

# **TOWN OF SEYMOUR, CONNECTICUT**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**



**For the Fiscal Year July 1, 2016 – June 30, 2017**



**TOWN OF SEYMOUR, CONNECTICUT**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**FOR**

**THE FISCAL YEAR ENDED  
JUNE 30, 2017**

**Prepared By:**

**THE FINANCE DEPARTMENT**

***DOUGLAS THOMAS, DIRECTOR OF FINANCE***



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**Introductory Section**





January 2, 2018

Kurt Miller, First Selectman  
Members of the Board of Selectman  
Members of the Board of Finance  
Town of Seymour, Connecticut

Connecticut State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2017.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

RSM US LLP, Certified Public Accountants, has issued unmodified (“clean”) opinions on the Town of Seymour, Connecticut’s financial statements for the year ended June 30, 2017. The independent auditors’ report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

### **Profile of the Town of Seymour**

The Town of Seymour was incorporated in 1850, named after Thomas H. Seymour, then Governor of the State of Connecticut. The Town covers an area of 14.7 square miles with the commercial and industrial areas along the Naugatuck River. Seymour is served directly by Connecticut Route 8, a major four-lane, limited-access highway which begins in Bridgeport at the Connecticut Turnpike (I-95) and runs north to Winsted, intersecting with I-84 in Waterbury.

The location of Seymour at the junction of Routes 8, 67, 115 and 313 provides ready access to the regional interstate highway system as well as Connecticut’s major employment centers. Conrail provides freight rail service to and through the Town, and the expanded Metro North Commuter Rail Service provides frequent passenger trains to Bridgeport, Stamford and New York City. Regularly scheduled commercial air service, both passenger and freight, is available from Hartford’s Bradley International Airport and the New York airports. These facilities are served through airport limousines, air freight, and trucking from Seymour.

The Town is contiguous to Fairfield County and within 20 minutes driving time of New Haven, Waterbury and Bridgeport, three of Connecticut’s five largest cities.

## **Economic**

The Town's key business areas include several small shopping centers, options for professional offices, a downtown historic district, and several sites designated for industry.

The Town has collaborated to promote industrial growth. The Town formed and worked closely with the Seymour Downtown Council to revitalize the Town's center. In the last several years, over \$1,000,000 in public and private funds has been spent to make downtown more attractive. It is expected that improvements to the downtown will serve as a catalyst for additional commercial and industrial development, and more than \$150,000 has been made available to businesses locating to or located in the downtown area through the Downtown Seymour Infrastructure Improvement Grant program.

The 1,465-acre Silvermine Industrial Park was developed using a combination of local, state and federal funds and is now occupied by 12 companies, some of which have already expanded from their original size. Hubbell Industrial Park, immediately adjacent to the Silvermine complex, is being developed with private funds. This park contains 13 parcels on more than 66 acres and is close to capacity. Among the many companies located there, Thule/Eldon Group America and Basement Systems Incorporated are currently planning 25,000-square-foot expansions to their facilities which are expected to increase their taxable assessments in the coming years. The Kerite Company, the Town's oldest employer, was acquired by Chicago-based Marmon Group in September 1999. Since that time, Kerite has invested significantly in diversifying its products beyond the traditional dependence upon the utility industrial market segment.

Haynes Construction Company constructed a headquarters on Progress Drive beyond Hubbell Park on a 7.9-acre parcel. The facility was constructed in 1995, and expanded in 2002. Haynes has also begun construction of a 236-unit complex known as Meadow Brook Estates designed for active 55 and older individuals. The complex straddles the Oxford- Seymour border and has model homes available for tour. Fifty-five of the units are expected to be in Seymour.

Larry Janesky's Basement Systems ("Basement Systems") is located on 50 acres of land in the Seymour Industrial Park. Basement Systems has added 14,000 square feet of warehouse and has added 60,000 square feet of office and warehouse space in the past few years.

The Town is within easy commuting distance of large employment centers in Fairfield County, as well as employment found in the New Haven and Waterbury areas.

## **Form of Government**

Under a charter adopted in 1971 and most recently amended in 1994, the Town of Seymour has a Town Meeting form of government with a seven-member Board of Selectmen. The First Selectman serves as the full-time chief executive officer of the Town. The Board of Finance is responsible for proposing annual budgets and special appropriations to the Town Meeting. There are a number of commissions and authorities established under the Charter, including the Economic Development Commission, Planning and Zoning Commission and Water Pollution Control Authority.

The preparation of this report could not have been accomplished without the hard work and dedication of the finance department staff. I would also like to thank RSM US LLP our independent auditors, for their guidance and many helpful comments and suggestions during the preparation of this report. And finally, special acknowledgment and appreciation goes to those who have contributed to the progressive and financially sound operations of the Town; that contribute, belongs to all Town Officials, Town Staff, and the Community.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Douglas Thomas". The signature is written in a cursive, flowing style.

Douglas Thomas, CPA  
Finance Director

# TOWN OF SEYMOUR, CONNECTICUT

## LIST OF PRINCIPAL OFFICIALS JUNE 30, 2017

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### **BOARD OF SELECTMEN**

W. Kurt Miller, First Selectman  
Nicole Klarides-Ditria, Deputy  
Annmarie A. Drugonis  
Stephan Behuniak  
Karen Stanek  
Al Bruno  
Len Greene Jr.

### **BOARD OF FINANCE**

Bill Sawicki, Chairman  
Beverly Kennedy  
Zani Imetovski  
James Cretella  
Heather McDaniel  
Aileen Baldwin  
John Stelma  
Rob Pagliaro (Alt.)  
Richard Demko (Alt.)

### **BOARD OF EDUCATION**

Yashu Putorti, Chairman  
Edward Strumello  
Frederick Stanek  
Kristen Harmeling  
Allison Sobieski-McAndrew  
Jen Magri  
James Garofalo  
Jay Hatfield  
Pete Kubik



Government Finance Officers Association

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

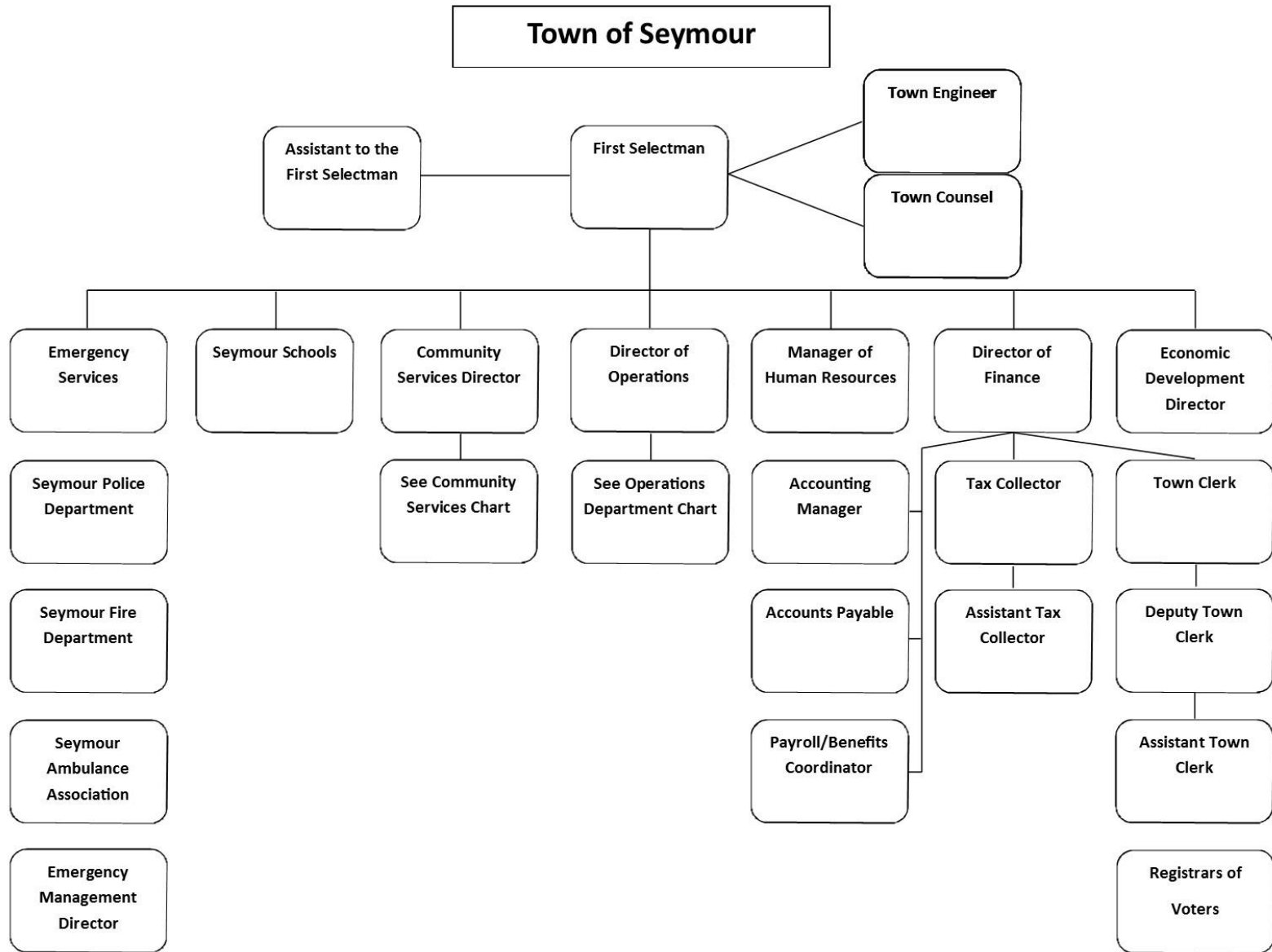
Presented to

**Town of Seymour  
Connecticut**

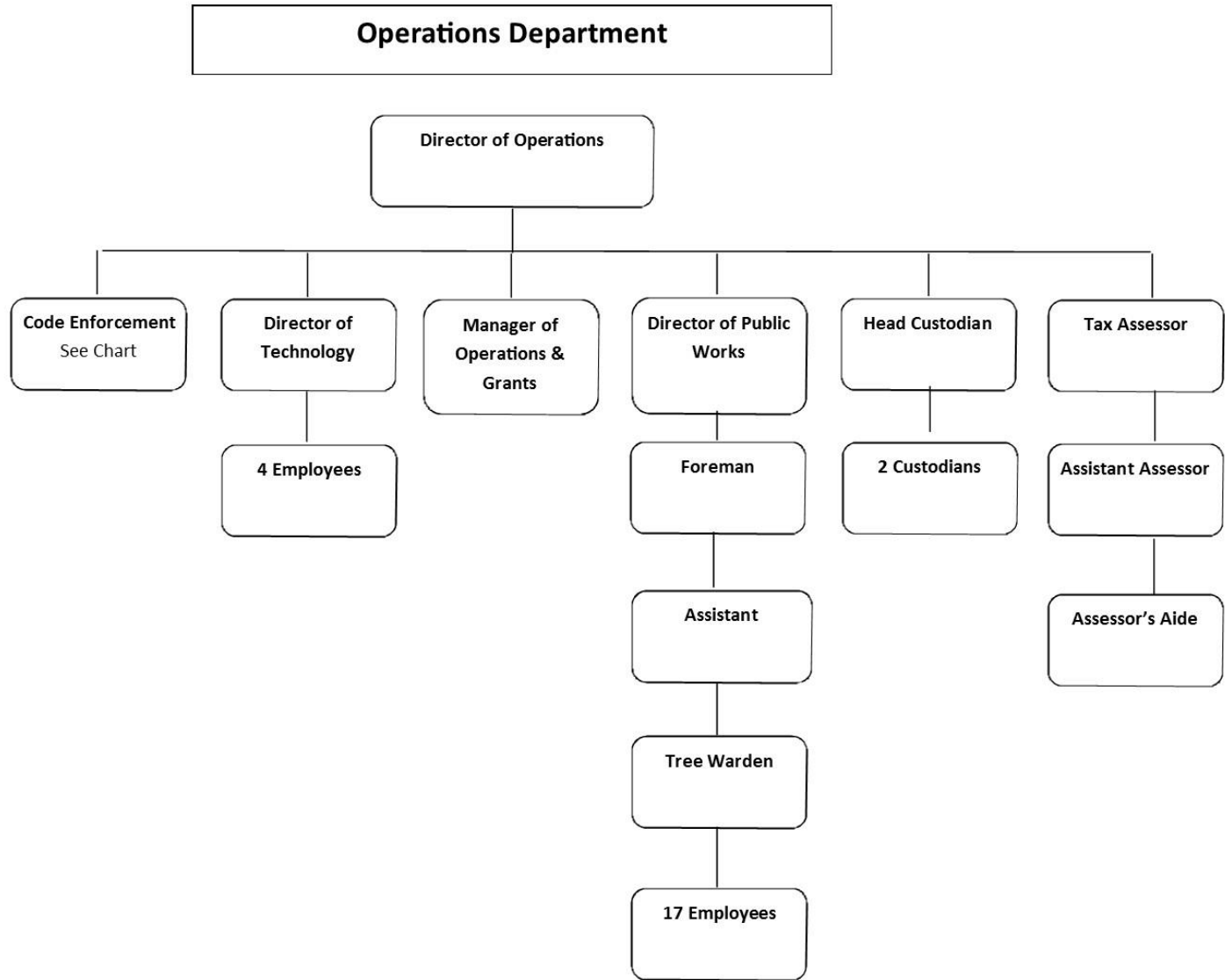
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

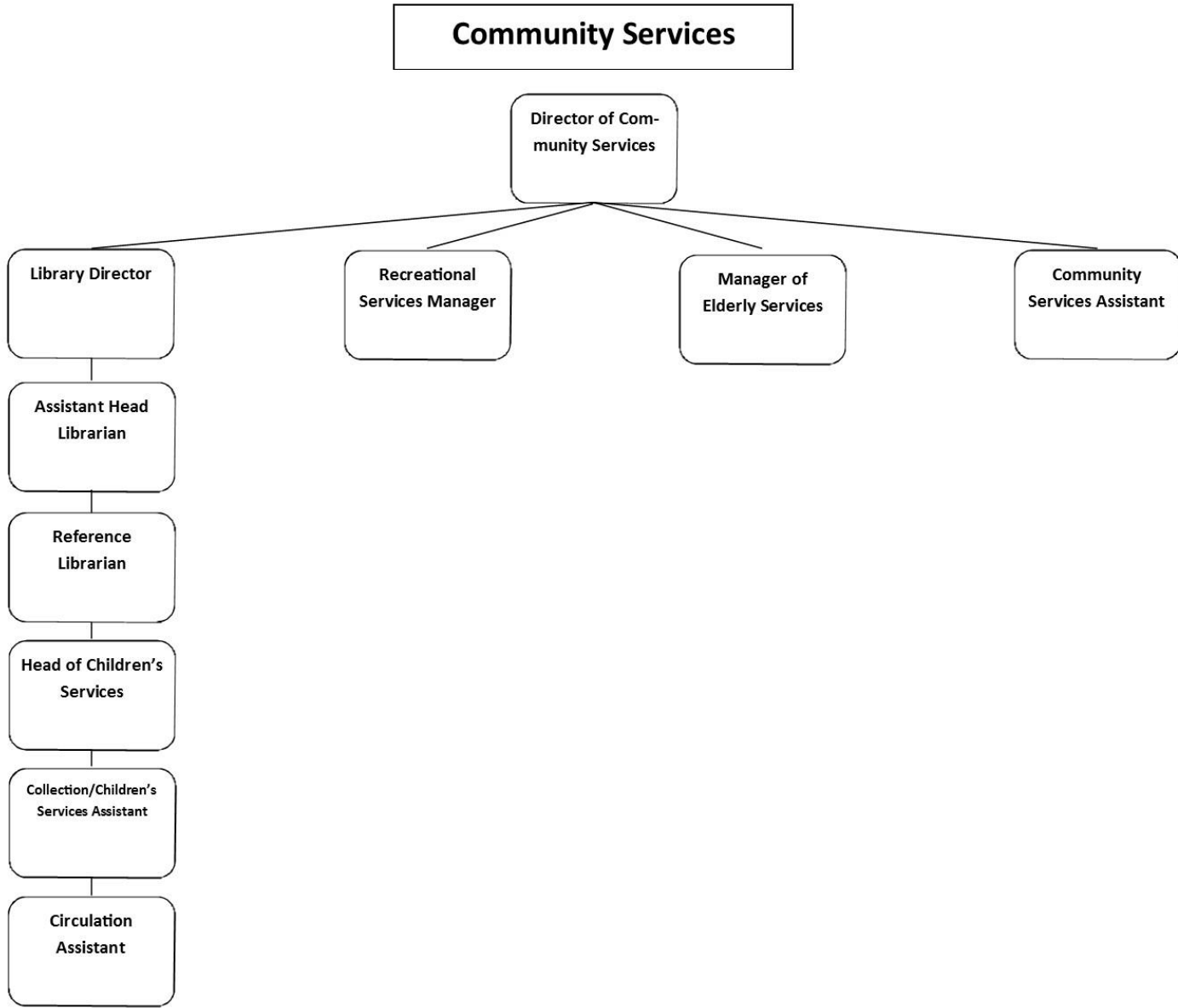
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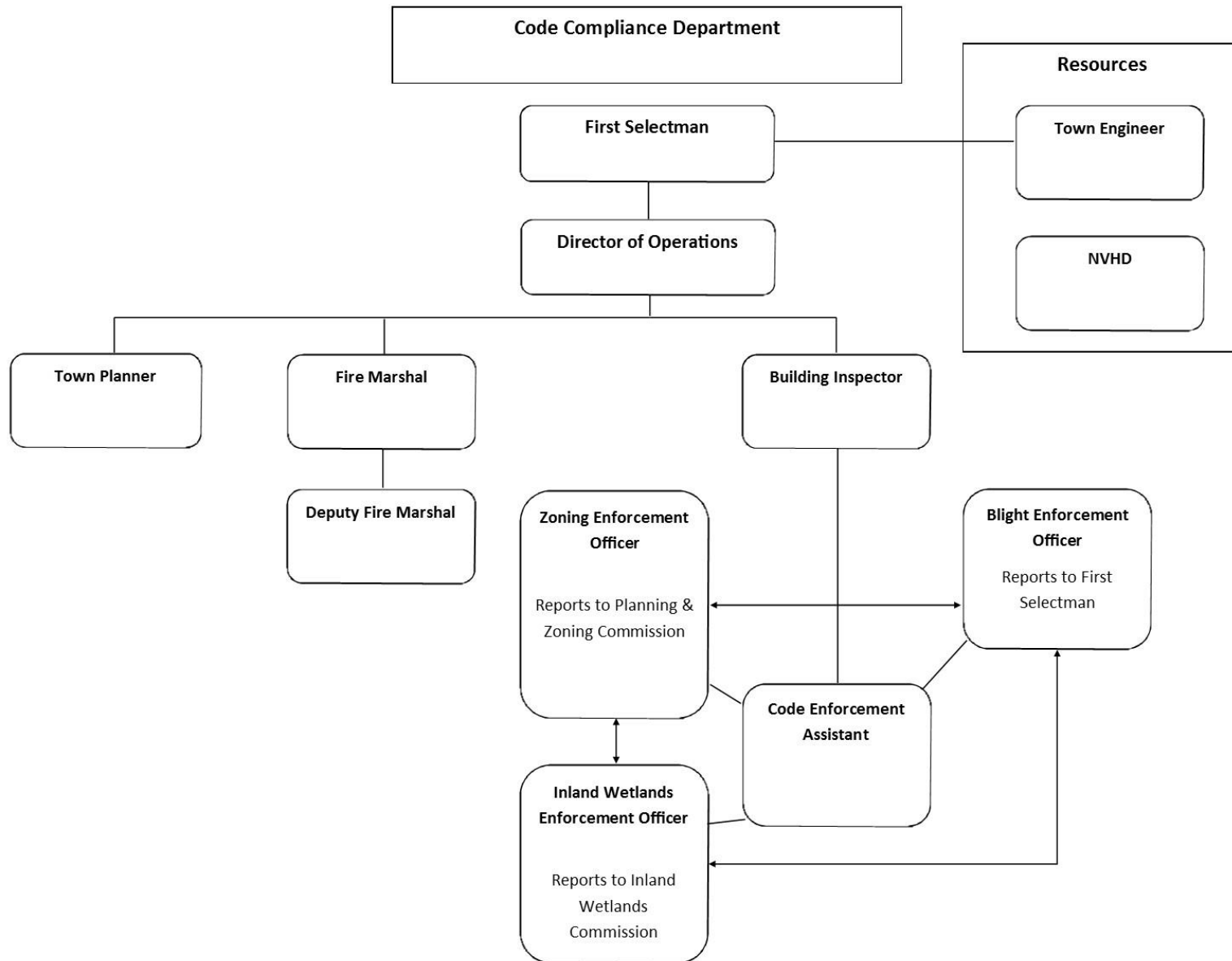
Executive Director/CEO











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**Financial Section**



## Independent Auditor's Report

To the Board of Finance  
Town of Seymour, Connecticut

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Seymour, Connecticut, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of Seymour, Connecticut's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Seymour, Connecticut, as of June 30, 2017 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### Required Supplementary Information

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

### Other Information

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 2, 2018 on our consideration of the Town of Seymour, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's 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 Seymour, Connecticut's internal control over financial reporting and compliance.

*RSM US LLP*

New Haven, Connecticut  
January 2, 2018



**Town of Seymour, Connecticut**  
**Management's Discussion and Analysis - Unaudited**  
**June 30, 2017**

The management's discussion and analysis of the Town of Seymour, Connecticut's (the Town) financial performance provides an overall review of the Town's financial activities for the year ended June 30, 2017. The intent of this discussion and analysis is to look at the Town's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Town's financial performance.

**Financial Highlights**

Key financial highlights for 2017 are as follows:

- The total net position of the Town decreased \$137,918. Net position of governmental activities decreased \$260,740 or 0.5 percent over 2016 and net position of business-type activities increased \$122,822 or 1.5 percent over 2016.
- General revenues accounted for \$43,956,273 or 65 percent of total governmental activities revenue. Program specific revenues accounted for \$23,395,476 or 35 percent of total governmental activities revenue.
- The Town had \$67,612,489 in expenses related to governmental activities: \$23,395,476 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$44,217,013 were offset by general revenues (mainly by property taxes, unrestricted grants and entitlements) of \$43,956,273.
- The general fund had revenues of \$63,428,545 in 2017. This represents an increase of \$3,662,739 from 2016 revenues. The expenditures of the General Fund, which totaled \$61,550,394 in 2017, increased \$2,783,923 from 2016.
- Net position for the business-type activities, which are made up of the Sewer Enterprise Fund, increased in 2017 by \$122,822. This increase in net position was due primarily to increased usage, resulting in an increase of \$68,908 in revenues over 2016. Additionally repair and maintenance expense decreased from the prior year of \$118,244.
- In the General Fund, budgeted revenues came in \$248,886 higher than the final budget and budgeted expenditures were \$204,070 lower than the final budget. The revenues exceeded budget due to prior year tax collections (\$215,844 over budget), sewer and water assessment collections (\$140,588 over budget), and offset by the state grant cuts (\$123,152 less than budget). Expenditures were below budget due to a budgeted contingency \$42,213 in anticipated state grant revenue cuts. Management continued to monitor spending and implemented a spending freeze that resulted in a savings of \$161,857 over all departments.

**Using this Annual Financial Report**

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the Town as a financial whole, and entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the Town as a whole, presenting both an aggregate view of the Town's finances and a longer-term view of those finances, fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Town's most significant funds with all other non-major funds presented in total in one column.

## **Reporting the Town as a Whole**

### ***Statement of Net Position and the Statement of Activities***

While this document contains a large number of funds used by the Town to provide programs and activities, the view of the Town as a whole looks at all financial transactions and informs the user how the Town financially performed during 2017. The statement of net position and the statement of activities answer these questions. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Town's net position and changes in those assets. This change in net position is important because it tells the reader that, for the Town as a whole, the financial position of the Town has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Nonfinancial factors include the Town's property tax base, current property tax laws in Connecticut restricting revenue growth, facility conditions, required community programs and other.

In the statement of net position and the statement of activities, the Town is divided into two distinct kinds of activities:

- 1) Governmental activities – Most of the Town's programs and services are reported here including public safety, education, street maintenance, capital improvements and general administration. These services are funded primarily by property taxes and intergovernmental revenues including federal and state grants and other shared revenues.
- 2) Business-type activities – These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The Town's Sewer enterprise operations are reported here.

The Town's statement of net position and statement of activities can be found on pages 15-16 of this report.

## **Reporting the Town's Most Significant Funds**

### ***Fund Financial Statements***

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

Fund financial reports provide detailed information about the Town's major funds. The Town uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Town's most significant funds. The analysis of the Town's major governmental, proprietary and fiduciary funds begins on page 17.

**Governmental Funds**

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

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

The Town maintains a multitude of individual governmental funds. The Town has segregated these funds into major funds and non-major funds. The Town’s major governmental fund is the General Fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 17-25 of this report.

**Proprietary Funds**

The Town maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its sewer operations. The Town’s enterprise fund is considered a major fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town’s various functions. The basic proprietary fund financial statements can be found on pages 21-23 of this report.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. 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 funds. Agency funds and pension trust funds are the Town’s only fiduciary funds types. The basic fiduciary fund financial statements can be found on page 24-25 of this report.

**Notes to the Basic 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. These notes to the basic financial statements can be found on pages 26-61 of this report.

## Government-Wide Financial Analysis

The table below provides a summary of the Town's net position for 2017 and 2016.

	TOWN OF SEYMOUR, CONNECTICUT CONDENSED STATEMENT OF NET POSITION					
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 24,119,430	\$ 16,726,522	\$ 2,371,499	\$ 1,974,367	\$ 26,490,929	\$ 18,700,889
Capital assets	91,529,374	93,594,073	5,987,971	6,396,564	97,517,345	99,990,637
<b>Total assets</b>	<b>115,648,804</b>	<b>110,320,595</b>	<b>8,359,470</b>	<b>8,370,931</b>	<b>124,008,274</b>	<b>118,691,526</b>
Deferred outflows of resources	5,430,168	2,415,948	-	-	5,430,168	2,415,948
Current liabilities	8,948,008	9,546,416	13,793	148,076	8,961,801	9,694,492
Noncurrent liabilities	61,555,798	52,383,076	-	-	61,555,798	52,383,076
<b>Total liabilities</b>	<b>70,503,806</b>	<b>61,929,492</b>	<b>13,793</b>	<b>148,076</b>	<b>70,517,599</b>	<b>62,077,568</b>
Deferred inflows of resources	28,855	-	-	-	28,855	-
Net position:						
Net Investment in capital assets	55,869,110	58,219,654	5,987,971	6,396,564	61,857,081	64,616,218
Restricted	-	-	-	-	-	-
Unrestricted	(5,322,799)	(7,412,603)	2,357,706	1,826,291	(2,965,093)	(5,586,312)
<b>Total net position</b>	<b>\$ 50,546,311</b>	<b>\$ 50,807,051</b>	<b>\$ 8,345,677</b>	<b>\$ 8,222,855</b>	<b>\$ 58,891,988</b>	<b>\$ 59,029,906</b>

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2017, the Town assets exceeded liabilities by \$58,891,988. At year-end, net position was \$50,546,311 and \$8,345,677 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the Town's net position. At year-end capital assets represented 79 percent of total assets. Capital assets include land, land improvements, buildings and improvements, equipment, vehicles and infrastructure. Capital assets, net of related debt to acquire the assets at June 30, 2017, were \$55,869,110 and \$5,987,971 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

In the governmental activities, the remaining balance is an unrestricted net deficit of \$(5,322,799).

The table below shows the changes in net position for the fiscal year 2017 and 2016.

<b>TOWN OF SEYMOUR, CONNECTICUT CONDENSED STATEMENT OF ACTIVITIES</b>						
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 2,426,006	\$ 1,953,391	\$ 2,007,512	\$ 1,938,604	\$ 4,433,518	\$ 3,891,995
Operating grants and contributions	20,837,024	17,377,646	-	-	20,837,024	17,377,646
Capital grants and contributions	132,446	2,027,554	-	-	132,446	2,027,554
General revenues:						
Property taxes	43,113,621	42,796,014	-	-	43,113,621	42,796,014
Grants and contributions not restricted to specific programs	801,178	449,079	-	-	801,178	449,079
Investment income	41,474	14,178	705	341	42,179	14,519
<b>Total revenues</b>	<b>67,351,749</b>	<b>64,617,862</b>	<b>2,008,217</b>	<b>1,938,945</b>	<b>69,359,966</b>	<b>66,556,807</b>
<b>Expenses</b>						
General government	4,929,550	3,721,928	-	-	4,929,550	3,721,928
Public Safety	7,206,132	7,822,574	-	-	7,206,132	7,822,574
Public Works	5,635,329	8,209,668	-	-	5,635,329	8,209,668
Recreation and Culture	2,865,551	2,735,696	-	-	2,865,551	2,735,696
Sanitation	1,284,965	1,070,523	-	-	1,284,965	1,070,523
Board of Education	44,019,109	42,382,760	-	-	44,019,109	42,382,760
Interest on long-term debt	1,671,853	1,090,823	-	-	1,671,853	1,090,823
Water	-	-	1,885,395	2,003,639	1,885,395	2,003,639
<b>Total expenses</b>	<b>67,612,489</b>	<b>67,033,972</b>	<b>1,885,395</b>	<b>2,003,639</b>	<b>69,497,884</b>	<b>69,037,611</b>
<b>Change in net position</b>	<b>(260,740)</b>	<b>(2,416,110)</b>	<b>122,822</b>	<b>(64,694)</b>	<b>(137,918)</b>	<b>(2,480,804)</b>
Net Position - July 1	50,807,051	53,223,161	8,222,855	8,287,549	59,029,906	61,510,710
Net Position - June 30	<b>\$ 50,546,311</b>	<b>\$ 50,807,051</b>	<b>\$ 8,345,677</b>	<b>\$ 8,222,855</b>	<b>\$ 58,891,988</b>	<b>\$ 59,029,906</b>

### Governmental Activities

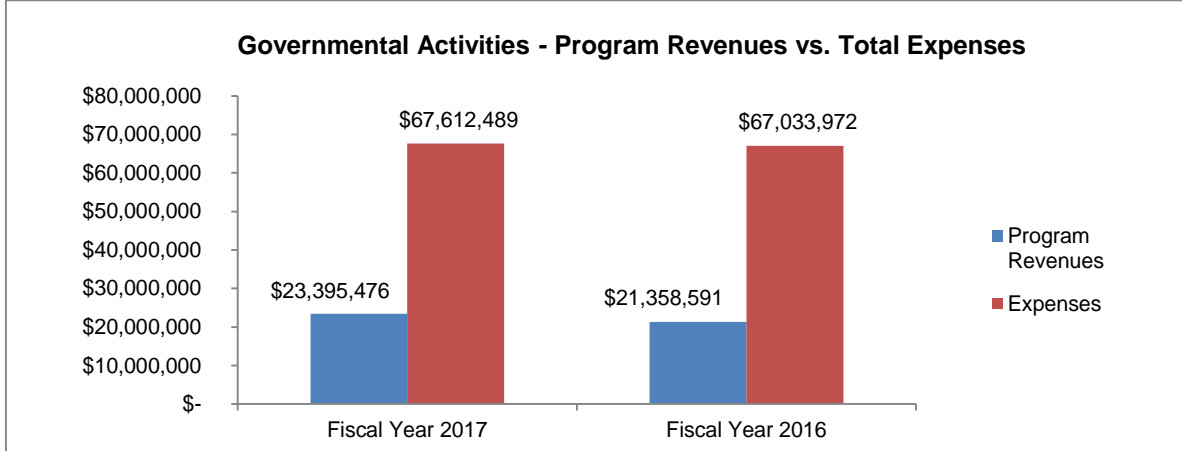
Governmental activities net position decreased \$260,740 in 2017. The decrease was due to an increase in bonds and OPEB liability off set by increase in cash and deferred outflow resources.

Education accounted for \$44,019,109 of the total expenses of the Town. These expenses were partially funded by \$19,834,570 in state and federal grants.

The state and federal government contributed to the Town a total of \$20,969,470 in operating grants and contributions, which is an increase of \$3,459,378 which is due to increases for on-behalf payments for the Teacher Retirement Plan.

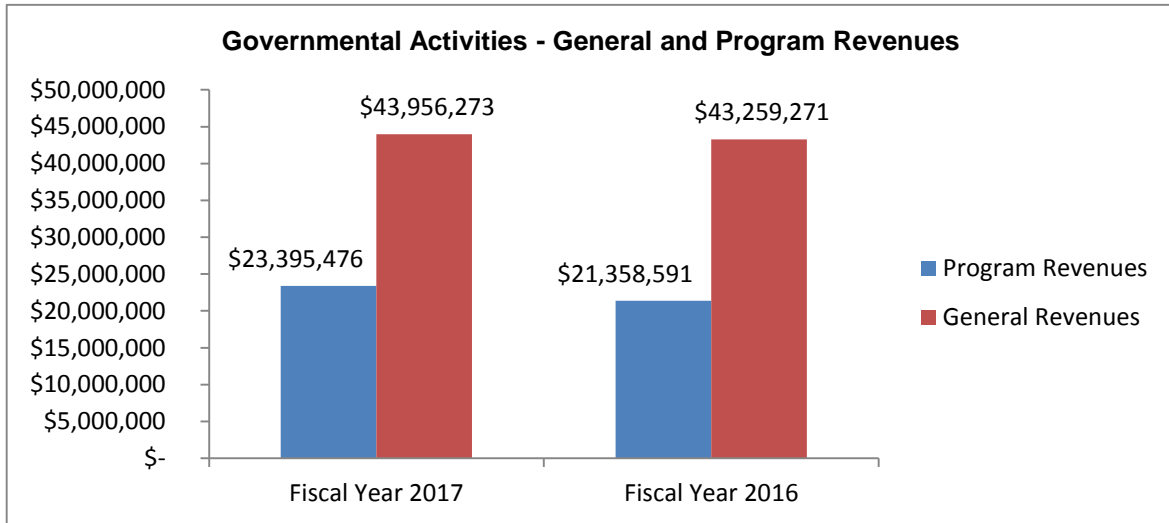
General revenues totaled \$43,956,273 and amount to 65 percent of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$43,113,621. The other primary source of general revenues is grants and contributions not restricted to specific programs, making up \$842,652.

The statement of activities shows the cost of program services and charges for services and grants offsetting those services. The following table show, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted state grants and entitlements to support its governmental activities.



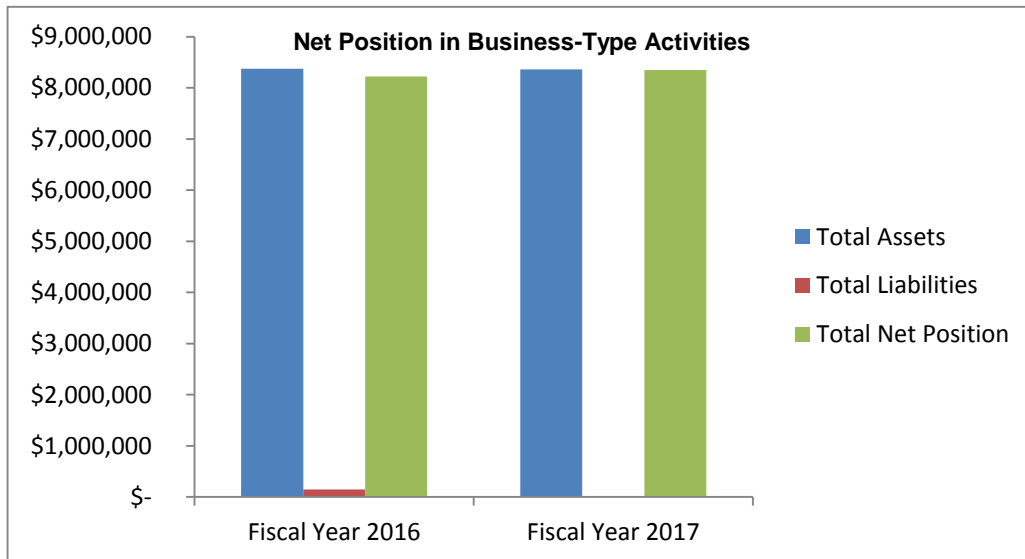
	Governmental Activities			
	2017 Total Cost of Services	2016 Total Cost of Services	2017 Net Cost of Services	2016 Net Cost of Services
Program Expenses				
General government	\$ 4,929,550	\$ 3,721,928	\$ 4,158,839	\$ 2,903,845
Public safety	7,206,132	7,822,574	6,554,454	6,725,944
Public works	5,635,329	8,209,668	3,496,812	7,764,955
Recreation and culture	2,865,551	2,735,696	2,865,551	2,735,696
Sanitation	1,284,965	1,070,523	1,284,965	1,070,523
Education	44,019,109	42,382,760	24,184,539	23,383,595
Interest on long-term debt	1,671,853	1,090,823	1,671,853	1,090,823
<b>Total expenses</b>	<b>\$ 67,612,489</b>	<b>\$ 67,033,972</b>	<b>\$ 44,217,013</b>	<b>\$ 45,675,381</b>

The dependence upon general revenues for governmental activities is apparent, with 49 percent of expenses supported through taxes and other general revenues.



### Business-Type Activities

Business-Type activities include the Town's Sewer enterprise. This enterprise had operating revenues of \$2,007,512 and operating expense of \$1,885,395 for the fiscal year 2017. The graph below shows the business-type activities' assets, liabilities and net position at year-end 2017 and 2016.



### Financial Analysis of the Government's Funds

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

## Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Town's net resources available for spending at year-end.

The Town's governmental funds, as presented on the balance sheet on pages 17-18, reported a combined fund balance of \$14,730,673 which is \$7,728,551 more than last year's total of \$7,002,122. The schedule below indicates the fund balances and the total change in fund balances as of June 30, 2017 for all major and non-major governmental funds.

	Fund Balances June 30, 2017	Fund Balances (Deficit) June 30, 2016	Increase (Decrease)
General Fund	\$ 7,180,309	\$ 6,070,115	\$ 1,110,194
Road Projects	4,607,738	1,274,398	3,333,340
Other Governmental Funds	2,942,626	(342,391)	3,285,017
<b>Total</b>	<b>\$ 14,730,673</b>	<b>\$ 7,002,122</b>	<b>7,728,551</b>

## General Fund

The table that follows assists in illustrating the revenues of the General Fund.

	2017 Amount	2016 Amount	Percentage Change
Revenues			
Property taxes	\$ 43,326,698	\$ 42,849,313	1.11%
Interest and lien fees	389,490	480,074	-18.87%
Intergovernmental	17,391,415	15,037,154	15.66%
Investment income	38,103	8,896	328.32%
Permits, fees and other	1,221,992	1,353,569	-9.72%
Other revenues	41,476	36,800	12.71%
<b>Total</b>	<b>\$ 62,409,174</b>	<b>\$ 59,765,806</b>	<b>4.42%</b>

Tax revenue represents 69 percent of all General Fund revenue. Tax revenue increased by 1.11 percent over prior year. Tax increase was due to a tax rate increase of 2.7 percent and more aggressive tax collections. The interest and lien fees decreased \$90,584, investment income increased \$29,207 and other revenues decreased \$126,901 for a net increase of \$2,643,368.



The table that follows assists in illustrating the expenditures of the General Fund.

	2017 Amount	2016 Amount	Percentage Change
Expenditures:			
General government	\$ 3,157,102	\$ 3,130,426	0.85%
Public safety	7,202,063	6,766,585	6.44%
Public works	2,932,518	3,242,809	-9.57%
Sanitation	1,272,323	1,052,921	20.84%
Sundry	2,801,316	2,671,869	4.84%
Board of Education	38,331,124	36,363,723	5.41%
Debt service	4,666,165	5,107,952	-8.65%
<b>Total</b>	<b>\$ 60,505,572</b>	<b>\$ 58,336,285</b>	<b>3.72%</b>

All expenditures remained comparable to 2016 overall. Public safety increase were due to salary and benefit increases and police training increase for additional officers. Public works cost decreased due to reduced resurfacing cost and employee attrition. Bonds were issued for \$4,500,000 for road works which enabled the reduction in resurfacing cost. Sanitation costs increased due to commercial collection increased from the industrial park expansion, specifically Basement System headquarters. Debt service decreased due to a refunding of \$7,225,000 debt

**Proprietary Funds.** The Town's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are inter-fund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only inter-fund activity, reported in the government-wide statements, are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas inter-fund amounts between various enterprise funds are reported in the proprietary funds statements.

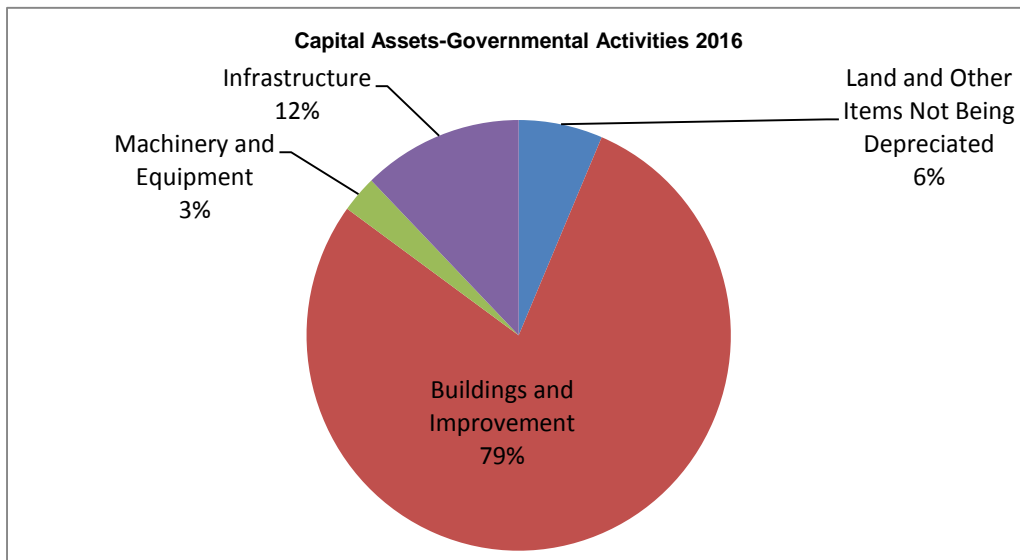
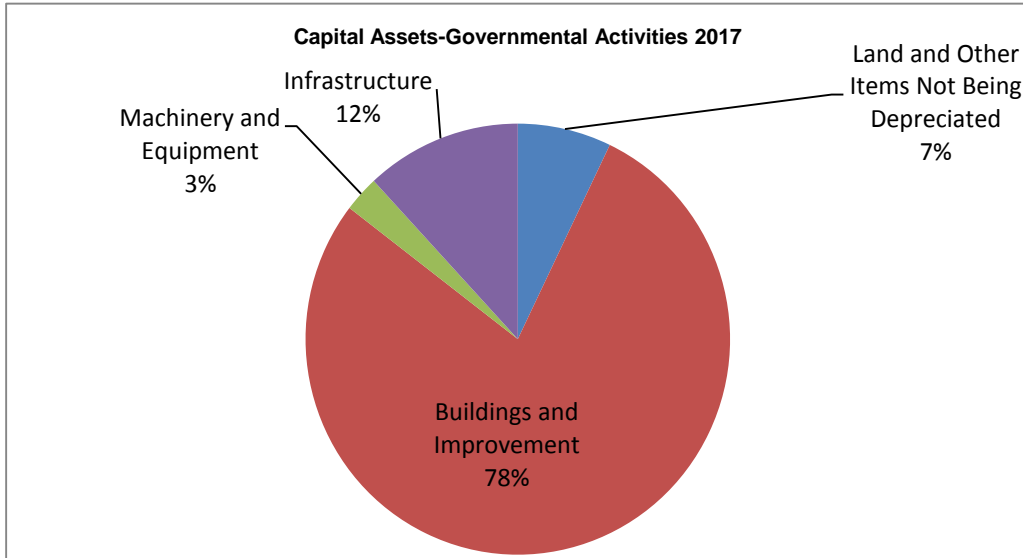
### Capital Assets and Debt Administration

**Capital Assets.** At the end of fiscal year 2017, the Town had \$91,529,374 (net of accumulated depreciation) invested in land, buildings and improvements, improvements other than buildings, equipment, vehicles, infrastructure and construction in progress. The following table shows fiscal year 2017 balances compared to fiscal year 2016 balances. See Note 2 for more information on Capital Assets.

#### Capital Assets at June 30, 2017 and 2016 (Net of Depreciation)

	2017	2016
Land and other items not being depreciated	\$ 6,532,041	\$ 5,993,484
Buildings and improvements	71,648,947	73,564,400
Machinery and equipment	2,479,935	2,593,419
Infrastructure	10,868,451	11,442,770
<b>Total</b>	<b>\$ 91,529,374</b>	<b>\$ 93,594,073</b>

The Town's largest capital asset category is Buildings which includes all the Town's buildings and schools (High School, Middle School, two elementary schools). The net book value of the Town's infrastructure (cost less accumulated depreciation) represents approximately 12 percent of the Town's total governmental capital assets. For more detail on capital assets please see notes in the financial statements starting on page 40.



## Debt Administration

The Town had the following long-term obligations outstanding at June 30, 2017 and 2016. The Town issued debt of \$6,000,000 for road improvements \$4,500,000 and building maintenance \$1,500,000. The repairs are for HVAC for the Police department building, window replacements for the Town Hall and HVAC for the Library. The Town issued \$7,225,000 of refunded bonds resulting in savings of \$250,257 when discounted at the yield of the Bonds and the percentage of net present value savings based on the refunded bonds is 3.46%. However the Town is looking to restructure and refinance debt service in fiscal year 2018. See Note 2 for more information on Debt.

	Governmental Activities	
	2017	2016
Retirement liability	\$ 174,931	\$ 28,610
Bonds, capital leases, claims and contracts	44,136,279	39,993,833
OPEB	13,145,434	11,540,477
Net pension liability	4,595,035	2,050,425
Compensated absences	3,388,802	3,452,688
<b>Total</b>	<b>\$ 65,440,481</b>	<b>\$ 57,066,033</b>

## Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Finance Director at 1 First Street, Seymour, Connecticut 06483.

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## **Basic Financial Statements**



**Statement of Net Position**  
**June 30, 2017**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash	\$ 11,131,646	\$ 1,634,565	\$ 12,766,211
Property taxes receivable, net	1,273,614	-	1,273,614
Intergovernmental receivable	67,916	-	67,916
Accounts and other receivables, net	4,235,139	736,934	4,972,073
Inventories	8,499	-	8,499
Restricted cash	7,402,616	-	7,402,616
Capital assets, nondepreciable	6,532,041	-	6,532,041
Capital assets, net of accumulated depreciation	84,997,333	5,987,971	90,985,304
<b>Total assets</b>	<b>115,648,804</b>	<b>8,359,470</b>	<b>124,008,274</b>
Deferred outflows of resources:			
Deferred pension expense	4,973,075	-	4,973,075
Deferred charges on refunding	457,093	-	457,093
<b>Total deferred outflows of resources</b>	<b>5,430,168</b>	<b>-</b>	<b>5,430,168</b>
<b>Liabilities</b>			
Accounts payable	3,641,590	13,793	3,655,383
Accrued liabilities	432,234	-	432,234
Accrued interest payable	507,600	-	507,600
Unearned revenue	5,901	-	5,901
Bond anticipation notes payable	476,000	-	476,000
Noncurrent liabilities, due within one year	3,884,683	-	3,884,683
Noncurrent liabilities, due in more than one year	61,555,798	-	61,555,798
<b>Total liabilities</b>	<b>70,503,806</b>	<b>13,793</b>	<b>70,517,599</b>
Deferred inflows of resources:			
Deferred pension credit	28,855	-	28,855
<b>Total deferred inflows of resources</b>	<b>28,855</b>	<b>-</b>	<b>28,855</b>
Net position:			
Net investment in capital assets	55,869,110	5,987,971	61,857,081
Unrestricted (deficit)	(5,322,799)	2,357,706	(2,965,093)
<b>Total net position</b>	<b>\$ 50,546,311</b>	<b>\$ 8,345,677</b>	<b>\$ 58,891,988</b>

See notes to financial statements.

Town of Seymour, Connecticut

Exhibit II

Statement of Activities  
For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ (4,929,550)	\$ 493,404	\$ 277,307	\$ -	\$ (4,158,839)	\$ -	\$ (4,158,839)
Public safety	(7,206,132)	609,794	41,884	-	(6,554,454)	-	(6,554,454)
Public works	(5,635,329)	745,993	1,392,524	-	(3,496,812)	-	(3,496,812)
Recreation and culture	(2,865,551)	-	-	-	(2,865,551)	-	(2,865,551)
Sanitation	(1,284,965)	-	-	-	(1,284,965)	-	(1,284,965)
Board of education	(44,019,109)	576,815	19,125,309	132,446	(24,184,539)	-	(24,184,539)
Interest on long-term debt	(1,671,853)	-	-	-	(1,671,853)	-	(1,671,853)
<b>Total governmental activities</b>	<b>(67,612,489)</b>	<b>2,426,006</b>	<b>20,837,024</b>	<b>132,446</b>	<b>(44,217,013)</b>	<b>-</b>	<b>(44,217,013)</b>
Business-type activities:							
Sewer fund	(1,885,395)	2,007,512	-	-	-	122,117	122,117
<b>Total business-type activities</b>	<b>(1,885,395)</b>	<b>2,007,512</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>122,117</b>	<b>122,117</b>
<b>Total primary government</b>	<b>\$ (69,497,884)</b>	<b>\$ 4,433,518</b>	<b>\$ 20,837,024</b>	<b>\$ 132,446</b>	<b>(44,217,013)</b>	<b>122,117</b>	<b>(44,094,896)</b>
General revenues:							
Property taxes, interest and lien fees					43,113,621	-	43,113,621
Grants and contributions not restricted to specific programs					801,178	-	801,178
Investment earnings					41,474	705	42,179
<b>Total general revenues</b>					<b>43,956,273</b>	<b>705</b>	<b>43,956,978</b>
<b>Change in net position</b>					<b>(260,740)</b>	<b>122,822</b>	<b>(137,918)</b>
<b>Net position, beginning of year</b>					<b>50,807,051</b>	<b>8,222,855</b>	<b>59,029,906</b>
<b>Net position, end of year</b>					<b>\$ 50,546,311</b>	<b>\$ 8,345,677</b>	<b>\$ 58,891,988</b>

See notes to financial statements.



**Balance Sheet - Governmental Funds  
June 30, 2017**

	General	Road Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash	\$ 9,441,616	\$ 4,677,760	\$ 4,286,650	\$ 18,406,026
Receivables, net:				
Property taxes	1,273,614	-	-	1,273,614
Intergovernmental	-	-	67,916	67,916
Accounts and other	2,536,119	-	1,077,346	3,613,465
Due from other funds	597,639	-	251,571	849,210
Inventories	-	-	8,499	8,499
<b>Total assets</b>	<b>\$ 13,848,988</b>	<b>\$ 4,677,760</b>	<b>\$ 5,691,982</b>	<b>\$ 24,218,730</b>
<b>Liabilities</b>				
Accounts and other payables	\$ 2,377,321	\$ 60,555	\$ 794,064	\$ 3,231,940
Due to other funds	309,383	9,467	819,611	1,138,461
Unearned revenues	2,148	-	3,753	5,901
Bond anticipation notes payable	-	-	476,000	476,000
Other liabilities	432,234	-	-	432,234
<b>Total liabilities</b>	<b>3,121,086</b>	<b>70,022</b>	<b>2,093,428</b>	<b>5,284,536</b>
Deferred inflows of resources:				
Unavailable revenue	3,547,593	-	655,928	4,203,521
<b>Total deferred inflows of resources</b>	<b>3,547,593</b>	<b>-</b>	<b>655,928</b>	<b>4,203,521</b>
Fund balances:				
Nonspendable	-	-	8,499	8,499
Restricted	-	4,607,738	2,914,012	7,521,750
Committed	-	-	639,696	639,696
Assigned	1,530,654	-	-	1,530,654
Unassigned	5,649,655	-	(619,581)	5,030,074
<b>Total fund balances</b>	<b>7,180,309</b>	<b>4,607,738</b>	<b>2,942,626</b>	<b>14,730,673</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 13,848,988</b>	<b>\$ 4,677,760</b>	<b>\$ 5,691,982</b>	<b>\$ 24,218,730</b>

(Continued)

**Balance Sheet - Governmental Funds (Continued)**  
**June 30, 2017**

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Reconciliation of the balance sheet - governmental funds to the statement of net position:

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

Total fund balances (Exhibit III)	\$ 14,730,673
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	\$ 148,076,235
Less accumulated depreciation	<u>(56,546,861)</u>
	91,529,374
Deferred pension expense	4,973,075
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:	
Property tax receivables	1,067,198
Assessments and other receivables not currently available	3,136,323
Interest on property taxes and assessments	621,674
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position	7,837
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and sewer notes payable	(38,930,000)
Notes payable	(420,000)
Compensated absences	(3,388,802)
Accrued interest payable	(507,600)
Early retirement incentives	(174,931)
Workers' compensation claims	(1,707,673)
Legal claims	(277,000)
Other post-employment obligation	(13,145,434)
Deferred amounts in refunding	457,093
Bond premium	(2,801,606)
Net pension liability	<u>(4,595,035)</u>
<b>Net position of governmental activities (Exhibit I)</b>	<b><u>\$ 50,546,311</u></b>

See notes to financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Year Ended June 30, 2017**

	General	Road Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ 43,326,698	\$ -	\$ -	\$ 43,326,698
Interest and lien fees	389,490	-	-	389,490
Intergovernmental	17,391,415	-	4,092,810	21,484,225
Investment income	38,103	3,089	282	41,474
Permits, fees and other	1,221,992	-	1,162,537	2,384,529
Other revenues	41,476	-	293,731	335,207
<b>Total revenues</b>	<b>62,409,174</b>	<b>3,089</b>	<b>5,549,360</b>	<b>67,961,623</b>
<b>Expenditures:</b>				
Current:				
General government	3,157,102	9,467	1,520,085	4,686,654
Public safety	7,202,063	-	570,308	7,772,371
Public works	2,932,518	1,525,446	341,540	4,799,504
Sanitation	1,272,323	-	-	1,272,323
Sundry	2,801,316	-	-	2,801,316
Board of education	38,331,124	-	3,081,404	41,412,528
Debt service	4,666,165	-	102,524	4,768,689
Capital outlay	142,961	-	637,377	780,338
<b>Total expenditures</b>	<b>60,505,572</b>	<b>1,534,913</b>	<b>6,253,238</b>	<b>68,293,723</b>
<b>Revenues over (under) expenditures</b>	<b>1,903,602</b>	<b>(1,531,824)</b>	<b>(703,878)</b>	<b>(332,100)</b>
<b>Other financing sources (uses):</b>				
Issuance of bonds	7,225,000	4,500,000	2,785,000	14,510,000
Payment to escrow agent	(7,992,957)	-	-	(7,992,957)
Premium on bonds	903,578	-	640,030	1,543,608
Transfers in	115,793	365,164	695,129	1,176,086
Transfers out	(1,044,822)	-	(131,264)	(1,176,086)
<b>Total other financing sources (uses)</b>	<b>(793,408)</b>	<b>4,865,164</b>	<b>3,988,895</b>	<b>8,060,651</b>
<b>Net changes in fund balances</b>	<b>1,110,194</b>	<b>3,333,340</b>	<b>3,285,017</b>	<b>7,728,551</b>
Fund balances (deficits), beginning of year	6,070,115	1,274,398	(342,391)	7,002,122
Fund balances (deficits), end of year	\$ 7,180,309	\$ 4,607,738	\$ 2,942,626	\$ 14,730,673

(Continued)

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Continued)**  
**For the Year Ended June 30, 2017**

Reconciliation of the statement of revenues, expenditures and changes in fund balances - governmental funds to statement of activities:

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

Net change in fund balances (deficits) - total governmental funds (Exhibit IV)	\$ 7,728,551
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 amounts for capital outlays and depreciation in the current period:	
Capital outlay	1,147,048
Depreciation expense	(3,211,747)

The change in net position in governmental activities of internal service funds is reported with governmental activities	9,383
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Changes in some revenues in statement of activities that do provide current financial resources are not reported in the funds:

Changes in property taxes collected after 60 days	(44,807)
Changes in assessments collected after 60 days	(395,003)
Changes in intergovernmental revenues collected after 60 days	(7,309)
Changes in property taxes and assessments interest	(162,757)

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

Issuance of bonds	(7,285,000)
Issuance of refunding bonds	(7,225,000)
Principal payments	2,472,043
Payment to escrow agent	7,992,957
Deferred loss on refunding	262,357
Premium on debt issuance	(1,543,608)
Amortization of premium on general obligation bonds	353,017
Capital lease payments	42,897
Amortization of deferred amount in refunding	(98,459)

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:

Deferred pension expense	2,850,322
Deferred pension credit	(28,855)
Accrued interest	64,984
Change in other post-employment obligation	(1,604,957)
Net pension liability	(2,544,610)
Compensated absences	63,886
Claims and other	1,050,248
Early retirement incentives	(146,321)

<b>Change in net position of governmental activities (Exhibit II)</b>	<b>\$ (260,740)</b>
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See notes to financial statements.

**Statement of Net Position - Proprietary Funds  
June 30, 2017**

	Business-Type Activities Enterprise Fund	Governmental Activities Internal Service Fund
	Sewer Fund	Internal Service Fund
<b>Assets</b>		
Current assets:		
Cash	\$ 1,634,565	\$ 128,236
Accounts receivable, net	736,934	-
Due from other funds	-	289,251
<b>Total current assets</b>	<b>2,371,499</b>	<b>417,487</b>
Noncurrent assets:		
Capital assets, net of accumulated depreciation	5,987,971	-
<b>Total noncurrent assets</b>	<b>5,987,971</b>	<b>-</b>
<b>Total assets</b>	<b>8,359,470</b>	<b>417,487</b>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	13,793	9,650
Claims payable	-	52,996
<b>Total current liabilities</b>	<b>13,793</b>	<b>62,646</b>
Noncurrent liabilities:		
Claims payable	-	347,004
<b>Total noncurrent liabilities</b>	<b>-</b>	<b>347,004</b>
<b>Total liabilities</b>	<b>13,793</b>	<b>409,650</b>
Fund net position:		
Net investment in capital assets	5,987,971	-
Unrestricted	2,357,706	7,837
<b>Total fund net position (deficit)</b>	<b>\$ 8,345,677</b>	<b>\$ 7,837</b>

See notes to financial statements.

**Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds  
For the Year Ended June 30, 2017**

	Business-Type Activities Enterprise Fund	Governmental Activities Internal Service Fund
	Sewer Fund	Internal Service Fund
Operating revenues:		
Charges for services	\$ 2,007,512	\$ 1,129,094
Other	-	27,537
<b>Total operating revenues</b>	<u>2,007,512</u>	<u>1,156,631</u>
Operating expenses:		
Administration and operation	1,395,222	-
Depreciation	490,173	-
Claims	-	1,147,248
<b>Total operating expenses</b>	<u>1,885,395</u>	<u>1,147,248</u>
<b>Operating income</b>	<u>122,117</u>	<u>9,383</u>
Nonoperating revenues:		
Interest income	705	-
<b>Total nonoperating revenues</b>	<u>705</u>	<u>-</u>
<b>Change in fund net position</b>	122,822	9,383
Fund net position (deficit), beginning of year	<u>8,222,855</u>	<u>(1,546)</u>
Fund net position, end of year	<u>\$ 8,345,677</u>	<u>\$ 7,837</u>

See notes to financial statements.

**Statement of Cash Flows - Proprietary Funds  
For the Year Ended June 30, 2017**

	Business-Type	Governmental
	Activities Enterprise Fund	Activities
	Sewer Fund	Internal Service Fund
Cash flows from operating activities:		
Receipts from customers	\$ 2,055,454	\$ 867,381
Payments to suppliers	(1,529,505)	(949,580)
<b>Net cash provided by (used in) operating activities</b>	<b>525,949</b>	<b>(82,199)</b>
Cash flows from capital and financing activities activities:		
Capital expenditures	(81,580)	-
<b>Net cash used in capital and financing activities activities</b>	<b>(81,580)</b>	<b>-</b>
Cash flows from investing activities:		
Investment income	705	-
<b>Net cash provided by investing activities</b>	<b>705</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>445,074</b>	<b>(82,199)</b>
Cash:		
Beginning of year	1,189,491	210,435
End of year	<b>\$ 1,634,565</b>	<b>\$ 128,236</b>
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Operating income	\$ 122,117	\$ 9,383
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation expense	490,173	-
Decrease in accounts receivable	47,942	-
Increase (decrease) in accounts payable	(134,283)	9,650
Increase in claims payable	-	188,018
Increase in due from other funds	-	(289,250)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 525,949</b>	<b>\$ (82,199)</b>

See notes to financial statements.

**Statement of Fiduciary Net Position - Fiduciary Funds  
June 30, 2017**

	Private Purpose Trust Funds	Agency Funds
<b>Assets</b>		
Cash	\$ 41,832	\$ 108,094
Investments	1,522,711	-
<b>Total assets</b>	<b>1,564,543</b>	<b>108,094</b>
<b>Liabilities</b>		
Due to others	-	108,094
<b>Total liabilities</b>	<b>-</b>	<b>108,094</b>
<b>Net position</b>	<b>\$ 1,564,543</b>	<b>\$ -</b>

See notes to financial statements.



**Statement of Changes in Fiduciary Net Position - Fiduciary Funds  
For the Year Ended June 30, 2017**

	Private Purpose Trust Funds
<hr/>	
Additions:	
Interest and dividends	\$ 167,554
Donations	2,465
<b>Net additions</b>	<u>170,019</u>
Deductions:	
Education	83,020
General government	1,800
<b>Total deductions</b>	<u>84,820</u>
<b>Change in net position</b>	85,199
Net position:	
Beginning of year	<u>1,479,344</u>
End of year	<u><u>\$ 1,564,543</u></u>

See notes to financial statements.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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

**Reporting entity:** The Town of Seymour, Connecticut (the Town) was incorporated in 1850. It operates under a Town Meeting form of government. The Town has an executive seven-member Board of Selectmen. The Town provides a full range of services including public safety (police and fire), public works, health and social services, recreation and cultural services, sanitation, education and general administrative services to its residents.

Accounting principles generally accepted in the United States of America require that the reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable, and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. No entities met the above criteria for inclusion in the financial statements.

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

**Accounting standards adopted in the current year:** GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, addresses reporting by OPEB plans that administer benefits on behalf of governments. Statement 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement follows the framework for financial reporting of defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. Statement 74 also sets forth note disclosure requirements for defined contribution OPEB plans. The implementation of this statement had no impact on the Town's financial statements.

GASB Statement No. 77, *Tax Abatement Disclosures*. Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time. The implementation of this statement had no impact on the Town's financial statements.

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This standard narrows the scope and applicability of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan meeting specific criteria; establishes new guidance for these employers, including separate requirements for recognition and measurement of pension expense or expenditures and liabilities, note disclosures and required supplementary information (RSI). The implementation of this statement had no impact on the Town's financial statements.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

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

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

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

The various fund types included in the financial statements are described below:

**Governmental funds:** Governmental Funds are those through which most governmental functions typically are financed.

Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid.

**The general fund:** is the primary operating fund of the Town. This fund is used to account for and report all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for service and interest income.

**Special revenue funds:** account for and report the proceeds of specific revenue sources that are restricted or committed for expenditure for specific activities other than debt service or capital projects.

**Capital project funds:** account for and report all financial resources that are restricted, committed or assigned to expenditure for capital outlay.

**Permanent funds:** are used to account for and report 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.

**Proprietary funds:** Proprietary funds are used to account for activities that are similar to those often found in the private sector. These funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting.

**Enterprise funds:** account for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Sewer Fund is the Town's only enterprise fund.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

**Internal service funds** account for the financing of goods or services provided by one department to other departments or agencies of the Town on a cost-reimbursement basis. The Town reported one internal service fund used to account for the self-insurance activities of the Town.

**Fiduciary funds:** Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations and other governments. Fiduciary funds are not included in the government-wide statements. The fiduciary funds are as follows:

**Agency funds:** are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The Town reports on agency fund to account for its student activity funds.

**Private purpose trust funds:** are used to account for resource legally held in trust for the benefit of individuals, private organizations or other governments.

**Measurement focus, basis of accounting, and financial statement presentation:** The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and the fiduciary fund financial statements. The agency funds are reported using the accrual basis of accounting but do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year when levied for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The Town reports the following major governmental funds:

**The General fund:** is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund. The General Fund pays all general operating expenditures, debt service and the capital improvement costs of the Town which are not paid through other funds. The fund will also liquidate the liability for compensated absences and other post-employment benefit obligations.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

**The Road Project fund:** accounts for funds associated with road repairs and maintenance.

The Town reports the following major enterprise fund:

**The Sewer fund:** accounts for the operations of the Town's sanitary sewer system. The major source of revenue is user fees.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation. Exceptions to this general rule are charges between the proprietary funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

**Cash equivalents:** For purposes of reporting cash flows, all savings, checking, money market accounts and certificates of deposit with an original maturity of less than three months are considered to be cash equivalents. The Town does not have any cash equivalents in the current year.

**Investments:** Investments are stated at fair value.

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

**Fair value:** The Town uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

Fair value measurements focus on exit prices in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### **Note 1. Summary of Significant Accounting Policies (Continued)**

The Town's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

The three categories within the hierarchy are as follows:

**Level 1:** Quoted prices in active markets for identical assets and liabilities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.

**Level 3:** Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgement.

See Note 2 for additional information regarding fair value.

**Property taxes:** The Town's property tax is levied each July 1, on the assessed value listed on the prior October 1, Grand List for all taxable property located in the Town. Although taxes are levied in July, the legal right to attach the property does not exist until July 1. Therefore, taxes are due and payable in equal installments on July 1, and January 1, following the date of the Grand List. Interest of 1½ percent per month is charged on delinquent taxes. Liens are effective on the attachment date and are continued by filing prior to the following levy date. Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31, and are payable in one installment due January 1. An amount of \$87,632 has been established as an allowance for uncollectible taxes. At June 30, 2017, this represents approximately 6.44% percent of all property taxes receivable. All trade and property tax receivables are reported net of an allowance for uncollectibles.

**Restricted assets:** The restricted assets for the Town are restricted for capital project purposes. This amount relates to unspent bond proceeds which are used for the acquisition of capital assets.

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

**Allowance for doubtful accounts:** Accounts receivable including property taxes receivable for the primary government are reported net of an allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon past collection history and an assessment of the creditor's ability to pay.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

**Capital assets:** Capital assets, which include property, plant and equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and enterprise fund financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 with an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Land and construction in progress are not depreciated. Property, plant and equipment, and infrastructure assets of the Town are depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings	25-50
Building improvements	25-50
Infrastructure	10-65
Machinery and equipment	5-20
Vehicles	8

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

**Compensated absences:** Compensated absences of the Town consist of vacation and sick leave to the extent that payment to the employee for these absences is attributable to services already rendered and are not contingent on a specific event that is outside the control of the Town and the employee. Town employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation and sick leave at various rates. Vacation pay expenses to be paid in future periods are accrued when incurred in the government-wide and enterprise fund financial statements. 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. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are generally paid out of the General Fund.

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

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

**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 any significant applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Principal payments are reported as debt service expenditures.

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred inflow of resources related to pensions in the government-wide statement of net position. A deferred inflow of resources related to pension results from differences between expected and actual experience, changes in assumptions or other inputs. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes, interest on property taxes, and charges for services. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

**Pension plans:** For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees' Retirement System plan (MERS) and the additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.



## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### Other post-employment obligations (OPEB) accounting:

**Government activities and governmental funds:** In governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. In governmental activities, expense is recognized based on actuarially required contributions. The net OPEB obligation, the cumulative difference between annual OPEB cost and the Town's contributions to the plan since July 1, 2007, is calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 45. The OPEB obligation (OPEB) is recorded as a noncurrent liability in the government-wide financial statements.

**Funding policy:** The Town makes annual contributions under the pay-as-you-go method.

##### Net position and fund balance:

**Net position:** In the government-wide financial statements and proprietary fund financial statements, net position is classified in the following categories:

**Net investment in capital assets:** The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

**Restricted net position:** These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

**Unrestricted net position:** This category represents the net position of the Town, which is not restricted for any project or other purpose. A deficit will require future funding.

**Fund balance:** In the government fund financial statements, the Town classifies fund balances as follows:

**Nonspendable fund balance:** Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

**Restricted fund balance:** These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

**Committed fund balance:** This represents amounts constrained prior to year-end for a specific purpose by the Town using its highest level of decision-making authority (Town of Seymour, Board of Finance) in the form of an ordinance. Once adopted, the limitation imposed by the ordinance remains in place until similar action is taken to remove or revise the limitation.

**Assigned fund balance:** Amounts constrained for the intent to be used for a specific purpose by the Director of Finance who has been delegated authority to assign amounts by the Board of Finance.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### **Note 1. Summary of Significant Accounting Policies (Continued)**

*Unassigned fund balance:* The residual amount not allocated to any other fund balance categories in the General Fund and any residual deficit balance of any other governmental funds. A deficit will require future funding.

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

The Town has a no minimum fund balance policy.

**Accounting estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflow of resources and liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **Note 2. Detailed Notes on All Funds**

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies; 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF). This investment pool is under the control of the State Treasurer, with oversight provided by the Treasurer's Cash Management Advisory Board, and is regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares. The cash portfolio adheres to GASB Statement No. 79, *Certain Investment Pools and Pool Participants*, which amends Statement No. 31 and establishes accounting and financial reporting standards for state and local governments that participate in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 2. Detailed Notes on All Funds (Continued)

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

Based on the criteria described in GASB Statement No. 40, Deposits and Investment Risk Disclosures, \$21,281,459 of the Town's bank balance of \$22,602,616 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 19,153,313
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>2,128,146</u>
Total amount subject to custodial credit risk	<u><u>\$ 21,281,459</u></u>

Cash, cash equivalents and investments of the Town consist of the following at June 30, 2017:

Cash:	
Deposits with financial institutions	<u>\$ 20,318,753</u>
Total cash	<u>20,318,753</u>
Investments:	
Fiduciary fund:	
Mutual funds	<u>1,522,711</u>
Total investments	<u>1,522,711</u>
Total cash and investments	<u><u>\$ 21,841,464</u></u>
Statement of net position:	
Cash	<u>\$ 20,168,827</u>
Fiduciary funds:	
Cash	149,926
Investments	<u>1,522,711</u>
Total cash and investments	<u><u>\$ 21,841,464</u></u>

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

**Note 2. Detailed Notes on All Funds (Continued)**

**Investments:** As of June 30, 2017, the Town had the following investments:

Investment Type	Credit Rating	Fair Value	Investment Maturities (in Years)		
			Less Than 1 Year	1-10 Years	More Than 10 Years
Mutual funds	N/A	\$ 1,522,711	\$ 1,522,711	\$ -	\$ -

N/A - not rated

**Fair value:** The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Town has the following recurring fair value measurements as of June 30, 2017:

	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Observable Inputs (Level 3)
Investments by fair value level:			
Mutual funds	\$ 1,522,711	\$ 887,952	\$ 634,759
Total investments by fair value level	1,522,711	887,952	634,759

*Investment custodial credit risk:* Custodial credit risk is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk.

*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 Town has no securities subject to this risk.

*Concentration of credit risk:* The Town places no limit on the amount invested in any one issuer. No more than 5 percent of the Town's investments were invested in any one issuer in which credit risk was applicable.

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

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

**Note 2. Detailed Notes on All Funds (Continued)**

**Receivables:** Receivables by type at year-end for the Town's government-wide financial statements, including the applicable allowances for uncollectible accounts, are as follows:

	General	Nonmajor Governmental Funds	Sewer	Total
Receivables:				
Taxes	\$ 1,361,246	\$ -	\$ -	\$ 1,361,246
Accounts and other	55,724	1,077,346	-	1,133,070
Sewer assessment	1,660,434	-	818,815	2,479,249
Water assessment	819,961	-	-	819,961
Intergovernmental	-	67,916	-	67,916
Gross receivables	<u>3,897,365</u>	<u>1,145,262</u>	<u>818,815</u>	<u>5,861,442</u>
Less allowance for collection losses	87,632	-	81,881	169,513
Net receivables	<u>\$ 3,809,733</u>	<u>\$ 1,145,262</u>	<u>\$ 736,934</u>	<u>\$ 5,691,929</u>

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

	Unavailable	Unearned
General fund:		
Delinquent property taxes receivable	\$ 1,067,198	\$ -
Sewer and Water assessments receivable	2,480,395	-
Other revenues	-	2,148
Nonmajor governmental fund:		
Various education grants	-	3,753
Other receivables	655,928	-
	<u>\$ 4,203,521</u>	<u>\$ 5,901</u>

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

**Note 2. Detailed Notes on All Funds (Continued)**

**Fund balance:** The components of fund balance for the governmental funds at June 30, 2017 are as follows:

	General Fund	Road Projects	Nonmajor Governmental Funds	Total
Fund balance:				
Nonspendable:				
Inventory	\$ -	\$ -	\$ 8,499	\$ 8,499
	-	-	8,499	8,499
Restricted to:				
Education	-	-	640,803	640,803
Public works	-	4,607,738	2,095,355	6,703,093
User fees	-	-	177,854	177,854
	-	4,607,738	2,914,012	7,521,750
Committed to:				
Public works	-	-	29,603	29,603
Public safety	-	-	281,999	281,999
Education	-	-	146,014	146,014
Library	-	-	182,080	182,080
	-	-	639,696	639,696
Assigned to:				
Subsequent year's budget	78,433	-	-	78,433
General government various	100,335	-	-	100,335
Police department	292,819	-	-	292,819
Parks	47,095	-	-	47,095
Fire marshall	70,813	-	-	70,813
Safety	186	-	-	186
Town building data	9,348	-	-	9,348
Public works	149,368	-	-	149,368
Debt service	300,000	-	-	300,000
Recreation	7,502	-	-	7,502
Education	474,755	-	-	474,755
	1,530,654	-	-	1,530,654
Unassigned	5,649,655	-	(619,581)	5,030,074
Total fund balances	\$ 7,180,309	\$ 4,607,738	\$ 2,942,626	\$ 14,730,673

Significant encumbrances at June 30, 2017 are contained in the above table in the assigned category of the General Fund.

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

**Note 2. Detailed Notes on All Funds (Continued)**

**Capital assets:** Capital asset activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 3,212,873	\$ 6,000	\$ -	\$ 3,218,873
Construction in progress	2,780,611	532,557	-	3,313,168
Total capital assets, not being depreciated	<u>5,993,484</u>	<u>538,557</u>	<u>-</u>	<u>6,532,041</u>
Capital assets, being depreciated:				
Buildings and improvements	97,643,507	9,900	-	97,653,407
Machinery and equipment	4,099,168	214,940	-	4,314,108
Vehicles	6,486,481	179,430	-	6,665,911
Infrastructure	32,706,547	204,221	-	32,910,768
Total capital assets being depreciated	<u>140,935,703</u>	<u>608,491</u>	<u>-</u>	<u>141,544,194</u>
Less accumulated depreciation for:				
Buildings and improvements	24,079,107	1,925,353	-	26,004,460
Machinery and equipment	3,026,157	206,842	-	3,232,999
Vehicles	4,966,073	301,012	-	5,267,085
Infrastructure	21,263,777	778,540	-	22,042,317
Total accumulated depreciation	<u>53,335,114</u>	<u>3,211,747</u>	<u>-</u>	<u>56,546,861</u>
Total capital assets, being depreciated, net	<u>87,600,589</u>	<u>(2,603,256)</u>	<u>-</u>	<u>84,997,333</u>
Governmental activities capital assets, net	<u>\$ 93,594,073</u>	<u>\$ (2,064,699)</u>	<u>\$ -</u>	<u>\$ 91,529,374</u>
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, being depreciated:				
Buildings and improvements	\$ 9,458,649	\$ -	\$ -	\$ 9,458,649
Land improvements	222,630	-	-	222,630
Machinery and equipment	9,835,156	81,580	-	9,916,736
Licensed vehicles	479,847	-	-	479,847
Total capital assets, being depreciated	<u>19,996,282</u>	<u>81,580</u>	<u>-</u>	<u>20,077,862</u>
Less accumulated depreciation for:				
Buildings and improvements	4,964,636	179,299	-	5,143,935
Land improvements	222,630	-	-	222,630
Machinery and equipment	7,932,602	310,874	-	8,243,476
Licensed vehicles	479,850	-	-	479,850
Total accumulated depreciation	<u>13,599,718</u>	<u>490,173</u>	<u>-</u>	<u>14,089,891</u>
Business-type activities capital assets, net	<u>\$ 6,396,564</u>	<u>\$ (408,593)</u>	<u>\$ -</u>	<u>\$ 5,987,971</u>

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

**Note 2. Detailed Notes on All Funds (Continued)**

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

Governmental activities:

General government	\$ 32,117
Public works	867,172
Public safety	449,645
Sundry	64,235
Education	1,798,578
Total depreciation expense - governmental activities	<u>\$ 3,211,747</u>

Business-type activities:

Sewer operating	<u>\$ 490,173</u>
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**Interfund receivables, payables and transfers:** The composition of interfund balances as of June 30, 2017 is as follows:

	Due From Other Funds	Due To Other Funds
General fund	\$ 597,639	\$ 309,383
Road projects	-	9,467
Nonmajor governmental funds and other funds	540,822	819,611
	<u>\$ 1,138,461</u>	<u>\$ 1,138,461</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

A summary of interfund transfers is presented below:

	Transfers in			
	General Fund	Road Projects	Nonmajor and Other Funds	Total
Transfers out:				
General fund	\$ -	\$ 349,693	\$ 695,129	\$ 1,044,822
Nonmajor and other funds	115,793	15,471	-	131,264
	<u>\$ 115,793</u>	<u>\$ 365,164</u>	<u>\$ 695,129</u>	<u>\$ 1,176,086</u>

Interfund transfers from the General Fund are generally used to supplement revenues of other funds as need arises.



Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

Long-term debt:

**Changes in long-term liabilities:** Long-term liability activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$ 34,780,000	\$ 14,510,000	\$ (10,360,000)	\$ 38,930,000	\$ 2,715,000
Premiums	1,611,015	1,543,608	(353,017)	2,801,606	301,923
Total bonds payable	36,391,015	16,053,608	(10,713,017)	41,731,606	3,016,923
Notes payable	525,000	-	(105,000)	420,000	105,000
Capital leases	42,897	-	(42,897)	-	-
Compensated absences	3,452,688	399,880	(463,766)	3,388,802	677,760
OPEB	11,540,477	1,604,957	-	13,145,434	-
Workers compensation/ dental claims	2,854,921	-	(1,147,248)	1,707,673	-
Net pension liability	2,050,425	2,544,610	-	4,595,035	-
Retirement obligations	28,610	186,958	(40,637)	174,931	45,000
Claims and MERS payable	180,000	97,000	-	277,000	40,000
Total governmental activities	\$ 57,066,033	\$ 20,887,013	\$ (12,512,565)	\$ 65,440,481	\$ 3,884,683

For the governmental activities, compensated absences, retirement obligations, OPEB, workers compensation claims and claims and other are generally liquidated by the General Fund.

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

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. General obligation bonds currently outstanding are as follows:

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

**Note 2. Detailed Notes on All Funds (Continued)**

Description	Date of Issue	Maturity	Interest Rate (%)	Amount of Original Issue	Annual Principle	Balance Outstanding June 30, 2017
Refunding Bonds	2014	2019	2%-5%	\$ 5,270,000	965,000-1,090,000	\$ 3,230,000
Refunding Bonds issued 2010B	2010	2025	2.0%-5.0%	12,145,000	520,000-945,000	7,650,000
School Bonds issued 2011	2011	2032	2.5%-5.0%	5,995,000	220,000-325,000	4,170,000
School Bonds issued 2010	2010	2031	2.0%-5.0%	6,000,000	300,000	495,000
Public Equipment Bonds issued 2013	2013	2022	2.5%-4.25%	3,460,000	100,000-250,000	2,715,000
Public and School Improvement	2015	2035	1.5%-4.0%	6,160,000	340,000-345,000	6,160,000
Public Improvement issue 2016A	2016	2035	1.5%-4.0%	1,285,000	70,000-350,000	1,285,000
Refunding Bonds issued 2016	2016	2031	2.0%-4.0%	7,225,000	100,000-1,085,000	7,225,000
Public and School Improvement	2017	2037	3.0%-4.0%	6,000,000	330,000-335,000	6,000,000
Total outstanding						<u>\$ 38,930,000</u>

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

Years ending June 30:	Governmental Activities	
	Principal	Interest
2018	\$ 2,715,000	\$ 1,301,708
2019	2,825,000	1,257,300
2020	3,030,000	1,143,938
2021	3,080,000	1,035,275
2022	3,275,000	933,157
2023-2027	12,355,000	3,043,248
2028-2032	7,835,000	1,305,200
2033-2037	3,815,000	287,319
	<u>\$ 38,930,000</u>	<u>\$ 10,307,145</u>

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

**Note 2. Detailed Notes on All Funds (Continued)**

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

Category	Debt Limitation	Indebtedness	Balance
General purpose	\$ 98,444,311	\$ 15,594,344	\$ 82,849,967
Schools	196,888,622	22,207,043	174,681,579
Sewers	164,073,851	2,681,220	161,392,631
Urban renewal	142,197,338	-	142,197,338
Pension deficit	131,259,081	-	131,259,081

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$306,271,189. All long-term debt obligations are retired through General Fund appropriations. The indebtedness reflected above includes bonds and notes outstanding in addition to the amounts of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

**Notes payable:** The Town a tax exempt serial notes with Webster Bank issued on May 1, 2013 for \$850,000 with interest rates of 1.75 percent. Annual debt service requirements to maturity for the note is as follows:

	Notes Payable	
	Principal	Interest
Years ending June 30:		
2018	\$ 105,000	\$ 7,350
2019	105,000	5,513
2020	105,000	3,675
2021	105,000	1,838
	\$ 420,000	\$ 18,376

**Bond anticipation notes:** The Town uses bond anticipation notes during the construction period of various public projects prior to the issuance of the bonds at the completion of the project.

Bond anticipation note transactions for the year ended June 30, 2017 were as follows:

Outstanding July 1, 2016	\$ 476,000
New borrowings	476,000
Repayments	(476,000)
Outstanding June 30, 2017	\$ 476,000

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 2. Detailed Notes on All Funds (Continued)

**Authorized but unissued bonds:** The total of authorized but unissued bonds at June 30, 2017 is \$657,000. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

**Early retirement incentive plan:** The Board of Education offers an early retirement incentive plan at least once within a three-year contract period for certified staff (teachers and administrators). The range of compensation is from \$2,000 to \$12,116 per year, per person, for 5 years and is offered to certified staff who have been employed by the Board of Education for at least 12 years. At June 30, 2017, 8 individuals are receiving benefits under this plan through 2018. A liability of \$174,931 is accrued in the government-wide statement of net position.

**Deficit fund equity:** For the year ended June 30, 2017, the following funds had deficit balances:

Nonmajor governmental funds:

EDC grants	\$ 131,353
Rimmon Road improvement	254,371
Police private duty	98,475
Greenway trail fund	122,818
Downtown revitalization	12,473
Dog fund	91

These amounts will be funded through bonds, contributions and future revenues.

#### Note 3. Employee Retirement Plans

##### Defined Benefit Pension Plan:

**Plan description:** Certain employees of the Town participate in a cost-sharing multiple-employer defined benefit pension plan administered by the State of Connecticut Employees' Retirement System (MERS). Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits of the employees of any participating employer providing pension benefits through the plan, regardless of the status of the employers' payment of its pension obligation to the plan. The plan provides retirement and disability benefits and death benefits to plan members and beneficiaries. The plan assets are reported at fair value.

MERS is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports can be obtained at [www.ct.gov](http://www.ct.gov).

**Benefit provisions:** Plan provisions are set by Statute of the State of Connecticut. MERS provides retirement benefits, as well as death and disability benefits. Membership is mandatory for all regular full time employees of participating departments except Police and Fire hired after age 60.

**Average final compensation:** Average of the three highest paid years of service.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 3. Employee Retirement Plans (Continued)

**Normal form of benefit:** life annuity.

##### **Service retirement allowance:**

**Condition for allowance:** Age 55 and 5 years of continuous service, or 15 years of active aggregate service, or 25 years of aggregate service. Compulsory retirement at age 65 for police and fire members.

**Amount of allowance:** For members not covered by Social Security: 2% of average final compensation times years of service. For members covered by Social Security: 1-1/2% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, times years of service. The maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually. Both the minimum and the maximum include Workers Compensation and Social Security benefits. If any member covered by Social Security retires before age 62, his/her benefit until he/she reaches age 62 or receives a Social Security disability award is computed as if he/she were not under Social Security.

##### **Disability retirement allowance:**

**Condition for allowance:** 10 years of service and permanently and totally disabled from engaging in any gainful employment in the service of the Municipality.

**Amount of allowance:** Calculated as a service retirement allowance based on compensation and service to the date of the disability.

##### **Service connected disability:**

**Condition for allowance:** Totally and permanently disabled from engaging in any gainful employment in the service of the Municipality provided such disability has arisen out of and in the course of his/her employment with the Municipality. Disability due to hypertension or heart disease, in the case of firemen and policemen, is presumed to have been suffered in the line of duty.

**Amount of allowance:** Calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including Worker's Compensation benefits) of 50% of compensation at the time of the disability.

##### **Death benefit:**

**Condition for benefit:** Eligible for service, disability retirement, or vested allowance, and married for at least 12 months preceding death.

**Amount of benefit:** Computed on the basis of the member's average final compensation and creditable service at date of death, payable to the spouse. Benefit is equal to 50% of the average of the life annuity allowance and the reduced 50% joint and survivor allowance.

**Return of deductions:** Upon the withdrawal of a member the amount of their accumulated deductions is payable to him/her on demand, with 5% interest from July 1, 1983.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 3. Employee Retirement Plans (Continued)

**Optional benefits:** Prior to the retirement, a member may elect to convert his retirement allowance into a benefit of equivalent actuarial value in accordance with one of the optional forms described below: 1. A reduced retirement allowance payable during his life with the provision that after his death the beneficiary designated by him at the time of his retirement; or 2. A reduced retirement allowance payable during his life with the provision that after his death an allowance of one half of his reduced allowance will be continued for life to the beneficiary designated by him at the time of his retirement; 3. A reduced retirement allowance payable during his life with a guarantee of 120 or 240 monthly payments to the member or his designated beneficiary.

**Cost-of-living adjustment:** For those retired prior to January 1, 2002: (i) The benefits of disabled retirees, service retirees who have reached age 65, and beneficiaries of deceased retirees who would have reached age 65 are adjusted each July 1. The difference between the actual annual yield of the actuarial value of assets on a calendar year basis to a 6% yield is calculated. This difference is the adjustment applied the following July 1. The minimum adjustment is 3% and the maximum is 5%. (ii) The benefits for all others on the roll are adjusted on January 1, 2002 and on each subsequent July 1. The amount of each adjustment is 2.5%. For those retiring in or after January 1, 2002, benefits are adjusted each July 1. The adjustment is 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

**Contributions by members:** For members not covered by Social Security: 5% of compensation. For members covered by the Social Security: 2-1/4% of compensation up to the Social Security taxable wage base plus 5% of compensation, if any, in excess of such base.

**By municipalities:** Participating Municipalities make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment which covers the liabilities of the System not met by member contributions.

**Assumptions:** The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	7/1/2016
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed
Remaining amortization period	23 years
Investment rate return*	8.00%, net of investment related expense
Projected salary increases*	4.25-11.00%
Social Security Wage Base	3.50%
* Includes inflation at 3.25%	
Mortality	The RP2000 Mortality Table for Annuitants and Non-Annuitants (set forward one year for males and set back one year for females).

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

**Note 3. Employee Retirement Plans (Continued)**

**Discount rate:** the discount rate used to measure the total pension liability was 8.00 percent. 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 employer contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the net pension liability to changes in the discount rate:** The following presents the Town's proportionate share of the net pension liability of the Town's proportionate share, calculated using the discount rate of 8.00 percent, as well as what the System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00 percent) or 1-percentage-point higher (9.00 percent) than the current rate:

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
Net pension liability (asset)	\$ 11,017,218	\$ 4,595,035	\$ (802,785)

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Large cap U.S. equities	16.0%	5.8%
Developed non-U.S. equities	14.0%	6.6%
Emerging markets (non-U.S.)	7.0%	8.3%
Core fixed income	8.0%	1.3%
Inflation linked bond fund	5.0%	1.0%
Emerging market bond	8.0%	3.7%
High yield bonds	14.0%	3.9%
Real estate	7.0%	5.1%
Private equity	10.0%	7.6%
Alternative investments	8.0%	4.1%
Liquidity fund	3.0%	0.4%
	<u>100.00%</u>	

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

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**Note 3. Employee Retirement Plans (Continued)**

**Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources:** At June 30, 2017, the Town reported a liability of \$4,595,035 for its proportionate share of the net pension liability related to its participation in MERS. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The plan assets were measured at fair value. The Town's proportion of the net pension liability was based on its share of contributions to the MERS for fiscal year 2017 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2017, the Town's proportion was 5.7%.

For the year ended June 30, 2017, the Town recognized pension expense of \$2,270,638. At June 30, 2017, The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,213,981	\$ -
Cumulative investment earnings	2,802,198	-
Changes in proportional share	-	28,855
Town contributions made subsequent to the measurement date	956,896	-
Total	<u>\$ 4,973,075</u>	<u>\$ 28,855</u>

\$956,896 reported as deferred outflows of resources related to pensions resulting from the Town's contributions in fiscal year 2017 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30:	
2018	\$ 925,137
2019	925,137
2020	1,291,595
2021	845,455

**Contribution payable:** The Town has recorded a contribution payable to the Plan of \$97,000.

**Description of system:** Certified personnel within the Town's school system participate in a retirement system administered by the Connecticut State Teachers' Retirement Board. This Connecticut State Teachers' Retirement System (the System) is a cost sharing multiple employer defined benefit pension system with a special funding situation. The Town has no liability associated with the State Teachers' Retirement System.

The System is considered a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained at [www.ct.gov](http://www.ct.gov).



## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### **Note 3. Employee Retirement Plans (Continued)**

The System is administered under the provisions of Chapter 167a of the Connecticut General Statutes (CGS). Participation in the System is restricted to certified staff employed in the public schools of Connecticut and members of the professional staff of the State Department of Education or the board of Governors of Higher Education and their constituent units. Participation in the System is mandatory for certified personnel of local boards of education who are employed for an average of at least one-half of a school day. Members of the professional staff of the State Department of Education or the Board of Governors of Higher Education and their constituent units may elect to participate in this system, the State Employees' Retirement System, or the Alternate Retirement System (TIAA-CREF).

**Summary of significant accounting policies:** For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the State's requirement to contribute to the System, information about System's fiduciary net position and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System.

For this purpose, benefit payments (including refunds of contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The Town does not have any liability related to the System.

**Benefits provided:** The benefits provided to participants by the System are as follows:

**Normal benefit:** A member 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 is eligible for vested benefits of 2% of average annual salary times years of credited service (maximum benefit is 75% of average annual salary.)

**Prorated benefit:** A member who completes 10 years of Connecticut public school service is eligible for a vested benefit commencing at age 60. The benefit is 2% less 0.1% for each year less than 20 years of average annual salary times years of credited service.

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

**Contribution requirements:** The pension contributions made by the State to the System are determined on an actuarial reserve basis as described in CGS Sections 10-1831 and 10-183z. The Town is not required to contribute to the Plan.

Eligible employees are required to contribute 6.0% of their annual salary rate to the System as required by CGS Section 10-183b (7). For the 2016/2017 school year, \$3,319,427 mandatory contributions were deducted from the salaries of the eligible employees who were participants of the System during that school year. The estimated covered payroll for the Town is approximately \$14,036,000.

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

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**Note 3. Employee Retirement Plans (Continued)**

**Actuarial assumptions:** The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2005 – June 30, 2010. The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following key actuarial assumptions:

Inflation	2.75 percent
Salary increases, including inflation	3.25-6.50 percent
Long-term investment rate of return, net of pension investment expense, including inflation	8.00 percent

For healthy retirees and beneficiaries, the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80 projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. For disabled retirees, the RPH-2014 Disabled Mortality table projected to 2017 using the BB improvement scale.

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large cap U.S. equities	21.0%	5.8%
Developed non-U.S. equities	18.0%	6.6%
Emerging markets (non-U.S.)	9.0%	8.3%
Real estate	7.0%	5.1%
Private equity	11.0%	7.6%
Alternative investments	8.0%	4.1%
Core Fixed Income	7.0%	1.3%
High yield bonds	5.0%	3.9%
Emerging market bond	5.0%	3.7%
Inflation linked bond fund	3.0%	1.0%
Cash	6.0%	0.4%
	100.0%	

**Discount rate:** The discount rate used to measure the total pension liability was 8.00 percent. 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.

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

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**Note 3. Employee Retirement Plans (Continued)**

**Sensitivity of the proportionate share of the net pension liability (NPL) to changes in the discount rate:** The following presents the State's proportionate share of the net pension liability associated with the Town, calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00 percent) or 1-percentage-point higher (9.00 percent) than the current rate.

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
State's share of NPL associated with the Town	\$ 68,906,170	\$ 55,852,374	\$ 44,817,443

**Pension liabilities, pension expense, and deferred inflows/outflows of resources:** The State makes all contributions to the System on behalf of employees of the participating districts. 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 districts do not contribute directly to the System, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the Town. The portion of the net pension liability that was associated with the Town was \$55,852,374 and 100% of the collective net pension liability is allocated to the State.

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, 2017, the Town recognized \$6,091,000 as the amount expended by the State on behalf of the Town to meet the State's funding requirements.

June 30, 2016 is the actuarial valuation date upon which the total pension liability is based. Since the prior valuation, the State adopted new assumptions based on the 2015 Experience Study. The changes in assumptions are summarized below:

***Economic assumptions:***

1. Reduce the inflation assumption from 3.00% to 2.75%.
2. Reduce the real rate of return assumption from 5.50% to 5.25% which, when combined with the inflation assumption change results in a decrease in the investment rate of return assumption from 8.50% to 8.00%.
3. Reduce the annual rate of wage increase assumption from 0.75% to 0.50%.
4. Slightly modify the merit portion of the salary scale.
5. Reduce the payroll growth assumption from 3.75% to 3.25%.

***Demographic assumptions:***

6. Update mortality tables to projected versions of the RPH-2014 mortality tables.
7. Increase normal retirement rates for females at most ages and proratable retirement rates for males at most ages. Decrease early retirement rates for both males and females.
8. Increase rates of withdrawal.
9. Decrease rates of disability for males.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 4. Other Post-Employment Benefits

**Plan description:** The Town administers a medical benefit plan (MBP). The MBP is a single-employer defined benefit healthcare plan. The MPB provides medical benefits to eligible retirees and their spouses. All employees of the Town are eligible to participate in the plan. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

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

	Medical Benefit Plan
Retired members	95
Spouses of retired members	45
Active plan members	<u>242</u>
Total participants	<u><u>382</u></u>

**Funding policy:** The contribution requirements of plan members and the Town are negotiated with the various unions representing the employees. The Town makes contributions under the pay-as-you-go method. The Town contributes 100 percent of premiums for the following groups:

- Board of Education custodians (retirees and spouse); post age 65, for Medicare supplement only.
- Board of Education secretaries (retiree), pre-age 65, who retire from Seymour Public Schools with at least 30 years of service.
- Board of Education Secretaries (retiree and spouse), post-age 65, who retire from Seymour Public Schools with at least 30 years of service, Medicare supplement only.
- Police (retiree and spouse) pre and post age 65.
- Town Administrators (retiree), pre age 65, if retirement with at least 10 years of service.
- Town Administrators (retiree and spouse), post age 65.
- Town Hall (retiree), pre age 65, if retirement at age 55 with at least 10 years of service.
- Town Hall (retiree and spouse), post age 65.
- Public Works (retiree and spouse), pre age 65, hired prior to July 1, 1994.
- Public Works (retiree and spouse), post age 65.
- Life insurance for Town administrators, police, Public Works and Town Hall.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 4. Other Post-Employment Benefits (Continued)

Retired plan members and beneficiaries currently receiving benefits that are not fully paid by the Town are required to contribute specified amounts (based on averages) monthly towards the cost of health insurance premiums as follows:

**Town employees:** Town retirees (pre 65) receiving medical coverage under the plan contribute \$843/month for employee and \$976/month for the spouse. Retirees (post 65) receiving medical coverage under the plan contribute \$394/month for each the employee and the spouse. Retirees receiving dental coverage under the plan contribute \$36/month for employee and \$56/month for the spouse.

**Board of Education employees:** Board of Education retirees (pre 65) receiving medical coverage under the plan contribute \$765/month for employee and \$864/month for the spouse. Retirees (post 65) receiving medical coverage under the plan contribute \$142/month for each the employee and the spouse. Retirees receiving dental coverage under the plan contribute \$31/month for employee and \$50/month for the spouse.

**Annual OPEB cost and net OPEB obligations:** The Town's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The ARC was based off of the July 1, 2015 actuarial valuation. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Town's net OPEB obligation:

	Retiree Medical and Life Insurance Plan
Annual required contribution (ARC)	\$ 3,001,124
Interest on net OPEB obligation	461,619
Adjustment to annual required contribution	<u>(545,550)</u>
Annual OPEB cost	2,917,193
Contributions made	<u>1,312,236</u>
Increase in net OPEB obligation	1,604,957
Net OPEB obligation - beginning of year	<u>11,540,477</u>
Net OPEB obligation - end of year	<u><u>\$ 13,145,434</u></u>

**Town of Seymour, Connecticut**

**Notes to Financial Statements**

**Note 4. Other Post-Employment Benefits (Continued)**

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

Fiscal Year Ending	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/17	\$ 2,917,193	\$ 1,312,236	44.98%	13,145,434
6/30/16	3,091,430	1,452,879	47.00%	11,540,477
6/30/15	2,924,515	1,418,938	48.52%	9,901,926

The following is a summary of certain significant actuarial assumptions and other plan information:

	Medical Benefit Plan
Actuarial valuation date	7/1/2015
Actuarial cost method	Projected Unit Credit
Amortization method	Level Percent
Amortization growth	4.00%
Remaining amortization period	22 years, decreasing
Asset valuation method	N/A
Actuarial assumptions:	
Health care cost trend rate	4.40%-5.24%
Investment rate of return	4.00%
Inflation rate	2.75%

**Schedule of funding progress:** The annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the annual OPEB cost, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
July 1, 2015	\$ -	\$ 36,935,842	\$ 36,935,842	0%	\$ 17,075,699	216.31%

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

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 5. Risk Management, Commitment and Contingencies

**Risk management:** The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2017.

The Town is partially self-insured for worker's compensation and dental. The Town purchases stop loss insurance for exposures over \$500,000 per incident. The Town estimates a liability for workers' compensation claims payable and for claims incurred but not reported. As of June 30, 2017, this amount was \$1,707,673.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Generally all claims are paid by the General Fund.

Changes in the balances of claims liabilities recorded by the City during the past two years are as follows:

Fiscal Year Ended	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2017	\$ 2,854,921	\$ 65,700	\$ 1,212,948	\$ 1,707,673
2016	3,609,154	80,171	834,404	2,854,921

**Commitment:** The Town's Water Pollution Control Authority (WPCA) has contracted with an outside firm to operate its water treatment plant through June 30, 2026. The contract calls for an annual operating cost plus adjustments for the consumer price index and new dwellings added to the system. At June 30, 2017, the base contract commitment is approximately \$1,364,000 per year.

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

Various litigation, principally involving claims for personal injury and contested tax assessment, is pending against the Town. For certain cases, where it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated, a loss contingency has been accrued for in the government-wide statement of approximately \$180,000. Based upon the advice of the Town Counsel, management believes that the ultimate resolution of these matters will not have a material adverse effect on the financial statements of the Town.

## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### Note 6. Recently Issued GASB Statements

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

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements, except for GASB 75, which will most likely have a material impact, though the amount has not yet been determined:

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*. This Statement addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. GASB Statement No. 75 requires governments to report a liability on the face of the financial statements for the OPEB that they provide:

- Governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability—the difference between the total OPEB liability and assets accumulated in the trust and restricted to making benefit payments.
- Governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan.
- Governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees.

The provisions of this Statement are effective for fiscal years beginning after June 15, 2017.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively.

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.



## Town of Seymour, Connecticut

### Notes to Financial Statements

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#### **Note 6. Recently Issued GASB Statements (Continued)**

GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*. This Statement improves the consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

GASB Statement No. 87, *Leases*. This Statement improves the accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

#### **Note 7. Subsequent Event**

The Town issued \$10,430,000 of general obligation refunding bonds on December 27, 2017. The bonds mature in 2036 and bear interest at a rate of 3.0 to 4.0 %. The bonds were issued to refund a portion of certain outstanding maturities of the Town's general obligation bonds.

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**Required Supplementary  
Information- *unaudited***



**Required Supplementary Information - Unaudited**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis -**  
**Budget and Actual - General Fund**  
**For the Year Ended June 30, 2017**

	General Fund			
	Original	Final	Actual Budgetary Basis	Variance With Final Budget
<b>Revenues:</b>				
Property taxes	\$ 43,110,854	\$ 43,110,854	\$ 43,326,698	\$ 215,844
Interest and lien fees	350,000	350,000	389,490	39,490
Intergovernmental	11,485,391	11,485,391	11,416,208	(69,183)
Investment income	12,000	12,000	38,102	26,102
Permits, fees and other	1,076,495	1,076,495	1,221,752	145,257
Other	38,000	38,000	41,716	3,716
<b>Total revenues</b>	<b>56,072,740</b>	<b>56,072,740</b>	<b>56,433,966</b>	<b>361,226</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	2,643,919	2,672,397	2,587,119	85,278
Public safety	5,016,526	5,016,526	4,999,490	17,036
Public works	2,403,449	2,443,449	2,432,709	10,740
Sanitation	1,061,201	1,114,595	1,113,634	961
Sundry	6,733,246	6,748,235	6,701,096	47,139
Capital Outlay	632,340	632,340	632,340	-
Contingency	205,000	68,139	25,926	42,213
Education	32,599,415	32,599,415	32,598,712	703
Debt service	4,889,984	4,889,984	4,889,984	-
<b>Total expenditures</b>	<b>56,185,080</b>	<b>56,185,080</b>	<b>55,981,010</b>	<b>204,070</b>
<b>Revenues over expenditures</b>	<b>(112,340)</b>	<b>(112,340)</b>	<b>452,956</b>	<b>565,296</b>
<b>Other financing sources (uses):</b>				
Unassigned fund balance	112,340	112,340	-	(112,340)
<b>Total financing sources (uses)</b>	<b>112,340</b>	<b>112,340</b>	<b>-</b>	<b>(112,340)</b>
<b>Net increase in budgetary fund balance</b>	<b>\$ -</b>	<b>-</b>	<b>452,956</b>	<b>\$ 452,956</b>
Budgetary fund balance, beginning			5,196,699	
<b>Budgetary fund balance, ending</b>			<b>\$ 5,649,655</b>	

See note to required supplementary information.

**Required Supplementary Information - Unaudited**  
**Other Post Retirement Benefits**  
**Schedules of Funding Progress and Employer Contributions**  
**Last Eight Fiscal Years**

*Schedule of Funding Progress*

Actuarial Valuation	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
July 1, 2007	\$ -	\$ 34,949,000	\$ 34,949,000	0%	N/A	N/A
July 1, 2009	-	38,401,000	38,401,000	0%	N/A	N/A
July 1, 2011	-	42,954,575	42,954,575	0%	N/A	N/A
July 1, 2013	-	39,393,101	39,393,101	0%	16,854,738	233.72%
July 1, 2015	-	36,935,842	36,935,842	0%	17,075,699	216.31%

*Schedule of Employer Contributions*

Fiscal Year Ending	Annual Required Contribution	Actual Contribution	Percentage Contributed
June 30, 2012	\$ 2,851,000	\$ 1,357,000	47.60%
June 30, 2013	2,937,622	1,560,298	53.11%
June 30, 2014	3,104,725	1,667,618	53.71%
June 30, 2015	2,952,503	1,418,938	48.06%
June 30, 2016	3,143,092	1,452,879	46.22%
June 30, 2017	3,001,124	1,312,236	43.72%

**Schedule of Contributions - Municipal Employees' Retirement System  
 Required Supplementary Information - *unaudited*  
 Last Four Fiscal Years**

Measurement Period Ended June 30,	2017	2016	2015	2014
Actuarially determined contribution	\$ 1,436,397	\$ 1,750,607	\$ 1,334,602	\$ 1,103,981
Contribution in relation to the actuarially determined contribution	1,436,397	1,750,607	1,334,602	1,102,981
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,000</b>
Covered-employee Payroll	\$ 11,357,359	\$ 10,223,171	\$ 10,080,165	\$ 10,080,165
Contributions as a percentage of covered-employee payroll	12.65%	17.12%	13.24%	10.95%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

**Schedule of the Town's Proportionate Share of the Net Pension Liability -  
Municipal Employees' Retirement System  
Required Supplementary Information - *unaudited*  
Last Three Fiscal Years**

	2017	2016	2015
Town's proportion of the net pension liability	5.706612%	5.513270%	5.605805%
Town's proportionate share of the net pension liability	<u>\$ 4,595,035</u>	<u>\$ 2,052,425</u>	<u>\$ 474,167</u>
Town's covered-employee payroll	<u>\$ 11,357,359</u>	<u>\$ 10,223,171</u>	<u>\$ 10,080,165</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>40.46%</u>	<u>20.08%</u>	<u>4.70%</u>
System fiduciary net position as a percentage of the total pension liability	<u>88.29%</u>	<u>92.72%</u>	<u>92.72%</u>

**Note to Schedule**

Valuation date	June 30, 2016
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Salary increase	4.25-11.00 percent, including inflation
Amortization method	Level dollar, closed
Remaining amortization period	23 years
Asset valuation method	Fair value recognition of investment gains and losses
Assumption changes	None
Benefit changes	None

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available



**Schedule of the Town's Proportionate Share of the Net Pension Liability -  
 Teachers' Retirement System  
 Required Supplementary Information - *unaudited*  
 Last Three Fiscal Years**

	2017	2016	2015
Town's proportion of the net pension liability	0%	0%	0%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	55,852,374	43,706,244	40,397,644
Total	<u>\$ 55,852,374</u>	<u>\$ 43,706,244</u>	<u>\$ 40,397,644</u>
Town's covered-employee payroll	<u>\$ 16,173,000</u>	<u>\$ 15,934,000</u>	<u>\$ 15,591,000</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0%</u>	<u>0%</u>	<u>0%</u>
System fiduciary net position as a percentage of the total pension liability	<u>52.26%</u>	<u>59.50%</u>	<u>61.51%</u>

The following actuarial methods and assumptions were used to determine the most recent contributions reported in that 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
Inflation	3.00 percent
Salary increase	3.25-6.50 percent, including inflation
Investment rate of return	8.00 percent, net of investment related expense

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available

**Required Supplementary Information - Unaudited**  
**Note to Required Supplementary Information**

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**Note 1. Stewardship, Compliance and Accountability**

**Budgetary information:** The Town follows these procedures in establishing budgetary data reflected in the financial statements.

- All boards seeking appropriations file their budgetary requests with the Town Clerk, no later than February 1st of each year, who then forwards a copy to the Board of Finance. If requests are not filed, the Board of Finance may make its own best estimate of the needed appropriations.
- The Board of Finance files with the Town Clerk, no later than April 1st of each year, such appropriations as it recommends in the form of a proposed budget and proposed tax mill rate.
- If the budget is not approved by the Town Meeting by June 15th, then revenues, debt service and legal obligations last submitted by the Board of Finance shall be considered as the adopted budget for the following fiscal year.
- The Town Meeting process continues on all other items until approved.
- The Board of Finance is responsible for management and monitoring of the budget.
- The Board of Education may transfer unexpended balances from one account to another within its total line appropriation. Other boards may transfer amounts between accounts in their budgets with Board of Finance approval, provided the total line appropriation is not exceeded.
- Boards and departments seeking supplemental appropriations or transfers that exceed the total line appropriation established by the Board of Finance and approved by the Town Meeting action must make written requests to the Board of Selectmen for approval. The Board of Selectmen forwards such requests with its recommendations to the Board of Finance for action. Transfer requests less than \$50,000 require both Boards' approvals. Transfer requests more than \$50,000 per Board/department and aggregate requests of \$50,000 or more per Board/department require both Boards' approval and the approval of the Town Meeting.
- When the Town maintains a Reserve Fund for capital and nonrecurring expenditures in accordance with its Charter and/or Connecticut General Statutes, payments into and appropriations from the Reserve Fund shall be made only upon recommendations of the Board of Selectmen, Board of Finance and Town Meeting action regardless of the amount involved.
- The Board of Finance shall pass onto a special Town Meeting for fiscal action supplemental appropriations exceeding \$50,000 and supplemental appropriations of less than \$50,000 if, when added to supplemental appropriations previously approved in the current fiscal year, exceed \$50,000.
- Encumbrances are recognized as a valid and proper charge against budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures of the current year.
- Unencumbered appropriations generally lapse at year-end.
- For budgetary purposes, the Town treats encumbrances as expenditures.
- Additional appropriations of \$155,786 were made during fiscal year ended June 30, 2017.

**Required Supplementary Information - Unaudited**  
**Note to Required Supplementary Information**

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**Note 1. Stewardship, Compliance and Accountability (Continued)**

As explained above, the Town's budgetary fund structure accounts for certain transactions differently from that utilized in reporting in conformity with GAAP. A reconciliation of revenues, expenditures and fund balance of the General Fund between the accounting treatment required by GAAP and budgetary requirements is as follows:

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Fund Balance
Balance, budgetary basis	\$ 56,433,966	\$ 55,981,010	\$ 5,649,655
Encumbrances outstanding at June 30, 2016, liquidated during the year ended June 30, 2017	-	873,416	-
Encumbrances outstanding at June 30, 2017, charged to budgetary expenditures during the year ended June 30, 2017	-	(1,530,654)	1,530,654
Net refunding	135,622	135,622	-
State teachers' retirement on-behalf payment	6,091,000	6,091,000	-
Balance, GAAP basis	<u>\$ 62,660,588</u>	<u>\$ 61,550,394</u>	<u>\$ 7,180,309</u>

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**Combining and Individual  
Fund Financial Statements and Other Schedules**



**General Fund**

## **General Fund**

The General Fund is used to account for resources traditionally associated with the Town which are not required legally or by sound financial management to be accounted for in another fund.



**Schedule of Revenues and Other Financing Sources - Budget and Actual - Budgetary Basis**  
**General Fund**  
**For the Year Ended June 30, 2017**

	General Fund			
	Original	Final	Actual Budgetary Basis	Variance With Final Budget
<b>Revenues:</b>				
Property taxes	\$ 43,110,854	\$ 43,110,854	\$ 43,326,698	\$ 215,844
Interest and lien fees	350,000	350,000	389,490	39,490
<b>Intergovernmental:</b>				
Education:				
Education Building Grant	-	-	4,114	4,114
Education Block Grant	10,128,492	10,128,492	10,089,671	(38,821)
<b>Total education</b>	<b>10,128,492</b>	<b>10,128,492</b>	<b>10,093,785</b>	<b>(34,707)</b>
<b>Other:</b>				
State provided highway (Town Aid Road)	296,883	296,883	296,588	(295)
Enterprise Zone program	5,000	5,000	5,534	534
Mashantucket Pequot fund	67,844	67,844	67,844	-
Municipal Revenue Sharing	418,388	418,388	343,388	(75,000)
State distribution of a telephone tax	30,000	30,000	30,111	111
Local capital projects	116,598	116,598	115,793	(805)
Circuit Breaker program	115,000	115,000	101,555	(13,445)
Judicial fines	3,000	3,000	3,843	843
Grants for Municipal Projects	281,186	281,186	281,186	-
Property tax relief	-	-	55,758	55,758
Veterans exemption	20,000	20,000	18,280	(1,720)
Disabled exemption	3,000	3,000	2,543	(457)
<b>Total other</b>	<b>1,356,899</b>	<b>1,356,899</b>	<b>1,322,423</b>	<b>(34,476)</b>
<b>Total intergovernmental</b>	<b>11,485,391</b>	<b>11,485,391</b>	<b>11,416,208</b>	<b>(69,183)</b>
<b>Permits, fees and other:</b>				
Parking stickers	3,200	3,200	2,100	(1,100)
Valley Health District rent	17,500	17,500	19,907	2,407
Pistol permits	7,420	7,420	11,470	4,050
Raffle permits	30	30	2,415	2,385
Fire Marshall permits and fees	2,000	2,000	1,285	(715)
Parking fines	5,000	5,000	8,140	3,140
Ordinance fines	100	100	-	(100)
Police reports	1,000	1,000	1,728	728
Building inspector	130,000	130,000	103,741	(26,259)
Miscellaneous	5,250	5,250	8,495	3,245
Real estate conveyance tax	100,000	100,000	127,372	27,372
Dog licenses	850	850	-	(850)
Dog Warden receipts	3,000	3,000	12,880	9,880
Recreation and Senior Activities	160,245	160,245	139,482	(20,763)
Inland Wetlands	3,000	3,000	1,987	(1,013)
Revenue from recycling	10,000	10,000	11,434	1,434
Dept. of Public Works	1,000	1,000	21,235	20,235

(Continued)

**Schedule of Revenues and Other Financing Sources - Budget and Actual - Budgetary Basis (Continued)**  
**General Fund**  
**For the Year Ended June 30, 2017**

	General Fund			
	Original	Final	Actual Budgetary Basis	Variance With Final Budget
Permits, fees and other (Continued):				
Commercial transfer station	\$ 35,000	\$ 35,000	\$ 12,904	\$ (22,096)
Residential transfer station	12,500	12,500	19,249	6,749
Town Clerk	130,000	130,000	126,558	(3,442)
Zoning Board of Appeals	1,000	1,000	352	(648)
Fire Marshal permits	-	-	-	-
Planning and Zoning	10,000	10,000	10,030	30
Sewer assessments	295,000	295,000	314,362	19,362
Water assessments	125,000	125,000	189,319	64,319
Water assessment interest	8,000	8,000	64,907	56,907
Valley Health District - Rent	-	-	-	-
Town Clerk - WPCA liens	6,500	6,500	6,500	-
Senior center trips	-	-	-	-
Senior center programs	-	-	-	-
Seymour recreation trips	-	-	-	-
Boys and girls club - Rent	3,900	3,900	3,900	-
<b>Total permits, fees and other</b>	<b>1,076,495</b>	<b>1,076,495</b>	<b>1,221,752</b>	<b>145,257</b>
Interest and dividends:				
Interest General Fund	12,000	12,000	38,102	26,102
<b>Total interest and dividends</b>	<b>12,000</b>	<b>12,000</b>	<b>38,102</b>	<b>26,102</b>
Other:				
Sale of surplus property	-	-	240	240
Police administration fees	38,000	38,000	41,476	3,476
<b>Total other</b>	<b>38,000</b>	<b>38,000</b>	<b>41,716</b>	<b>3,716</b>
Other financing sources:				
Use of fund balance	112,340	112,340	-	(112,340)
Capital Project Fund Reimbursement	-	-	-	-
<b>Total other financing sources</b>	<b>112,340</b>	<b>112,340</b>	<b>-</b>	<b>(112,340)</b>
<b>Total revenues and other financing sources</b>	<b>\$ 56,185,080</b>	<b>\$ 56,185,080</b>	<b>\$ 56,433,966</b>	<b>\$ 248,886</b>

**Schedule of Expenditures and Other Financing Uses - Budget and Actual - Budgetary Basis**  
**General Fund**  
**For the Year Ended June 30, 2017**

	Budgeted Amount		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
<b>General Government:</b>				
Planning & Zoning	\$ 23,296	\$ 23,296	\$ 23,050	\$ 246
Board of Finance	69,595	69,595	69,595	-
Town Meetings Public Hearings	4,200	4,200	1,552	2,648
Probate Court	14,000	14,000	13,975	25
Selectmen's Office	283,540	283,540	253,160	30,380
Economic Development	78,861	78,861	78,589	272
Economic Development Commission	2,500	2,500	800	1,700
Downtown committee	-	-	-	-
Registrars of Voters	91,700	91,700	64,448	27,252
Finance Department	274,447	274,447	271,984	2,463
Tax Collector	162,521	162,521	161,941	580
Town Treasurer	5,200	5,200	5,200	-
Assessors Office	183,730	183,730	181,899	1,831
Board of Assessment Appeals	150	150	100	50
Town Counsel	290,000	290,000	289,998	2
Town Clerk	207,024	207,024	203,499	3,525
Printing & Legal Ads	15,000	15,000	14,884	116
Conservation Protection Agency	4,625	4,625	4,436	189
Inland/Wetland	12,015	12,015	11,740	275
Board of Zoning Appeals	800	800	440	360
Town Planner	37,065	37,065	30,325	6,740
Town Computers	97,500	97,500	97,102	398
Town Buildings	521,309	521,309	515,592	5,717
Town Engineer	107,307	135,785	135,673	112
Office of Compliance	107,534	107,534	107,137	397
Senior citizens freeze	50,000	50,000	50,000	-
<b>Total general government</b>	<b>2,643,919</b>	<b>2,672,397</b>	<b>2,587,119</b>	<b>85,278</b>
<b>Public Safety:</b>				
Police Department	4,136,069	4,136,069	4,124,008	12,061
Communication Commission	203,599	203,599	203,432	167
Emergency Management	27,260	27,260	27,006	254
Blight Officer	8,950	8,950	8,950	-
EMS Commission	200	200	100	100
Seymour Ambulance	64,305	64,305	63,773	532
Valley Emergency Medical Services	31,827	31,827	31,827	-
Lake Authority	17,092	17,092	17,092	-
Fire Department	402,530	402,530	401,556	974
Fire Marshal	124,694	124,694	121,746	2,948
<b>Total public safety</b>	<b>5,016,526</b>	<b>5,016,526</b>	<b>4,999,490</b>	<b>17,036</b>
<b>Public Works:</b>				
Highway wages/maintenance	1,859,846	1,899,846	1,897,140	2,706
Street lighting	190,793	190,793	190,793	-
Highway materials	208,110	208,110	206,374	1,736
Parks	144,700	144,700	138,402	6,298
<b>Total public works</b>	<b>2,403,449</b>	<b>2,443,449</b>	<b>2,432,709</b>	<b>10,740</b>

## Schedule of Expenditures and Other Financing Uses - Budget and Actual - Budgetary Basis (Continued)

## General Fund

For the Year Ended June 30, 2017

	Budgeted Amount		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Sanitation:				
Waste collection	\$ 99,957	\$ 99,957	\$ 98,996	\$ 961
Sanitation	961,244	1,014,638	1,014,638	-
<b>Total sanitation</b>	<b>1,061,201</b>	<b>1,114,595</b>	<b>1,113,634</b>	<b>961</b>
Sundry:				
Valley Health Department	113,278	113,278	113,278	-
Dog Warden Canine Office	50,350	50,350	50,106	244
Town Health Contributions	14,907	14,907	11,407	3,500
Town Insurance	1,618,556	1,620,962	1,620,962	-
Town Contributions	29,325	29,325	28,300	1,025
Water - Fire Hydrants	367,472	367,472	367,472	-
Services to the Elderly	146,688	146,688	131,563	15,125
Recreation Commission	242,880	254,569	234,235	20,334
Culture & Arts Commission	20,600	20,600	20,388	212
Recreation Program Contributions	38,000	38,000	38,000	-
Library	356,642	356,642	355,554	1,088
Valley Council of Governments	6,804	6,804	6,804	-
Personnel benefits	3,727,744	3,728,638	3,723,027	5,611
<b>Total sundry</b>	<b>6,733,246</b>	<b>6,748,235</b>	<b>6,701,096</b>	<b>47,139</b>
Capital Non-Recurring	632,340	632,340	632,340	-
Town Contingency	205,000	68,139	25,926	42,213
Debt Service	4,889,984	4,889,984	4,889,984	-
Education	32,599,415	32,599,415	32,598,712	703
<b>Total expenditures and other financing uses</b>	<b>\$ 56,185,080</b>	<b>\$ 56,185,080</b>	<b>\$ 55,981,010</b>	<b>\$ 204,070</b>

## **Nonmajor Governmental Funds**

## **Nonmajor Governmental Funds**

### ***Special Revenue Funds***

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

#### **LOCIP Fund**

To account for projects funded through the State Local Capital Improvement Program and General Fund matching appropriations.

#### **Open Space**

To account for funds restricted to the acquisition and maintenance of Public spaces.

#### **EDC Grants**

To account for Federal and State grants and General Fund appropriations restricted for the reconstruction of Rimmon Road.

#### **Skate Park Fund**

To account for State Skate Park grant restricted for the construction and equipment acquisition of the skate park.

#### **HUD Small Cities Grant Fund**

To account for funds received and disbursed under the State Department of Housing.

#### **Dog Fund**

To account for funds provided by the sale of dog licenses, sale of stray dogs and various fines levied against owners of stray dogs, as well as General Fund appropriations.

#### **Library Fund**

To account for fines, donations and fees received for Library operations.

#### **Rimmon Road Improvement Fund**

To account for Federal grant and local funds restricted for the reconstruction of Rimmon road.

#### **Education Grants Fund**

To account for education related programs that are funded through State and Federal Grants.

#### **School Lunch Fund**

To account for the operations of the School Lunch Program. Financing is provided by the students and teachers as well as reimbursement from State and Federal governments.

#### **Police Seizure Fund**

To account for funds received through police seizures.

#### **Grants and Donations Fund**

To account for various small grants and donations restricted to specific projects. The main resource for these grants is the Katharine Matthies Foundation.

#### **Strand Theater Fund**

To account for the Strand Theater's operating expenses and ticket sales.

#### **Community Policing Fund**

To account for the donations made to the police department.

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

### **Ambulance Fund**

To account for Ambulance funds designated for specific capital expenditures.

### **Private Duty**

To account for police private duty activity, including paying wages, invoicing for services and invoice collections.

### **Greenway Trail Fund**

To account for the amounts restricted to state grant requirements.

### **Building Maintenance**

To account for Town Building repairs as determined by the 1st Selectman.

### **Police Canine Fund**

To account for funds to be spent on police canine, created by benefactor.

### **BRRFOC Fund**

To account for Board of Selectman designated environmental purposes and transfer station improvements.

### **Downtown Revitalization**

To account for funds to be spent on Downtown revitalization.

## ***Capital Projects Fund***

### **Capital Projects**

To account for 2015-2016 capital plan approved by Board of Selectman and financed through a 3 year general fund appropriation borrowing.

### **High School Expansion Fund**

To account for an appropriation and borrowing authorization totaling \$21,900,000 to fund the cost of renovation to Seymour High School approved by the voters of the Town at a referendum held on October 7, 2003.

### **Middle School Fund**

To account for an appropriation and borrowing authorization totaling \$34,000,000 to fund the cost of the Seymour Middle School building project including the purchase of land and the construction of buildings in the Town of Seymour approved by the voters of the Town at referendum on November 19, 1998.

### **Chatfield LoPresti Building Fund**

To account for an appropriation and borrowing authorization totaling \$32,500,000 to fund the cost of renovation to Paul E. Chatfield School approved by the voters of the Town at a referendum held on October 7, 2008.

### **High School Bleachers**

To account for the high school bleacher project that is financed with grants, bonds and other short term obligations.

## ***Permanent Fund***

### **Charles Pine Fund**

To account for the donation from Charles Pine.





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Town of Seymour, Connecticut

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2017

	Special Revenue Funds			
	LOCIP	Open Space	EDC Grants	Skate Park Fund
<b>Assets</b>				
Cash	\$ 129,311	\$ 45,203	\$ 786	\$ -
Receivables:				
Accounts and other	-	-	132,139	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	-	-
<b>Total assets</b>	<b>\$ 129,311</b>	<b>\$ 45,203</b>	<b>\$ 132,925</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts and other payables/due to State	\$ -	\$ 15,600	\$ -	\$ -
Due to other funds	-	-	132,139	-
Unearned revenue	-	-	-	-
Bond anticipation notes	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>15,600</b>	<b>132,139</b>	<b>-</b>
Deferred inflows of resources:				
Unavailable revenues	-	-	132,139	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>132,139</b>	<b>-</b>
Fund balances (deficits):				
Nonspendable	-	-	-	-
Restricted	129,311	-	-	-
Committed	-	29,603	-	-
Unassigned	-	-	(131,353)	-
<b>Total fund balances (deficits)</b>	<b>129,311</b>	<b>29,603</b>	<b>(131,353)</b>	<b>-</b>
<b>Total liabilities, deferred inflows of of resources and fund balances (deficits)</b>	<b>\$ 129,311</b>	<b>\$ 45,203</b>	<b>\$ 132,925</b>	<b>\$ -</b>

Special Revenue Funds

HUD Small Cities Grant Fund	Dog Fund	Library Fund	Rimmon Road Improvement Fund	Education Grants Fund	School Lunch Fund	Police Seizure Fund
\$ 123,705	\$ 22,452	\$ 182,080	\$ 7,449	\$ 57,365	\$ 104,433	\$ 9,381
-	-	-	344,041	-	-	-
-	-	-	-	4,572	63,344	-
-	722	-	-	168	-	-
-	-	-	-	-	8,499	-
<u>\$ 123,705</u>	<u>\$ 23,174</u>	<u>\$ 182,080</u>	<u>\$ 351,490</u>	<u>\$ 62,105</u>	<u>\$ 176,276</u>	<u>\$ 9,381</u>
\$ -	\$ -	\$ -	\$ 261,820	\$ -	\$ 21,763	\$ -
-	23,265	-	-	-	-	-
-	-	-	-	3,753	-	-
-	-	-	-	-	-	-
-	<u>23,265</u>	-	<u>261,820</u>	<u>3,753</u>	<u>21,763</u>	-
-	-	-	344,041	-	-	-
-	-	-	344,041	-	-	-
-	-	-	-	-	8,499	-
123,705	-	-	-	58,352	-	9,381
-	-	182,080	-	-	146,014	-
-	(91)	-	(254,371)	-	-	-
<u>123,705</u>	<u>(91)</u>	<u>182,080</u>	<u>(254,371)</u>	<u>58,352</u>	<u>154,513</u>	<u>9,381</u>
<u>\$ 123,705</u>	<u>\$ 23,174</u>	<u>\$ 182,080</u>	<u>\$ 351,490</u>	<u>\$ 62,105</u>	<u>\$ 176,276</u>	<u>\$ 9,381</u>

(Continued)

Town of Seymour, Connecticut

Combining Balance Sheet (Continued)  
 Nonmajor Governmental Funds  
 June 30, 2017

	Special Revenue Funds				
	Grants and Donations Fund	Strand Theater Fund	Community Policing Fund	Ambulance Fund	Private Duty
<b>Assets</b>					
Cash	\$ 14,696	\$ 1	\$ 131,975	\$ 61,818	\$ -
Receivables:					
Accounts and other	-	-	-	-	292,052
Due from other governments	-	-	-	-	-
Due from other funds	250,678	-	-	-	-
Inventory	-	-	-	-	-
<b>Total assets</b>	<b>\$ 265,374</b>	<b>\$ 1</b>	<b>\$ 131,975</b>	<b>\$ 61,818</b>	<b>\$ 292,052</b>
<b>Liabilities</b>					
Accounts and other payables/due to State	\$ 85,180	\$ -	\$ -	\$ -	\$ -
Due to other funds	2,340	-	-	-	398,161
Unearned revenue	-	-	-	-	-
Bond anticipation notes	-	-	-	-	-
<b>Total liabilities</b>	<b>87,520</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>398,161</b>
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	(7,634)
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,634)</b>
Fund balances (deficits):					
Nonspendable	-	-	-	-	-
Restricted	177,854	-	-	-	-
Committed	-	1	131,975	61,818	-
Unassigned	-	-	-	-	(98,475)
<b>Total fund balances (deficits)</b>	<b>177,854</b>	<b>1</b>	<b>131,975</b>	<b>61,818</b>	<b>(98,475)</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 265,374</b>	<b>\$ 1</b>	<b>\$ 131,975</b>	<b>\$ 61,818</b>	<b>\$ 292,052</b>

Special Revenue Funds					Capital Project Funds	
Greenway Trail Fund	Building Maintenance	Police Canine Fund	BRRFOC Fund	Downtown Revitalization	Capital Projects	High School Expansion Fund
\$ 216,383	\$ 110,175	\$ -	\$ 320,054	\$ 24,527	\$ 411,410	\$ -
309,114	-	-	-	-	-	-
-	-	-	-	-	-	-
3	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 525,500</u>	<u>\$ 110,175</u>	<u>\$ -</u>	<u>\$ 320,054</u>	<u>\$ 24,527</u>	<u>\$ 411,410</u>	<u>\$ -</u>
\$ 234,230	\$ 21,970	\$ -	\$ -	\$ -	\$ 153,501	\$ -
226,706	-	-	-	37,000	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>460,936</u>	<u>21,970</u>	<u>-</u>	<u>-</u>	<u>37,000</u>	<u>153,501</u>	<u>-</u>
187,382	-	-	-	-	-	-
<u>187,382</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	320,054	-	257,909	-
-	88,205	-	-	-	-	-
(122,818)	-	-	-	(12,473)	-	-
<u>(122,818)</u>	<u>88,205</u>	<u>-</u>	<u>320,054</u>	<u>(12,473)</u>	<u>257,909</u>	<u>-</u>
<u>\$ 525,500</u>	<u>\$ 110,175</u>	<u>\$ -</u>	<u>\$ 320,054</u>	<u>\$ 24,527</u>	<u>\$ 411,410</u>	<u>\$ -</u>

(Continued)

**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2017**

	Capital Projects Funds			Permanent Fund	Totals
	Middle School Fund	Chatfield LoPresti Building Fund	High School Bleachers Fund	Charles Pine Fund	
<b>Assets</b>					
Cash	\$ 1,500,000	\$ 813,446	\$ -	\$ -	\$ 4,286,650
Receivables:					
Accounts and other	-	-	-	-	1,077,346
Due from other governments	-	-	-	-	67,916
Due from other funds	-	-	-	-	251,571
Inventory	-	-	-	-	8,499
<b>Total assets</b>	<b>\$ 1,500,000</b>	<b>\$ 813,446</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,691,982</b>
<b>Liabilities</b>					
Accounts and other payables/due to State	\$ -	\$ -	\$ -	\$ -	\$ 794,064
Due to other funds	-	-	-	-	819,611
Unearned revenue	-	-	-	-	3,753
Bond anticipation notes	-	476,000	-	-	476,000
<b>Total liabilities</b>	<b>-</b>	<b>476,000</b>	<b>-</b>	<b>-</b>	<b>2,093,428</b>
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	655,928
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>655,928</b>
Fund balances (deficits):					
Nonspendable	-	-	-	-	8,499
Restricted	1,500,000	337,446	-	-	2,914,012
Committed	-	-	-	-	639,696
Unassigned	-	-	-	-	(619,581)
<b>Total fund balances (deficits)</b>	<b>1,500,000</b>	<b>337,446</b>	<b>-</b>	<b>-</b>	<b>2,942,626</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 1,500,000</b>	<b>\$ 813,446</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,691,982</b>

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Town of Seymour, Connecticut

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2017**

	Special Revenue Funds			
	LOCIP	Open Space	EDC Grants	Skate Park Fund
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 357,349	\$ -
Charges for services	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	-	-	357,349	-
<b>Expenditures:</b>				
Current:				
General government	-	27,400	132,139	-
Public safety	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	-	27,400	132,139	-
<b>Revenue over (under) expenditures</b>	-	(27,400)	225,210	-
<b>Other financing sources (uses):</b>				
Issuance of bonds	-	-	-	-
Bond premium	-	-	-	-
Transfers in	-	28,567	-	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	-	28,567	-	-
<b>Net change in fund balances (deficits)</b>	-	1,167	225,210	-
Fund balance (deficit), beginning of year	129,311	28,436	(356,563)	-
Fund balance (deficit), end of year	\$ 129,311	\$ 29,603	\$ (131,353)	\$ -



Special Revenue Funds

HUD Small Cities Grant Fund	Dog Fund	Library Fund	Rimmon Road Improvement Fund	Education Grants Fund	School Lunch Fund	Police Seizure Fund
\$ 246,170	\$ -	\$ -	\$ 302,998	\$ 2,171,235	\$ 411,940	\$ -
-	3,162	-	-	-	576,815	-
-	-	243	-	-	-	4
-	-	118,055	-	-	-	-
246,170	3,162	118,298	302,998	2,171,235	988,755	4
245,466	-	-	-	-	-	-
-	3,645	26,506	-	-	-	9,442
-	-	33,603	156,678	-	-	-
-	-	51,333	-	2,058,773	971,298	-
-	-	-	-	-	-	-
-	-	-	288,768	-	-	-
245,466	3,645	111,442	445,446	2,058,773	971,298	9,442
704	(483)	6,856	(142,448)	112,462	17,457	(9,438)
-	-	-	322,778	-	-	-
-	-	-	-	-	-	-
-	-	1,000	-	-	-	-
-	-	-	-	-	-	-
-	-	1,000	322,778	-	-	-
704	(483)	7,856	180,330	112,462	17,457	(9,438)
123,001	392	174,224	(434,701)	(54,110)	137,056	18,819
\$ 123,705	\$ (91)	\$ 182,080	\$ (254,371)	\$ 58,352	\$ 154,513	\$ 9,381

(Continued)

Town of Seymour, Connecticut

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2017**

	Special Revenue Funds				
	Grants and Donations Fund	Strand Theater Fund	Community Policing Fund	Ambulance Fund	Private Duty
<b>Revenues:</b>					
Intergovernmental	\$ 26,650	\$ -	\$ -	\$ -	\$ -
Charges for services	55,008	-	-	-	527,552
Investment income	-	-	35	-	-
Other	121,801	1	41,384	500	-
<b>Total revenues</b>	<b>203,459</b>	<b>1</b>	<b>41,419</b>	<b>500</b>	<b>527,552</b>
<b>Expenditures:</b>					
Current:					
General government	143,610	-	-	361	2,804
Public safety	-	-	35,108	-	495,607
Public works	30,221	-	-	-	-
Education	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>173,831</b>	<b>-</b>	<b>35,108</b>	<b>361</b>	<b>498,411</b>
<b>Revenue over (under) expenditures</b>	<b>29,628</b>	<b>1</b>	<b>6,311</b>	<b>139</b>	<b>29,141</b>
<b>Other financing sources (uses):</b>					
Issuance of bonds	-	-	-	-	-
Bond premium	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances (deficits)</b>	<b>29,628</b>	<b>1</b>	<b>6,311</b>	<b>139</b>	<b>29,141</b>
Fund balance (deficit), beginning of year	148,226	-	125,664	61,679	(127,616)
Fund balance (deficit), end of year	<b>\$ 177,854</b>	<b>\$ 1</b>	<b>\$ 131,975</b>	<b>\$ 61,818</b>	<b>\$ (98,475)</b>

Special Revenue Funds						Capital Projects Funds	
Greenway Trail Fund	Building Maintenance	Police Canine Fund	BRRFOC Fund	Downtown Revitalization	Capital Projects	High School Expansion Fund	
\$ 121,733	\$ -	\$ -	\$ -	\$ 322,289	\$ -	\$ -	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
1,190	-	-	10,800	-	-	-	
122,923	-	-	10,800	322,289	-	-	
486,851	-	-	4,328	322,988	78,344	-	
-	-	-	-	-	-	-	
-	64,530	-	3,730	-	52,778	-	
-	-	-	-	-	-	-	
-	-	-	-	-	25,279	-	
-	-	-	-	-	237,775	-	
486,851	64,530	-	8,058	322,988	394,176	-	
(363,928)	(64,530)	-	2,742	(699)	(394,176)	-	
284,044	-	-	-	-	678,178	-	
-	-	-	-	-	33,871	-	
32,000	150,000	-	-	-	475,639	-	
-	-	-	-	-	(130,264)	-	
316,044	150,000	-	-	-	1,057,424	-	
(47,884)	85,470	-	2,742	(699)	663,248	-	
(74,934)	2,735	-	317,312	(11,774)	(405,339)	-	
\$ (122,818)	\$ 88,205	\$ -	\$ 320,054	\$ (12,473)	\$ 257,909	\$ -	

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2017**

	Capital Project Funds			Permanent Fund	Totals
	Middle School Fund	Chatfield LoPresti Building Fund	High School Bleachers Fund	Charles Pine Fund	
Revenues:					
Intergovernmental	\$ -	\$ -	\$ 132,446	\$ -	\$ 4,092,810
Charges for services	-	-	-	-	1,162,537
Investment income	-	-	-	-	282
Other	-	-	-	-	293,731
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>132,446</b>	<b>-</b>	<b>5,549,360</b>
Expenditures:					
Current:					
General government	-	75,794	-	-	1,520,085
Public safety	-	-	-	-	570,308
Public works	-	-	-	-	341,540
Education	-	-	-	-	3,081,404
Interest and other charges	-	77,245	-	-	102,524
Capital outlay	-	-	110,834	-	637,377
<b>Total expenditures</b>	<b>-</b>	<b>153,039</b>	<b>110,834</b>	<b>-</b>	<b>6,253,238</b>
<b>Revenue over (under) expenditures</b>	<b>-</b>	<b>(153,039)</b>	<b>21,612</b>	<b>-</b>	<b>(703,878)</b>
Other financing sources (uses):					
Issuance of bonds	1,500,000	-	-	-	2,785,000
Bond premium	-	606,159	-	-	640,030
Transfers in	-	-	7,923	-	695,129
Transfers out	-	-	-	(1,000)	(131,264)
<b>Total other financing sources (uses)</b>	<b>1,500,000</b>	<b>606,159</b>	<b>7,923</b>	<b>(1,000)</b>	<b>3,988,895</b>
<b>Net change in fund balances (deficits)</b>	<b>1,500,000</b>	<b>453,120</b>	<b>29,535</b>	<b>(1,000)</b>	<b>3,285,017</b>
Fund balance (deficit), beginning of year	-	(115,674)	(29,535)	1,000	(342,391)
Fund balance (deficit), end of year	\$ 1,500,000	\$ 337,446	\$ -	\$ -	\$ 2,942,626

**Fiduciary Funds**

## **Fiduciary Funds**

Fiduciary Funds are used to account for assets held in a trustee capacity for others, and include Pension Trusts and Agency Funds.

### **Private Purpose Trust Funds**

Private Purpose Trust Funds are used to account for resource legally held in trust for the benefit of individuals, private organizations or other governments. The Town's Private Purpose Trust Funds are listed below:

***Harold K Beach Fund:*** to account for funds held for Library purchases of historical works concerning the State of Connecticut and the Naugatuck Valley.

***Charles B. Wooster Fund:*** to account for funds held in trust for the Library operations.

***Richard R. Pearson Memorial Fund:*** to account for funds collected for Seymour veterans.

### **Agency Funds**

Agency funds are custodial in nature (assets equal liabilities). The Town's Agency Fund is listed below:

***Student Activities:*** accounts for the various student activities and clubs.

**Combining Statement of Net Position - Private Purpose Trust Funds  
June 30, 2017**

	Private Purpose Trust Funds			Totals
	Harold K. Beach Fund	Charles B. Wooster Fund	Richard R. Pearson Memorial Fund	
<b>Assets</b>				
Cash	\$ 5,458	35,704	\$ 670	\$ 41,832
Investments	-	1,522,711	-	1,522,711
<b>Total assets</b>	<b>5,458</b>	<b>1,558,415</b>	<b>670</b>	<b>1,564,543</b>
<b>Liabilities</b>				
Accounts payable	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net position held in trust</b>	<b>\$ 5,458</b>	<b>\$ 1,558,415</b>	<b>\$ 670</b>	<b>\$ 1,564,543</b>

**Combining Statement of Changes in Net Position - Private Purpose Trust Funds  
For the Year Ended June 30, 2017**

	Private Purpose Trust Funds			Totals
	Harold K. Beach Fund	Charles B. Wooster Fund	Richard R. Pearson Memorial Fund	
<b>Additions:</b>				
Investment gain	\$ -	\$ -	\$ -	\$ -
Interest and dividends	2	167,552	-	167,554
Other	-	-	2,465	2,465
<b>Net additions</b>	<b>2</b>	<b>167,552</b>	<b>2,465</b>	<b>170,019</b>
<b>Deductions:</b>				
Education	-	83,020	-	83,020
General government	-	-	1,800	1,800
<b>Total deductions</b>	<b>-</b>	<b>83,020</b>	<b>1,800</b>	<b>84,820</b>
<b>Change in net position</b>	<b>2</b>	<b>84,532</b>	<b>665</b>	<b>85,199</b>
Net position, beginning of Year	5,456	1,473,883	5	1,479,344
Net position, end of year	\$ 5,458	\$ 1,558,415	\$ 670	\$ 1,564,543



**Statement of Changes in Fiduciary Assets and Liabilities - Agency Funds  
For the Year Ended June 30, 2017**

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
<b>Student Activity Fund</b>				
<b>Assets</b>				
Cash	\$ 84,956	\$ 516,469	\$ 493,331	\$ 108,094
<b>Total assets</b>	<b>\$ 84,956</b>	<b>\$ 516,469</b>	<b>\$ 493,331</b>	<b>\$ 108,094</b>
<b>Liabilities</b>				
Due to others	\$ 84,956	\$ 516,469	\$ 493,331	\$ 108,094
<b>Total liabilities</b>	<b>\$ 84,956</b>	<b>\$ 516,469</b>	<b>\$ 493,331</b>	<b>\$ 108,094</b>

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**Other Schedules**



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**Town of Seymour, Connecticut**

**Report of Tax Collector  
For the Year Ended June 30, 2017**

Grand List Year	Uncollected Taxes July 1, 2016	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Amount Collectible
			Additions	Deletions		
2001	\$ 15,721	\$ -	\$ -	\$ -	\$ 5,246	\$ 10,475
2002	18,643	-	-	-	5,601	13,042
2003	20,481	-	-	-	5,833	14,648
2004	28,441	-	209	209	6,143	22,298
2005	23,005	-	-	-	5,636	17,369
2006	26,606	-	-	-	5,839	20,767
2007	28,205	-	-	-	5,951	22,254
2008	21,101	-	-	-	6,017	15,084
2009	29,792	-	-	290	6,246	23,256
2010	49,956	-	-	626	9,998	39,332
2011	84,078	-	-	724	9,801	73,553
2012	128,200	-	513	1,222	8,885	118,606
2013	294,052	-	808	2,205	9,237	283,418
2014	726,060	-	6,222	28,741	11,179	692,362
Total Prior Years	1,494,341	-	7,752	34,017	101,612	1,366,464
2015	-	43,310,858	122,683	194,210	12,855	43,226,476
	<u>\$ 1,494,341</u>	<u>\$ 43,310,858</u>	<u>\$ 130,435</u>	<u>\$ 228,227</u>	<u>\$ 114,467</u>	<u>\$ 44,592,940</u>

**Exhibit D-1**

Collections			Balance Uncollected June 30, 2017
Taxes	Interest and Lien Fees	Total	
\$ 48	\$ 130	\$ 178	\$ 10,427
20	47	67	13,022
319	875	1,194	14,329
3,439	6,742	10,181	18,859
3,312	5,953	9,265	14,057
3,110	4,864	7,974	17,657
4,095	5,855	9,950	18,159
3,325	4,137	7,462	11,759
4,744	5,080	9,824	18,512
16,389	13,769	30,158	22,943
30,053	20,210	50,263	43,500
62,130	31,574	93,704	56,476
153,617	56,253	209,870	129,801
412,775	93,568	506,343	279,587
697,376	249,057	946,433	669,088
42,534,319	137,092	42,671,411	692,157
<u>\$ 43,231,695</u>	<u>\$ 386,149</u>	<u>\$ 43,617,844</u>	<u>\$ 1,361,245</u>

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**Statistical Section**

## **Statistical Section - Unaudited**

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

**Financial trends** information is intended to assist users in understanding and assessing how financial position has changed over time.

**Revenue capacity** information is intended to assist users in understanding and assessing the factors affecting the ability to generate own-source revenues (property taxes, charges for services, etc.).

**Debt capacity** information is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.

**Demographic and economic information** is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.

**Operating information** is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

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

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**Town of Seymour, Connecticut**

**Net Position By Component  
Last Ten Fiscal Years - *unaudited*  
(Accrual Basis of Accounting)**

	Fiscal Year				
	2008	2009	2010	2011	2012
Governmental activities:					
Net investment in capital assets	\$ 34,048,251	\$ 38,089,381	\$ 34,250,118	\$ 38,478,505	\$ 52,434,673
Restricted	1,000	1,000	1,000	1,000	1,000
Unrestricted	8,671,268	1,849,645	2,453,530	2,000,835	1,868,095
<b>Total governmental activities     net position</b>	<b>42,720,519</b>	<b>39,940,026</b>	<b>36,704,648</b>	<b>40,480,340</b>	<b>54,303,768</b>
Business-type activities:					
Net investment in capital assets	6,765,201	7,013,497	7,261,720	7,493,723	7,763,588
Restricted	-	-	-	-	-
Unrestricted	1,573,095	1,173,025	993,190	854,393	953,793
<b>Total business-type activities     net position</b>	<b>8,338,296</b>	<b>8,186,522</b>	<b>8,254,910</b>	<b>8,348,116</b>	<b>8,717,381</b>
Primary government:					
Net investment in capital assets	40,813,452	45,102,878	41,511,838	45,972,228	60,198,261
Restricted	1,000	1,000	1,000	1,000	1,000
Unrestricted	10,244,363	3,022,670	3,446,720	2,855,228	2,821,888
<b>Total primary government     net position</b>	<b>\$ 51,058,815</b>	<b>\$ 48,126,548</b>	<b>\$ 44,959,558</b>	<b>\$ 48,828,456</b>	<b>\$ 63,021,149</b>

**Table 1**

		Fiscal Year							
		2013	2014	2015	2016	2017			
\$	49,963,287	\$	57,321,414	\$	62,197,985	\$	58,219,654	\$	55,869,110
	1,000		1,000		1,000		-		-
	2,453,530		(2,560,828)		(12,915,975)		(7,412,603)		(5,322,799)
	52,417,817		54,761,586		49,283,010		50,807,051		50,546,311
	7,510,142		7,256,192		6,841,338		6,396,564		5,987,971
	-		-		-		-		-
	1,149,123		1,273,837		1,446,211		1,826,291		2,357,706
	8,659,265		8,530,029		8,287,549		8,222,855		8,345,677
	57,473,429		64,577,606		69,039,323		64,616,218		61,857,081
	1,000		1,000		1,000		-		-
	3,602,653		(1,286,991)		(11,469,764)		(5,586,312)		(2,965,093)
\$	61,077,082	\$	63,291,615	\$	57,570,559	\$	59,029,906	\$	58,891,988

Town of Seymour, Connecticut

Changes in Net Position  
Last Ten Fiscal Years - *unaudited*  
(Accrual Basis of Accounting)

	Fiscal Year				
	2008	2009	2010	2011	2012
Expenses:					
Governmental activities:					
General government	\$ 3,130,515	\$ 4,932,835	\$ 3,318,654	\$ 3,262,683	\$ 3,212,595
Education	42,111,797	35,397,098	33,273,139	36,604,217	38,517,530
Public safety	5,845,005	7,182,018	6,017,066	6,884,401	7,149,115
Sanitation	1,201,983	1,249,160	1,241,916	1,232,394	1,254,771
Public works	3,253,735	3,691,414	3,439,030	3,953,978	4,837,758
Recreation, arts and cultural	2,756,468	2,549,155	2,407,071	2,406,095	2,428,925
Interest on debt	1,609,000	1,301,372	1,338,547	1,765,127	1,453,677
<b>Total governmental activities expenses</b>	<b>59,908,503</b>	<b>56,303,052</b>	<b>51,035,423</b>	<b>56,108,895</b>	<b>58,854,371</b>
Business-type activities:					
Water Pollution Control Authority	1,987,713	2,196,246	1,224,509	2,019,950	1,975,932
<b>Total business-type activities expenses</b>	<b>1,987,713</b>	<b>2,196,246</b>	<b>1,224,509</b>	<b>2,019,950</b>	<b>1,975,932</b>
<b>Total primary government expenses</b>	<b>61,896,216</b>	<b>58,499,298</b>	<b>52,259,932</b>	<b>58,128,845</b>	<b>60,830,303</b>
Program revenue:					
Governmental activities:					
General government	1,057,003	821,701	617,231	602,400	785,909
Education	837,412	747,847	786,750	1,152,045	660,423
Public safety	51,026	45,492	52,779	47,128	36,695
Sanitation	18,292	16,667	15,625	18,900	21,359
Public works	13,923	370	5,645	478,103	316,164
Recreation, arts and cultural	232,532	255,363	132,227	8,470	3,680
Project activities:					
Operating grants and contributions	23,506,123	14,856,851	14,167,110	14,547,813	31,885,437
Capital grants and contributions	337,682	1,597,043	750,009	481,261	117,907
<b>Total governmental activities program revenue</b>	<b>26,053,993</b>	<b>18,341,334</b>	<b>16,527,376</b>	<b>17,336,120</b>	<b>33,827,574</b>

**Table 2**

		Fiscal Year							
		2013	2014	2015	2016	2017			
\$	3,496,359	\$	3,486,981	\$	3,262,778	\$	3,721,928	\$	4,929,550
	37,366,413		40,937,310		40,948,360		42,382,760		44,019,109
	7,418,542		8,072,815		10,198,076		7,822,574		7,206,132
	1,253,537		1,271,893		1,216,348		1,070,523		1,284,965
	4,100,306		4,182,171		5,001,254		8,209,668		5,635,329
	2,638,434		2,704,796		2,653,140		2,735,696		2,865,551
	1,479,775		1,601,667		1,097,273		1,090,823		1,671,853
	<u>57,753,366</u>		<u>62,257,633</u>		<u>64,377,229</u>		<u>67,033,972</u>		<u>67,612,489</u>
	<u>1,883,814</u>		<u>1,916,033</u>		<u>2,126,247</u>		<u>2,003,639</u>		<u>1,885,395</u>
	<u>1,883,814</u>		<u>1,916,033</u>		<u>2,126,247</u>		<u>2,003,639</u>		<u>1,885,395</u>
	<u>59,637,180</u>		<u>64,173,666</u>		<u>66,503,476</u>		<u>69,037,611</u>		<u>69,497,884</u>
	712,525		491,837		542,214		577,333		493,404
	618,268		645,753		567,948		563,242		576,815
	69,383		92,630		528,754		811,596		609,794
	18,442		-		-		-		-
	480,613		399,291		108,897		1,220		745,993
	23,511		-		-		-		-
	<u>19,259,974</u>		<u>17,873,293</u>		<u>18,213,129</u>		<u>17,377,646</u>		<u>20,837,024</u>
	<u>187,538</u>		<u>172,057</u>		<u>676,082</u>		<u>2,027,554</u>		<u>132,446</u>
	<u>21,370,254</u>		<u>19,674,861</u>		<u>20,637,024</u>		<u>21,358,591</u>		<u>23,395,476</u>

(Continued)

Town of Seymour, Connecticut

Changes in Net Position, Continued  
Last Ten Fiscal Years - *unaudited*  
(Accrual Basis of Accounting)

	Fiscal Year				
	2008	2009	2010	2011	2012
Business-type activities:					
Charges for services:					
Water Pollution Control Authority	\$ 1,283,327	\$ 1,220,360	\$ 1,224,509	\$ 1,299,865	\$ 1,631,837
<b>Total business-type activities</b>					
<b>program revenues</b>	<u>1,283,327</u>	<u>1,220,360</u>	<u>1,224,509</u>	<u>1,299,865</u>	<u>1,631,837</u>
<b>Total primary government</b>					
<b>program revenues</b>	<u>27,337,320</u>	<u>19,561,694</u>	<u>17,751,885</u>	<u>18,635,985</u>	<u>35,459,411</u>
Net (expense) revenue:					
Governmental activities	(33,854,510)	(37,961,718)	(34,508,047)	(38,772,775)	(25,026,797)
Business-type activities	(704,386)	(975,886)	-	(720,085)	(344,095)
<b>Total primary government</b>					
<b>net expense</b>	<u>(34,558,896)</u>	<u>(38,937,604)</u>	<u>(34,508,047)</u>	<u>(39,492,860)</u>	<u>(25,370,892)</u>
General revenues and other changes in net position:					
Governmental activities:					
Property taxes	33,646,550	35,067,058	35,554,413	37,930,455	38,587,563
Grants and contributions not restricted to specific programs	809,134	730,716	944,850	818,451	955,620
Unrestricted investment earnings	442,002	162,793	108,776	53,967	19,450
Transfers and other	(770,711)	(779,342)	(828,130)	(762,549)	(712,408)
<b>Total governmental activities</b>	<u>34,126,975</u>	<u>35,181,225</u>	<u>35,779,909</u>	<u>38,040,324</u>	<u>38,850,225</u>
Business-type activities:					
Unrestricted investment earnings	10,093	22,770	3,603	642	952
Transfers and other	828,461	779,342	828,130	812,549	712,408
<b>Total business-type activities</b>	<u>838,554</u>	<u>802,112</u>	<u>831,733</u>	<u>813,191</u>	<u>713,360</u>
<b>Total primary government</b>	<u>34,965,529</u>	<u>35,983,337</u>	<u>36,611,642</u>	<u>38,853,515</u>	<u>39,563,585</u>
Changes in net position:					
Governmental activities	272,465	(2,780,493)	1,271,862	(732,451)	13,823,428
Business-type activities	134,168	(173,774)	831,733	93,106	369,265
<b>Total primary government</b>	<u>\$ 406,633</u>	<u>\$ (2,954,267)</u>	<u>\$ 2,103,595</u>	<u>\$ (639,345)</u>	<u>\$ 14,192,693</u>



Table 2, Cont'd.

		Fiscal Year							
		2013	2014	2015	2016	2017			
\$	1,545,668	\$	1,514,981	\$	1,883,588	\$	1,938,604	\$	2,007,512
	1,545,668		1,514,981		1,883,588		1,938,604		2,007,512
	22,915,922		21,189,842		22,520,612		23,297,195		25,402,988
	(36,383,112)		(42,582,772)		(43,740,205)		(45,675,381)		(44,217,013)
	(338,146)		(401,052)		(242,659)		(65,035)		122,117
	(36,721,258)		(42,983,824)		(43,982,864)		(45,740,416)		(44,094,896)
	39,600,518		40,669,725		42,378,541		42,796,014		43,113,621
	935,210		614,771		642,756		449,079		801,178
	53,475		94,200		38,631		14,178		41,474
	(279,974)		(271,596)		-		-		-
	40,309,229		41,107,100		43,059,928		43,259,271		43,956,273
	56		220		179		341		705
	279,974		271,596		-		-		-
	280,030		271,816		179		341		705
	40,589,259		41,378,916		43,060,107		43,259,612		43,956,978
	3,926,117		(1,475,672)		(680,277)		(2,416,110)		(260,740)
	(58,116)		(129,236)		(242,480)		(64,694)		122,822
\$	3,868,001	\$	(1,604,908)	\$	(922,757)	\$	(2,480,804)	\$	(137,918)

**Town of Seymour, Connecticut**

**Fund Balances (Deficits), Governmental Funds  
Last Ten Fiscal Years - *unaudited*  
(Modified Accrual Basis of Accounting)**

	Fiscal Year				
	2008	2009	2010	2011	2012
General fund:					
Assigned	\$ -	\$ -	\$ -	\$ 520,594	\$ 434,196
Unassigned	-	-	-	2,528,999	3,977,834
Reserved	544,319	1,138,589	868,948	-	-
Unreserved, designated	4,239,540	2,562,555	2,879,331	-	-
<b>Total general fund</b>	<b>\$ 4,783,859</b>	<b>\$ 3,701,144</b>	<b>\$ 3,748,279</b>	<b>\$ 3,049,593</b>	<b>\$ 4,412,030</b>
All other governmental funds:					
Nonspendable	\$ 13,926	\$ 13,926	\$ 13,926	\$ 21,099	\$ 11,717
Restricted	-	-	-	536,072	612,056
Committed	-	-	-	290,406	379,890
Unassigned	-	-	-	(835,856)	(1,339,873)
Unreserved, reported in:					
Capital projects funds	587,322	262,270	(121,998)	(1,663,322)	(1,715,948)
<b>Total all other governmental fund</b>	<b>\$ 601,248</b>	<b>\$ 276,196</b>	<b>\$ (108,072)</b>	<b>\$ (1,651,601)</b>	<b>\$ (2,052,158)</b>

Note: Information for years prior to the implementation of GASB Statement No. 54 has not been restated.

**Table 3**

		Fiscal Year							
		2013	2014	2015	2016	2017			
\$	951,965	\$	458,652	\$	552,768	\$	953,421	\$	1,530,654
	4,391,954		4,611,302		4,674,011		5,116,694		5,649,655
	-		-		-		-		-
	-		-		-		-		-
\$	5,343,919	\$	5,069,954	\$	5,226,779	\$	6,070,115	\$	7,180,309
<hr/>									
\$	15,015	\$	15,641	\$	12,117	\$	14,188	\$	8,499
	675,545		1,064,121		765,053		1,694,147		7,521,750
	337,804		376,574		3,963,138		804,383		639,696
	(2,032,249)		(936,007)		(1,414,021)		(1,580,711)		(619,581)
	(2,366,124)		-		-		-		-
\$	(3,370,009)	\$	520,329	\$	3,326,287	\$	932,007	\$	7,550,364

**Town of Seymour, Connecticut**

**Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years - *unaudited*  
(Modified Accrual Basis of Accounting)**

	Fiscal Year				
	2008	2009	2010	2011	2012
<b>Revenues:</b>					
Property taxes, interest and liens	\$ 34,139,861	\$ 35,225,188	\$ 35,459,287	\$ 36,683,224	\$ 38,214,375
Special assessments	745,695	635,854	756,357	-	-
Intergovernmental	24,090,777	16,899,870	15,389,304	15,852,239	32,957,905
Interest and lien fees	10,220	10,994	10,297	226,867	257,818
Permits, fees and other	8,243	1,389,498	6,871	1,192,981	1,413,066
Charges for services	1,651,822	1,382,794	1,258,003	-	-
Interest	398,275	115,395	41,366	87,741	41,456
Other revenues	144,183	183,232	118,804	955,416	769,600
<b>Total revenues</b>	<b>61,189,076</b>	<b>55,842,825</b>	<b>53,040,289</b>	<b>54,998,468</b>	<b>73,654,220</b>
<b>Expenditures:</b>					
General government	3,515,219	4,703,125	3,575,484	2,684,857	2,983,014
Public safety	5,442,474	5,755,531	5,572,474	6,233,927	6,461,630
Public works	2,381,479	2,695,476	2,557,658	2,943,768	3,061,261
Sanitation	1,201,983	1,249,160	1,241,916	1,220,125	1,248,505
Sundry	2,867,217	2,433,849	2,209,249	2,342,795	2,577,920
Board of education	40,086,870	33,113,511	32,690,305	34,379,601	35,948,785
Principal payments	4,809,037	4,787,112	4,500,659	4,165,035	4,274,452
Interest expense	-	-	-	-	-
Capital outlay	432,567	436,447	1,200,395	9,513,704	18,327,149
<b>Total expenditures</b>	<b>60,736,846</b>	<b>55,174,211</b>	<b>53,548,140</b>	<b>63,483,812</b>	<b>74,882,716</b>
<b>Excess of revenues (under) expenditures</b>	<b>452,230</b>	<b>668,614</b>	<b>(507,851)</b>	<b>(8,485,344)</b>	<b>(1,228,496)</b>
<b>Other financing sources (uses):</b>					
Issuance of note payable	3,660,000	-	-	6,000,000	5,995,000
Issuance of bonds	-	-	-	-	-
Refunding bond issuance	-	-	-	12,145,000	3,215,000
Bond premiums	196,602	-	-	1,353,777	426,313
Payments to refunding bond escrow agent	-	-	-	(13,240,358)	(3,359,860)
Capital lease issuance	-	-	-	-	-
Transfers in	57,750	-	393,106	-	59,847
Transfers out	(828,461)	(779,342)	(1,221,236)	(812,549)	(772,255)
<b>Total other financing sources (uses)</b>	<b>3,085,891</b>	<b>(779,342)</b>	<b>(828,130)</b>	<b>5,445,870</b>	<b>5,564,045</b>
<b>Net changes in fund balance</b>	<b>\$ 3,538,121</b>	<b>\$ (110,728)</b>	<b>\$ (1,335,981)</b>	<b>\$ (3,039,474)</b>	<b>\$ 4,335,549</b>
Debt service as a percentage of noncapital expenditures	8.67%	9.58%	9.41%	8.36%	8.18%

**Table 4**

		Fiscal Year							
		2013	2014	2015	2016	2017			
\$	39,416,217	\$	40,127,961	\$	41,703,296	\$	42,849,313	\$	43,326,698
	-		-		-		-		-
	20,323,930		18,426,191		18,292,154		20,114,186		21,484,225
	403,948		339,840		365,893		480,074		389,490
	1,170,081		1,792,599		2,069,208		2,736,954		2,384,529
	-		-		-		-		-
	48,261		94,200		38,631		14,178		41,474
	1,046,612		315,509		899,281		495,813		335,207
	62,409,049		61,096,300		63,368,463		66,690,518		67,961,623
	3,386,245		3,128,125		3,141,297		3,531,596		4,686,654
	6,750,945		6,909,853		7,838,079		7,682,274		7,772,371
	3,381,070		3,102,918		4,357,116		7,586,860		4,799,504
	1,249,305		1,254,272		1,207,426		1,052,921		1,272,323
	2,638,434		2,623,022		2,573,866		2,671,869		2,801,316
	35,706,442		38,235,510		39,297,473		39,547,772		41,412,528
	4,676,033		5,181,212		4,179,900		4,179,900		-
	-		-		1,360,834		1,183,178		4,768,689
	6,084,871		713,661		686,929		3,128,028		780,338
	63,873,345		61,148,573		64,642,920		70,564,398		68,293,723
	(1,464,296)		(52,273)		(1,274,457)		(3,873,880)		(332,100)
	1,150,000		-		-		-		-
	-		3,710,000		4,153,000		2,008,000		7,285,000
	-		-		5,270,000		-		7,225,000
	-		230,242		546,888		314,936		1,543,608
	-		-		(5,732,649)		-		(7,992,957)
	208,308		-		-		-		-
	337,619		236,753		383,642		887,858		1,176,086
	(617,593)		(508,349)		(383,642)		(887,858)		(1,176,086)
	1,078,334		3,668,646		4,237,239		2,322,936		8,060,651
\$	(385,962)	\$	3,616,373	\$	2,962,782	\$	(1,550,944)	\$	7,728,551
	8.80%		9.38%		9.49%		8.64%		7.10%

**Tax Revenues by Source, Governmental Funds  
Last Ten Fiscal Years - *unaudited*  
(Modified Accrual Basis of Accounting)  
in thousands (000)**

Fiscal Year	Real Estate	Personal Property	Motor Vehicle	Total
2008	\$ 1,204,091	\$ 59,758	\$ 98,052	\$ 1,361,901
2009	1,211,207	59,758	100,336	1,371,301
2010	1,211,102	60,183	100,015	1,371,300
2011	1,217,850	60,655	102,373	1,380,878
2012	1,029,248	58,711	105,628	1,193,587
2013	1,037,417	62,912	106,542	1,206,871
2014	1,059,251	51,068	108,841	1,219,160
2015	1,030,683	75,416	111,109	1,217,208
2016	1,033,756	56,275	114,998	1,205,029
2017	1,028,745	78,287	114,985	1,222,017
Change 2008-2017	-17.04%	23.67%	14.73%	-11.45%

Source: Town records.

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**Town of Seymour, Connecticut**

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years - *unaudited*  
in thousands (000)**

Fiscal Year	Residential Property	Commercial and Industrial Property	Miscellaneous Land	Personal Property	Motor Vehicle	Less Exemptions
2008	\$ 1,056,188	\$ 119,516	\$ 54,199	\$ 59,758	\$ 98,052	\$ (25,812)
2009	1,063,788	119,516	54,199	59,758	100,336	(26,296)
2010	1,063,701	120,366	54,585	60,183	100,015	(27,549)
2011	1,072,047	118,489	55,013	60,655	102,373	(27,699)
2012	905,127	124,761	26,909	58,711	105,628	(27,549)
2013	912,846	124,591	24,672	62,912	106,542	(24,691)
2014	936,665	124,557	22,420	51,068	108,841	(24,391)
2015	921,330	109,353	37,708	75,416	111,109	(22,886)
2016	921,205	112,551	18,351	56,275	114,998	(22,423)
2017	899,082	129,664	12,232	78,287	114,985	(28,139)

Source: Town Records

Note: The above information presents the information for each period for which it is levied. A tax levy provides taxes remitted in the following year. There are no overlapping governments that collect property taxes from Town residents.



**Table 6**

Total Taxable Assessed Value	Percent Growth	General Fund Mill Rate	Estimated Actual Value	Value as a Percentage of Actual Value
\$ 1,361,901	-0.76%	25.03	\$ 1,948,441	0.70
1,371,301	0.69%	25.52	1,961,871	0.70
1,371,300	0.00%	25.80	1,961,871	0.70
1,380,878	0.70%	26.78	1,975,556	0.70
1,193,587	-13.56%	27.62	1,707,999	0.70
1,206,871	1.11%	32.83	1,726,977	0.70
1,219,160	1.02%	33.23	1,744,534	0.70
1,232,030	1.06%	34.04	1,762,921	0.70
1,200,957	-2.52%	36.00	1,715,653	0.70
1,206,111	0.43%	36.00	1,723,016	0.70

**Principal Property Taxpayers  
Current Year and Nine Years Ago - *unaudited***

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Eversource (formerly Connecticut Light & Power)	\$ 12,019,770	1	1.00%	\$ 6,179,450	4	0.32%
Basement Systems, Inc.	11,191,800	2	0.93%	n/a	n/a	n/a
Thule Inc.	6,890,000	3	0.57%	9,137,420	3	0.47%
Aquarion Water Co. of CT	6,726,120	4	0.56%	4,086,710	9	0.21%
Stop and Shop (LCP Supermarkets LLC)	5,897,500	5	0.49%	5,980,030	5	0.31%
Klarides Family Assoc LLC	5,569,690	6	0.46%	5,408,970	6	0.28%
The Kerite Company	4,813,000	7	0.40%	16,602,820	1	0.85%
Shady Knoll Health Care Center	4,056,500	8	0.34%	4,452,940	8	0.23%
CVS Pharmacy	2,920,960	9	0.24%	n/a	n/a	n/a
Rafferty Realty Co. Inc.	2,820,240	10	0.23%	3,188,360	10	n/a
Baker Residential Limited Partnership	n/a	n/a	n/a	9,783,900	2	0.50%
Shaw, William H.J., Jr.	n/a	n/a	n/a	5,110,000	7	0.26%
<b>Total</b>	<b>\$ 62,905,580</b>		<b>5.22%</b>	<b>\$ 69,930,600</b>		<b>3.43%</b>

Source: Town Records

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**Town of Seymour, Connecticut**

**Property Tax Levies and Collections  
Last Ten Fiscal Years - *unaudited***

Fiscal Year Ended June 30:	Grand List Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy	
			Amount	Percentage of Levy
2008	2006	\$ 33,537,238	\$ 32,967,105	98.30%
2009	2007	34,909,539	34,176,439	97.90%
2010	2008	35,092,415	34,390,567	98.00%
2011	2009	36,643,424	35,947,199	98.10%
2012	2010	38,213,590	37,372,891	98.79%
2013	2011	39,328,024	38,541,464	98.00%
2014	2012	40,246,048	39,448,261	98.02%
2015	2013	41,749,076	40,914,919	98.00%
2016	2014	42,904,502	42,175,008	98.30%
2017	2015	43,310,858	43,231,695	99.82%

Source: Town Tax Records

Note: The above information presents the information for each period for which it is levied. A tax levy provides taxes remitted in the following year.

**Table 8**

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
558,374	\$ 33,525,479	99.96%
714,941	34,891,380	99.95%
690,089	35,080,656	99.97%
677,713	36,624,912	99.95%
817,756	38,190,647	99.94%
743,060	39,284,524	99.89%
741,311	40,189,572	99.86%
704,355	41,619,274	99.69%
449,906	42,624,914	99.35%
-	43,231,695	99.82%

**Ratios of General Bonded Debt Outstanding by Type  
Last Ten Fiscal Years - *unaudited*  
(Unaudited)**

Fiscal Year	General Bonded Debt			Notes Payable	Total Primary Government General Obligation Bonded Debt	Ratio of Total Net General Bonded Debt to Personal Income <sup>(1)</sup>	Ratio of Total Net General Bonded Debt to Taxable Grand List	Per Capita
	General Purpose Bonds	School Purpose Bonds	Sewer Purpose Bonds					
2008	\$ 3,453,896	\$ 25,129,624	\$ 10,096,480	\$ -	\$ 38,680,000	160791.487%	1.985%	\$ 2,502.91
2009	3,116,065	23,512,367	9,351,568	-	35,980,000	149567.675%	1.834%	2,328.20
2010	2,864,123	21,722,543	8,603,334	-	33,190,000	137969.737%	1.692%	2,147.66
2011	3,583,150	17,566,998	7,059,681	-	28,209,829	117267.330%	1.428%	1,705.55
2012	5,518,854	28,813,025	5,013,121	-	39,345,000	163555.870%	2.304%	2,378.78
2013	5,169,877	27,961,711	4,645,008	-	37,776,596	114370.560%	2.187%	2,283.95
2014	3,996,195	27,579,348	4,604,457	1,190,000	37,370,000	113139.570%	2.142%	2,259.37
2015	6,043,585	27,715,968	3,620,447	855,000	38,235,000	115758.401%	2.169%	2,311.67
2016	7,618,351	24,696,889	2,940,760	525,000	35,781,000	108328.792%	2.086%	2,163.30
2017	14,929,344	22,207,003	2,269,653	420,000	39,826,000	117421.942%	2.311%	2,407.86

<sup>(1)</sup> See the Schedule of Demographic and Economic Statistics for personal income and population data

Note: Details regarding the Town's outstanding debt may be found in the notes to the basic financial statements.

**Direct Governmental Activities Debt  
For the Year Ended June 30, 2017 - *unaudited***

Governmental Unit	Debt Outstanding
Bonds, BANS and notes	\$ 39,826,000
Less school construction grants receivable - principal portion only	<u>-</u>
<b>Total direct debt</b>	<b><u><u>\$ 39,826,000</u></u></b>

Sources: Town Records

Note: The Town is not subject to the debt of overlapping governments.

Note: School construction grants are receivable in substantially equal installments over the life of outstanding school bonds, obtained from the Office of Policy and Management, State of Connecticut.

**Town of Seymour, Connecticut**

**Legal Debt Margin Information  
Last Ten Fiscal Years - *unaudited*  
(dollars in thousands)**

	Fiscal Years			
	2008	2009	2010	2011
<b>General Debt</b>				
Debt limit	\$ 76,158,272	\$ 78,329,898	\$ 79,481,450	\$ 82,940,211
Total net debt applicable to limit	3,934,200	3,481,976	3,111,973	3,842,739
<b>Legal debt margin</b>	<b>\$ 72,224,072</b>	<b>\$ 74,847,922</b>	<b>\$ 76,369,477</b>	<b>\$ 79,097,472</b>
<b>Total net debt applicable to the limit as percentage of debt limit</b>	<b>5.17%</b>	<b>4.45%</b>	<b>3.92%</b>	<b>4.63%</b>
<b>Schools</b>				
Debt limit	\$ 152,316,545	\$ 156,659,796	\$ 158,962,901	\$ 165,880,422
Total net debt applicable to limit	27,769,624	26,152,367	27,037,543	52,476,440
<b>Legal debt margin</b>	<b>\$ 124,546,921</b>	<b>\$ 130,507,429</b>	<b>\$ 131,925,358</b>	<b>\$ 113,403,982</b>
<b>Total net debt applicable to the limit as percentage of debt limit</b>	<b>18.23%</b>	<b>16.69%</b>	<b>17.01%</b>	<b>31.64%</b>
<b>Sewers</b>				
Debt limit	\$ 126,930,454	\$ 130,549,830	\$ 132,469,084	\$ 138,233,685
Total net debt applicable to limit	10,096,480	9,351,568	8,603,334	15,006,830
<b>Legal debt margin</b>	<b>\$ 116,833,974</b>	<b>\$ 121,198,262</b>	<b>\$ 123,865,750</b>	<b>\$ 123,226,855</b>
<b>Total net debt applicable to the limit as percentage of debt limit</b>	<b>7.95%</b>	<b>7.16%</b>	<b>6.49%</b>	<b>10.86%</b>
<b>Urban Renewal</b>				
Debt limit	\$ 110,006,393	\$ 113,143,186	\$ 114,806,539	\$ 119,802,527
Total net debt applicable to limit	-	-	-	-
<b>Legal debt margin</b>	<b>\$ 110,006,393</b>	<b>\$ 113,143,186</b>	<b>\$ 114,806,539</b>	<b>\$ 119,802,527</b>
<b>Total net debt applicable to the limit as percentage of debt limit</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Pension Funding</b>				
Debt limit	\$ 101,544,363	\$ 104,439,864	\$ 105,975,267	\$ 110,586,948
Total net debt applicable to limit	-	-	-	-
<b>Legal debt margin</b>	<b>\$ 101,544,363</b>	<b>\$ 104,439,864</b>	<b>\$ 105,975,267</b>	<b>\$ 110,586,948</b>
<b>Total net debt applicable to the limit as percentage of debt limit</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Total</b>				
Debt limit	\$ 566,956,027	\$ 583,122,574	\$ 591,695,241	\$ 617,443,793
Total net debt applicable to limit	41,800,304	38,985,911	38,752,850	71,326,009
<b>Legal debt margin</b>	<b>\$ 525,155,723</b>	<b>\$ 544,136,663</b>	<b>\$ 552,942,391</b>	<b>\$ 546,117,784</b>
<b>Total net debt applicable to the limit as percentage of debt limit</b>	<b>7.37%</b>	<b>6.69%</b>	<b>6.55%</b>	<b>11.55%</b>



**Table 11**

Fiscal Years						
2012	2013	2014	2015	2016	2017	
\$ 86,361,145	\$ 89,213,472	\$ 91,311,426	\$ 94,843,233	\$ 97,811,937	\$ 98,444,311	
5,778,443	5,429,466	15,833,155	6,168,585	7,618,351	15,594,344	
\$ 80,582,702	\$ 83,784,006	\$ 75,478,271	\$ 88,674,648	\$ 90,193,586	\$ 82,849,967	
6.69%	6.09%	17.34%	6.50%	7.79%	15.84%	
\$ 172,722,290	\$ 178,426,944	\$ 182,622,852	\$ 189,686,466	\$ 195,623,874	\$ 196,888,622	
53,459,379	70,376,153	19,387,574	28,641,557	25,221,929	22,207,043	
\$ 119,262,911	\$ 108,050,791	\$ 163,235,278	\$ 161,044,909	\$ 170,401,945	\$ 174,681,579	
30.95%	39.44%	10.62%	15.10%	12.89%	11.28%	
\$ 143,935,241	\$ 148,689,120	\$ 152,185,710	\$ 158,072,055	\$ 163,019,895	\$ 164,073,851	
5,165,099	4,796,986	5,566,838	3,772,425	3,092,738	2,681,220	
\$ 138,770,142	\$ 143,892,134	\$ 146,618,872	\$ 154,299,630	\$ 159,927,157	\$ 161,392,631	
3.59%	3.23%	3.66%	2.39%	1.90%	1.63%	
\$ 124,743,876	\$ 128,863,904	\$ 131,894,282	\$ 136,995,781	\$ 141,283,909	\$ 142,197,338	
-	-	-	-	-	-	
\$ 124,743,876	\$ 128,863,904	\$ -	\$ -	\$ -	\$ 142,197,338	
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
\$ 115,148,193	\$ 118,951,296	\$ 121,748,568	\$ 126,457,644	\$ 130,415,916	\$ 131,259,081	
-	-	-	-	-	-	
\$ 115,148,193	\$ 118,951,296	\$ -	\$ -	\$ -	\$ 131,259,081	
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
\$ 642,910,745	\$ 664,144,736	\$ 679,762,838	\$ 706,055,179	\$ 728,155,531	\$ 732,863,202	
64,402,921	80,602,605	40,787,567	38,582,567	35,933,018	40,482,607	
\$ 578,507,824	\$ 583,542,131	\$ 638,975,271	\$ 667,472,612	\$ 692,222,513	\$ 692,380,595	
10.02%	12.14%	6.00%	5.46%	4.93%	5.52%	

**Computation of Legal Debt Limitation - *unaudited*  
June 30, 2017**

Total tax collections (including interest and lien fees)					
for the year ended June 30, 2017					
					\$ 43,651,472
Reimbursement for revenue loss:					
Tax relief for elderly					
					101,555
<b>Base</b>					<u>43,753,027</u>
<b>Debt limit</b>					<u>\$ 306,271,189</u>
	General Purpose	Schools	Sewer	Urban Renewal	Unfunded Pension Benefit Obligation
Debt limitation:					
2-1/4 times base	\$ 98,444,311	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	196,888,622	-	-	-
3-3/4 times base	-	-	164,073,851	-	-
3-1/4 times base	-	-	-	142,197,338	-
3 times base	-	-	-	-	131,259,081
<b>Total debt limitation</b>	<u>98,444,311</u>	<u>196,888,622</u>	<u>164,073,851</u>	<u>142,197,338</u>	<u>131,259,081</u>
Debt as defined by statute:					
Bonds payable	15,349,344	21,731,003	2,269,653	-	-
Notes payable	-	-	-	-	-
BANS	-	476,000	-	-	-
Bonds authorized but not issued, issue dates not yet established	245,000	40	411,567	-	-
<b>Total indebtedness</b>	<u>15,594,344</u>	<u>22,207,043</u>	<u>2,681,220</u>	<u>-</u>	<u>-</u>
<b>Debt limitation in excess of indebtedness</b>	<u>\$ 82,849,967</u>	<u>\$ 174,681,579</u>	<u>\$ 161,392,631</u>	<u>\$ 142,197,338</u>	<u>\$ 131,259,081</u>

**Demographic and Economic Statistics**  
**Last Ten Fiscal Years - *unaudited***

Fiscal Year Ended June 30	Population(1)	Personal Income	Per Capita Income(1)	Median Family Income	Median Age(1)	School Enrollment (2)	Unemployment Rate (3)
2008	15,454	\$ 24,056	\$ 65,012	\$ 52,408	39	2,620	5%
2009	15,454	24,056	65,012	52,408	39	2,568	6%
2010	15,454	24,056	65,012	52,408	39	2,422	8%
2011	16,540	24,056	65,012	52,408	42	2,379	9%
2012	16,540	24,056	65,012	52,408	42	2,289	9%
2013	16,540	33,030	92,350	73,099	42	2,289	8%
2014	16,540	33,030	92,350	73,099	42	2,296	8%
2015	16,540	33,030	92,350	94,331	42	2,274	6%
2016	16,540	33,030	92,350	94,331	42	2,106	7%
2017	16,540	33,917	92,350	97,662	42	2,039	6%

## Sources:

- (1) Bureau of Census - based on census data.
- (2) Office of the Superintendent of Schools
- (3) Connecticut Department of Labor, By Town, not seasonally adjusted.

**Principal Employers  
Current Year and Nine Years Ago - *unaudited***

Employer	2017			2008		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Town of Seymour	520	1	3.14%	593	1	4.79%
Basement Systems	310	2	1.87%	159	5	1.73%
Thule of Sweden	214	3	1.29%	155	7	1.69%
Shady knoll Health Center	211	4	1.28%	135	9	1.69%
Stop & Shop	151	5	0.91%	200	2	2.18%
Haynes Construction Co.	136	6	0.82%	146	8	1.59%
R&R Manufacturing Company	130	7	0.79%	159	6	1.69%
Microboard Processing, Inc	125	8	0.76%	170	3	1.85%
The Kerite Company	80	9	0.48%	165	4	1.76%
Caspari, Inc.	61	10	0.37%	84	10	0.91%

Sources: Town Records 8/1/14 Official statement and the Assessor's office

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**Town of Seymour, Connecticut**

**Full-Time Equivalent Town Government Employees By Functions/Programs  
Last Ten Fiscal Years - *unaudited***

Functions/Program	Full-Time Equivalent Employees as of June 30				
	2008	2009	2010	2011	2012
General government	21	21	21	21	21
Finance	4	4	4	4	4
Health & Welfare	1	1	1	1	1
Police	40	40	40	40	40
Fire	2	2	2	2	2
Public Works & traffic	20	20	20	20	20
Education	307	302	298	292	291
Recreation, arts and cultural	1	1	1	1	1
<b>Total</b>	<b>396</b>	<b>391</b>	<b>387</b>	<b>381</b>	<b>380</b>

Source: Town Records

**Table 15**

Full-Time Equivalent Employees as of June 30				
2013	2014	2015	2016	2017
22	22	22	23	22
3	3	3	3	3
1	1	1	1	1
40	40	38	38	39
2	2	2	2	2
20	20	20	20	20
289	285	289	285	285
1	1	1	2	3
378	374	376	374	375

**Town of Seymour, Connecticut**

**Operating Indicators By Function/Program  
Last Ten Fiscal Years - *unaudited***

Function/Program	Calendar Year			
	2008	2009	2010	2011
<b>General Government</b>				
Land records recorded	5,237	4,238	4,472	4,582
Vital records recorded	528	510	462	479
Dog licenses issued	910	881	874	842
Absentee ballots issued	119	513	93	257
<b>Police</b>				
Police cars	20	20	20	20
Calls for service	16,452	16,730	13,745	16,210
Criminal arrests	793	731	755	779
Traffic citations issued	1,006	524	570	814
Medical emergencies responded to	1,167	1,329	1,362	1,412
<b>Fire</b>				
Fire calls	**	**	**	**
Medical calls	**	**	**	**
Fire alarms	**	**	**	**
Fire alarms answered	**	**	**	**
<b>Combined Dispatch</b>				
Emergency calls received	**	**	**	**
Non-emergency calls received	**	**	**	**
<b>Public Works</b>				
Lane miles of roadways swept	**	**	**	**
Tons of solid waste collected and disposed	7,776	7,263	7,561	7,184
Tons of recyclable materials collected and disposed	7,106	6,775	6,986	**
<b>Recreation, arts and cultural</b>				
Visitors to library	**	**	**	**
Circulation	**	**	**	**

Source: Town Records

Note: \*\* - not available



**Table 16**

Calendar Year					
2012	2013	2014	2015	2016	2017
4,116	4,575	4,771	4,387	5,083	4,797
528	501	539	474	476	499
835	815	747	858	803	765
133	384	95	177	200	86
20	20	20	20	21	22
15,028	13,638	14,905	16,477	15,799	18,849
748	606	658	421	412	435
449	469	515	790	872	620
1,405	1,352	1,518	1,514	1,478	1,598
**	**	**	**	**	**
**	**	**	**	**	**
**	**	**	**	**	**
**	**	**	**	**	**
**	**	**	**	**	**
**	**	**	**	**	**
**	**	**	**	**	**
**	**	6,584	7,724	7,551	6,608
**	**	**	13,000	47,973	47,483
**	**	**	73,571	67,089	63,378

**Town of Seymour, Connecticut**

**Capital Asset Statistics By Function/Program  
Last Ten Fiscal Years - *unaudited***

Function/Program	Fiscal Year			
	2008	2009	2010	2011
Education	\$ 58,992,019	\$ 59,344,153	\$ 60,305,506	\$ 69,653,475
General government	306,685	327,767	327,767	349,004
Public safety	10,826,591	11,432,709	11,438,234	11,520,897
Public works	34,628,704	34,701,702	34,696,177	34,717,329
Sundry	2,740,664	2,792,233	2,792,233	2,806,281
<b>Total</b>	<b>\$ 107,494,663</b>	<b>\$ 108,598,564</b>	<b>\$ 109,559,917</b>	<b>\$ 119,046,986</b>

Source: Town Records

Note: \*\* Indicator not available

**Table 17**

		Fiscal Year									
		2012	2013	2014	2015	2016	2017				
\$	86,626,234	\$	91,905,956	\$	92,152,824	\$	91,693,660	\$	93,686,338	\$	93,851,608
	349,004		447,716		486,873		503,373		503,373		585,925
	11,910,346		12,583,141		12,714,891		12,821,417		12,977,836		13,233,976
	34,939,081		35,270,300		35,526,844		35,683,504		36,392,233		37,029,319
	2,874,459		2,888,009		2,984,529		3,115,440		3,369,408		3,375,407
\$	136,699,124	\$	143,095,122	\$	143,865,961	\$	143,817,394	\$	146,929,188	\$	148,076,235

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