10,869</u>
Recreation:				
Recreation	146,201	146,201	144,122	2,079
Activities	217,601	204,901	161,198	43,703
Swimming	18,217	23,217	16,899	6,318
Total Recreation	<u>382,019</u>	<u>374,319</u>	<u>322,219</u>	<u>52,100</u>
Total Culture and Recreation	<u>788,983</u>	<u>781,283</u>	<u>718,314</u>	<u>62,969</u>
Non-Departmental:				
Employee benefits	1,134,883	1,147,583	1,138,074	9,509
Insurance	270,466	270,466	235,597	34,869
Dues and contributions	214,163	212,163	203,616	8,547
Legislative	3,200	6,300	3,088	3,212
Judicial	-	-	3,194	(3,194)
Contingency	82,800	1,683	-	1,683
Total Non-Departmental	<u>1,705,512</u>	<u>1,638,195</u>	<u>1,583,569</u>	<u>54,626</u>
Debt Service	<u>2,580,046</u>	<u>2,580,046</u>	<u>2,579,082</u>	<u>964</u>
Board of Education	<u>16,794,504</u>	<u>16,794,504</u>	<u>15,997,554</u>	<u>796,950</u>
Total Expenditures	<u>27,011,495</u>	<u>27,022,130</u>	<u>25,962,343</u>	<u>1,059,787</u>
Other Financing Uses:				
Capital contributions	475,000	475,000	503,071	(28,071)
Transfers to other funds	35,000	35,000	35,000	-
Total Other Financing Uses	<u>510,000</u>	<u>510,000</u>	<u>538,071</u>	<u>(28,071)</u>
Total Expenditures and Other Financing Uses	<u>\$ 27,521,495</u>	<u>\$ 27,532,130</u>	<u>\$ 26,500,414</u>	<u>\$ 1,031,716</u>

**TOWN OF WESTBROOK, CONNECTICUT
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2015**

Grand List Year	Uncollected Taxes July 1, 2014	Current Year Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2015
			Additions	Deductions			Taxes	Interest & Lien Fees	Total	
1998	\$ 6,113	\$ -	\$ -	\$ 6,113 *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1999	7,176	-	-	46	-	7,130	-	-	-	7,130
2000	6,365	-	-	-	-	6,365	-	-	-	6,365
2001	5,051	-	-	-	-	5,051	(43)	-	(43)	5,094
2002	1,934	-	-	-	-	1,934	(205)	-	(205)	2,139
2003	4,583	-	-	-	-	4,583	(370)	-	(370)	4,953
2004	25,406	-	-	-	-	25,406	(100)	1,035	935	25,506
2005	27,394	-	-	-	-	27,394	(18)	736	718	27,412
2006	13,716	-	-	-	-	13,716	(13)	119	106	13,729
2007	12,343	-	-	-	-	12,343	(1,743)	367	(1,376)	14,086
2008	16,458	-	-	-	-	16,458	1,592	1,275	2,867	14,866
2009	22,933	-	-	103	-	22,830	3,265	4,470	7,735	19,565
2010	62,549	-	-	1,691	-	60,858	25,349	9,580	34,929	35,509
2011	89,814	-	-	3,686	-	86,128	37,783	19,726	57,509	48,345
2012	235,177	-	-	3,970	-	231,207	179,132	33,004	212,136	52,075
Total Prior Years	537,012	-	-	15,609	-	521,403	244,629	70,312	314,941	276,774
2013	-	24,980,764	7,018	32,739	-	24,955,043	24,737,859	71,784	24,809,643	217,184
Total	\$ 537,012	\$ 24,980,764	\$ 7,018	\$ 48,348	\$ -	\$ 25,476,446	\$ 24,982,488	\$ 142,096	\$ 25,124,584	\$ 493,958

* Uncollected taxes eliminated pursuant to Section 12-165 of the CT General Statutes.

**TOWN OF WESTBROOK, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
FOR THE YEAR ENDED JUNE 30, 2015**

Total Tax Collections (including interest and lien fees) for the year ended June 30, 2015:	\$ 25,124,584
Reimbursement for Revenue Loss: Tax relief for elderly	<u>-</u>
Base for Debt Limitation Computation	<u><u>\$ 25,124,584</u></u>

The Connecticut General Statutes provide that the total authorized debt of the Town shall not exceed seven times the above base cash receipts, of \$175,872,088, nor shall the total authorized particular purpose debt exceed the individual debt limitations reflected in the table below:

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2 1/4 times base	\$ 56,530,314	\$ -	\$ -	\$ -	\$ -
4 1/2 times base	-	113,060,628	-	-	-
3 3/4 times base	-	-	94,217,190	-	-
3 1/4 times base	-	-	-	81,654,898	-
3 times base	-	-	-	-	75,373,752
 Total Debt Limitation	<u>56,530,314</u>	<u>113,060,628</u>	<u>94,217,190</u>	<u>81,654,898</u>	<u>75,373,752</u>
Indebtedness:					
Bonds payable	7,139,000	13,676,000	-	-	-
Authorized and unissued bonds	<u>2,090,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Indebtedness (1)	<u>9,229,000</u>	<u>13,676,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding Debt	<u>\$ 47,301,314</u>	<u>\$ 99,384,628</u>	<u>\$ 94,217,190</u>	<u>\$ 81,654,898</u>	<u>\$ 75,373,752</u>
(1) The total of the above net indebtedness amounts to:					<u>\$ 22,905,000</u>

There is no overlapping debt.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

School Cafeteria Fund - to account for the activity of the schools' cafeterias.

Special Education Grants - to account for State and Federal education grants.

Dog Fund - to account for dog license fees and receipts and expenditures of the Dog Warden and Dog Pound.

Insurance Fund - to account for Unemployment Compensation claims and the deductible costs of other town insurance plans.

Open Space Preservation Fund - to account for funds for the acquisition of land for open space, protection of natural resources, preservation of Westbrook's small town character.

Westbrook Library Fund - to account for donations made to the Library which could be spent on items, other than those budgeted in the General Fund.

Detention Ponds Fund - to account for all detention pond funds for the purpose of making repairs and replacements to the detention basins or outlet structures.

Westbrook Nurses Fund - to account for all activity of Nurses, including any donations and distribution of scholarships.

Small Cities Repayment Fund - to account for funds the Town received from the Small Cities Program from the Connecticut Department of Housing as a vehicle for loan recipients to repay their loans.

Document Preservation Fund - to account for funds received for the preservation of land records.

Family Fun Day Fund - to account for donations in order to hold two events: Family Fun Day and the Halloween bash.

Land Use Professional Services - to account for funds to pay for hired Professional Service for services required to process all Planning/Zoning/ZBA/IWWC applications.

Local Prevention Council - to account for grants from the Connecticut Department of Mental Health and Addiction Services.

West Beach Playground Fund - to account for donations for the renovations of two playgrounds: Westbrook Beach Playground and the Wren Park Playground.

Senior Center Fund - to account for donations from citizens and organizations that are to be used to provide support to the operations of the Senior Center.

Social Services Fund - to account for donations from citizens and organizations that are to be used to provide emergency assistance to senior citizens.

Town Clerk Fund - to account for fees collected to be used for the preservation and management of historic documents.

Permanent Fund

The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the Town's programs.

Library Restricted Gift Fund - to account for various endowments whose earnings are restricted to expenditures for the Library.

**TOWN OF WESTBROOK, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

	Special Revenue Funds						
	School Cafeteria Fund	Special Education Grants	Dog Fund	Insurance Fund	Open Space Preservation Fund	Westbrook Library Fund	Detention Ponds Fund
ASSETS							
Cash and cash equivalents	\$ -	\$ 16,332	\$ 7,506	\$ 50,618	\$ 50,309	\$ 100,216	\$ 53,047
Investments	-	-	-	-	-	204,242	-
Receivables:							
Intergovernmental	11,969	-	-	-	-	-	-
Other	-	81	42	-	-	-	-
Total assets	<u>\$ 11,969</u>	<u>\$ 16,413</u>	<u>\$ 7,548</u>	<u>\$ 50,618</u>	<u>\$ 50,309</u>	<u>\$ 304,458</u>	<u>\$ 53,047</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 8,399	\$ 2,945	\$ 2,138	\$ -	\$ -	\$ 261	\$ -
Unearned revenues	-	13,468	-	-	-	-	-
Total liabilities	<u>8,399</u>	<u>16,413</u>	<u>2,138</u>	<u>-</u>	<u>-</u>	<u>261</u>	<u>-</u>
Deferred Inflow of Resources							
Unavailable revenue - loans receivable	-	-	-	-	-	-	-
Fund Balances (Deficit)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	5,410	-	50,309	304,197	-
Committed	-	-	-	-	-	-	53,047
Assigned	3,570	-	-	50,618	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>3,570</u>	<u>-</u>	<u>5,410</u>	<u>50,618</u>	<u>50,309</u>	<u>304,197</u>	<u>53,047</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,969</u>	<u>\$ 16,413</u>	<u>\$ 7,548</u>	<u>\$ 50,618</u>	<u>\$ 50,309</u>	<u>\$ 304,458</u>	<u>\$ 53,047</u>

... Continued ...

**TOWN OF WESTBROOK, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015
...Continued...**

	Special Revenue Funds					
	Westbrook Nurses Fund	Small Cities Repayment Fund	Document Preservation Fund	Family Fun Day Fund	Land Use Professional Services	Local Prevention Council
ASSETS						
Cash and cash equivalents	\$ 9,721	\$ -	\$ 4,053	\$ -	\$ 142,706	\$ 2,294
Investments	-	-	-	-	-	-
Receivables:						
Intergovernmental	-	-	-	-	-	-
Other	-	75,080	-	-	-	-
Total assets	<u>\$ 9,721</u>	<u>\$ 75,080</u>	<u>\$ 4,053</u>	<u>\$ -</u>	<u>\$ 142,706</u>	<u>\$ 2,294</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ 175	\$ 142,690	\$ -
Unearned revenues	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>175</u>	<u>142,690</u>	<u>-</u>
Deferred Inflow of Resources						
Unavailable revenue - loans receivable	-	75,080	-	-	-	-
Fund Balances (Deficit)						
Nonspendable	-	-	-	-	-	-
Restricted	9,721	-	4,053	-	16	2,294
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	(175)	-	-
Total fund balances	<u>9,721</u>	<u>-</u>	<u>4,053</u>	<u>(175)</u>	<u>16</u>	<u>2,294</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,721</u>	<u>\$ 75,080</u>	<u>\$ 4,053</u>	<u>\$ -</u>	<u>\$ 142,706</u>	<u>\$ 2,294</u>

... Continued ...

**TOWN OF WESTBROOK, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015
...Continued...**

	Special Revenue Funds				Total	Permanent Fund	Total Non Major Governmental Funds
	West Beach Playground Fund	Senior Center Fund	Social Services Fund	Town Clerk Fund		Library Restricted Gift Fund	
ASSETS							
Cash and cash equivalents	\$ 9,387	\$ 2,778	\$ 42,423	\$ 11,614	\$ 503,004	\$ 34,084	\$ 537,088
Investments	-	-	-	-	204,242	-	204,242
Receivables:							
Intergovernmental	-	-	-	-	11,969	-	11,969
Other	-	-	-	-	75,203	-	75,203
Total assets	<u>\$ 9,387</u>	<u>\$ 2,778</u>	<u>\$ 42,423</u>	<u>\$ 11,614</u>	<u>\$ 794,418</u>	<u>\$ 34,084</u>	<u>\$ 828,502</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 156,608	\$ -	\$ 156,608
Unearned revenues	-	-	-	-	13,468	-	13,468
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,076</u>	<u>-</u>	<u>170,076</u>
Deferred Inflow of Resources							
Unavailable revenue - loans receivable	-	-	-	-	75,080	-	75,080
Fund Balances (Deficit)							
Nonspendable	-	-	-	-	-	34,074	34,074
Restricted	9,387	2,778	42,423	11,614	442,202	10	442,212
Committed	-	-	-	-	53,047	-	53,047
Assigned	-	-	-	-	54,188	-	54,188
Unassigned	-	-	-	-	(175)	-	(175)
Total fund balances	<u>9,387</u>	<u>2,778</u>	<u>42,423</u>	<u>11,614</u>	<u>549,262</u>	<u>34,084</u>	<u>583,346</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,387</u>	<u>\$ 2,778</u>	<u>\$ 42,423</u>	<u>\$ 11,614</u>	<u>\$ 794,418</u>	<u>\$ 34,084</u>	<u>\$ 828,502</u>

TOWN OF WESTBROOK, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Special Revenue Funds						
	School Cafeteria Fund	Special Education Grants	Dog Fund	Insurance Fund	Open Space Preservation Fund	Westbrook Library Fund	
REVENUES							
Intergovernmental	\$ 87,126	\$ 253,024	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	139,911	-	1,238	-	-	-	-
Contributions	-	-	-	-	-	7,485	-
Investment income	-	-	-	-	-	4,857	-
Total revenues	<u>227,037</u>	<u>253,024</u>	<u>1,238</u>	<u>-</u>	<u>-</u>	<u>12,342</u>	<u>-</u>
EXPENDITURES							
Current:							
General government	-	-	-	291	9,820	-	-
Public safety	-	-	26,922	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	13,938	-
Education	<u>245,335</u>	<u>253,024</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>245,335</u>	<u>253,024</u>	<u>26,922</u>	<u>291</u>	<u>9,820</u>	<u>13,938</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(18,298)</u>	<u>-</u>	<u>(25,684)</u>	<u>(291)</u>	<u>(9,820)</u>	<u>(1,596)</u>	<u>-</u>
Other financing sources (uses):							
Transfers in	-	-	35,000	28,071	25,000	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>28,071</u>	<u>25,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(18,298)</u>	<u>-</u>	<u>9,316</u>	<u>27,780</u>	<u>15,180</u>	<u>(1,596)</u>	<u>-</u>
Fund balances (deficits) - July 1, 2014	<u>21,868</u>	<u>-</u>	<u>(3,906)</u>	<u>22,838</u>	<u>35,129</u>	<u>305,793</u>	<u>53,047</u>
Fund balances (deficits) - June 30, 2015	<u>\$ 3,570</u>	<u>\$ -</u>	<u>\$ 5,410</u>	<u>\$ 50,618</u>	<u>\$ 50,309</u>	<u>\$ 304,197</u>	<u>\$ 53,047</u>

. . . Continued . . .

TOWN OF WESTBROOK, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
... Continued ...

	Special Revenue Funds					
	Westbrook Nurses Fund	Small Cities Repayment Fund	Document Preservation Fund	Family Fun Day Fund	Land Use Professional Services	Local Prevention Council
REVENUES						
Intergovernmental	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -
Charges for services	318,282	-	1,387	-	-	350
Contributions	723	-	-	2,740	-	2,285
Investment income	9	-	-	-	16	-
Total revenues	<u>319,014</u>	<u>-</u>	<u>6,387</u>	<u>2,740</u>	<u>16</u>	<u>2,635</u>
EXPENDITURES						
Current:						
General government	-	-	5,075	-	-	-
Public safety	-	-	-	-	-	-
Health and human services	318,122	-	-	-	-	1,896
Culture and recreation	-	-	-	3,201	-	-
Education	-	-	-	-	-	-
Total expenditures	<u>318,122</u>	<u>-</u>	<u>5,075</u>	<u>3,201</u>	<u>-</u>	<u>1,896</u>
Excess (deficiency) of revenues over expenditures	<u>892</u>	<u>-</u>	<u>1,312</u>	<u>(461)</u>	<u>16</u>	<u>739</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	(26,648)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(26,648)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	892	(26,648)	1,312	(461)	16	739
Fund balances (deficits) - July 1, 2014	<u>8,829</u>	<u>26,648</u>	<u>2,741</u>	<u>286</u>	<u>-</u>	<u>1,555</u>
Fund balances (deficits) - June 30, 2015	<u>\$ 9,721</u>	<u>\$ -</u>	<u>\$ 4,053</u>	<u>(\$ 175)</u>	<u>\$ 16</u>	<u>\$ 2,294</u>

... Continued ...

TOWN OF WESTBROOK, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
... Continued ...

	Special Revenue Funds				Total	Permanent	Total
	West Beach Playground Fund	Senior Center Fund	Social Services Fund	Town Clerk Fund		Library Restricted Gift Fund	
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 345,150	\$ -	\$ 345,150
Charges for services	-	-	-	10,754	471,922	-	471,922
Contributions	869	150	3,839	-	18,091	-	18,091
Investment income	-	-	-	-	4,882	4	4,886
Total revenues	869	150	3,839	10,754	840,045	4	840,049
EXPENDITURES							
Current:							
General government	-	-	-	12,768	27,954	-	27,954
Public safety	-	-	-	-	26,922	-	26,922
Health and human services	-	-	1,298	-	321,316	-	321,316
Culture and recreation	869	-	-	-	18,008	-	18,008
Education	-	-	-	-	498,359	-	498,359
Total expenditures	869	-	1,298	12,768	892,559	-	892,559
Excess (deficiency) of revenues over expenditures	-	150	2,541	(2,014)	(52,514)	4	(52,510)
Other financing sources (uses):							
Transfers in	-	-	-	-	88,071	-	88,071
Transfers out	-	-	-	-	(26,648)	-	(26,648)
Total other financing sources (uses)	-	-	-	-	61,423	-	61,423
Net change in fund balances	-	150	2,541	(2,014)	8,909	4	8,913
Fund balances (deficits) - July 1, 2014	9,387	2,628	39,882	13,628	540,353	34,080	574,433
Fund balances (deficits) - June 30, 2015	\$ 9,387	\$ 2,778	\$ 42,423	\$ 11,614	\$ 549,262	\$ 34,084	\$ 583,346

Fiduciary Funds

Agency Funds

Agency funds are used to account for short-term custodial collections on resources on behalf of another individual, entity, or government.

Student Activities Fund was established to receive student funds and promote the educational and student activities of students.

Performance Bonds Fund was established to receive deposits from contractors and others.

**TOWN OF WESTBROOK, CONNECTICUT
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash and cash equivalents:				
Student activities	\$ 166,988	\$ 373,197	\$ 332,399	\$ 207,786
Performance bonds	<u>268,279</u>	<u>13,188</u>	<u>10,052</u>	<u>271,415</u>
Total cash and cash equivalents	<u>435,267</u>	<u>386,385</u>	<u>342,451</u>	<u>479,201</u>
Total Assets	<u><u>\$ 435,267</u></u>	<u><u>\$ 386,385</u></u>	<u><u>\$ 342,451</u></u>	<u><u>\$ 479,201</u></u>
LIABILITIES				
Accounts payable:				
Student activities	\$ 166,988	\$ 373,197	\$ 332,399	\$ 207,786
Performance bonds	<u>268,279</u>	<u>13,188</u>	<u>10,052</u>	<u>271,415</u>
Total Liabilities	<u><u>\$ 435,267</u></u>	<u><u>\$ 386,385</u></u>	<u><u>\$ 342,451</u></u>	<u><u>\$ 479,201</u></u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Government'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 government's overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	90 - 93
Revenue Capacity <i>These schedules present information to help the reader assess the government's most significant local revenue source, the property tax.</i>	94 - 97
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.</i>	98 - 99
Demographic and Economic Information <i>This schedule helps the reader understand the environment within which the government's financial activities take place.</i>	100
Operating Information <i>These schedules contain service data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	101 - 103

**TOWN OF WESTBROOK, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities:										
Net investment in capital assets	\$ 38,983,724	\$ 39,903,305	\$ 36,374,214	\$ 34,429,651	\$ 31,186,356	\$ 28,949,121	\$ 26,403,626	\$ 24,336,710	\$ 19,771,746	\$ 21,398,285
Restricted for capital projects	-	-	-	-	-	-	-	399,696	2,806,008	190,918
Restricted for nonexpendable permanent endowments	34,074	34,074	34,074	34,074	34,074	34,074	34,074	34,074	-	-
Unrestricted	7,438,291	4,946,831	6,725,269	6,331,956	7,734,747	6,652,732	7,037,766	5,745,262	6,917,108	6,437,602
Total Net Position	<u>\$ 46,456,089</u>	<u>\$ 44,884,210</u>	<u>\$ 43,133,557</u>	<u>\$ 40,795,681</u>	<u>\$ 38,955,177</u>	<u>\$ 35,635,927</u>	<u>\$ 33,475,466</u>	<u>\$ 30,515,742</u>	<u>\$ 29,494,862</u>	<u>\$ 28,026,805</u>

**TOWN OF WESTBROOK, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
Governmental activities:										
General government	\$ 1,071,657	\$ 1,040,619	\$ 1,200,320	\$ 1,215,658	\$ 2,652,059	\$ 2,596,749	\$ 2,166,037	\$ 2,062,110	\$ 1,769,310	\$ 1,747,589
Public safety	1,689,133	1,604,113	1,524,669	1,457,600	1,668,253	1,319,021	1,351,058	1,324,685	1,507,560	1,412,971
Public works	2,011,913	2,232,432	1,968,481	1,599,754	241,464	1,162,756	1,139,920	1,143,085	1,522,152	1,176,565
Community development	494,255	487,239	447,095	465,112	405,808	-	-	-	-	-
Health and human services	25,583	688,201	644,323	689,382	651,167	754,837	638,421	557,242	645,645	642,175
Culture and recreation	801,727	762,784	685,613	876,824	832,379	846,270	807,707	740,027	728,258	628,710
Education	19,002,867	18,969,227	17,967,333	17,105,639	16,863,986	16,216,398	15,535,704	18,300,874	12,844,223	12,144,473
Non-departmental	2,255,708	2,315,793	1,036,538	1,952,931	-	-	-	-	-	-
Interest expense	738,799	768,718	705,705	868,249	950,424	1,213,060	1,295,106	1,367,985	1,407,463	1,309,007
Total expenses	28,091,642	28,869,126	26,180,077	26,231,149	24,265,540	24,109,091	22,933,953	25,496,008	20,424,611	19,061,490
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	434,667	545,391	563,186	479,453	431,768	523,407	353,356	876,834	525,715	555,726
Public safety	49,738	47,807	42,406	88,123	50,719	69,597	34,608	125,835	6,732	7,570
Public works	39,203	34,455	43,708	61,880	38,606	45,487	40,528	45,632	43,510	51,603
Community development	20,559	75,080	26,635	-	-	-	-	-	-	-
Health and human services	419,517	426,630	373,256	402,691	489,478	414,741	335,964	362,383	346,992	402,162
Culture and recreation	225,054	201,614	191,642	219,525	200,174	233,799	216,471	214,187	213,928	177,414
Education	174,911	136,824	119,354	147,926	189,668	191,838	213,911	207,628	212,862	224,499
Operating grants and contributions	3,014,966	3,386,237	2,914,031	3,024,113	2,173,670	2,173,784	2,072,552	5,860,707	1,417,907	1,335,872
Capital grants and contributions	704,583	1,435,926	330,561	390,059	527,923	-	876,718	450,000	45,000	5,445,527
Total program revenues	5,083,198	6,289,964	4,604,779	4,813,770	4,102,006	3,652,653	4,144,108	8,143,206	2,812,646	8,200,373
Net Expenses:										
Governmental activities	(23,008,444)	(22,579,162)	(21,575,298)	(21,417,379)	(20,163,534)	(20,456,438)	(18,789,845)	(17,352,802)	(17,611,965)	(10,861,117)
General Revenues:										
Governmental activities:										
Property taxes	25,151,592	23,900,387	23,654,089	22,801,513	22,970,748	21,702,816	20,930,232	19,310,767	17,956,139	17,065,027
Grants and contributions not restricted to specific programs	411,874	385,623	391,467	402,673	480,546	815,002	595,026	466,731	646,795	608,357
Investment income	23,142	43,805	15,763	21,194	31,490	99,081	175,614	376,184	477,088	319,624
Total general revenues	25,586,608	24,329,815	24,061,319	23,225,380	23,482,784	22,616,899	21,700,872	20,153,682	19,080,022	17,993,008
Change in net position	\$ 2,578,164	\$ 1,750,653	\$ 2,486,021	\$ 1,808,001	\$ 3,319,250	\$ 2,160,461	\$ 2,911,027	\$ 2,800,880	\$ 1,468,057	\$ 7,131,891

**TOWN OF WESTBROOK, CONNECTICUT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 173,643	\$ -	\$ -	\$ -
Unreserved:										
Designated	-	-	-	-	-	-	-	-	-	27,031
Undesignated	-	-	-	-	-	2,426,297	2,852,949	2,594,930	2,121,759	1,530,339
Nonspendable	18,860	789,391	18,932	10,167	214,825	-	-	-	-	-
Committed	500,000	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	2,213	-	-	-	-	-
Unassigned	4,190,266	3,008,424	3,714,727	3,951,075	2,956,343	-	-	-	-	-
Total general fund	<u>\$ 4,709,126</u>	<u>\$ 3,797,815</u>	<u>\$ 3,733,659</u>	<u>\$ 3,961,242</u>	<u>\$ 3,173,381</u>	<u>\$ 2,426,297</u>	<u>\$ 3,026,592</u>	<u>\$ 2,594,930</u>	<u>\$ 2,121,759</u>	<u>\$ 1,557,370</u>
All other governmental funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 399,696	\$ 2,806,008	\$ 190,918
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	690,457	642,426	783,468	713,042	551,103
Capital projects funds	-	-	-	-	-	2,332,969	1,402,598	1,134,125	1,636,016	1,216,735
Nonspendable	34,074	34,074	34,074	34,074	34,074	-	-	-	-	-
Restricted	2,714,860	2,586,617	1,150,411	1,151,111	1,687,392	-	-	-	-	-
Committed	926,743	1,122,442	844,350	904,215	1,011,371	-	-	-	-	-
Assigned	54,188	44,706	28,792	48,496	755,265	-	-	-	-	-
Unassigned	(175)	(3,906)	(2,779)	(1,560)	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 3,729,690</u>	<u>\$ 3,783,933</u>	<u>\$ 2,054,848</u>	<u>\$ 2,136,336</u>	<u>\$ 3,488,102</u>	<u>\$ 3,023,426</u>	<u>\$ 2,045,024</u>	<u>\$ 2,317,289</u>	<u>\$ 5,155,066</u>	<u>\$ 1,958,756</u>

**TOWN OF WESTBROOK, CONNECTICUT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues:										
Property taxes	\$ 25,107,242	\$ 24,021,456	\$ 23,608,365	\$ 22,821,938	\$ 22,869,340	\$ 21,687,014	\$ 20,926,333	\$ 19,310,568	\$ 18,094,883	\$ 16,910,927
Intergovernmental	4,065,811	4,851,938	3,609,245	4,122,906	3,525,018	3,189,679	3,949,389	7,184,164	2,483,964	7,563,207
Charges for services	1,679,852	1,807,156	1,668,136	1,736,175	1,366,681	1,404,524	1,189,915	1,832,499	1,349,739	1,418,974
Contributions	67,691	289,689	79,436	22,151	41,669	17,603	78,373	91,134	142,580	-
Investment income	23,142	43,799	15,756	21,183	31,554	99,081	175,614	376,184	441,131	310,321
Total revenues	<u>30,943,738</u>	<u>31,014,038</u>	<u>28,980,938</u>	<u>28,724,353</u>	<u>27,834,262</u>	<u>26,397,901</u>	<u>26,319,624</u>	<u>28,794,549</u>	<u>22,512,297</u>	<u>26,203,429</u>
Expenditures:										
Current:										
General government	2,473,116	2,524,315	2,612,120	2,549,778	2,513,272	2,619,942	2,693,841	2,397,645	2,217,576	2,114,720
Public safety	1,546,637	1,484,401	1,422,751	1,380,145	1,397,483	1,302,365	1,274,039	1,287,488	1,181,281	1,073,123
Public works	1,482,039	1,524,770	1,466,927	1,136,419	1,139,858	1,269,697	1,094,728	972,730	920,203	890,291
Community development	494,255	487,239	447,095	465,112	406,106	-	-	-	-	-
Health and human services	1,048,601	1,056,580	928,092	1,028,393	651,167	754,837	638,421	557,242	522,248	525,448
Culture and recreation	736,322	697,336	679,587	870,798	829,627	840,244	827,177	742,649	674,020	579,294
Education	18,265,749	18,375,780	17,375,704	16,510,399	15,939,968	15,291,164	14,761,260	17,766,186	12,753,028	12,240,296
Capital outlay	1,460,869	5,665,525	1,079,924	1,611,915	983,048	417,223	1,525,276	4,089,835	882,937	3,356,881
Debt service:										
Principal	1,830,000	1,790,000	2,557,250	2,980,000	2,575,000	2,280,000	2,030,000	1,955,000	1,580,000	1,922,900
Interest	749,082	714,301	720,559	908,993	1,059,816	1,244,322	1,315,485	1,390,380	1,572,103	1,359,668
Total expenditures	<u>30,086,670</u>	<u>34,320,247</u>	<u>29,290,009</u>	<u>29,441,952</u>	<u>27,495,345</u>	<u>26,019,794</u>	<u>26,160,227</u>	<u>31,159,155</u>	<u>22,303,396</u>	<u>24,062,621</u>
Excess (deficiency) of revenues over expenditures	<u>857,068</u>	<u>(3,306,209)</u>	<u>(309,071)</u>	<u>(717,599)</u>	<u>338,917</u>	<u>378,107</u>	<u>159,397</u>	<u>(2,364,606)</u>	<u>208,901</u>	<u>2,140,808</u>
Other Financing Sources (Uses):										
Transfers in	732,664	1,546,371	414,815	962,610	886,802	1,474,494	757,491	1,254,974	480,235	342,398
Transfers out	(732,664)	(1,546,371)	(414,815)	(962,610)	(886,802)	(1,474,494)	(757,491)	(1,254,974)	(480,235)	(342,398)
Proceeds from issuance of bonds	-	5,000,000	-	9,610,000	10,525,000	-	-	-	3,550,000	12,570,000
Payments to escrow agents	-	-	-	(10,224,130)	(10,914,326)	-	-	-	-	(4,069,018)
Bond premiums	-	99,450	-	735,321	467,169	-	-	-	1,798	8,133
Total other financing sources (uses)	<u>-</u>	<u>5,099,450</u>	<u>-</u>	<u>121,191</u>	<u>77,843</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,551,798</u>	<u>8,509,115</u>
Net change in fund balance	<u>\$ 857,068</u>	<u>\$ 1,793,241</u>	<u>(\$ 309,071)</u>	<u>(\$ 596,408)</u>	<u>\$ 416,760</u>	<u>\$ 378,107</u>	<u>\$ 159,397</u>	<u>\$ (2,364,606)</u>	<u>\$ 3,760,699</u>	<u>\$ 10,649,923</u>
Debt Service as Percentage of Noncapital Expenditures	8.88%	8.56%	11.45%	13.79%	13.47%	14.08%	13.61%	12.31%	14.13%	13.64%

TOWN OF WESTBROOK, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(dollars in thousands)

Fiscal Year Ended June 30	Grand List Year	Residential	Commercial and Industrial	Total Real Estate	Personal Property	Motor Vehicle	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Value
2015	2013	\$ 961,686	\$ 147,286	\$ 1,108,972	\$ 38,384	\$ 54,303	(\$ 40,362)	\$ 1,161,297	21.79	\$ 1,658,996	70.00%
2014	2012	910,347	143,027	1,053,374	32,715	52,615	(36,307)	1,102,397	20.98	1,574,853	70.00%
2013	2 2011	905,028	141,681	1,046,709	58,035	53,828	(33,202)	1,125,370	20.98	1,607,671	70.00%
2012	2010	1,097,805	169,390	1,267,195	52,753	51,032	(28,554)	1,342,426	16.96	1,917,751	70.00%
2011	2009	1,091,951	167,110	1,259,061	52,852	49,794	(28,077)	1,333,630	17.25	1,905,186	70.00%
2010	2008	1,086,916	164,801	1,251,717	53,856	49,088	(27,013)	1,327,648	16.30	1,896,640	70.00%
2009	2007	1,082,987	160,197	1,243,184	52,488	50,565	(24,660)	1,321,577	15.78	1,887,967	70.00%
2008	1 2006	1,072,148	155,809	1,227,957	48,465	50,240	(19,249)	1,307,413	14.80	1,867,733	70.00%
2007	2005	604,661	114,996	719,657	53,370	49,292	(14,572)	807,747	22.22	1,153,924	70.00%
2006	2004	599,938	111,570	711,508	45,698	47,009	(12,772)	791,443	21.43	1,130,633	70.00%

Source: Assessor's Office - Town of Westbrook

Notes:

- (1) Revaluation October 1, 2006
 - (2) Revaluation October 1, 2011
- Tax rates are per \$1,000 of assessed value.

**TOWN OF WESTBROOK, CONNECTICUT
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS
 (rate per \$1,000 of assessed value)**

<u>Fiscal Year</u>	<u>Operating Millage</u>	<u>Total Direct Tax Rate</u>
2015	21.79	21.79
2014	20.98	20.98
2013	20.98	20.98
2012	16.96	16.96
2011	17.25	17.25
2010	16.30	16.30
2009	15.78	15.78
2008	14.80	14.80
2007	22.22	22.22
2006	21.43	21.43

Note: The Town has no overlapping property tax rates.

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

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Lee Company	\$ 33,066,410	1	2.85%	\$ 17,073,100	2	2.16%
COROC I	24,276,640	2	2.09%	23,100,000	1	2.92%
Water's Edge Realty	21,800,060	3	1.88%	13,293,640	3	1.68%
Pilots Point Marina Inc.	15,144,210	4	1.30%	9,125,900	4	1.15%
Connecticut Light & Power Company	9,766,020	5	0.84%			
Connecticut Water Company	4,238,380	6	0.36%			
IPC Information Systems	3,994,850	7	0.34%	2,680,350	6	0.34%
Jensens Inc.	3,822,580	8	0.33%	3,846,530	5	0.49%
80 Flat Rock Place LLC (SCGC)	3,435,590	9	0.30%			
Westbrook Properties	3,201,390	10	0.28%			
COROC II				2,264,470	7	0.29%
Lorensen Auto Group				2,170,610	8	0.27%
Donald Tinty				1,725,100	9	0.22%
Ambleside				1,723,070	10	0.22%
	<u>\$ 122,746,130</u>		<u>10.57%</u>	<u>\$ 77,002,770</u>		<u>9.73%</u>

Source: Assessor's Office - Town of Westbrook

**TOWN OF WESTBROOK, CONNECICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Grand List Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount Collected	Percent of Levy		Amount	Percent of Levy
2015	2013	\$ 24,955,043	\$ 24,737,859	99.13%	\$ -	\$ 24,737,859	99.13%
2014	2012	23,762,610	23,527,433	99.01%	183,102	23,710,535	99.78%
2013	2011	23,482,906	23,219,812	98.88%	214,749	23,434,561	99.79%
2012	2010	22,650,090	22,361,075	98.72%	253,506	22,614,581	99.84%
2011	2009	22,892,909	22,596,679	98.71%	276,665	22,873,344	99.91%
2010	2008	21,550,048	21,343,627	99.04%	191,555	21,535,182	99.93%
2009	2007	20,726,781	20,494,764	98.88%	217,931	20,712,695	99.93%
2008	2006	19,242,513	18,996,111	98.72%	232,673	19,228,784	99.93%
2007	2005	17,804,376	17,601,854	98.86%	175,110	17,776,964	99.85%
2006	2004	16,887,242	16,639,806	98.53%	221,930	16,861,736	99.85%

Source: Tax Collector's Report; Annual Financial Report

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

Governmental Activities					
Fiscal	General Obligation Bonds (1) (2)	Percentage of Personal Income (3)	Population	Debt per Capita	Percentage of Estimated Actual Taxable Value of Property (4)
2015	\$ 21,751,283	7.72%	6,922	\$ 3,142	1.31%
2014	23,676,730	8.41%	6,922	3,421	1.50%
2013	20,465,270	7.35%	6,906	2,963	1.27%
2012	22,918,289	8.20%	6,903	3,320	1.20%
2011	24,792,671	9.75%	6,769	3,663	1.30%
2010	26,651,810	9.99%	6,685	3,987	1.41%
2009	28,934,939	15.84%	6,663	4,343	1.53%
2008	30,968,066	16.30%	6,626	4,674	1.66%
2007	32,926,195	17.41%	6,596	4,992	2.85%
2006	22,505,000	11.89%	6,599	3,410	1.99%

- Notes:
- (1) The Town has no debt other than general obligation bonds of the primary government unit. There is no overlapping debt.
 - (2) Presented net of original issue discounts and premiums.
 - (3) Personal income is disclosed on page 100.
 - (4) Estimated actual taxable value of property is disclosed on page 94.

**TOWN OF WESTBROOK, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(dollars in thousands)**

Legal Debt Margin Calculation for Fiscal Year 2015:

Revenue Base	<u>\$ 25,125</u>
Debt limit (Revenue Base x 7)	<u>\$ 175,872</u>
Debt applicable to limit:	
General obligation bonds	20,815
Bonds, authorized, unissued	<u>2,090</u>
	<u>22,905</u>
Legal Debt Margin	<u><u>\$ 152,967</u></u>

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt limit	\$ 175,872	\$ 167,601	\$ 165,110	\$ 159,119	\$ 159,835	\$ 151,432	\$ 145,706	\$ 134,835	\$ 126,372	\$ 117,907
Total net debt applicable to limit	<u>22,905</u>	<u>24,735</u>	<u>26,525</u>	<u>22,234</u>	<u>24,823</u>	<u>26,973</u>	<u>34,652</u>	<u>36,273</u>	<u>30,921</u>	<u>28,542</u>
Legal debt margin	<u><u>\$ 152,967</u></u>	<u><u>\$ 142,866</u></u>	<u><u>\$ 138,585</u></u>	<u><u>\$ 136,885</u></u>	<u><u>\$ 135,012</u></u>	<u><u>\$ 124,459</u></u>	<u><u>\$ 111,054</u></u>	<u><u>\$ 98,562</u></u>	<u><u>\$ 95,451</u></u>	<u><u>\$ 89,365</u></u>
Total net debt applicable to the limit as a percentage of debt limit	13.02%	14.76%	16.07%	13.97%	15.53%	17.81%	23.78%	26.90%	24.47%	24.21%

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

Fiscal Year	Population¹	Median Age³	Per Capita Income²	Median Household Income³	Personal Income	School Enrollment⁴	Unemployment Rate³	Municipal Employees⁵
2015	6,922	47	\$ 40,688	\$ 73,211	\$ 281,642,336	808	4.6%	269
2014	6,922	47	40,688	73,211	281,642,336	802	5.3%	264
2013	6,906	47	40,297	74,056	278,291,082	833	6.1%	258
2012	6,903	42	40,506	72,688	279,612,918	966	7.2%	263
2011	6,769	46	37,576	77,193	254,351,944	922	7.1%	256
2010	6,685	46	39,899	72,387	266,724,815	974	7.5%	252
2009	6,663	45	27,414	69,302	182,659,482	966	6.9%	252
2008	6,626	45	28,680	64,682	190,033,680	980	4.6%	254
2007	6,596	45	28,680	64,181	189,173,280	995	3.5%	232
2006	6,599	43	28,680	62,404	189,259,320	1,016	3.5%	232

Source: ¹ U.S. Department of Commerce, Bureau of Census 1960-2015
² U.S. Census Bureau, Census 2008-2014 American Community Survey.
³ Connecticut Dept. of Labor, Town Unemployment Rates
⁴ Westbrook Board of Education
⁵ Westbrook Department of Finance

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

Function/Program	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government	41	41	40	43	43	42	43	42	42	42
Public safety	7	7	6	6	6	5	5	6	6	6
Public works	9	7	8	9	9	9	9	9	9	9
Development and community affairs	7	6	7	8	8	7	7	8	8	8
Health and welfare	9	7	7	7	7	6	6	7	7	7
Culture and recreation	8	8	8	8	8	8	8	8	8	8
Education	188	188	182	182	175	175	174	174	152	152
	269	264	258	263	256	252	252	254	232	232

Source: Town Department of Finance and Board of Education Business Office.

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

Function/Program	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Building Department:										
Number of building permits	860	674	612	512	531	400	263	302	328	318
Value of building permits	\$ 19,401,878	\$ 29,513,128	\$ 34,151,508	\$ 20,044,205	\$ 17,195,407	\$ 15,954,885	\$ 9,137,297	\$ 23,126,529	\$ 24,597,682	\$ 17,489,152

Source: Various Town departments

Note: Additional information may be added in the future as information is developed.

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

Function/Program	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government:										
Number of general government buildings	4	4	4	4	4	4	4	4	4	4
Public safety:										
Fire:										
Number of stations	2	2	2	2	2	2	2	2	2	2
Culture and recreation:										
Community centers	1	1	1	1	1	1	1	1	1	1
Senior centers	1	1	1	1	1	1	1	1	1	1
Education:										
Number of schools	3	3	3	3	3	3	3	3	3	3

Source: Various Town departments

Note: Additional information may be added in the future as information is developed.