

**TOWN OF MANSFIELD
CONNECTICUT**



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2013**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

of the

**TOWN OF MANSFIELD,
CONNECTICUT**

FOR THE YEAR ENDED

JUNE 30, 2013

**PREPARED BY:
THE FINANCE DEPARTMENT**

CHERYL A. TRAHAN, DIRECTOR OF FINANCE

TOWN OF MANSFIELD, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT

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Introductory Section

TOWN OF MANSFIELD
OFFICE OF THE FINANCE DIRECTOR



CHERYL A. TRAHAN, Director of Finance

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December 18, 2013

To the Honorable Mayor, Members of the Town Council,
and Citizens of the Town of Mansfield, Connecticut:

State law requires that all local governments publish within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Town of Mansfield for the fiscal year ended June 30, 2013.

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

The Town of Mansfield's financial statements have been audited by Blum, Shapiro & Company, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering unqualified opinions that the Town's financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town was part of a broader, federally and state mandated "Single Audits" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited Town's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available as part of this Comprehensive Annual Financial Report.

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

Profile of the Town of Mansfield

The Town of Mansfield encompasses approximately 45.1 square miles. The Town is bounded on the east by Chaplin, on the north by Willington and Ashford, on the south by Windham, Lebanon, and Columbia, and on the west by Coventry. The Town of Mansfield was first settled in 1692 as part of Windham. In October 1702, the Connecticut General Assembly granted a charter of incorporation to the Town of Mansfield which was formed out of Windham.

The Town operates under the provisions of its Charter and the General Statutes of the State of Connecticut. Since 1970, when the Town established the Town Manager/Council form of government, the legislative power of the Town was vested in a nine-member council, elected at large for terms of two years, and the Town Meeting. The Mayor is elected by majority vote of the council. The Town Manager, who is the chief executive officer, manages the operations of the Town.

The Town and the immediate region is the beneficiary of the University of Connecticut being located in Mansfield. The University is a land grant University that was founded in 1881 as Storrs Agricultural School. With over 4,000 employees, the University is a major employer for the Town and the surrounding region.

Since 1990, the Town has expended over \$3 million to acquire open space land. During this period, the Town has purchased thirty-two properties totaling over 1,000 acres of land. In addition to town purchases, the Town has acquired open space through donations and dedication requirements included in the town's land use regulations. As of September 1, 2013, the town owns or manages over 2,500 acres of undeveloped open space land, including over 400 acres of private land with conservation easements. These acquisitions include eight properties with agricultural land (65 acres) that is leased to local farmers.

The Town of Mansfield provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; education pre-kindergarten through eighth grade and high school through the Regional School District No. 19; social services including a day care facility, a youth service bureau and a senior center; public health services through the Eastern Highlands Health District; recreation services and adult education including a community center; library services; and affordable housing through a Town housing authority.

The Mansfield Discovery Depot, Inc. is financially accountable to the Town since the Town Council has approval authority over budget increases in excess of \$10,000 and, therefore, is shown as a discretely-presented component unit in the Town's financial statements. The agency appoints its own board, of which two of the members are also members of the Town Council. Mansfield Discovery Depot, Inc. accounts for federal and state funds, local contributions and participants' fees for the operation of a child day care center.

Budget Policies

The annual budget serves as the foundation for the Town's financial planning and control. It is the policy of the Town Council to ask the Town Manager to direct the preparation of the budget and to submit it to the Town Council for its tentative approval and for later public hearing and approval. The Town Manager is asked to confer with the various Town Department heads on budgetary needs, as well as to consider priorities that have been determined by the Council.

Budget Policies (continued)

The Town legally adopts an annual budget for the General Fund and Capital Nonrecurring Special Revenue Fund. Formal budgetary integration is employed by the Town Council as a management control device during the year for the General Fund.

The Capital Projects Fund employs a project length budget, which is approved by the Annual Town Meeting.

Local Economy

Because Mansfield is the home of the University of Connecticut, our local economy tends to remain more stable than other areas in the State and Nation. Property tax collections over the last ten years have averaged over 98 percent. Mansfield is less impacted by general economic conditions, although the recent significant economic downturn has had some impact on local unemployment rates.

With this said, Mansfield is also far more dependent upon State grants to pay for the costs of operating our Town than most other communities in Connecticut. This tends to result in a feast or famine scenario. When times are good and State tax coffers are full, Mansfield does very well, but when times turn down, so do our State grants. For example, in FY 2008/09, our State PILOT grant was \$8,396,689. This grant has been substantially reduced over the last several years to \$7,030,230 in FY 2012/13. While State Statutes provide for a 45% reimbursement, we are currently receiving less than a 24% reimbursement. Another grant that has seen a significant reduction is the Mohegan/Pequot grant. At one time the town received as much as \$3,074,999 (2002). The State payment for this grant for 2013 was \$231,700. From 2009 to 2013, Mansfield's four major grants (Mohegan/Pequot grant, PILOT, ECS, and transportation grant) have been reduced by over \$1,063,000 or 5.5%. The concern continues for the possibility of future reductions to these grants due to the projected State deficits. Another concern is possible changes in the State grant formulas. In 2011, two new State task forces were created. One task force was established to review how the State funds education and to make recommendations for the distribution of this funding amongst school districts. A second task force was established to evaluate the funding formulas for several municipal grants, such as the Pequot and Mohegan grant and PILOT, which reimburses municipalities for a portion of the tax loss on exempted property. Any change in either of these grant formulas could have a significant impact on Mansfield. It is for this reason that one of Mansfield's major initiatives is to reduce our reliance on State funding through smart growth, most notably the Storrs Center area development described below.

Long Term Financial Planning

The Town prepares a five-year expenditure and revenue forecast and a five year capital improvement plan. Both documents are designed to assist management and policy decision makers in guiding the Town.

Major Initiatives

As part of the America Downtown Program sponsored by the National League of Cities, the Mansfield Town Council retained a national planning firm in 1999 to develop a strategy for the revitalization of downtown Mansfield's commercial areas. Since that initial step, the Mansfield Downtown Partnership, Inc. was created as an independent, non-profit organization charged with coordinating the revitalization program and was subsequently authorized to serve as the Town's municipal development agency. Since 2002, a concept master plan was completed, Leyland Alliance was appointed as master developer, and the municipal development plan was approved locally and by the Connecticut Department of Economic and Community Development. In 2008 a fiscal impact study was undertaken to analyze and assess the potential net fiscal contribution that the project would bring to the Town of Mansfield. That study concluded that at full build out, the Town would benefit from approximately \$2.5 million in net tax revenues.

Major Initiatives (continued)

On May 30, 2008, the Connecticut Bond Commission, chaired by Governor Jodi Rell, approved a \$10 million grant for the parking garage for Storrs Center. At its August 2008 meeting, the Partnership Board of

Directors approved a set of comprehensive sustainability guidelines for Storrs Center designed to create an energy efficient project. This project currently has over \$24 million in anticipated grants and continues to move forward. Construction on Phase 1A of Storrs Center began in May 2011 and opened in the fall of 2012 with 127 apartments and 27,000 square feet of commercial space, including restaurants, retail and office space. Construction on the parking garage began in the fall of 2011 and is now open as well. Phase 1B is well underway with portions already open. This phase includes a 15,000 square foot branch of the UConn Co-Op; 18,000 square feet of medical office space for the UConn Health Center; additional retail space; and 195 apartments on the upper floors. An intermodal center (Nash-Zimmer Transportation Center) is scheduled to open in January, 2014 with a grocery store to follow later in the year. Plans continue for future phases of development.

At this time, it is anticipated that approximately an additional \$1.4 mil will be needed to finish the public portion (infrastructure) of the project, mainly the parking garage, and Dog Lane and Storrs Road improvements. With the completion of Phase 1A, Phase 1B, 1C and the grocery store underway, the previously prepared Fiscal Impact Analysis was updated in 2012 to provide a more accurate estimate of future net revenues from the project. This analysis shows that with or without any additional grant funding, the Storrs Center net revenues will be sufficient to cover all needed funding to complete the public portion of the project. It is anticipated that the infrastructure improvements currently planned and underway will be fully funded no later than FY 2017/18 and possibly sooner.

Relevant Financial Policies

The Town's financial policies have been applied consistently with the prior year and had no notable current year effect on the financial statements. There have not been any developments at the State level that impacted the current year financial statements.

Awards and Acknowledgement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Mansfield for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012. In order to be awarded a certificate of achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid only for the fiscal year awarded. We believe our current report continues to conform to the program requirements, and is being submitted to GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted in its preparation. I would also like to thank the members of the Town Council and the Mansfield Board of Education for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,



Cheryl A. Trahan
Director of Finance

FINANCIAL MANAGEMENT GOALS

PREFACE

The Fiscal Performance Goals adopted by the Town Council on March 9, 1987, as amended November 25, 1996, represent an effort to establish written policies for guiding the Town's financial management practices. These goals are not intended in any way to limit the authority of the Council to act, but rather to form a framework within which to make financial decisions and to monitor financial activity in a consistent manner. The adoption of these goals will not restrict the Town Council's ability and responsibility to respond to emergency or service delivery needs above or beyond the suggested limitations herein established.

FINANCIAL REPORTING PERFORMANCE GOALS

- A policy of full and open disclosure of all financial activity will be adhered to.
- Records will be maintained on a basis consistent with accepted government accounting standards.
- The Director of Finance will prepare monthly, quarterly and annual financial reports, presenting a summary of financial activity by major types of funds and programs.
- The Comprehensive Annual Financial Report will be prepared in conformity with accounting principles generally accepted in the United States of America and governmental financial reporting practices.
- An independent public accounting firm will be employed to perform an annual audit of all funds, authorities, agencies and grant programs, and the annual audited report will be made available to the general public, bond and financial consultants, and other interested citizens and organizations. The audit will be completed and submitted to the Town Council within one hundred fifty (150) days of the close of the Town's fiscal year.

RESERVE PERFORMANCE GOALS

- A contingency account will be established annually in the operating budget to:
 - a. provide for settlement of pending labor contract negotiations;
 - b. provide for temporary funding of unforeseen needs of an emergency or nonrecurring nature;
 - c. permit orderly budgetary adjustments when revenues are lost through the action of other governmental bodies;
 - d. provide the local match for public or private grants; and
 - e. meet unexpected small increases in service delivery costs.
- The contingency account will be budgeted at a level sufficient to provide for settlement of pending labor contract negotiations plus an amount not to exceed one percent of the proposed Town budget. The Town's budget will be amended at the time such contingency funds are committed. The contingency account will be separate from the carryover fund balance.

CAPITAL IMPROVEMENTS PERFORMANCE GOALS

- Capital improvements will be based on long-range projected needs rather than on immediate needs, in order to minimize future maintenance, replacement and capital costs.
- All capital improvements should be made in accordance with the Town's five-year capital improvements program. The capital improvements program shall be revised annually.
- The development of the capital improvements program will be coordinated with the operating budget in order to maintain a reasonably stable total tax levy.
- Before submission to the Town Council, the Town Manager will identify the estimated cost and potential funding sources for each capital project proposed. Future operating costs associated with a proposed capital improvement will be estimated before a decision is made to implement a project.
- Federal, State and other intergovernmental and private funding sources will be sought out and used as available to assist in financing capital improvements.

INVESTMENT PERFORMANCE GOALS

- A cash flow analysis of all funds will be developed on a regular basis. Collections, deposits and disbursements of all funds will be scheduled in a way as to ensure maximum cash availability.
- Where permitted by law, cash from separate funds and sources will be pooled to maximize investment yields. Interest will be credited to the General Fund except where prohibited by law or where the source of the cash is from an individual or corporation to ensure performance. Interest will be credited to the Capital and Nonrecurring Expenditure Fund (CNR) on cash held in the CNR Fund and the Capital Fund. The interest income will be used for future capital projects or debt service.
- Investment policy will be consistent with State law and will provide for security of principal, as well as needed liquidity.

DEBT PERFORMANCE GOALS

- Long-term debt will be limited to those capital improvements that should not be financed from current revenues.
- The maturity date for any debt will not exceed the reasonably expected useful life of the project so financed.
- The total direct general obligation debt will not exceed three percent (3%) of the full assessment value of taxable property.
- As a means of further minimizing the impact of debt obligations of the taxpayers:
 - a. long-term net debt will not exceed \$500 per capita; and
 - b. these limitations will not apply to any debt incurred for emergency purposes.
- The issuance of bond, tax and revenue anticipation notes will be avoided.
- Special assessments, revenue bonds and/or any other available self-liquidating debt measures will be used instead of general obligation bonds where and when possible and applicable.
- An official statement will be prepared to be used in connection with all sales of bonds and notes.
- Good relations will be maintained with financial and bond rating agencies, and a policy of full and open disclosure on every financial report and bond prospectus will be followed.

OPERATING EXPENDITURES PERFORMANCE GOALS

- The Town Manager will propose and the Town Council will adopt and maintain a balanced budget in which expenditures will not be allowed to exceed reasonable estimated resources and revenues.
- All current operation and maintenance expenses will be paid from the current revenue sources.
- The operating budget will provide for the adequate maintenance of capital assets and equipment.
- The budget will provide for adequate funding of all employee benefit programs and retirement systems.
- A budgetary control system will be maintained to enable adherence to the adopted budget. This will include a record keeping system to be adhered to by all programs and activities receiving annual Town Council appropriations.
- A system of regular monthly fiscal reports comparing actual revenues and expenditures to budgeted amounts will be prepared and maintained.
- An effective risk management program to minimize loss and reduce costs will be developed and implemented. The Town Manager will ensure that adequate insurance programs are in place, including unemployment and workers' compensation insurance.
- Delivery of services by other public and private organizations will be encouraged whenever and wherever greater efficiency and effectiveness can be expected. Technology and productivity advancements that will help reduce or avoid increasing personnel costs as a proportion of the total budget, that use available resources more productively and creatively, and that avoid duplication of effort and resources will be utilized.
- A Reserve Fund for Capital and Nonrecurring Expenditures will be maintained and will be adequately funded each year by a transfer from the General Fund Budget and by unanticipated one time revenues.

REVENUE PERFORMANCE GOALS

- A diversified and stable revenue system will be maintained as protection from short-run fluctuations.
- Annual revenues will be estimated on an objective and reasonable basis. The Town Manager will develop a method to project revenues on a multi-year basis.
- One time or special purpose revenues will be used only for capital expenditures or for expenditures required by the revenues and not to subsidize recurring personnel, operation or maintenance costs.
- All user charges and fees will be annually re-evaluated at a level related to the cost of providing the services.
- Appropriate expansion and diversification of the tax base will be encouraged and additional Federal and State revenues will be sought in order to reduce the reliance on the property tax as it affects individual homeowners.

FUND BALANCE POLICY (As amended August 27, 2012)

Purpose

The purpose of this policy is to set guidelines for fund balance to ensure financial security through the maintenance of a healthy reserve fund. The primary objective is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. The Town also seeks to maintain the highest possible credit ratings which are dependent, in part, on the Town's maintenance of a healthy fund balance.

General Policy

The following fund type definitions will be used in reporting activity in the governmental funds for the Town:

- General Fund is used to account for all financial resources not accounted for and reported in another fund.
- Special revenue funds are used to account and report the proceeds of *specific revenue sources* that are *restricted* or *committed* to expenditure for *specific purposes* other than debt service or capital projects.
- Debt service funds are used to account for all financial resources restricted, committed or assigned to expenditure for principal and interest.
- Capital projects funds are used to account for all financial resources restricted, committed or assigned to expenditure for the acquisition or construction of capital assets.
- Permanent funds are used to account for resources restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's needs.

Fund Balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the Town is bound to honor constraints on the specific purpose for which amounts can be spent.

- Nonspendable fund balance (inherently nonspendable, i.e. inventory)
- Restricted fund balance (externally enforceable limitations on use, i.e. grants)
- Committed fund balance (self-imposed limitations on use)
- Assigned fund balance (limitation resulting from intended use)
- Unassigned fund balance (residual net resources)

The first two components listed above are not addressed in this policy due to the nature of their restrictions. This policy is focused on the last three components comprising the unrestricted fund balance.

Provisions

The Town will strive to maintain an unrestricted fund balance of seventeen (17) percent of the General Fund operating budget, with up to two (2) percent of the General Fund operating budget accounted for in unrestricted fund balance of other governmental funds. Any year-end operating surpluses will revert to unassigned fund balance for use in maintaining reserve levels.

1. Committed Fund Balance

The Town Council, as the Town's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by the formal actions taken, such a majority vote or resolution. These committed amounts cannot be used for any other purpose unless the Town Council removes or changes the specific use through the same type of formal action taken to establish the commitment. Town Council action to commit fund balance needs to occur within the fiscal reporting period, no later than June 30th; however, the amount can be determined subsequent to the release of the financial statements.

2. Assigned Fund Balance

Assigned Fund Balance includes amounts *intended* to be used for a specific purpose. The Finance Director is the official authorized to assign fund balance to a specific purpose as approved by this fund balance policy for the purpose of reporting these amounts in the annual financial statements. The primary use of this category for the General Fund is open encumbrances.

3. Unassigned Fund Balance

This is the residual classification of the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

If the unrestricted fund balance falls below the goal or has a deficiency, the Town will develop a budgetary plan to return the reserve to the minimum level as soon as economic conditions allow. Revenue sources that will be considered to aid in the replenishment of fund balance will include but not be limited to: non-recurring revenues and yearend budget surpluses. The budgetary plan shall also identify the target timeframe, including milestones until reaching full replenishment. The Town recognizes that at its current level of fund balance, it will take a number of years to reach the desired goal.

TOWN OF MANSFIELD, CONNECTICUT

PRINCIPAL OFFICIALS

JUNE 30, 2013

Town Council

Elizabeth Paterson, Mayor
Antonia Moran, Deputy Mayor
David Freudmann
Denise Keane
Peter Kochenburger
Christopher Paulhus
William Ryan
Carl Schaefer
Paul Shapiro

Matthew W. Hart
Town Manager

Maria Capriola
Assistant Town Manager

Cheryl A. Trahan
Director of Finance

Keri J. Rowley
Treasurer

Irene LaPointe
Assessor

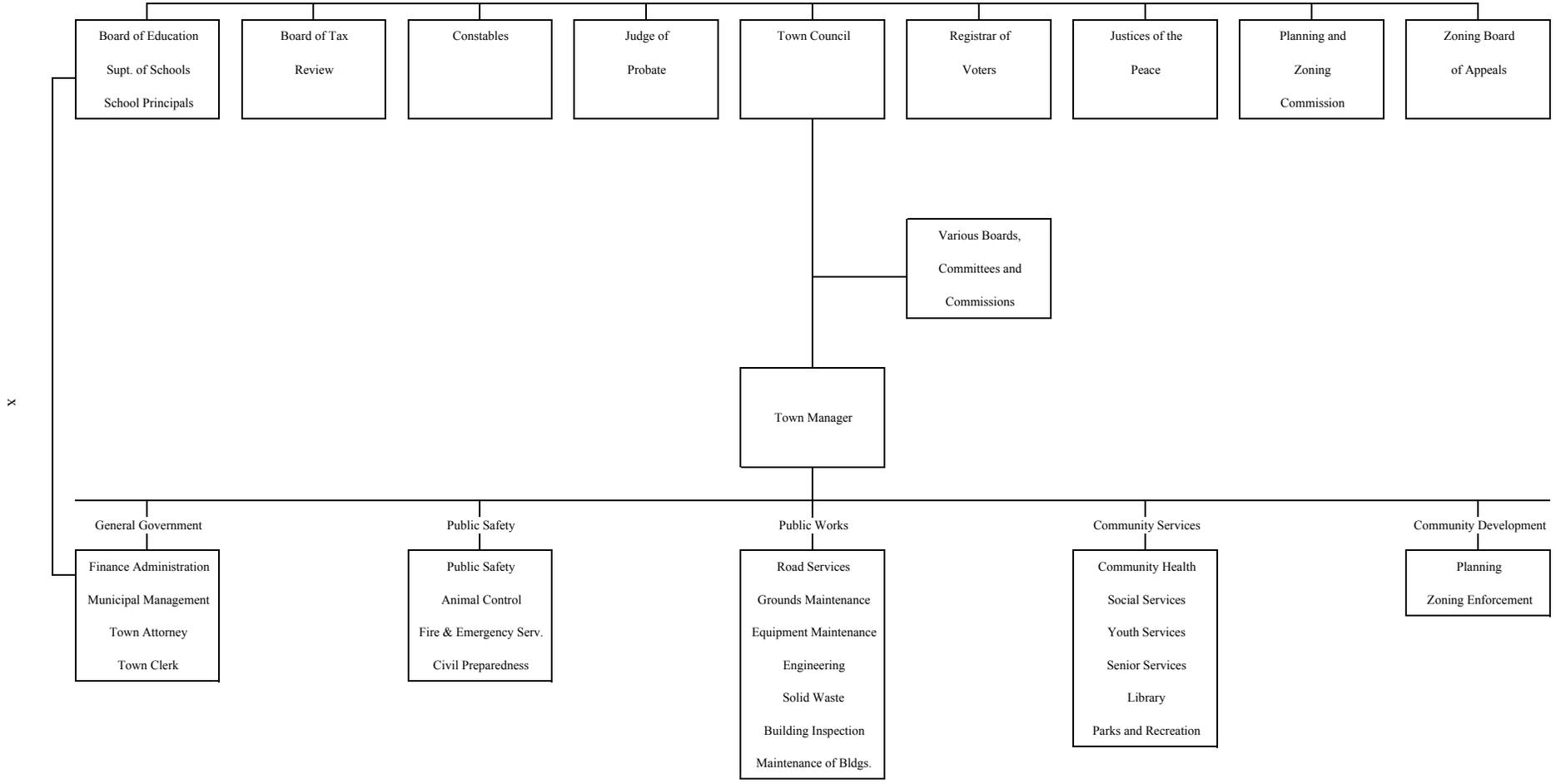
Christine Gamache
Collector of Revenue

Jaime L. Russell
Information Technology Director

TOWN OF MANSFIELD, CONNECTICUT

ORGANIZATIONAL CHART

Electors





Government Finance Officers Association

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

Presented to

**Town of Mansfield
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

Financial Section



Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Town Council
Town of Mansfield, 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 Mansfield, Connecticut, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town of Mansfield, 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 Mansfield, Connecticut, as of June 30, 2013 and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2013 on our consideration of the Town of Mansfield, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Mansfield, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 18, 2013



CHERYL A. TRAHAN, Director of Finance

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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013**

As management of the Town of Mansfield, we offer readers of the Town of Mansfield's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal in the introductory section of this report.

Financial Highlights

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$101,066,557 (*net position*). Of this amount, \$8,895,489 (*unrestricted net position*) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$11,169,035. This is primarily due to asset additions in excess of depreciation (\$10,822,576) primarily for a new parking garage, intermodal center and infrastructure improvements in Storrs Center.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$5,123,484, a decrease of \$689,935 in comparison with the prior year. Unassigned fund balance at June 30, 2013 was (\$2,079,415) with an unassigned fund balance in the Capital Projects fund of (\$4,829,171).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,749,756 or 6.1% of total General Fund expenditures.
- The Town's total long-term obligations decreased by \$1,108,179 during the current fiscal year. The key factors in this decrease were scheduled principal payments made on bonded debt of \$460,000, a decrease of \$244,375 for capital leases, and a decrease of \$422,188 for retirement benefits.

Overview of the Basic Financial Statements

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

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

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

Overview of the Basic Financial Statements (continued)

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, public works, community services, community development and education. The business-type activities of the Town include a sewer operation, a transfer station operation and most recently a transit services operation (parking garage and intermodal center).

The government-wide financial statements can be found on Exhibits I and II of this report.

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

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

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

The Town maintains 13 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Mansfield discretionary fund, and capital projects fund, all of which are considered to be major funds. Data from the other 10 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statements can be found on Exhibits III and IV.

Proprietary funds. The Town maintains two different types of proprietary funds. 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 and for its solid waste operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions.

The Town uses internal service funds to account for self-insured medical benefits, workers' compensation benefits, voice and data communications and support, energy costs, and printing and mailing services. Because these services

Overview of the Basic Financial Statements (continued)

predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer fund and the Transit Services fund (major funds) and for the Solid Waste fund (a nonmajor fund). Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on Exhibits VI, VII and VIII.

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

The basic fiduciary fund financial statements can be found on Exhibits IX and X.

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. The notes to the basic financial statements can be found after Exhibit X.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to basic financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a Town’s financial position. In the case of the Town, assets exceeded liabilities by \$101,066,557 at the close of the most recent fiscal year.

**TOWN OF MANSFIELD
NET POSITION
JUNE 30, 2013 AND 2012**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current and other assets	\$ 17,480,532	\$ 18,625,708	\$ 522,362	\$ 468,389	\$ 18,002,894	\$ 19,094,097
Capital assets (net)	82,909,334	83,639,368	12,219,106	666,496	95,128,440	84,305,864
TOTAL ASSETS	100,389,866	102,265,076	12,741,468	1,134,885	113,131,334	103,399,961
Long-term liabilities outstanding	5,937,877	7,038,132	98,929	106,853	6,036,806	7,144,985
Other liabilities	5,826,468	6,236,992	201,503	120,462	6,027,971	6,357,454
TOTAL LIABILITIES	11,764,345	13,275,124	300,432	227,315	12,064,777	13,502,439
Net position:						
Net investment in capital assets	79,677,678	79,717,286	12,219,106	666,496	91,896,784	80,383,782
Restricted	274,284	308,189			274,284	308,189
Unrestricted	8,673,559	8,964,477	221,930	241,074	8,895,489	9,205,551
TOTAL NET POSITION	\$ 88,625,521	\$ 88,989,952	\$ 12,441,036	\$ 907,570	\$ 101,066,557	\$ 89,897,522

By far the largest portion of the Town’s net position (90.9%) reflects its investment in capital assets (e.g., land, construction in progress, land improvements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure, pump station and sewer distribution system), less any related debt used to acquire those assets that is still

Government-Wide Financial Analysis (continued)

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

An additional portion of the Town's net position (0.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$8,895,489) may be used to meet the Town's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position, both for the Town as a whole, as well as for its separate governmental and business-type activities. The same held true for the prior fiscal year.

**TOWN OF MANSFIELD
CHANGE IN NET POSITION
JUNE 30, 2013 AND 2012**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
REVENUES:						
Program revenues:						
Charges for services	\$ 5,104,313	\$ 5,159,826	\$ 1,536,794	\$ 1,263,332	\$ 6,641,107	\$ 6,423,158
Operating grants and contributions	15,507,421	14,891,201			15,507,421	14,891,201
Capital grants and contributions	9,264,040	12,267,413			9,264,040	12,267,413
General revenues:						
Property taxes	27,072,830	26,201,473			27,072,830	26,201,473
Grants and contributions not restricted to specific programs	7,332,013	7,367,837			7,332,013	7,367,837
Investment income	16,825	78,768			16,825	78,768
Miscellaneous	55,089	42,651	411	2,171	55,500	44,822
Insurance recoveries	603,077				603,077	-
Transfers	(11,834,234)		11,834,234		-	-
TOTAL REVENUES	53,121,374	66,009,169	13,371,439	1,265,503	66,492,813	67,274,672
EXPENSES						
General government	2,642,388	2,567,803			2,642,388	2,567,803
Public safety	4,052,517	3,678,932			4,052,517	3,678,932
Public works	3,193,047	3,615,666			3,193,047	3,615,666
Community services	5,983,857	6,054,390			5,983,857	6,054,390
Community development	1,072,814	858,172			1,072,814	858,172
Education	36,309,297	36,575,004			36,309,297	36,575,004
Interest expense	231,885	256,797			231,885	256,797
Sewer department			368,270	317,849	368,270	317,849
Transfer station			1,077,733	1,039,725	1,077,733	1,039,725
Transit services			391,970		391,970	-
TOTAL EXPENSES	53,485,805	53,606,764	1,837,973	1,357,574	55,323,778	54,964,338
INCREASE (DECREASE) IN NET POSITION	(364,431)	12,402,405	11,533,466	(92,071)	11,169,035	12,310,334
NET POSITION - JULY 1, as restated	88,989,952	76,587,547	907,570	999,641	89,897,522	77,587,188
NET POSITION - JUNE 30	\$ 88,625,521	\$ 88,989,952	\$ 12,441,036	\$ 907,570	\$ 101,066,557	\$ 89,897,522

The Town's net position increased by \$11,169,035 during the current fiscal year. This is substantially due to asset additions in excess of depreciation (\$10,822,576), most notably the final costs for the parking garage (\$1,043,940), the construction of a new intermodal center (\$3,362,695) and infrastructure improvements (\$5,890,167) in Storrs Center. Also increasing the Town's net position is the reduction in long term debt and retirement benefits liability.

Government-Wide Financial Analysis (continued)

Governmental activities. Governmental activities decreased the Town's net position by \$364,431. The business-type activities increased net position by \$11,533,466, for an overall net increase of \$11,169,035 or 12.4%.

Revenues

Governmental activities revenues totaled \$53,121,374 for fiscal year 2013, after a transfer to the Transit Services fund of \$11,834,234. Property taxes are the largest revenue source for the Town and represent 51.0% of governmental revenues. Current tax collections were 98.4% of the adjusted tax levy, consistent with prior year. Operating grants and contributions revenues are the Town's second largest revenue and include grants for education, public works and community services and account for 29.2% of governmental revenues for the year. Capital grant contributions account for 17.4% of governmental revenues and reflect a significant decrease over prior year due to capital grants for Storrs Center received in fiscal year 2012. Grants and contributions not restricted to specific programs account for 13.8% of governmental revenues and include property tax related grants.

The most significant fluctuations from the prior year amounts were as follows:

- Capital grants and contributions decreased by \$3,003,373 primarily due to the numerous grants received for the Storrs Center development. Most notably: State of Conn. \$10,000,000 grant for the parking garage received \$9,658,622 in fiscal year 2012; and Conn. Dept. of Transportation grant of \$1,475,318, Federal Transit Authority grant of \$3,309,956 and Urban Action grant of \$1,608,641 received in fiscal year 2013.
- Property taxes increased by \$871,357 primarily due to an increase in the overall cost of providing services, primarily due to contractual wage and benefit adjustments and a decrease in other revenues.
- Operating grants and contributions increased by \$616,220. This increase is primarily due an increase in municipal aid through the State Revenue Sharing grant for \$353,656 and an increase in grants for education for \$139,898.

Expenses

Governmental expenses totaled \$53,485,805 for the fiscal year. Of the expenses, \$36,309,297 or 67.9% is related to education. Community services expenses were \$5,983,857 or 11.2%, public safety expenses were \$4,052,517 or 7.6%, public works expenses amounted to \$3,193,047 or 6.0%, general government expenses were \$2,642,388 or 4.9% and community development expenses were \$1,072,814 or 2.0%.

The most significant fluctuations from the prior year amounts were as follows:

- Education decreased by \$265,707 primarily as a result of a decrease in Mansfield's prorated share of Regional School District 19.
- Public Safety increased by \$373,585 due to an increase in the cost of the Resident State Trooper program \$92,577, the replacement of an ambulance \$213,381, and the replacement of a vehicle \$32,319.
- Public Works decreased by \$422,619 due to a significant amount of bridge repair work done in fiscal year 2012.
- Community Development increased \$214,642 due to the Storrs Center development project. The parking garage work was primarily done in fiscal year 2012, but fiscal year 2013 had significant road improvements and the construction of the intermodal center.

All other changes in expenses paralleled growth in demand for services and inflation.

Business-type activities. Business-type activities increased the Town's net position by \$11,533,466. This is primarily due to the establishment of the Transit Services fund and the transfer of assets (parking garage and intermodal center) from governmental activities. The largest source of revenues excluding this transfer comes from charges for services. Miscellaneous revenues make up the remaining revenue and are less than 0.1% of the Town's business-type activities

The sewer department expenses were \$368,270 in the fiscal year ended June 30, 2013, transit services expenses were \$391,970, and the transfer station expenses were \$1,077,733. Expenses for all funds were reflective of demand for services and inflation.

Financial Analysis of the Town's Funds

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

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$5,123,484, a decrease of \$689,935 in comparison with the prior year. The unassigned fund balance amount is (\$2,079,415). The remainder of fund balance is not available for new or additional appropriations because it is 1) restricted for a specific purpose by an external source (\$4,915,700) primarily for projects funded either by bonding or grants), or 2) committed to be used for a specific purpose as determined by the Town Council (\$1,844,321), primarily debt service and other operating accounts) or 3) assigned to be used to liquidate prior year purchase orders (\$424,907) or 4) nonspendable, primarily inventory (\$17,971).

The General Fund is the operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,749,756, with a total fund balance of \$3,174,663. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 6.1% of total General Fund expenditures, while total fund balance represents 7.1% of that same amount.

The fund balance of the Town's General Fund increased by \$679,568 during the current fiscal year. The increase was primarily attributable to: a budgeted increase in fund balance of \$214,000 and the receipt of the State Revenue Sharing grant of \$353,656.

Mansfield Discretionary Fund. This fund had \$113,742 in revenues for the year and \$86,535 in expenses for a net increase in fund balance of \$27,207. Revenues exceeded expenditures primarily due to the receipt of small cities loan payoffs in excess of new projects.

Capital projects fund. This fund accounts for financial resources to be used for the acquisition of major equipment or construction of facilities. The capital projects fund's expenditures exceeded its revenues by \$1,623,325 for the fiscal year. This is primarily a result of Storrs Center projects currently underway that will be funded from future net revenues from the development project.

Proprietary funds. The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position at the end of the year amounted to \$55,058 for the Sewer Operating fund, \$11,691 for the Transit Services fund, \$155,181 for the Solid Waste Disposal fund, and \$4,547,804 for the Internal Service funds. The total increase (decrease) in net position for the funds was (\$75,829) for the Sewer Operating fund, \$11,597,672 for the Transit Services fund, \$11,623 for the Solid Waste Disposal Fund, and \$56,208 for the Internal Service funds. Other factors concerning the finances of these three funds have already been addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget can be briefly summarized as follows:

- An increase of \$226,857 in public safety was primarily due to an increase in fire and emergency services of \$176,420 for salaries, and truck parts and vehicle repairs due to an aging fleet.
- A reduction of \$142,603 in public works is due to a reduction of \$60,274 for engineering salary costs and \$86,005 in road services salary costs due to grant funding from FEMA and from the Department of Transportation on bridge projects.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

- An increase in Other Financing Uses of \$312,070 is primarily providing additional funding for the School Renovation project of \$127,070, and increasing funding for the Four Corners Sewer and Water project by \$150,000.
- Other increases and decreases were reflective of the demand for services.

During the year, expenditures were less than budgetary estimates by \$13,203. Of that amount, Town wide expenditures were less than budget by \$10,678 and education expenditures were less than budget by \$2,525.

Capital Assets and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2013, amounts \$95,128,440 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure, pump station, and sewer distribution system. The total net increase in the Town's investment in capital assets for the current fiscal year was \$10,822,576 and consisted of a decrease of \$730,034 for governmental activities and an increase of \$11,552,610 for business-type activities. Capital asset additions for the year of \$25,615,183 were offset by depreciation for the year in the amount of \$2,611,144.

Major capital acquisitions were as follows:

- \$1,043,940 for Storrs Center parking garage
- \$3,362,694 for the Nash-Zimmer Transportation Center
- \$5,890,168 for road and walkway improvements in Storrs Center
- \$423,591 for rolling stock including an ambulance replacement for \$213,381

Additional information on the Town's capital assets can be found in Note 5.

**TOWN OF MANSFIELD
CAPITAL ASSETS
(net of depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 4,991,115	\$ 4,950,115	\$ 74,798	\$ 74,798	\$ 5,065,913	\$ 5,024,913
Construction in progress	15,985,099	15,373,391	752,917	90,087	16,738,016	15,463,478
Land improvements	2,873,232	2,819,190			2,873,232	2,819,190
Buildings	21,433,466	22,489,136	475	475	21,433,941	22,489,611
Improvements other than buildings	688,277	697,970			688,277	697,970
Machinery and equipment	2,066,682	1,874,313	57,871	67,406	2,124,553	1,941,719
Vehicles	2,009,025	2,079,790			2,009,025	2,079,790
Infrastructure	32,862,438	33,355,463	10,923,151		43,785,589	33,355,463
Pump station			103,848	106,739	103,848	106,739
Sewer distribution system			306,046	326,991	306,046	326,991
TOTAL	\$ 82,909,334	\$ 83,639,368	\$ 12,219,106	\$ 666,496	\$ 95,128,440	\$ 84,305,864

Long-term debt. At the end of the current fiscal year, the Town had total bonded debt outstanding of \$2,985,000. The entire amount is backed by the full faith and credit of the Town.

**TOWN OF MANSFIELD OUTSTANDING DEBT
General Obligation Bonds**

	Governmental Activities	
	2013	2012
General Obligation Bonds - Town	\$ 1,880,000	\$ 2,260,000
General Obligation Bonds - School	1,105,000	1,185,000
	\$ 2,985,000	\$ 3,445,000

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

The Town’s outstanding debt decreased due to scheduled principal payments made of \$460,000. No additional general obligation debt was issued, however \$1,445,000 is authorized but unissued at this time for the following: public works vehicles (\$195,000), an ambulance (\$210,000), and \$1,040,000 for the purchase of open space properties.

The Town maintains an “Aa2” rating from Moody’s for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7 times total tax collections including interest and lien fees and the tax relief for elderly freeze grant. The current debt limitation for the Town is \$188,389,915, which is significantly in excess of the Town’s outstanding general obligation debt.

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

Economic Factors and Next Year’s Budgets and Rates

The Town is located east of Hartford, Connecticut, and is the home of the University of Connecticut. With over 4,000 employees, the University is the major employer for the Town. This has a positive effect on employment rates regardless of the business cycle. However, the recent significant downturn in the economy is now having an impact on local unemployment.

The following table presents unemployment rates for Mansfield, the Hartford Labor Market, the State and the United States.

<u>2013 Monthly</u>				
<u>Yearly Average</u>	<u>Town of Mansfield</u>	<u>Hartford Labor Market</u>	<u>State of Connecticut</u>	<u>United States</u>
2008	4.7%	5.7%	5.6%	5.8%
2009	6.0	8.3	8.3	9.3
2010	7.6	9.2	9.1	9.6
2011	7.5	8.8	8.1	8.5
2012	7.4	8.4	8.4	7.8
January	7.5	8.7	8.7	7.9
February	6.7	8.4	8.4	7.7
March	7.5	8.2	8.2	7.6
April	6.0	7.8	7.8	7.5
May	7.2	8.1	8.1	7.6
June	8.5	8.2	8.1	7.6

The above factors were considered in preparing the Town’s budget for the 2014 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Town’s finances for all those with an interest in the Town’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, 4 South Eagleville Road, Storrs CT 06268.

Basic Financial Statements

TOWN OF MANSFIELD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2013

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 6,944,649	\$ 416,517	\$ 7,361,166
Investments	216,465		216,465
Receivables, net:			
Property taxes	963,374		963,374
Intergovernmental	6,398,151		6,398,151
Loans	1,177,520		1,177,520
Other	1,344,617	105,845	1,450,462
Other assets	31,230		31,230
Total current assets	<u>17,076,006</u>	<u>522,362</u>	<u>17,598,368</u>
Noncurrent assets:			
Restricted assets:			
Permanently restricted:			
Investments	<u>404,526</u>		<u>404,526</u>
Capital assets:			
Capital assets not being depreciated	20,976,214	827,715	21,803,929
Capital assets being depreciated (net of accumulated depreciation)	<u>61,933,120</u>	<u>11,391,391</u>	<u>73,324,511</u>
Total capital assets	<u>82,909,334</u>	<u>12,219,106</u>	<u>95,128,440</u>
Total noncurrent assets	<u>83,313,860</u>	<u>12,219,106</u>	<u>95,532,966</u>
Total Assets	<u>100,389,866</u>	<u>12,741,468</u>	<u>113,131,334</u>
LIABILITIES			
Liabilities:			
Accounts payable	3,974,171	201,503	4,175,674
Due to fiduciary fund	95,998		95,998
Accrued liabilities	1,454,352		1,454,352
Unearned revenue	301,947		301,947
Noncurrent liabilities:			
Due within one year	980,080	6,188	986,268
Due in more than one year	<u>4,957,797</u>	<u>92,741</u>	<u>5,050,538</u>
Total Liabilities	<u>11,764,345</u>	<u>300,432</u>	<u>12,064,777</u>
NET POSITION			
Net Investment in capital assets	79,677,678	12,219,106	91,896,784
Restricted:			
Perpetual care:			
Nonexpendable	1,200		1,200
Expendable	272,161		272,161
Endowments:			
Nonexpendable	770		770
Expendable	153		153
Unrestricted	<u>8,673,559</u>	<u>221,930</u>	<u>8,895,489</u>
Total Net Position	<u>\$ 88,625,521</u>	<u>\$ 12,441,036</u>	<u>\$ 101,066,557</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF MANSFIELD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Functions/Programs	Expenses	Program Revenues			Net Expenses and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General government	\$ 2,642,388	\$ 350,701	\$ 372,664	\$ -	\$ (1,919,023)	\$ -	\$ (1,919,023)
Public safety	4,052,517	574,346	132,210	-	(3,345,961)	-	(3,345,961)
Public works	3,193,047	370,077	212,152	9,006,296	6,395,478	-	6,395,478
Community services	5,983,857	2,851,027	790,519	257,744	(2,084,567)	-	(2,084,567)
Community development	1,072,814	302,481	54,886	-	(715,447)	-	(715,447)
Education	36,309,297	655,681	13,944,990	-	(21,708,626)	-	(21,708,626)
Interest expense	231,885	-	-	-	(231,885)	-	(231,885)
Total Governmental Activities	53,485,805	5,104,313	15,507,421	9,264,040	(23,610,031)	-	(23,610,031)
Business-Type Activities:							
Sewer Department	368,270	292,441	-	-	-	(75,829)	(75,829)
Transfer Station	1,077,733	1,088,945	-	-	-	11,212	11,212
Transit Services	391,970	155,408	-	-	-	(236,562)	(236,562)
Total Business-Type Activities	1,837,973	1,536,794	-	-	-	(301,179)	(301,179)
Total	\$ 55,323,778	\$ 6,641,107	\$ 15,507,421	\$ 9,264,040	(23,610,031)	(301,179)	(23,911,210)
General Revenues:							
Property taxes					27,072,830		27,072,830
Grants and contributions not restricted to specific programs					7,332,013		7,332,013
Investment income					16,825		16,825
Insurance recoveries					603,077		603,077
Miscellaneous					55,089	411	55,500
Transfers					(11,834,234)	11,834,234	-
Total General Revenues and Transfers					23,245,600	11,834,645	35,080,245
Change in Net Position					(364,431)	11,533,466	11,169,035
Net Position at Beginning of Year, as Restated					88,989,952	907,570	89,897,522
Net Position at End of Year					\$ 88,625,521	\$ 12,441,036	\$ 101,066,557

The accompanying notes are an integral part of the financial statements

**TOWN OF MANSFIELD, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013**

	<u>General</u>	<u>Mansfield Discretionary Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 330,107	\$ 118,868	\$	\$ 1,934,862	\$ 2,383,837
Investments	216,465				216,465
Restricted investments				404,526	404,526
Receivables, net:					
Property taxes	746,425				746,425
Sewer assessments				3,700	3,700
Intergovernmental	25,234	5,143	6,152,259	215,515	6,398,151
Loans		1,177,520			1,177,520
Other	79,039	1,260	936,567	56,006	1,072,872
Due from other funds	6,141,523				6,141,523
Other				16,001	16,001
Total Assets	<u>\$ 7,538,793</u>	<u>\$ 1,302,791</u>	<u>\$ 7,088,826</u>	<u>\$ 2,630,610</u>	<u>\$ 18,561,020</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and other payables	\$ 1,813,158	\$	\$ 1,436,773	\$ 106,419	\$ 3,356,350
Accrued liabilities	1,439,866				1,439,866
Due to other funds	395,169		6,141,523	15,036	6,551,728
Deferred and unearned revenue	715,937	1,177,520		196,135	2,089,592
Total Liabilities	<u>4,364,130</u>	<u>1,177,520</u>	<u>7,578,296</u>	<u>317,590</u>	<u>13,437,536</u>
Fund Balances:					
Nonspendable				17,971	17,971
Restricted		125,271	4,339,701	450,728	4,915,700
Committed				1,844,321	1,844,321
Assigned	424,907				424,907
Unassigned	2,749,756		(4,829,171)		(2,079,415)
Total Fund Balances	<u>3,174,663</u>	<u>125,271</u>	<u>(489,470)</u>	<u>2,313,020</u>	<u>5,123,484</u>
Total Liabilities and Fund Balances	<u>\$ 7,538,793</u>	<u>\$ 1,302,791</u>	<u>\$ 7,088,826</u>	<u>\$ 2,630,610</u>	<u>\$ 18,561,020</u>

(Continued on next page)

**TOWN OF MANSFIELD, CONNECTICUT
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2013**

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position:

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

Fund balances - total governmental funds (Exhibit III)	\$	5,123,484
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$	119,975,543
Less accumulated depreciation		<u>(38,501,356)</u>
Net capital assets		81,474,187
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:		
Property tax receivables greater than 60 days		606,425
Interest receivable on property taxes		216,949
Housing loans		1,177,520
Other		6,180
Sewer assessment receivables		3,700
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.		
		5,982,951
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net OPEB obligation		(24,684)
Bonds and notes payable		(2,985,000)
Interest payable on bonds and notes		(27,998)
Capital leases		(218,947)
Retirement benefit		(1,986,982)
Compensated absences		(694,555)
Deferred charges on refunding		18,644
Bond premium		<u>(46,353)</u>
Net Position of Governmental Activities (Exhibit I)	\$	<u><u>88,625,521</u></u>

The accompanying notes are an integral part of the financial statements

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

	<u>General</u>	<u>Mansfield Discretionary Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes	\$ 26,975,001	\$ 54,886	\$ 7,820,702	\$ 2,510,768	\$ 26,975,001
Intergovernmental	20,156,961	156		(2,483)	30,543,317
Investment income (loss)	14,153	58,700	215,211	3,953,344	11,826
Charges for services	870,996		1,169,375	278,707	5,098,251
Contributions			16,830	749,984	1,448,082
Other local revenues	9,489				776,303
Total Revenues	<u>48,026,600</u>	<u>113,742</u>	<u>9,222,118</u>	<u>7,490,320</u>	<u>64,852,780</u>
Expenditures:					
Current:					
General government	2,390,185			19,065	2,409,250
Public safety	3,262,526			334,306	3,596,832
Public works	1,938,511			219,180	2,157,691
Community services	1,663,565			3,706,865	5,370,430
Community development	649,583	86,535			736,118
Town wide expenditures	2,611,262				2,611,262
Education	32,224,464			2,306,273	34,530,737
Capital outlay			13,108,856	179,453	13,288,309
Debt service				842,086	842,086
Total Expenditures	<u>44,740,096</u>	<u>86,535</u>	<u>13,108,856</u>	<u>7,607,228</u>	<u>65,542,715</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,286,504</u>	<u>27,207</u>	<u>(3,886,738)</u>	<u>(116,908)</u>	<u>(689,935)</u>
Other Financing Sources (Uses):					
Transfers in	60,500		2,263,413	2,667,436	4,991,349
Transfers out	(2,667,436)			(2,323,913)	(4,991,349)
Net Other Financing Sources (Uses)	<u>(2,606,936)</u>	<u>-</u>	<u>2,263,413</u>	<u>343,523</u>	<u>-</u>
Net Change in Fund Balances	679,568	27,207	(1,623,325)	226,615	(689,935)
Fund Balances at Beginning of Year, as Restated	<u>2,495,095</u>	<u>98,064</u>	<u>1,133,855</u>	<u>2,086,405</u>	<u>5,813,419</u>
Fund Balances at End of Year	<u>\$ 3,174,663</u>	<u>\$ 125,271</u>	<u>\$ (489,470)</u>	<u>\$ 2,313,020</u>	<u>\$ 5,123,484</u>

(Continued on next page)

TOWN OF MANSFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

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

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$	(689,935)
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay		13,441,525
Depreciation expense		(2,129,578)

The statement of activities reports losses arising from the trade-in or disposal of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in or disposal of capital assets.		(341,552)
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The statement of activities reports transfers of capital assets from governmental activities to business-type activities as transfers. Governmental funds do not report any gain or loss on the transfer of capital assets.		(11,834,234)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

Property tax receivable - accrual basis change		63,906
Property tax interest and lien revenue - accrual basis change		33,923
Housing loan receivable - accrual basis change		15,276

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

Bond and note principal payments		460,000
Capital lease payments		169,087
Amortization of deferred charge on refunding		(18,648)
Amortization of issuance costs		(6,185)
Amortization of premiums		4,699

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

Compensated absences		(12,276)
Accrued interest		1,248
Net OPEB obligation		(83)
Retirement benefit		422,188

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities		56,208
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Change in Net Position of Governmental Activities (Exhibit II)	\$	<u><u>(364,431)</u></u>
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The accompanying notes are an integral part of the financial statements

TOWN OF MANSFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Property taxes	\$ 26,741,470	\$ 26,803,170	\$ 26,975,001	\$ 171,831
Intergovernmental	17,642,360	17,781,360	17,826,083	44,723
Investment income	25,000	25,000	15,508	(9,492)
Charges for services	886,510	886,510	870,996	(15,514)
Other local revenues	<u>2,500</u>	<u>2,500</u>	<u>35,292</u>	<u>32,792</u>
Total Revenues	<u>45,297,840</u>	<u>45,498,540</u>	<u>45,722,880</u>	<u>224,340</u>
Expenditures:				
Current:				
General government	2,465,070	2,389,649	2,389,649	-
Public safety	3,055,460	3,282,317	3,282,317	-
Public works	2,083,910	1,941,307	1,941,307	-
Community services	1,675,370	1,668,027	1,668,027	-
Community development	646,000	649,582	649,582	-
Town-wide expenditures	2,728,610	2,637,862	2,627,184	10,678
Education	<u>30,050,860</u>	<u>30,050,860</u>	<u>30,048,335</u>	<u>2,525</u>
Total Expenditures	<u>42,705,280</u>	<u>42,619,604</u>	<u>42,606,401</u>	<u>13,203</u>
Excess of Revenues over Expenditures	<u>2,592,560</u>	<u>2,878,936</u>	<u>3,116,479</u>	<u>237,543</u>
Other Financing Sources (Uses):				
Transfers in	2,500	2,500	2,500	-
Transfers out	<u>(2,331,760)</u>	<u>(2,667,436)</u>	<u>(2,667,436)</u>	<u>-</u>
Net Other Financing Uses	<u>(2,329,260)</u>	<u>(2,664,936)</u>	<u>(2,664,936)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 263,300</u>	<u>\$ 214,000</u>	451,543	<u>\$ 237,543</u>
Fund Balance at Beginning of Year			<u>2,371,661</u>	
Fund Balance at End of Year			<u>\$ 2,823,204</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF MANSFIELD, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	Business-Type Activities Enterprise Funds			Governmental Activities	
	Major Funds		Nonmajor Fund	Totals	Internal Service Funds
	Sewer Operating Fund	Transit Services Fund	Solid Waste Disposal		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 85,950	\$ 11,691	\$ 318,876	\$ 416,517	\$ 4,560,812
Accounts receivable, net	89,397		16,448	105,845	268,045
Due from other funds				-	314,207
Other				-	9,049
Total current assets	<u>175,347</u>	<u>11,691</u>	<u>335,324</u>	<u>522,362</u>	<u>5,152,113</u>
Noncurrent assets:					
Capital assets (net of accumulated depreciation):					
Land	66,298		8,500	74,798	145,649
Construction in progress	90,087	662,830		752,917	104,653
Buildings			475	475	77,136
Equipment			57,871	57,871	1,107,709
Infrastructure		10,923,151		10,923,151	
Pump station	103,848			103,848	
Sewer distribution system	306,046			306,046	
Total capital assets (net of accumulated depreciation)	<u>566,279</u>	<u>11,585,981</u>	<u>66,846</u>	<u>12,219,106</u>	<u>1,435,147</u>
Total Assets	<u>741,626</u>	<u>11,597,672</u>	<u>402,170</u>	<u>12,741,468</u>	<u>6,587,260</u>
LIABILITIES					
Current liabilities:					
Accounts payable	120,289		81,214	201,503	194,809
Claims payable				-	409,500
Landfill postclosure liability			4,000	4,000	
Compensated absences			2,188	2,188	
Total current liabilities	<u>120,289</u>	<u>-</u>	<u>87,402</u>	<u>207,691</u>	<u>604,309</u>
Noncurrent liabilities:					
Landfill postclosure liability			84,000	84,000	
Compensated absences			8,741	8,741	
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>92,741</u>	<u>92,741</u>	<u>-</u>
Total Liabilities	<u>120,289</u>	<u>-</u>	<u>180,143</u>	<u>300,432</u>	<u>604,309</u>
NET POSITION					
Net investment in capital assets	566,279	11,585,981	66,846	12,219,106	1,435,147
Unrestricted	<u>55,058</u>	<u>11,691</u>	<u>155,181</u>	<u>221,930</u>	<u>4,547,804</u>
Total Net Position	<u>\$ 621,337</u>	<u>\$ 11,597,672</u>	<u>\$ 222,027</u>	<u>\$ 12,441,036</u>	<u>\$ 5,982,951</u>

The accompanying notes are an integral part of the financial statements

TOWN OF MANSFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Business-Type Activities Enterprise Funds			Totals	Governmental Activities
	Major Funds		Nonmajor Fund		Internal Service Funds
	Sewer Operating Fund	Transit Services Fund	Solid Waste Disposal		
Operating Revenues:					
Sewer charges	\$ 289,959			\$ 289,959	
Parking fees		155,408		155,408	
Garbage collection fees			962,915	962,915	
Transfer station fees			113,892	113,892	
Sale of recyclables			10,048	10,048	
Premiums				-	7,293,528
Charges for services				-	2,861,852
Rental income				-	230,113
Other revenues	2,482		2,501	4,983	315,526
Total Operating Revenues	292,441	155,408	1,089,356	1,537,205	10,701,019
Operating Expenses:					
Wages and fringe benefits		76,950	314,344	391,294	513,946
Administration		11,187		11,187	835,602
Medical claims				-	6,189,683
Workers' compensation				-	516,936
Repairs and maintenance	76,306	528		76,834	121,446
Consultants			18,618	18,618	80,995
Supplies, materials and rentals				-	143,628
Software and related communication costs			14,020	14,020	280,709
Utilities	146	31,652	760	32,558	1,761,246
Insurance		7,145		7,145	
Contract pickup			421,672	421,672	
Sewer billings	257,204			257,204	
Supplies and services	10,778	6,445	21,759	38,982	
Professional services		7,612		7,612	
Dumping fees			277,025	277,025	
Other		2,198		2,198	
Depreciation	23,836	248,253	9,535	281,624	199,942
Total Operating Expenses	368,270	391,970	1,077,733	1,837,973	10,644,133
Operating Income (Loss)	(75,829)	(236,562)	11,623	(300,768)	56,886
Nonoperating Revenues (Expenses):					
Capital contributions		11,834,234		11,834,234	
Loss on disposal of capital assets				-	(5,677)
Investment income				-	4,999
Net nonoperating expenses	-	11,834,234	-	11,834,234	(678)
Change in Net Position	(75,829)	11,597,672	11,623	11,533,466	56,208
Net Position at Beginning of Year	697,166	-	210,404	907,570	5,926,743
Net Position at End of Year	\$ 621,337	\$ 11,597,672	\$ 222,027	\$ 12,441,036	\$ 5,982,951

The accompanying notes are an integral part of the financial statements

TOWN OF MANSFIELD, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Business-Type Activities Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Fund	Totals	Internal Service Funds
	Sewer Operating Fund	Transit Services Fund	Solid Waste Disposal		
Cash Flows from Operating Activities:					
Receipts from customers	\$ 290,490	\$ 155,408	\$ 1,081,648	\$ 1,527,546	\$ 3,372,554
Premiums received				-	7,318,289
Payments to vendors	(272,493)	(66,767)	(748,754)	(1,088,014)	(3,724,980)
Payments for claims				-	(6,128,183)
Payments to employees		(76,950)	(318,268)	(395,218)	(513,946)
Net Cash Provided by Operating Activities	<u>17,997</u>	<u>11,691</u>	<u>14,626</u>	<u>44,314</u>	<u>323,734</u>
Cash Flows from Noncapital Financing Activities:					
Transfers from other funds				-	(442,663)
Cash advances from other funds				-	56,855
Net Cash Used in Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(385,808)</u>
Cash Flows from Capital and Related Financing Activities:					
Purchase of capital assets				-	(339,424)
Principal payment - lease purchase				-	(75,288)
Net Cash Used in Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(414,712)</u>
Cash Flows from Investing Activities:					
Investment income				-	4,999
Net Increase (Decrease) in Cash and Cash Equivalents	17,997	11,691	14,626	44,314	(471,787)
Cash and Cash Equivalents at Beginning of Year	<u>67,953</u>	<u>-</u>	<u>304,250</u>	<u>372,203</u>	<u>5,032,599</u>
Cash and Cash Equivalents at End of Year	<u>\$ 85,950</u>	<u>\$ 11,691</u>	<u>\$ 318,876</u>	<u>\$ 416,517</u>	<u>\$ 4,560,812</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Operating income (loss)	\$ (75,829)	\$ (236,562)	\$ 11,623	\$ (300,768)	\$ 56,886
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	23,836	248,253	9,535	281,624	199,942
(Increase) decrease in:					
Accounts receivable	(1,951)		(7,708)	(9,659)	(10,176)
Other				-	1,859
Increase (decrease) in:					
Accounts payable	71,941		9,100	81,041	13,723
Claims payable				-	61,500
Compensated absences			(3,924)	(3,924)	
Landfill postclosure liability			(4,000)	(4,000)	
Net Cash Provided by Operating Activities	<u>\$ 17,997</u>	<u>\$ 11,691</u>	<u>\$ 14,626</u>	<u>\$ 44,314</u>	<u>\$ 323,734</u>
Schedule of Non-cash Capital and Related Financing Activities:					
Contributions of capital assets	\$	\$ 11,834,234	\$	\$ 11,834,234	\$

The accompanying notes are an integral part of the financial statements

**TOWN OF MANSFIELD, CONNECTICUT
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2013**

	<u>Postemployment Healthcare Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ <u>18,851</u>	\$ <u>1,143,289</u>
Investments, at Fair Value:		
Mutual funds	<u>384,241</u>	<u> </u>
Accounts receivable	<u> </u>	<u>15,170</u>
Due from other funds	<u> </u>	<u>95,998</u>
Total Assets	<u>403,092</u>	<u>1,254,457</u>
LIABILITIES		
Liabilities:		
Due to others	<u> </u>	<u>1,254,457</u>
Total Liabilities	<u>-</u>	<u>1,254,457</u>
NET POSITION		
Net Position Held in Trust for Postemployment Healthcare Purposes	<u>\$ 403,092</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF MANSFIELD, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED JUNE 30, 2013**

	Postemployment Healthcare Trust Fund
Additions:	
Contributions:	
Employer	\$ 280,400
Investment income:	
Net appreciation in fair value of investments	23,541
Interest and dividends	48
Total Additions	303,989
Deductions:	
Benefits	264,245
Change in Net Position	39,744
Net Position at Beginning of Year	363,348
Net Position at End of Year	\$ <u>403,092</u>

The accompanying notes are an integral part of the financial statements

TOWN OF MANSFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town was incorporated in 1702, covers an area of approximately 45.1 square miles and has been the home of the University of Connecticut since 1881.

The Town of Mansfield operates under the provisions of its Charter and the General Statutes of the State of Connecticut. The legislative power of the Town is vested in a Town Council and the Town Meeting. The Town Manager, who is the chief executive officer, superintends the concerns of the Town. The Town Council is responsible for presenting fiscal operating budgets to the Town Meeting for approval. The Board of Education is responsible for the operation of the school system.

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

The Mansfield Discovery Depot, Inc. (the Depot) is included in the Town's Comprehensive Annual Financial Report as a blended component unit since the Depot is financially accountable to the Town due to the Town Council's approval authority over budget increases in excess of \$10,000. The Depot appoints its own board, of which two of the members are also members of the Town Council. The Depot accounts for federal and state funds, local contributions and participants' fees for the operation of a child day care center. The Town of Mansfield is the designated Local Agency pursuant to a Master Contract with the State of Connecticut, dated May 17, 1974, between the Town and the State of Connecticut. Under the terms of the Master Contract, the Town has entered into a Delegate Agency Contract with Mansfield Discovery Depot, Inc., to carry out the program. The facilities in which the Depot operates are owned by the Town, and the operations of the child day care center benefit primarily Town residents. Mansfield Discovery Depot, Inc., does not issue separate audited financial statements.

The Town reports the following major governmental funds:

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

The *Mansfield Discretionary Fund* accounts for the activity of the prior community development block grants. The major sources of revenue for this fund are intergovernmental grants and charges for services.

The *Capital Projects Fund* accounts for the financial revenues to be used for major capital asset construction and/or purchases. The major sources of revenue for this fund are intergovernmental revenues and the proceeds from the issuance of general obligation bonds.

The Town reports the following major proprietary funds:

The *Sewer Operating Fund* accounts for the activities of the Town's sewer operations. The major source of revenue for this fund is sewer charges.

The *Transit Services Fund* accounts for the activities of the Town's parking garage and intermodal center. The major source of revenue for this fund is parking fees.

Additionally, the Town reports the following fund types:

The *Internal Service Funds* account for risk financing activities for insurance benefits as allowed by GASB Statement No. 10 and for management services provided to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis.

The *Postemployment Healthcare Trust Fund* accounts for the accumulation of resources to pay retiree medical benefits.

The *Agency Funds* account for monies held on behalf of students and employees and amounts held for performance related activities.

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

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, 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 *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the sewer operating enterprise fund of the solid waste disposal enterprise fund, and of the Town's internal service funds, are charges to customers for sales and services. The Sewer Operating Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Deposits and Investments

Deposits - The Town's and the component unit's cash and cash equivalents consist of cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

Investments - Both the Town and the component unit's eligible investments are governed by State of Connecticut Statutes which, in general, allow the Town to invest in obligations of the United States of America or United States government sponsored corporations; in shares or other interests in any custodial arrangement, pool or no-load, open-end management type investment company or investment trust (as defined); in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service; or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. For the Capital Nonrecurring Fund, not more than 31% can be invested in equity securities. Investment income is recorded in the fund in which it was earned.

E. Receivables and Payables

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). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Property Taxes and Other Receivables

In the government-wide financial statements, all property tax, sewer use, sewer assessment and loan receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 2% to 12% of outstanding receivable balances at June 30, 2013 and are calculated based upon prior collections.

In the fund financial statements, property tax revenues are recognized when levied to the extent that they become available. Available means collected within the current fiscal year or within 60 days after the end of the fiscal year. Property taxes not expected to be collected during the available period are recorded as deferred revenue.

Property taxes become an enforceable lien on October 1. Aggrieved parties may appeal to the Board of Tax Review, which must hear their petition during the month of February, following the lien date. The Board of Tax Review must render a final opinion no later than March 15. Property taxes are levied on July 1 and are due and payable in two installments; July 1 for the first half and January 1 for the second half. Property taxes receivable, net of an allowance for uncollectibles, are recorded as of the levy date. All bills under \$50 are due in full July 1. Motor vehicle taxes are due in one installment, July 1, and supplemental motor vehicle taxes are due in full January 1. Certificates of continuing lien are filed against delinquent real estate taxes within the first year after the first installment of the tax. Real property valuations are established by the Assessor’s office and reflect 70% of 2009 fair market values. Motor vehicle valuations reflect 70% of current retail value on the assessment date.

Loan receivables consist of Community Development Block Grant loans. The Town provides low interest loans for residential rehabilitation.

F. Restricted Assets

The Cemetery and Local School funds are restricted to expenditure of the investment income only for the donor-designated purpose.

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities’ columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment, \$20,000 for improvements and \$100,000 for infrastructure, and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	15-75
Improvements other than buildings	15-35
Equipment	5-50
Roads	80-100
Bridges	75
Pump station	15
Sewer lines	50
Rolling stock - vehicles	8-25

H. Compensated Absences

A limited amount of vacation earned may be accumulated by employees until termination of their employment, at which time they are paid for accumulated vacation. Unused sick leave may be accumulated for certain employees up to 180 days, until termination, retirement or death, at which time payments will be made. Certain employees of the Board of Education may elect to retire early, in which case annual compensation will be one-fifth of the employee's salary at the time of retirement payable for a maximum of five consecutive years.

I. Long-Term Obligations

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

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

J. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

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

Net Investment in Capital Assets - This category presents the net position that reflect capital assets net of only the debt applicable to the acquisition or construction of these assets. Debt issued for noncapital purpose is excluded.

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

Unrestricted Net Position - This category presents the net position of the Town that is not restricted.

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

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

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

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

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

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

K. Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The procedures for establishing the budgetary data reported in the financial statements are as follows:

1. Formal budgetary integration is employed by the Town Council as a management control device during the year for the General Fund, Capital Projects Fund and Capital Nonrecurring Fund, which are the only funds with a legally adopted annual budget.
2. Prior to March 1, each department head, office, agency, board or commission of the Town, supported wholly or in part from Town funds, shall submit budget requests in the form requested by the Town Manager so as to indicate the program, activities and work accomplished in the current fiscal year and to be accomplished during the ensuing year. These shall be accompanied by detailed estimates of expenditures to be made and of revenues other than taxes to be collected during the ensuing fiscal year, along with such other information as may be requested by the Council or the Manager.
3. Prior to April 1, the Town Manager shall present to the Council a budget consisting of:
 - a) A budget message outlining the financial situation of the Town government and describing the important features of the budget plan;

- b) The budget of the Board of Education as submitted to the Manager, along with whatever analysis or comment the Manager wishes to provide;
 - c) Statements of the Manager's proposed operating program and expenditures for the Town functions and Town-supported functions, other than those of the Board of Education, along with comparisons of amounts expended in the last completed fiscal year and estimated amounts to be expended in the current fiscal year;
 - d) Information on amounts of revenue by source, other than property taxes collected, in the last completed fiscal year, estimates for the current year and for the ensuing year, along with information and estimates regarding property tax revenues for the same periods;
 - e) Statements of the condition and estimated condition of the Town funds and of the debt service obligations of the Town, proposed capital improvements to be undertaken during the ensuing fiscal year or later years, and the proposed methods of financing them;
 - f) And such other information as will assist the Town Council and the voting residents of Mansfield in deciding on an annual appropriation and a capital improvement program.
4. During the budget adoption process, the Town Council shall hold at least two Town Budget Information Meetings. At least ten days prior to each meeting, the Town Council shall widely distribute budget information and notices of the meetings. The Town Council shall adopt a proposed budget, including a recommended appropriation act, by May 1.
 5. An annual Town Meeting for budget consideration shall be held on the second Tuesday in May. This meeting shall consider the budget presented to it by the Council and may approve, lower or raise the budget of any item. If the annual Town Meeting refuses or neglects to adopt a budget, the budget will be returned to the Council for its consideration. The Council shall return the same or a revised budget to a Town Meeting called by the Council for a date no later than ten days after the first meeting. This Town Meeting shall also approve, lower or raise the budget of any program. Should the Town Meeting then fail or refuse to adopt a budget, the budget appropriation last proposed by the Council shall be in full effect.
 6. The budget approved by the Town Meeting or adopted by the Town Council shall be subject to appeal if:
 - Within 21 days after approval, electors present a petition requesting the budget be repealed and replaced by a substitute budget. The petition shall be in certain form and signed by not less than 2% of the electors as determined by the revised registry list last completed.
 - The Town Clerk determines the petition to be sufficient. If found to be sufficient, the Town Clerk shall so certify to the Town Council within five days after receipt of the petition. If insufficient, a legal notice shall be placed in a newspaper of general circulation in the Town, and no further proceedings will be necessary.
 - After certification, the question shall be submitted to a referendum of eligible voters at the budget Town Meeting. At least ten days prior to the referendum, the Town Council shall publish notice of the referendum in a newspaper having circulation in the Town. The notice shall state the date and hours the referendum will be held, and the text of the question as it will appear. The referendum shall be held on a Tuesday.
 - A majority of those voting in the referendum vote against the budget.

The level of control for all legally adopted budgets (the level at which expenditures may not legally exceed appropriations without Council and/or Town Meeting approval) is at the department level for the General Fund. The Council may make budgetary transfers from one department to another within the General Fund, not to exceed 0.5% of the annual budget in any one fiscal year. Transfers or new appropriations in an amount from 0.5% to an aggregate amount not to exceed 1% of the annual

approved budget in any one fiscal year, may be approved by consecutive actions of the Council and a Town Meeting, which shall be called by the Council following its action on the new spending proposal.

An appropriation or transfer of over 1% of the annual budget for an expenditure not provided for in the adopted budget may be approved by consecutive favorable actions of the Council and a referendum of the voters of the Town.

Notwithstanding the foregoing, the Council may approve appropriations without limitation as to amount if such appropriations are to be funded from revenues other than receipt of taxes or proceeds of borrowings authorized pursuant to Sections 406 and 407 of the Charter, unanticipated in the annual budget. The Council is authorized to establish special funds with respect to such appropriations.

The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under State law to make any transfers required within their budget at their discretion. Any additional appropriations must have Board of Education, Town Council and, if necessary, Town Meeting approval. During the year, the Town had additional appropriations of \$250,000, \$200,700 from additional revenue appropriations and \$49,300 from fund balance.

Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year end are reported in budgetary reports (Exhibit V) as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the Capital Projects Fund. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year. Encumbered appropriations in the General Fund are not re-appropriated in the ensuing year's budget, but are carried forward.

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

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Fund Balance
Balance, budgetary basis, Exhibit V	\$ 45,725,380	\$ 45,273,837	\$ 2,823,204
Prior year encumbrances cancelled	(25,803)		
Prior year encumbrances liquidated		227,724	
Current year encumbrances		(424,907)	424,907
GASB 54 Fund Reclassification - Compensated absences fund	56,645		(73,448)
State Teachers' Retirement on-behalf payment	<u>2,330,878</u>	<u>2,330,878</u>	
	<u>\$ 48,087,100</u>	<u>\$ 47,407,532</u>	<u>\$ 3,174,663</u>

Capital Projects Authorizations

The following is a summary of capital projects authorizations at June 30, 2013:

	<u>Authorization</u>	<u>Cumulative Expenditures</u>	<u>Balance June 30, 2013</u>
Capital Projects	\$ 54,778,316	\$ 36,833,479	\$ 17,944,837

The Town has entered into a development agreement as part of the Storrs Center project, to grant tax assessment benefits to the developer of the property. The tax assessment benefits are scheduled to last for seven years, starting in the assessment year that the certificate of occupancy is issued. The tax assessment benefit will be granted by the Town fixing the assessment of the property at \$3,000,000 for a period of seven years. In addition there is a maximum assessment calculation included in the agreement that may lead to additional tax payments during the seven year fixed period. If the true assessed value of the property multiplied by the mill rate, less a declining factor in each of the seven years, exceeds the tax payment agreed to based on the fixed assessment of \$3,000,000 an additional tax will be due.

B. Donor Restricted Endowments

The Town has received certain endowments for the maintenance and improvement of cemeteries and local schools. The amounts are reflected in net position as restricted for endowments. Investment income (including depreciation) is approved for expenditures by the individual Boards responsible for each fund. As of June 30, 2013, \$1,970 of fund balance is classified as nonspendable, reflecting the permanent restriction on spending, and an additional \$272,314 of fund balance is classified as restricted for expenditures in accordance with the endowment agreements.

C. Deficit Fund Equity

At June 30, 2013, the Capital Projects Fund had a deficit fund balance of \$489,470. This deficit is due to cost overruns of the Storrs Center parking garage. In October 2013, the Town and Leyland Storrs, LLC, executed the First Amendment to the Parking Management Agreement. The purpose of this amendment was to memorialize Leyland's contribution to the overrun for the Storrs Center parking garage. Leyland agrees to reimburse the Town in the principal amount of \$770,391 for the full cost of the seventh deck of the parking garage. Annual payments equal to the greater of \$60,000 or Leyland's share of the net operating income from the garage are required. The payments are subject to an interest rate of 2.5% until paid in full, with the first payment due on August 15, 2014. There is no prepayment penalty. The term of the Parking Management Agreement is extended by ten years. Leyland's reimbursement to the Town will cover a considerable share of the \$1.4 million overrun for the parking garage. The Town is also negotiating a settlement agreement with the design firm for the parking garage.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

Deposits

Deposit Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposit will not be returned. The Town does not have a deposit policy for custodial credit risk.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$1,859,275 of the Town’s bank balance, including the component unit that participated in the cash pool, of \$2,190,714 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 1,648,348
Collateralized, held by banks	<u>210,927</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 1,859,275</u>

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.

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2013, the Town’s cash equivalents amounted to \$7,815,130. The following table provides a summary of the Town’s cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard & Poor’s</u>
State Short-Term Investment Fund (STIF)	AAAm
Cutwater - Cooperative Liquid Assets Securities System (CLASS)	AAAm

Investments

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

<u>Investment Type</u>	<u>Fair Value</u>
Pooled open-end mutual fund accounts	\$ <u><u>1,005,232</u></u>

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

Credit Risk - Investments - As indicated above, State Statutes limit the investment options of cities and towns. The Town does not have an investment policy that further limits their investment options of the Town beyond that of the State Statutes.

Concentration of Credit Risk - The Town has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments.

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2013, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

4. RECEIVABLES

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

	<u>General Fund</u>	<u>Mansfield Discretionary Fund</u>	<u>Capital Projects</u>	<u>Sewer Operating Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:						
Property taxes	\$ 786,425	\$	\$	\$	\$	\$ 786,425
Sewer assessments					3,700	3,700
Intergovernmental	25,234	5,143	6,152,259		215,515	6,398,151
Loans		1,177,520				1,177,520
Other	<u>79,039</u>	<u>1,260</u>	<u>936,567</u>	<u>92,027</u>	<u>345,499</u>	<u>1,454,392</u>
Total gross current receivables	890,698	1,183,923	7,088,826	92,027	564,714	9,820,188
Less allowance for uncollectibles	<u>40,000</u>			<u>2,630</u>	<u>5,000</u>	<u>47,630</u>
Balance at June 30, 2013	<u>\$ 850,698</u>	<u>\$ 1,183,923</u>	<u>\$ 7,088,826</u>	<u>\$ 89,397</u>	<u>\$ 559,714</u>	<u>\$ 9,772,558</u>

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

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable	\$ 606,425	\$
Fees collected in advance		138,932
Special assessments not yet due	3,700	
Grant drawdowns prior to meeting all eligibility requirements		53,503
Housing loans receivable	1,177,520	
Advance tax collections		109,512
	<u> </u>	<u> </u>
Total	<u>\$ 1,787,645</u>	<u>\$ 301,947</u>

5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 4,950,115	\$ 41,000	\$	\$	\$ 4,991,115
Construction in progress	15,373,391	12,803,892	(357,950)	11,834,234	15,985,099
Total capital assets not being depreciated	<u>20,323,506</u>	<u>12,844,892</u>	<u>(357,950)</u>	<u>11,834,234</u>	<u>20,976,214</u>
Capital assets being depreciated:					
Land improvements	3,253,281	4,453	156,874		3,414,608
Buildings	38,246,189			70,252	38,175,937
Improvements other than buildings	971,000	34,645			1,005,645
Machinery and equipment	4,004,150	504,628	28,585	214,028	4,323,335
Vehicles	4,008,876	392,331	31,260	576,149	3,856,318
Infrastructure	50,651,866		141,231		50,793,097
Total capital assets being depreciated	<u>101,135,362</u>	<u>936,057</u>	<u>357,950</u>	<u>860,429</u>	<u>101,568,940</u>
Less accumulated depreciation for:					
Land improvements	434,091	107,285			541,376
Buildings	15,757,053	1,021,949		36,531	16,742,471
Improvements other than buildings	273,030	44,338			317,368
Machinery and equipment	2,129,837	333,659		206,843	2,256,653
Vehicles	1,929,086	188,033		269,826	1,847,293
Infrastructure	17,296,403	634,256			17,930,659
Total accumulated depreciation	<u>37,819,500</u>	<u>2,329,520</u>	<u>-</u>	<u>513,200</u>	<u>39,635,820</u>
Total capital assets being depreciated, net	<u>63,315,862</u>	<u>(1,393,463)</u>	<u>357,950</u>	<u>347,229</u>	<u>61,933,120</u>
Governmental Activities Capital Assets, Net	<u>\$ 83,639,368</u>	<u>\$ 11,451,429</u>	<u>\$ -</u>	<u>\$ 12,181,463</u>	<u>\$ 82,909,334</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 74,798	\$	\$	\$	\$ 74,798
Construction in progress	90,087	662,830			752,917
Total capital assets not being depreciated	<u>164,885</u>	<u>662,830</u>	<u>-</u>	<u>-</u>	<u>827,715</u>
Capital assets being depreciated:					
Buildings	139,625				139,625
Equipment	425,513				425,513
Infrastructure		11,171,404			11,171,404
Pump station	161,702				161,702
Sewer distribution system	1,152,126				1,152,126
Total capital assets being depreciated	<u>1,878,966</u>	<u>11,171,404</u>	<u>-</u>	<u>-</u>	<u>13,050,370</u>
Less accumulated depreciation for:					
Buildings	139,150				139,150
Equipment	358,107	9,535			367,642
Infrastructure		248,253			248,253
Pump station	54,963	2,891			57,854
Sewer distribution system	825,135	20,945			846,080
Total accumulated depreciation	<u>1,377,355</u>	<u>281,624</u>	<u>-</u>	<u>-</u>	<u>1,658,979</u>
Total capital assets being depreciated, net	<u>501,611</u>	<u>10,889,780</u>	<u>-</u>	<u>-</u>	<u>11,391,391</u>
Business-Type Activities Capital Assets, Net	<u>\$ 666,496</u>	<u>\$ 11,552,610</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,219,106</u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities	
General government	\$ 89,767
Community environment	395,923
Public safety	84,806
Public works	826,629
Education	732,453
Capital assets held by the Town's internal service funds are charged to the various functions based on their usage of the assets	<u>199,942</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,329,520</u>
Business-type activities	
Sewer services	\$ 23,836
Transit services	248,253
Solid waste services	<u>9,535</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 281,624</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual fund interfund receivable and payable balances at June 30, 2013 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 6,141,523
Internal Service Funds	Nonmajor Governmental Funds	15,036
Internal Service Funds	General Fund	299,171
Fiduciary Funds	General Fund	<u>95,998</u>
		<u>\$ 6,551,728</u>

All interfund receivables and payables are the result of regularly recurring transactions and represent temporary balances. With respect to the fiduciary funds, this is due to the funds' participation in the Town's pooled cash system.

Interfund Transfers:

	<u>Transfers In</u>			<u>Total Transfers Out</u>
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	
Transfers out:				
General Fund	\$	\$	\$ 2,667,436	\$ 2,667,436
Nonmajor Governmental Funds	<u>60,500</u>	<u>2,263,413</u>	<u> </u>	<u>2,323,913</u>
Total Transfers In	<u>\$ 60,500</u>	<u>\$ 2,263,413</u>	<u>\$ 2,667,436</u>	<u>\$ 4,991,349</u>

All transfers represent routine transactions that occur annually to move resources from one fund to another, and are used to supplement revenues of other funds.

7. LONG-TERM DEBT

Governmental Activities

Changes in Long-Term Liabilities

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 3,445,000	\$	\$ 460,000	\$ 2,985,000	\$ 365,000
Less deferred amounts:					
Bond premium	51,052		4,699	46,353	
Deferred charge on refunding	(37,292)		(18,648)	(18,644)	
Total bonds	<u>3,458,760</u>	<u>-</u>	<u>446,051</u>	<u>3,012,709</u>	<u>365,000</u>
Net OPEB obligation	24,601	83		24,684	
Capital leases	463,322		244,375	218,947	163,180
Compensated absences	682,279	750,137	737,861	694,555	138,911
Retirement benefit	<u>2,409,170</u>	<u>86,134</u>	<u>508,322</u>	<u>1,986,982</u>	<u>312,989</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 7,038,132</u>	<u>\$ 836,354</u>	<u>\$ 1,936,609</u>	<u>\$ 5,937,877</u>	<u>\$ 980,080</u>
Business-type Activities:					
Compensated absences	\$ 14,853	\$ 11,913	\$ 15,837	\$ 10,929	\$ 2,188
Landfill closure/postclosure	<u>92,000</u>	<u></u>	<u>4,000</u>	<u>88,000</u>	<u>4,000</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 106,853</u>	<u>\$ 11,913</u>	<u>\$ 19,837</u>	<u>\$ 98,929</u>	<u>\$ 6,188</u>

Typically, the General Fund is used to liquidate governmental activities long term liabilities.

The annual requirements to amortize serial bonds outstanding at June 30, 2013 are as follows:

Year Ending June 30	Schools			General Purpose			Sewers			Total Net Debt Service to Maturity
	Principal	Interest	Net Debt Service to Maturity	Principal	Interest	Net Debt Service to Maturity	Principal	Interest	Net Debt Service to Maturity	
2014	\$ 156,500	\$ 36,779	\$ 193,279	\$ 184,750	\$ 50,976	\$ 235,726	\$ 23,750	\$ 10,990	\$ 34,740	\$ 463,745
2015	77,500	31,604	109,104	118,750	45,043	163,793	23,750	10,278	34,028	306,925
2016	77,500	29,278	106,778	118,750	41,480	160,230	23,750	9,566	33,316	300,324
2017	77,500	26,954	104,454	118,750	37,918	156,668	23,750	8,854	32,604	293,726
2018-2022	391,000	99,893	490,893	586,500	136,152	722,652	122,500	33,577	156,077	1,369,622
2023-2026	<u>325,000</u>	<u>32,359</u>	<u>357,359</u>	<u>422,500</u>	<u>40,562</u>	<u>463,062</u>	<u>112,500</u>	<u>11,332</u>	<u>123,832</u>	<u>944,253</u>
	<u>\$ 1,105,000</u>	<u>\$ 256,867</u>	<u>\$ 1,361,867</u>	<u>\$ 1,550,000</u>	<u>\$ 352,131</u>	<u>\$ 1,902,131</u>	<u>\$ 330,000</u>	<u>\$ 84,597</u>	<u>\$ 414,597</u>	<u>\$ 3,678,595</u>

Overlapping and Underlying Indebtedness

Mansfield is a member of Regional School District No.19 along with the towns of Ashford and Willington.

	<u>Amount of Outstanding Debt</u>	<u>Applicable Grants Receivable</u>	<u>Net Debt Outstanding</u>	<u>Applicable % of Net Debt Charge to Town</u>	<u>Town Net Overlapping Debt</u>
Regional School District No.19	\$ <u>10,180,000</u>	\$ <u>5,822,269</u>	\$ <u>4,357,731</u>	<u>56.45%</u>	\$ <u>2,459,939</u>

Termination Benefits

The Town provides severance payments to teachers and certain administrators upon retirement. To qualify for benefits, the employee must achieve age 70 with at least 15 years of service as a teacher in Mansfield. The Town funds the severance cost for the 27 eligible participants. The benefits will be paid in future years as the employees retire. The amounts are paid as incurred from the General Fund. During the fiscal year ended June 30, 2013, \$281,806 was paid for these benefits.

Statutory Debt Limitations

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

<u>Category</u>	<u>Debt Limitation</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 60,553,901	\$ 2,550,000	\$ 58,003,901
Schools	121,107,803	4,009,939	117,097,864
Sewers	100,923,169	330,000	100,593,169
Urban renewal	87,466,746		87,466,746
Pension deficit	80,738,535		80,738,535

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$188,389,915.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

Authorized/Unissued Bonds

At June 30, 2013, the Town had \$1,445,000 of authorized and unissued bonds for general purposes.

Capital Leases

Leases that are, in substance, purchases, are classified as capital leases in governmental funds as "other financing sources" and "capital expenditures" and are recorded at lease inception.

Most of the lease agreements have cancellation clauses in the event funding is not available. For reporting purposes, such cancellation clauses are not considered in the determination of whether a lease is cancelable because the likelihood that such clauses will be exercised is considered remote.

The Town has entered into installment purchase agreements. Because the amounts included are immaterial, and the accounting treatment is similar, such agreements are reported together with capital leases.

The assets acquired through capital leases are as follows:

	Governmental Funds
Vehicles and equipment	\$ 969,753
Less: Accumulated depreciation	<u>183,084</u>
Total Net Leased Property	<u><u>\$ 786,669</u></u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2013, were as follows:

Year Ending June 30,	Governmental Funds
2014	\$ 171,905
2015	<u>58,019</u>
Total future minimum lease payments	229,924
Less: Amount representing interest	<u>(10,977)</u>
Present Value of Future Minimum Lease Payments	<u><u>\$ 218,947</u></u>

Landfill Closure and Postclosure Care Costs (Solid Waste Nonmajor Enterprise Fund)

State and Federal laws and regulations require landfill closures to meet certain standards. The Town is in the process of finalizing an agreement with the State Department of Environmental Protection for final capping of the landfill. The landfill was covered in November 2004. The monitoring costs for the next 24 years at \$4,000 per year are \$88,000. These amounts are based on estimates that are subject to change due to inflation, technology or applicable laws and regulations. The liability as described above is recorded in the nonmajor enterprise Solid Waste Disposal fund.

8. RISK MANAGEMENT

A. Risk Management

The Town is exposed to various risks of loss related to public officials and police liability; Board of Education liability; torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees; and natural disasters. Except for medical insurance, the Town purchases commercial insurance for all risks of loss. Settled claims have not exceeded commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from coverage in the prior year.

The Mansfield Health Insurance Fund (the Fund), which has been recorded as an Internal Service Fund, was established to provide hospitalization and medical-surgical health coverage for all Town, Regional School District No. 19 and Mansfield Discovery Depot, Inc., employees. The Fund is substantially funded by the Town's General Fund and Region 19 based upon estimates for the number of employees and type of coverage (single or family) and trends in the insurance claims and estimates for administration. The program's general objectives are to formulate on behalf of the members a health insurance program at lower costs of coverage and to develop a systematic method to control health costs.

A third party administers the plan for which the Fund pays a fee. The Fund has purchased aggregate stop loss coverage at 125% of expected claims and individual stop loss coverage of \$150,000 per claim.

The claims liability reported is based upon the provisions of GASB Statements No. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of the possible loss can be reasonably estimated. The amount of claim accrual is based on the ultimate costs of settling the claim, which includes past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

An analysis of the activity in the claims liability for the health insurance fund is as follows:

	Claims Payable July 1	Current Year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2011-12	\$ 376,000	\$ 5,202,788	\$ 5,230,788	\$ 348,000
2012-13	348,000	6,088,626	6,027,126	409,500

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

The Town is a member of CIRMA's Liability-Automobile-Property Pool, a risk-sharing pool. The Liability-Automobile-Property Pool provides general liability, automobile liability, employee benefit liability, law enforcement liability, public officials and property coverage. The premium is subject to these coverages, and claims and expense payments falling within the deductible amounts are the responsibility of the Town. CIRMA's Liability-Automobile-Property Pool retains \$1,000,000 per occurrence for each line of liability coverage.

The Town, including Mansfield Discovery Depot, Inc., is also a member of CIRMA's Workers' Compensation Pool, a risk-sharing pool. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 30 and 42 months after the effective date of coverage. The premium is subject to payroll audit at the close of the coverage period. CIRMA's Workers' Compensation Pool retains \$1,000,000 per occurrence.

Payments to the Workers' Compensation Pool are made through the Workers' Compensation Insurance Fund, which has been recorded as an internal service fund. This fund's general objectives are to formulate a systematic method to control premium costs.

B. Commitments and Litigation

The Town of Mansfield, Connecticut, its officers, employees, boards and commissions are defendants in a number of lawsuits. It is the opinion of the Town Attorney that pending actions will not be finally determined so as to result individually or in the aggregate in a final judgment against the Town that would materially adversely affect its financial position.

The Town has received financial assistance from numerous Federal and State agencies in the form of grants and entitlements. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, liabilities resulting from disallowed claims, if any, will not have a material effect on the Town's financial statements.

9. FUND BALANCE

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

	General Fund	Major Special Revenue Funds		Nonmajor Governmental Funds	Total
		Mansfield Discretionary Fund	Capital Projects		
Fund balances:					
Nonspendable:					
Inventory	\$	\$	\$	\$ 16,001	\$ 16,001
Permanent fund principal				1,970	1,970
Restricted for:					
Permanent funds				272,314	272,314
Unspent grant balances		125,271		117,072	242,343
Capital projects			4,339,701		4,339,701
Community services				41,566	41,566
Education				19,776	19,776
Committed to:					
Capital projects				118	118
Recreation programs				156,125	156,125
School food service				410,068	410,068
Child day care				302,828	302,828
Debt service				62,345	62,345
General government				39,266	39,266
Public safety				8,916	8,916
Public works				2,281	2,281
Community services				332,670	332,670
Education				529,704	529,704
Assigned to:					
Purchases on order	424,907				424,907
Unassigned	2,749,756		(4,829,171)		(2,079,415)
Total Fund Balances	\$ 3,174,663	\$ 125,271	\$ (489,470)	\$ 2,313,020	\$ 5,123,484

Significant encumbrances of \$424,907, \$32,092, \$4,339,701, and \$98,463 at June 30, 2013 are contained in the above table in the assigned category of the General Fund, the restricted category of the Mansfield Discretionary Fund, the restricted category of the Capital Projects Fund, and the restricted and committed categories of the Nonmajor Governmental Funds.

10. PENSION PLANS

Municipal Employees' Retirement Fund

A. Plan Description

All Town employees participate in the Municipal Employees' Retirement System (MERS). MERS is the administrator of a cost-sharing, multiple employer public employee retirement system (PERS) established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating municipalities. The Pension Commission makes recommendations for plan provisions, which are approved by the Board of Finance. MERS is considered to be a part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. MERS issues a publicly available financial report that may be obtained by writing to the State of Connecticut Retirement and Benefit Services Division, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

B. Plan Provisions

Plan provisions are set by Statute of the State of Connecticut. MERS provides retirement benefits, as well as death and disability benefits. All benefits vest after 10 years of continuous service. Members who retire after age 55 with 10 years of service or after 25 years of service, irrespective of age, are entitled to an annual retirement benefit, payable monthly for life.

C. Funding Policy

Covered employees are required by State Statute to contribute 2-1/4% of earnings upon which Social Security tax is paid, plus 5% of earnings on which no Social Security tax is paid. Each participating municipality is required to contribute the amounts necessary to finance the remaining costs of the plan.

The required and actual contributions for the years ended June 30, 2011, 2012 and 2013 were \$825,059, \$1,070,049 and \$1,130,595, respectively.

Teachers' Retirement Plan

All Town teachers participate in the State of Connecticut Teachers' Retirement System, a cost sharing plan with a special funding situation, under Section 10.183 of the General Statutes of the State of Connecticut. This is a multiple employer PERS. A teacher is eligible to receive a normal retirement benefit if he or she has:

- Attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or;
- Attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Teacher payroll subject to retirement amounted to \$10,233,413.

The retirement system for teachers is funded by the State based upon the recommendation of the Teacher's Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. For the year ended June 30, 2013, the Town has recorded in the General Fund intergovernmental revenue schools and schools expenditures in the amount of \$2,330,878 as payments made by the State of Connecticut on behalf of the Town. The Town does not have any liability for teacher pension.

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

11. OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

The Town, in accordance with various collective bargaining agreements and State Statutes, is committed to providing health and other benefits to certain eligible retirees and their spouses through a single employer defined benefit plan. The Post-Employment Healthcare Trust covers all other Town and Board of Education employees, including teachers. Under the various collective bargaining agreements, retirees and beneficiaries currently receiving benefits are required to contribute specified percentages towards the cost of receiving those benefits. The Town does not issue a separate stand-alone financial statement for this program.

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

	Post- Employment Healthcare Trust
	<hr/>
Retired participants	56
Spouses	17
Active plan members	<hr/> 324
Total	<hr/> <hr/> 397

Funding Policy:

The Town administers a Post-Employment Health Care Plan to provide medical benefits for eligible retirees and their spouses. Funding and payment of post-employment benefits are accounted for in the Post-Employment Healthcare Trust. The Town plans to continue a funding strategy that provides for normal cost and the amortization of the accrued liability. The Town contributes to its other post-employment benefits fund based upon the recommendations in its OPEB actuarial study. The study accounts for numerous factors such as turnover and retirement rates, mortality assumptions, medical inflation and claims costs assumptions, and discount rate assumptions.

Eligibility:

Eligibility for benefits and the level of benefits generally range from 10 to 25 years of service at the time of retirement as determined by the employee's collective bargaining agreement or personnel rules (non-union employees).

Retiree Medical:

Retirees (as defined in the employee's respective collective bargaining agreement or personnel rules (non-union)) are eligible to purchase insurance through the Town. The Town contribution towards retiree medical varies from a fixed dollar amount to a percentage of the premium for one person coverage only.

Retiree Life Insurance:

Retirees (as defined in the employee's respective collective bargaining agreement or personnel rules (nonunion)) are eligible to purchase a life insurance policy until age 75; the maximum benefit for said policy is \$10,000.

B. Annual OPEB Cost and Net OPEB Obligations

The Town of Mansfield's 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 Town's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation:

	Post- Employment Healthcare Trust
Annual required contribution (ARC)	\$ 281,000
Interest on net OPEB obligation	1,845
Adjustment to annual required contribution	<u>(2,362)</u>
Annual OPEB Cost	280,483
Contributions made	<u>280,400</u>
Increase in net OPEB obligation	83
Net OPEB obligation - beginning of year	<u>24,601</u>
Net OPEB Obligation - End of Year	<u><u>\$ 24,684</u></u>

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

Fiscal Year Ending	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (Asset)
6/30/2011	\$ 225,085	\$ 217,300	96.54%	\$ 2,958
6/30/2012	275,543	253,900	92.15%	24,601
6/30/2013	280,483	280,400	99.97%	24,684

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

Schedule of Funding Progress

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Unfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
7/1/2008	\$ 246,800	\$ 1,916,300	\$ (1,669,500)	12.88%	\$ 16,508,000	-10.11%
7/1/2010	315,000	2,351,000	(2,036,000)	13.40%	18,097,000	-11.25%
7/1/2012	363,000	2,483,000	(2,120,000)	14.62%	18,423,000	-11.51%

Schedule of Employer Contribution

Schedule of Employer Contributions			
Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contributed
6/30/2009	\$ 212,200	\$ 210,500	99.20%
6/30/2010	218,300	224,800	102.98%
6/30/2011	225,000	217,300	96.58%
6/30/2012	275,600	253,900	92.13%
6/30/2013	281,000	280,400	99.79%

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

In the July 1, 2012 actuarial valuation of the Town Plan, the Projected Unit Credit Cost method was used. The actuarial assumptions include a 7.5% investment rate of return as a trust fund is in existence, which is the rate of the expected long-term investment returns of plan assets calculated based on the funding policy of the plan at the valuation date. The underlying inflation rate assumption is 2.50%, and is imbedded in the healthcare cost trend rate assumption. The annual healthcare cost trend rate is 7.3% initially, reduced by decrements to an ultimate rate of 4.7% after 71 years. The projected salary increases were 4%. The UAAL is being amortized as a 25-year, closed group, level dollar amortization.

12. PRIOR PERIOD ADJUSTMENTS

During the year, the Town implemented GASB Statement No. 61 and re-evaluated the Mansfield Discovery Depot, which had previously been reported as a discretely presented component unit. In light of the re-evaluation the Town has determined that the Mansfield Discovery Depot should be included in the Comprehensive Annual Financial Report as a blended component unit.

The beginning net position and fund balance for the following funds were restated as follows:

	Mansfield Discovery Depot (Discretely Presented Component Unit)	Nonmajor Governmental Funds
Balance at June 30, 2012	\$ 252,152	\$ 1,834,253
Reclassified to nonmajor governmental funds	<u>(252,152)</u>	<u>252,152</u>
Restated Fund Balance at July 1, 2012	<u>\$ -</u>	<u>\$ 2,086,405</u>

Combining and Individual Fund Statements and Schedules

General Fund

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

**TOWN OF MANSFIELD, CONNECTICUT
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2013 AND 2012**

	2013	2012		2013	2012
ASSETS			LIABILITIES AND FUND BALANCE		
Cash and cash equivalents	\$ 330,107	\$ 3,774,043	Liabilities:		
Investments	216,465	233,681	Accounts and other payables:		
Accounts receivable:			Accounts payable	\$ 1,152,795	\$ 1,003,638
Property taxes	746,425	635,966	Payroll deductions	644,428	508,062
Intergovernmental	25,234	222,580	Due to State of Connecticut	15,935	13,737
Other	79,039	63,205	Total accounts and other payables	1,813,158	1,525,437
Total accounts receivable	850,698	921,751	Accrued liabilities	1,439,866	1,499,438
Due from other funds	6,141,523	1,731,680	Due to other funds	395,169	452,624
Total Assets	\$ 7,538,793	\$ 6,661,155	Deferred and unearned revenue:		
			Advance tax collections	109,512	146,042
			Property taxes	606,425	542,519
			Total deferred and unearned revenue	715,937	688,561
			Total Liabilities	4,364,130	4,166,060
			Fund Balance:		
			Assigned	424,907	253,527
			Unassigned	2,749,756	2,241,568
			Total Fund Balance	3,174,663	2,495,095
			Total Liabilities and Fund Balance	\$ 7,538,793	\$ 6,661,155

**TOWN OF MANSFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	
Fund Balance at Beginning of Year					\$ 2,371,661
Revenues and Transfers in:					
Total revenues and transfers in	\$ 45,300,340	\$ 45,501,040	\$ 45,725,380	\$ 224,340	
Expenditures and Transfers Out:					
Town	\$ 14,945,330	\$ 15,195,330	\$ 15,184,652	\$ (10,678)	
Mansfield Board of Education	20,588,160	20,588,160	20,585,636	(2,524)	
Contribution to Region No. 19 Board of Education	9,503,550	9,503,550	9,503,549	(1)	
Total Expenditures and Transfers Out	<u>\$ 45,037,040</u>	<u>\$ 45,287,040</u>	<u>\$ 45,273,837</u>	<u>\$ (13,203)</u>	
Net Change in Fund Balance					<u>451,543</u>
Fund Balance at End of Year					<u>\$ 2,823,204</u>

TOWN OF MANSFIELD, CONNECTICUT
 GENERAL FUND
 REPORT OF TAX COLLECTOR
 FOR THE YEAR ENDED JUNE 30, 2013

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Grand List Year	Uncollected Taxes July 1, 2012	Current Year Levy	Lawful Corrections		Transfers to Suspense	Transfers from Suspense	Adjusted Amount Collectible	Collections			Uncollected Taxes June 30, 2013
			Additions *	Deductions **				Taxes	Interest and Lien Fees	Total	
1997	\$	\$	\$	\$ 131	\$	\$ 241	\$ 110	\$ 110	\$ 287	\$ 397	\$ -
1998						811	811	811	735	1,546	-
1999						324	324	324	754	1,078	-
2000				226		417	191	191	398	589	-
2001	96					116	212	116	485	601	96
2002	423					1,159	1,582	1,159	1,851	3,010	423
2003	1,598			55		925	2,468	1,256	1,272	2,528	1,212
2004	1,857			540	21	1,400	2,696	1,447	2,157	3,604	1,249
2005	7,106			762	178	2,550	8,716	2,179	2,619	4,798	6,537
2006	20,600		541	711	447	2,151	22,134	8,553	6,226	14,779	13,581
2007	39,389		710	476	4,770	3,104	37,957	17,186	12,802	29,988	20,771
2008	65,448		624	1,132	10,046	3,108	58,002	23,153	14,286	37,439	34,849
2009	128,601		347	7,973	17,780	3,349	106,544	15,972	20,828	36,800	90,572
2010	<u>410,862</u>		<u>746</u>	<u>15,697</u>	<u>28,150</u>	<u>2,217</u>	<u>369,978</u>	<u>188,156</u>	<u>41,618</u>	<u>229,774</u>	<u>181,822</u>
Total Prior Years	675,980		2,968	27,703	61,392		611,725	260,613	106,318	366,931	351,112
2011		<u>26,816,795</u>	<u>142,305</u>	<u>93,617</u>			<u>26,865,483</u>	<u>26,430,170</u>	<u>82,022</u>	<u>26,512,192</u>	<u>435,313</u>
Total	<u>\$ 675,980</u>	<u>\$ 26,816,795</u>	<u>\$ 145,273</u>	<u>\$ 121,320</u>	<u>\$ 61,392</u>		<u>\$ 27,477,208</u>	<u>26,690,783</u>	<u>188,340</u>	<u>26,879,123</u>	<u>\$ 786,425</u>
							Suspense collections	31,722		31,722	
							Advance collections	<u>109,512</u>		<u>109,512</u>	
							Total Collections	<u>\$ 26,832,017</u>	<u>\$ 188,340</u>	<u>\$ 27,020,357</u>	

* Includes reduction of elderly credit
 ** Includes local elderly option

**TOWN OF MANSFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Property Taxes:				
Current year levy	\$ 26,201,470	\$ 26,152,170	\$ 26,306,777	\$ 154,607
Prior year levy	175,000	244,000	195,866	(48,134)
Interest and lien fees	135,000	173,000	173,112	112
Motor vehicle supplement	165,000	169,000	218,385	49,385
Suspense collections taxes	6,000	6,000	16,378	10,378
Suspense collections interest	4,000	4,000	15,418	11,418
Collection fees			976	976
Telecom services payment	55,000	55,000	48,089	(6,911)
Total Property Taxes	<u>26,741,470</u>	<u>26,803,170</u>	<u>26,975,001</u>	<u>171,831</u>
Intergovernmental:				
State:				
Board of Education:				
Education assistance	10,152,380	10,152,380	10,189,409	37,029
School transportation	104,540	104,540	132,423	27,883
Total Board of Education	<u>10,256,920</u>	<u>10,256,920</u>	<u>10,321,832</u>	<u>64,912</u>
General Government:				
PILOT - State property	7,047,420	7,047,420	7,021,354	(26,066)
Circuit breaker	50,140	50,140	47,117	(3,023)
Circuit court - parking fines	810	810	8,955	8,145
Tax relief for elderly freeze	2,000	2,000	2,000	-
Library - Connecticard	15,000	15,000	13,321	(1,679)
Library - basic grant	2,300	2,300	1,228	(1,072)
Boat reimbursement	2,500	2,500		(2,500)
Disability exempt reimbursement	1,200	1,200	1,177	(23)
Emergency management performance grant	14,500	14,500	13,272	(1,228)
Veterans' reimbursement	7,750	7,750	7,358	(392)
State revenue sharing	214,000	353,000	353,656	656
Judicial Revenue Distribution	9,000	9,000	10,164	1,164
PILOT - Senior Housing			17,000	17,000
PILOT - Holinko Estates	13,500	13,500		(13,500)
Total General Government	<u>7,380,120</u>	<u>7,519,120</u>	<u>7,496,602</u>	<u>(22,518)</u>
Federal:				
In lieu of taxes	1,850	1,850	4,157	2,307
Social service block grant	3,470	3,470	3,492	22
Total Federal	<u>5,320</u>	<u>5,320</u>	<u>7,649</u>	<u>2,329</u>
Total Intergovernmental	<u>17,642,360</u>	<u>17,781,360</u>	<u>17,826,083</u>	<u>44,723</u>
Investment Income	25,000	25,000	15,508	(9,492)

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TOWN OF MANSFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Charges for Services:				
Region No. 19 financial services	\$ 91,680	\$ 91,680	\$ 91,680	\$ -
Health district services	24,580	24,580	24,580	-
Recording	60,000	60,000	63,166	3,166
Copies of records	12,400	12,400	14,324	1,924
Vital statistics	11,000	11,000	12,808	1,808
Sale of maps/regulations	100	100	57	(43)
Police service	67,800	67,800	72,991	5,191
Redemption/release fees	1,000	1,000	1,064	64
Animal adoption fees	900	900	670	(230)
Postage on overdue books	15,500	15,500	11,157	(4,343)
Parking plan review	3,200	3,200	2,730	(470)
Blueprints	200	200	-	(200)
Region No. 19 grounds maintenance	71,880	71,880	71,880	-
Zoning regulations	200	200	346	146
Daycare grounds maintenance	12,160	12,160	12,160	-
Charges for services	2,500	2,500	4,053	1,553
Celeron square bikepath maintenance	2,700	2,700	2,700	-
Fire safety code fees	16,000	16,000	21,065	5,065
Misc licenses & permits	2,640	2,640	2,725	85
Sport licenses	400	400	278	(122)
Dog licenses	8,000	8,000	7,910	(90)
Conveyance tax	150,000	150,000	127,441	(22,559)
Trailer and subdivision permits	2,000	2,000	5,800	3,800
Zoning permits	18,000	18,000	16,290	(1,710)
ZBA applications	2,000	2,000	2,400	400
IWA permits	5,000	5,000	3,450	(1,550)
Road permits	750	750	650	(100)
Building permits	175,000	175,000	144,810	(30,190)
Administrative cost - reimb. permits	100	100	284	184
Housing code permits	86,000	86,000	100,055	14,055
Housing code penalties	1,100	1,100	100	(1,000)
Landlord Registrations	600	600	2,415	1,815
Parking tickets - Town	4,500	4,500	11,798	7,298
Building fines	1,500	1,500	2,000	500
Landlord registration penalty	90	90	-	(90)
Nuisance ordinance	11,000	11,000	7,388	(3,612)
Ordinance violation penalty	680	680	1,804	1,124
Noise ordinance violation	300	300	-	(300)
Possession alcohol ordinance	4,440	4,440	5,310	870
Open liquor container ordinance	6,120	6,120	6,590	470
Rent - Historical Society	2,000	2,000	3,300	1,300
Rent - Town hall	7,580	7,580	7,960	380
Rent - senior center	100	100	-	(100)
Sale of supplies	20	20	17	(3)
Rent - Region No. 19 maintenance	2,790	2,790	2,790	-
Total Charges for Services	<u>886,510</u>	<u>886,510</u>	<u>870,996</u>	<u>(15,514)</u>

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**TOWN OF MANSFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Other Local Revenues:				
Other	\$ 2,500	\$ 2,500	\$ 35,292	\$ 32,792
Total Revenues	45,297,840	45,498,540	45,722,880	224,340
Other Financing Sources:				
Transfers in:				
School cafeteria fund	2,500	2,500	2,500	-
Total Other Financing Sources	2,500	2,500	2,500	-
Total Revenues and Other Financing Sources	\$ 45,300,340	\$ 45,501,040	\$ 45,725,380	\$ 224,340

TOWN OF MANSFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Appropriation</u>	<u>Additions (Reductions) and Transfers</u>	<u>Final Appropriation</u>	<u>Expenditures</u>	<u>Variance with Final Budget</u>
General Government:					
Town council:					
Legislative	\$ 88,680	\$ (9,294)	\$ 79,386	\$ 79,386	\$ -
Town manager:					
Municipal management	198,300	18,898	217,198	217,198	-
Personnel management	134,180	3,463	137,643	137,643	-
Legal:					
Town attorney	42,500	(579)	41,921	41,921	-
Probate	3,920	(2)	3,918	3,918	-
Elections:					
Registrars	65,920	(20,243)	45,677	45,677	-
Town clerk	217,170	(1,479)	215,691	215,691	-
General elections	36,700	(15,239)	21,461	21,461	-
Finance:					
Administration	116,560	621	117,181	117,181	-
Accounting and disbursements	168,390	(1,027)	167,363	167,363	-
Revenue collection	155,740	(6,876)	148,864	148,864	-
Property assessment	213,440	3,790	217,230	217,230	-
Central copying	39,000	(630)	38,370	38,370	-
Central services	34,000	7,362	41,362	41,362	-
Data processing	10,820		10,820	10,820	-
Building maintenance	939,750	(54,186)	885,564	885,564	-
Total General Government	<u>2,465,070</u>	<u>(75,421)</u>	<u>2,389,649</u>	<u>2,389,649</u>	<u>-</u>
Public Safety:					
Police protection:					
Police services	1,083,310	34,940	1,118,250	1,118,250	-
Animal control	92,220	(2,188)	90,032	90,032	-
Fire protection:					
Fire marshal	140,860	1,903	142,763	142,763	-
Fire and emergency services admin	216,590	12,005	228,595	228,595	-
Fire and emergency services	1,470,810	176,420	1,647,230	1,647,230	-
Emergency management	51,670	3,777	55,447	55,447	-
Total Public Safety	<u>3,055,460</u>	<u>226,857</u>	<u>3,282,317</u>	<u>3,282,317</u>	<u>-</u>
Public Works:					
Administration	82,240	(11,606)	70,634	70,634	-
Operating services:					
Supervision and operation	119,180	(2,932)	116,248	116,248	-
Road services	696,080	(86,005)	610,075	610,075	-
Grounds maintenance	392,310	15,113	407,423	407,423	-
Equipment maintenance	601,380	3,101	604,481	604,481	-
Engineering	192,720	(60,274)	132,446	132,446	-
Total Public Works	<u>2,083,910</u>	<u>(142,603)</u>	<u>1,941,307</u>	<u>1,941,307</u>	<u>-</u>
Community Services:					
Social service administration	336,670	13,597	350,267	350,267	-
Youth employment - middle school	2,000	(200)	1,800	1,800	-
Youth services	172,050	(1,735)	170,315	170,315	-
Senior services	206,470	(7,908)	198,562	198,562	-
Library administration	654,840	(9,778)	645,062	645,062	-
Contribution to area agencies	303,340	(1,319)	302,021	302,021	-
Total Community Services	<u>1,675,370</u>	<u>(7,343)</u>	<u>1,668,027</u>	<u>1,668,027</u>	<u>-</u>

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**TOWN OF MANSFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Appropriation</u>	<u>Additions (Reductions) and Transfers</u>	<u>Final Appropriation</u>	<u>Expenditures</u>	<u>Variance with Final Budget</u>
Community Development:					
Building inspection	\$ 170,470	\$ 1,220	\$ 171,690	\$ 171,690	\$ -
Housing inspection	107,350	(1,558)	105,792	105,792	-
Planning administration	228,680	2,207	230,887	230,887	-
Planning/zoning inland/wetland	8,100	2,634	10,734	10,734	-
Downtown partnership	125,000		125,000	125,000	-
Boards and commissions	6,400	(921)	5,479	5,479	-
Total Community Development	<u>646,000</u>	<u>3,582</u>	<u>649,582</u>	<u>649,582</u>	<u>-</u>
Townwide Expenditures:					
Employee benefits	2,353,240	60,345	2,413,585	2,413,585	-
Medical pension trust	73,400		73,400	73,400	-
Insurance	126,970	13,229	140,199	140,199	-
Contingency	175,000	(164,322)	10,678		10,678
Total Townwide Expenditures	<u>2,728,610</u>	<u>(90,748)</u>	<u>2,637,862</u>	<u>2,627,184</u>	<u>10,678</u>
Total Town Expenditures	<u>12,654,420</u>	<u>(85,676)</u>	<u>12,568,744</u>	<u>12,558,066</u>	<u>10,678</u>
Education:					
Contribution to Region No.19 Board of Education	9,503,550		9,503,550	9,503,549	1
Mansfield Board of Education	20,547,310		20,547,310	20,544,786	2,524
Total Education	<u>30,050,860</u>		<u>30,050,860</u>	<u>30,048,335</u>	<u>2,525</u>
Total Expenditures	<u>42,705,280</u>	<u>(85,676)</u>	<u>42,619,604</u>	<u>42,606,401</u>	<u>13,203</u>
Other Financing Uses:					
Transfers out:					
Capital projects fund - town	918,000	312,070	1,230,070	1,230,070	-
Storrs center reserve - town	96,210	23,606	119,816	119,816	-
Special revenue funds:					
Recreation program fund	446,700		446,700	446,700	-
Other operating funds - town	5,000		5,000	5,000	-
Other operating funds - board	40,850		40,850	40,850	-
Debt service fund	825,000		825,000	825,000	-
Total Other Financing Uses	<u>2,331,760</u>	<u>335,676</u>	<u>2,667,436</u>	<u>2,667,436</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 45,037,040</u>	<u>\$ 250,000</u>	<u>\$ 45,287,040</u>	<u>\$ 45,273,837</u>	<u>\$ 13,203</u>

**TOWN OF MANSFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF BOARD OF EDUCATION EXPENDITURES
AND OTHER FINANCING USES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013**

	Original Appropriation	Additions (Reductions) and Transfers	Final Appropriation	Expenditures	Variance with Final Budget
Expenditures:					
Regular instruction	\$ 8,057,480	\$ (42,740)	\$ 8,014,740	\$ 7,951,095	\$ 63,645
English	49,520		49,520	49,717	(197)
World languages	10,090		10,090	7,574	2,516
Health and safety	7,730		7,730	5,881	1,849
Physical education	12,690		12,690	13,330	(640)
Art	14,060		14,060	10,408	3,652
Mathematics	75,470		75,470	42,448	33,022
Music	17,300		17,300	30,412	(13,112)
Science	30,750		30,750	26,859	3,891
Social studies	20,680		20,680	17,093	3,587
Computer education	201,250		201,250	209,728	(8,478)
Family and consumer sciences	9,080		9,080	8,091	989
Technology education	10,830		10,830	14,606	(3,776)
Special ed instruction	1,348,040	(41,860)	1,306,180	1,284,517	21,663
Enrichment	412,820		412,820	408,565	4,255
Preschool	319,460	(760)	318,700	334,865	(16,165)
Remedial education	341,040	(450)	340,590	341,849	(1,259)
Summer school free only	54,500		54,500	39,033	15,467
Tuition payments				133,710	(133,710)
Central service - instructional supplies	159,760		159,760	160,607	(847)
Guidance services	146,000		146,000	138,457	7,543
Health services	210,650		210,650	200,756	9,894
Outside evaluation/contracted services	230,500		230,500	219,216	11,284
Speech and hearing services	158,840	(11,600)	147,240	139,429	7,811
Pupil services - testing	6,570		6,570		6,570
Psychological services - S.E.	299,630	(60,990)	238,640	237,093	1,547
Curriculum development	141,100	(17,320)	123,780	168,934	(45,154)
Professional development	36,990		36,990	32,997	3,993
Media services	71,200		71,200	67,382	3,818
Library	299,740	(270)	299,470	296,550	2,920
Board of Education	385,860	204,200	590,060	407,640	182,420
Superintendent's office	363,720	(11,940)	351,780	350,765	1,015
Special education admin.	292,970		292,970	281,132	11,838
Principals' office	1,033,930		1,033,930	1,032,796	1,134
Support services - central	16,490		16,490	13,882	2,608
Field studies	13,500		13,500	13,058	442
Business management	255,270	6,740	262,010	334,965	(72,955)
Plant operations - building	1,488,790	(23,010)	1,465,780	1,491,764	(25,984)
Regular transportation	710,300		710,300	770,775	(60,475)
Special education transportation	112,000		112,000	147,715	(35,715)
After school program	40,330		40,330	42,522	(2,192)
Athletic program	36,190		36,190	29,788	6,402
Employee benefits	3,044,190		3,044,190	3,036,782	7,408
Total Expenditures	20,547,310		20,547,310	20,544,786	2,524
Other Financing Uses:					
Transfers out:					
Other operating funds	40,850		40,850	40,850	-
Total Other Financing Uses	40,850	-	40,850	40,850	-
Total Expenditures and Other Financing Uses	\$ 20,588,160	\$ -	\$ 20,588,160	\$ 20,585,636	\$ 2,524

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for major capital asset construction and/or purchase.

**TOWN OF MANSFIELD, CONNECTICUT
CAPITAL PROJECTS FUND
SCHEDULE OF CUMULATIVE PROJECT REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Project Appropriation</u>	<u>Prior Year Project Revenues and Other Financing Sources</u>	<u>Current Year Project Revenues and Other Financing Sources</u>	<u>Cumulative Project Revenues and Other Financing Sources</u>	<u>Variance with Project Appropriation</u>
Landscape Public Buildings	\$ 10,000	\$ 10,000	\$	\$ 10,000	\$ -
Pool Cars	60,784		60,784	60,784	-
Financial Software	245,800	205,800	40,000	245,800	-
Fiber Connection to Fire Station	25,000		25,000	25,000	-
Town Clerk Imaging / Management Systems	20,000		20,000	20,000	-
Strategic Planning Study	185,000	175,000	10,000	185,000	-
Boiler/Heat/Plumbing - Fire Stations	50,000	50,000		50,000	-
Animal Control Van	21,071		21,071	21,071	-
Fire & Emerg. Services Comm. Equipment	30,000	20,000	10,000	30,000	-
Vehicle Key Boxes	7,500	7,500		7,500	-
Forestry 307 Chasis Changeover	30,000	30,000		30,000	-
Hydraulic Rescue Equipment	18,000	18,000		18,000	-
Fire Hose	20,000	15,000	5,000	20,000	-
Ambulance 607	210,000				(210,000)
SCBA Air Tanks	25,000	10,000	15,000	25,000	-
Fire Personal Protective Equipment	31,000		31,000	31,000	-
Replacement 78MF	33,000		33,000	33,000	-
Replacement ET507	200,000		200,000	200,000	-
Replacement ET207	603,077		603,077	603,077	-
Fire ponds	41,500	35,500	6,000	41,500	-
Tree replacement	32,500	22,500	10,000	32,500	-
Salt Storage Building	250,000	250,000		250,000	-
Small bridges and culverts	319,084	309,084	10,000	319,084	-
Large bridge maintenance	536,286	521,286	15,000	536,286	-
Stone mill bridge	1,716,350	895,385	312,502	1,207,887	(508,463)
Town walkways	668,000	581,453	116,632	698,085	30,085
Laurel Lane bridge	1,340,600	419,421	456,321	875,742	(464,858)
Road drainage	508,811	459,840	50,000	509,840	1,029
Guard rails	44,197	39,197	5,000	44,197	-
Road resurfacing	2,933,810	2,617,951	339,462	2,957,413	23,603
Hunting Lodge Road Walkway	100,000	100,000		100,000	-
Four Corners Sewer/Water Improvements	680,000	330,000	150,000	480,000	(200,000)
Pickup Mounted Sign	10,000	10,000		10,000	-
Large Dump Truck	167,192	21,229		21,229	(145,963)
Small Dump Truck and Sander	46,901		1,710	1,710	(45,191)
Small Dump Trucks and Sanders	30,000		30,000	30,000	-
Large Dump Trucks	100,000		100,000	100,000	-
Snowplows	20,500	20,500		20,500	-
Storrs Center Equipment	100,000		100,000	100,000	-
Engineering CAD	168,500	158,500	10,000	168,500	-
GPS Units - Additional Units	15,000				(15,000)
Storrs Center Area	1,648,700	1,337,938	189,248	1,527,186	(121,514)
Improvements Storrs Rd Urban	2,500,000	306,987	1,608,641	1,915,628	(584,372)
Streetscape/Ped.Improv.DOT	1,474,800	303,741	232,236	535,977	(938,823)
Improvements Storrs Rd DOT/Lieberman	2,250,000	334,406	1,475,318	1,809,724	(440,276)
Storrs Center Inter Transp Center	612,500	276,843	33,811	310,654	(301,846)
Parking Garage Transit Hub	10,000,000	10,000,000	15,120	10,015,120	15,120
DECD STEAP #2	500,000	500,000		500,000	-

(Continued on next page)

**TOWN OF MANSFIELD, CONNECTICUT
CAPITAL PROJECTS FUND
SCHEDULE OF CUMULATIVE PROJECT REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013**

	Project Appropriation	Prior Year Project Revenues and Other Financing Sources	Current Year Project Revenues and Other Financing Sources	Cumulative Project Revenues and Other Financing Sources	Variance with Project Appropriation
DECD STEAP #3	\$ 200,000	\$ 200,000	\$	\$ 200,000	\$ -
Omnibus Budget Bill	552,000	496,484	55,516	552,000	-
Bus Facilities Program	6,175,000	347,767	3,309,955	3,657,722	(2,517,278)
DECD STEAP 4 Village Street Utilities	500,000		294,504	294,504	(205,496)
Leyland/EDR Infrastructure 3M	3,000,000		1,092,197	1,092,197	(1,907,803)
DECD Brownfield Remediation	450,000				(450,000)
HUD Community Challenge Grant	206,530	5,072	287,910	292,982	86,452
Senior Center Van	45,482	10,000	35,482	45,482	-
BCP Restroom Improvements	13,000	13,000		13,000	-
Lions club park	566,000	566,000		566,000	-
Open space purchase	3,369,389	3,369,355		3,369,355	(34)
Open space - bonded	1,040,000				(1,040,000)
Community center equipment	283,200	300,094	48,100	348,194	64,994
Skate park	40,000	40,000		40,000	-
Community Center Locker Room Ventilation	20,000	20,000		20,000	-
Playscapes New/Replacements	60,000	50,000	10,000	60,000	-
Community Center Facility Upgrades	15,000		15,000	15,000	-
Park improvements	251,795	223,000	28,795	251,795	-
Playground resurfacing	52,000	47,000	5,000	52,000	-
Wmtc river greenway	156,874	191,259	(34,385)	156,874	-
Commonfields trail improvements	21,023	23,888	(2,865)	21,023	-
WHIP Grants - MHP EGVP OSHF	9,200	9,200		9,200	-
New wells - schools	1,100,000	1,129,333	(42,782)	1,086,551	(13,449)
Deferred maintenance projects	784,391	729,391	55,000	784,391	-
School building committee	287,069	10,000	127,069	137,069	(150,000)
MMS heating alterations	4,650,000	4,761,075	(158,506)	4,602,569	(47,431)
MMS asbestos removal	65,000	48,378	(1,392)	46,986	(18,014)
MMS carpet replacement	25,000	26,809		26,809	1,809
Roof replacement	199,900	179,900	20,000	199,900	-
Total	<u>\$ 54,778,316</u>	<u>\$ 33,190,066</u>	<u>\$ 11,485,531</u>	<u>\$ 44,675,597</u>	<u>\$ (10,102,719)</u>

**TOWN OF MANSFIELD, CONNECTICUT
CAPITAL PROJECTS FUND
SCHEDULE OF CUMULATIVE PROJECT EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Project Appropriation</u>	<u>Prior Year Project Expenditures and Other Financing Uses</u>	<u>Current Year Project Expenditures and Other Financing Uses</u>	<u>Cumulative Project Expenditures and Other Financing Uses</u>	<u>Variance with Project Appropriation</u>
Landscape Public Buildings	\$ 10,000	\$ 6,044	\$ 3,954	\$ 9,998	\$ 2
Pool Cars	60,784		60,784	60,784	-
Financial Software	245,800	214,414	29,243	243,657	2,143
Fiber Connection to Fire Station	25,000		24,800	24,800	200
Town Clerk Imaging / Management Systems	20,000		19,863	19,863	137
Strategic Planning Study	185,000	173,550		173,550	11,450
Boiler/Heat/Plumbing - Fire Stations	50,000	34,973	4,876	39,849	10,151
Animal Control Van	21,071		21,071	21,071	-
Fire & Emerg. Services Comm. Equipment	30,000				30,000
Vehicle Key Boxes	7,500	65,553		65,553	(58,053)
Forestry 307 Chasis Changeover	30,000	26,990	2,125	29,115	885
Hydraulic Rescue Equipment	18,000		15,202	15,202	2,798
Fire Hose	20,000	5,883	4,985	10,868	9,132
Ambulance 607	210,000		213,381	213,381	(3,381)
SCBA Air Tanks	25,000	9,998		9,998	15,002
Fire Personal Protective Equipment	31,000		13,020	13,020	17,980
Replacement 78MF	33,000		32,319	32,319	681
Replacement ET507	200,000				200,000
Replacement ET207	603,077				603,077
Fire ponds	41,500	25,098	8,160	33,258	8,242
Tree replacement	32,500	15,215	398	15,613	16,887
Salt Storage Building	250,000	231,145		231,145	18,855
Small bridges and culverts	319,084	221,592	56,978	278,570	40,514
Large bridge maintenance	536,286	388,910	91,952	480,862	55,424
Stone mill bridge	1,716,350	703,669	390,627	1,094,296	622,054
Town walkways	668,000	642,742	121,455	764,197	(96,197)
Laurel Lane bridge	1,340,600	202,275	570,402	772,677	567,923
Road drainage	508,811	373,698	22,506	396,204	112,607
Guard rails	44,197	31,867		31,867	12,330
Road resurfacing	2,933,810	2,569,787	202,646	2,772,433	161,377
Hunting Lodge Road Walkway	100,000	90,719		90,719	9,281
Four Corners Sewer/Water Improvements	680,000	140,330	29,330	169,660	510,340
Pickup Mounted Sign	10,000				10,000
Large Dump Truck	167,192	167,192		167,192	-
Small Dump Truck and Sander	46,901	31,260	15,641	46,901	-
Small Dump Trucks and Sanders	30,000		30,000	30,000	-
Large Dump Trucks	100,000				100,000
Snowplows	20,500	14,663	4,565	19,228	1,272
Storrs Center Equipment	100,000		49,264	49,264	50,736
Engineering CAD	168,500	143,949	23,897	167,846	654
GPS Units - Additional Units	15,000	4,167	2,748	6,915	8,085
Storrs Center Area	1,648,700	974,449	595,065	1,569,514	79,186
Improvements Storrs Rd Urban	2,500,000	288,657	1,626,972	1,915,629	584,371
Streetscape/Ped.Improv.DOT	1,474,800	2,176	290,295	292,471	1,182,329
Improvements Storrs Rd DOT/Lieberman	2,250,000	418,007	1,844,148	2,262,155	(12,155)
Storrs Center Inter Transp Center	612,500	278,829	31,835	310,664	301,836
Parking Garage Transit Hub	10,000,000	10,519,773	1,043,940	11,563,713	(1,563,713)
DECD STEAP #2	500,000	500,000		500,000	-

(Continued on next page)

**TOWN OF MANSFIELD, CONNECTICUT
CAPITAL PROJECTS FUND
SCHEDULE OF CUMULATIVE PROJECT EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Project Appropriation</u>	<u>Prior Year Project Expenditures and Other Financing Uses</u>	<u>Current Year Project Expenditures and Other Financing Uses</u>	<u>Cumulative Project Expenditures and Other Financing Uses</u>	<u>Variance with Project Appropriation</u>
DECD STEAP #3	\$ 200,000	\$ 199,999	\$	\$ 199,999	\$ 1
Omnibus Budget Bill	552,000	496,484	85,488	581,972	(29,972)
Bus Facilities Program	6,175,000	434,709	3,362,695	3,797,404	2,377,596
DECD STEAP 4 Village Street Utilities	500,000		294,504	294,504	205,496
Leyland/EDR Infrastructure 3M	3,000,000	45,312	1,243,265	1,288,577	1,711,423
DECD Brownfield Remediation	450,000				450,000
HUD Community Challenge Grant	206,530	8,401	281,582	289,983	(83,453)
Senior Center Van	45,482		45,482	45,482	-
BCP Restroom Improvements	13,000	4,500		4,500	8,500
Lions club park	566,000	566,000		566,000	-
Open space purchase	3,369,389	3,167,823	22,873	3,190,696	178,693
Open space - bonded	1,040,000		25,000	25,000	1,015,000
Community center equipment	283,200	230,333	48,736	279,069	4,131
Skate park	40,000	38,566		38,566	1,434
Community Center Locker Room Ventilation	20,000	18,467		18,467	1,533
Playscapes New/Replacements	60,000		50,203	50,203	9,797
Community Center Facility Upgrades	15,000		15,000	15,000	-
Park improvements	251,795	222,892	21,065	243,957	7,838
Playground resurfacing	52,000	42,312	9,168	51,480	520
Wmtc river greenway	156,874	156,874		156,874	-
Commonfields trail improvements	21,023	21,023		21,023	-
WHIP Grants - MHP EGVP OSHF	9,200				9,200
New wells - schools	1,100,000	1,172,656		1,172,656	(72,656)
Deferred maintenance projects	784,391	680,069	76,353	756,422	27,969
School building committee	287,069	279,721	7,348	287,069	-
MMS heating alterations	4,650,000	4,507,868		4,507,868	142,132
MMS asbestos removal	65,000	44,559		44,559	20,441
MMS carpet replacement	25,000	23,397		23,397	1,603
Roof replacement	199,900	176,701	21,647	198,348	1,552
Total	<u>\$ 54,778,316</u>	<u>\$ 32,056,240</u>	<u>\$ 13,108,856</u>	<u>\$ 45,165,096</u>	<u>\$ 9,613,220</u>

Enterprise Funds

Enterprise funds are proprietary funds used to report an activity for which a fee is charged to external users for goods and services.

Sewer Operating Fund

To account for sewer services provided by the University of Connecticut and the Willimantic Water Company to certain residents of the Town. All activities necessary to provide services are accounted for in this fund.

Transit Services Fund

To account for parking and transportation services provided by the Parking Garage and Intermodal Center. All activities necessary to provide services are accounted for in this fund.

Solid Waste Disposal Fund

To account for solid waste management for the Town. All the activities necessary to provide such services are accounted for in this fund. It is the intention of management that disposal fees will pay the cost of the tipping fees at the various disposal sites in use.

**TOWN OF MANSFIELD, CONNECTICUT
SEWER OPERATING FUND
COMBINING STATEMENT OF NET POSITION
BY CUSTOMER
JUNE 30, 2013**

	<u>UConn</u>	<u>Willimantic</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash	\$ 27,127	\$ 58,823	\$ 85,950
Accounts receivable	450	88,947	89,397
	<u>27,577</u>	<u>147,770</u>	<u>175,347</u>
Noncurrent assets:			
Capital assets (net of accumulated depreciation):			
Land	3,000	63,298	66,298
Construction in progress	90,087		90,087
Pump station	103,848		103,848
Sewer distribution system	113,427	192,619	306,046
	<u>310,362</u>	<u>255,917</u>	<u>566,279</u>
Total capital assets (net of accumulated depreciation)	<u>310,362</u>	<u>255,917</u>	<u>566,279</u>
Total noncurrent assets	<u>310,362</u>	<u>255,917</u>	<u>566,279</u>
Total Assets	<u>337,939</u>	<u>403,687</u>	<u>741,626</u>
LIABILITIES			
Current liabilities:			
Accounts payable	19,944	100,345	120,289
	<u>19,944</u>	<u>100,345</u>	<u>120,289</u>
Total current liabilities	<u>19,944</u>	<u>100,345</u>	<u>120,289</u>
NET POSITION			
Net investment in capital assets	310,362	255,917	566,279
Unrestricted	7,633	47,425	55,058
	<u>317,995</u>	<u>303,342</u>	<u>621,337</u>
Total Net Position	<u>\$ 317,995</u>	<u>\$ 303,342</u>	<u>\$ 621,337</u>

**TOWN OF MANSFIELD, CONNECTICUT
SEWER OPERATING FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BY CUSTOMER
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>UConn</u>	<u>Willimantic</u>	<u>Total</u>
Operating Revenues:			
Sewer charges	\$ 110,184	\$ 179,775	\$ 289,959
Other revenues		2,482	2,482
	<u>110,184</u>	<u>182,257</u>	<u>292,441</u>
Total Operating Revenues			
Operating Expenses:			
Repairs and maintenance		76,306	76,306
Consultants			
Utilities	146		146
Sewer fees	91,532	165,672	257,204
Supplies and services	8,420	2,358	10,778
Depreciation	9,563	14,273	23,836
	<u>109,661</u>	<u>258,609</u>	<u>368,270</u>
Total Operating Expenses			
Change in Net Position	523	(76,352)	(75,829)
Total Net Position at Beginning of Year	<u>317,472</u>	<u>379,694</u>	<u>697,166</u>
Total Net Position at End of Year	<u>\$ 317,995</u>	<u>\$ 303,342</u>	<u>\$ 621,337</u>

**TOWN OF MANSFIELD, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF SEWER USER CHARGES RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Balance</u> <u>July 1, 2012</u>	<u>Current</u> <u>Levy</u>	<u>Amount</u> <u>Collectible</u>	<u>Collections</u>			<u>Balance</u> <u>June 30, 2013</u>
				<u>Principal</u>	<u>Interest</u> <u>and Liens</u>	<u>Total</u>	
Sewer User Charges:							
Willimantic	\$ 83,307	\$ 179,775	\$ 263,082	\$ 171,965	\$ 2,482	\$ 174,447	\$ 91,117
UConn	<u>6,769</u>	<u>110,184</u>	<u>116,953</u>	<u>116,043</u>		<u>116,043</u>	<u>910</u>
Total	<u>\$ 90,076</u>	<u>\$ 289,959</u>	<u>\$ 380,035</u>	<u>\$ 288,008</u>	<u>\$ 2,482</u>	<u>\$ 290,490</u>	92,027
						Less allowance for uncollectibles	<u>2,630</u>
						Net Sewer User Charges Receivable	<u>\$ 89,397</u>

Nonmajor Governmental Funds

Special Revenue Funds

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

Capital Nonrecurring Fund

This fund was established pursuant to Connecticut State law as a reserve fund for future capital projects.

Educational Grants Fund

This fund is utilized to control the operation of various State and Federal educational grant programs. Most grants are received from the State of Connecticut Department of Education.

Recreation Program Fund

This fund was established to record the activity of various recreation programs sponsored by the Town.

Other Operating Funds

Miscellaneous programs of the Town are accounted for in this fund.

School Cafeteria Fund

The general operations of the public school cafeteria program are controlled through this fund. Grants received through the State of Connecticut Department of Education for school lunch program activities are recorded in this fund along with the sale of food and the related expenditures associated with the program.

Town Aid Road Fund

The administration of the State of Connecticut Department of Transportation Town Aid Road program is controlled through this fund.

Mansfield Discovery Depot Inc.

This fund was established by the Town to record the activity of the Mansfield Discovery Depot, Inc., a blended component unit of the Town. The fund accounts for federal and state grant programs, local contributions and participants' fees for the operation of a child day care center.

NONMAJOR GOVERNMENTAL FUNDS (continued)

Debt Service Fund

This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Permanent Funds

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

Cemetery Fund

This fund is used to account for revenues and expenses dealing with the operation of all the active and inactive cemeteries in Town.

Local School Fund

Income from this fund is restricted to use for school purposes.

**TOWN OF MANSFIELD, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013**

	Special Revenue Funds							Total
	Capital Nonrecurring Fund	Educational Grants Fund	Recreation Program Fund	Other Operating Funds	School Cafeteria Fund	Town Aid Road Fund	Mansfield Discovery Depot Inc.	
ASSETS								
Cash	\$ 118		\$ 265,425	\$ 782,383	\$ 380,884	\$ 122,570	\$ 320,785	\$ 1,872,165
Receivables:								
Sewer assessments	3,700							3,700
Intergovernmental		53,738		107,348	54,429			215,515
Other		1,851	40,524	8,976	443		4,212	56,006
Due from other funds				152,856				152,856
Other assets					16,001			16,001
Total Assets	\$ 3,818	\$ 55,589	\$ 305,949	\$ 1,051,563	\$ 451,757	\$ 122,570	\$ 324,997	\$ 2,316,243
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts and other payables		\$ 6,270	\$ 18,845	\$ 46,835	\$ 2,699	\$ 8,216	\$ 22,169	\$ 105,034
Due to other funds		23,647	7,357		7,679			38,683
Deferred and unearned revenue	3,700	22,954	123,622	30,549	15,310			196,135
Total Liabilities	3,700	52,871	149,824	77,384	25,688	8,216	22,169	339,852
Fund Balances:								
Nonspendable					16,001			16,001
Restricted		2,718		61,342		114,354		178,414
Committed	118		156,125	912,837	410,068		302,828	1,781,976
Total Fund Balances	118	2,718	156,125	974,179	426,069	114,354	302,828	1,976,391
Total Liabilities and Fund Balances	\$ 3,818	\$ 55,589	\$ 305,949	\$ 1,051,563	\$ 451,757	\$ 122,570	\$ 324,997	\$ 2,316,243

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**TOWN OF MANSFIELD, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2013**

	Debt Service Fund		Permanent Funds		Eliminations	Total Nonmajor Governmental Funds
	Debt Service Fund	Cemetery Fund	Local School Fund	Total		
ASSETS						
Cash	\$ 62,345	\$ -	\$ 352	\$ 352	\$ -	\$ 1,934,862
Restricted investments		403,955	571	404,526		404,526
Receivables:						
Sewer assessments				-		3,700
Intergovernmental				-		215,515
Other assets				-		56,006
Due from other funds				-	(152,856)	-
Other assets				-		16,001
Total Assets	\$ 62,345	\$ 403,955	\$ 923	\$ 404,878	\$ (152,856)	\$ 2,630,610
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts and other payables	\$ -	\$ 1,385	\$ -	\$ 1,385	\$ -	\$ 106,419
Due to other funds		129,209		129,209	(152,856)	15,036
Deferred and unearned revenue				-		196,135
Total Liabilities	-	130,594	-	130,594	(152,856)	317,590
Fund Balances:						
Nonspendable		1,200	770	1,970		17,971
Restricted		272,161	153	272,314		450,728
Committed	62,345			-		1,844,321
Total Fund Balances	62,345	273,361	923	274,284	-	2,313,020
Total Liabilities and Fund Balances	\$ 62,345	\$ 403,955	\$ 923	\$ 404,878	\$ (152,856)	\$ 2,630,610

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

	Special Revenue Funds							Total
	Capital Nonrecurring Fund	Educational Grants Fund	Recreation Program Fund	Other Operating Funds	School Cafeteria Fund	Town Aid Road Fund	Mansfield Discovery Depot Inc.	
Revenues:								
Intergovernmental	\$ 231,700	\$ 908,174		\$ 474,120	\$ 319,538	\$ 212,152	\$ 365,084	\$ 2,510,768
Charges for services	256,540		1,806,105	256,170	637,306		996,023	3,952,144
Contributions			3,965	274,742				278,707
Other revenues	621,883			128,101				749,984
Total Revenues	1,110,123	908,174	1,810,070	1,133,133	956,844	212,152	1,361,107	7,491,603
Expenditures:								
Current:								
General government				19,065				19,065
Public safety				334,306				334,306
Public works				3,882		215,298		219,180
Community services			2,168,985	194,827			1,310,431	3,674,243
Education		908,162		498,524	899,587			2,306,273
Capital outlay	175,000			4,453				179,453
Total Expenditures	175,000	908,162	2,168,985	1,055,057	899,587	215,298	1,310,431	6,732,520
Excess (Deficiency) of Revenues over Expenditures	935,123	12	(358,915)	78,076	57,257	(3,146)	50,676	759,083
Other Financing Sources (Uses):								
Transfers in	1,349,886		446,700	70,850				1,867,436
Transfers out	(2,298,313)		(48,100)		(2,500)			(2,348,913)
Net Other Financing Sources (Uses)	(948,427)	-	398,600	70,850	(2,500)	-	-	(481,477)
Net Change in Fund Balances	(13,304)	12	39,685	148,926	54,757	(3,146)	50,676	277,606
Fund Balances at Beginning of Year, as Restated	13,422	2,706	116,440	825,253	371,312	117,500	252,152	1,698,785
Fund Balances at End of Year	\$ 118	\$ 2,718	\$ 156,125	\$ 974,179	\$ 426,069	\$ 114,354	\$ 302,828	\$ 1,976,391

(Continued on next page)

**TOWN OF MANSFIELD, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013**

	Debt Service		Permanent Funds		Eliminations	Total Nonmajor Governmental Funds
	Fund			Total		
	Debt Service Fund	Cemetery Fund	Local School Fund	Total		
Revenues:						
Intergovernmental	\$	\$	\$	\$ -	\$	\$ 2,510,768
Investment loss		(2,478)	(5)	(2,483)		(2,483)
Charges for services		1,200		1,200		3,953,344
Contributions				-		278,707
Other local revenues				-		749,984
Total Revenues	-	(1,278)	(5)	(1,283)	-	7,490,320
Expenditures:						
Current:						
General government				-		19,065
Public safety				-		334,306
Public works				-		219,180
Community services		32,622		32,622		3,706,865
Education				-		2,306,273
Capital outlay				-		179,453
Debt service:						
Principal	704,375			-		704,375
Interest	137,711			-		137,711
Total Expenditures	842,086	32,622	-	32,622	-	7,607,228
Deficiency of Revenues over Expenditures	(842,086)	(33,900)	(5)	(33,905)	-	(116,908)
Other Financing Sources (Uses):						
Transfers in	825,000			-	(25,000)	2,667,436
Transfers out				-	25,000	(2,323,913)
Net Other Financing Sources (Uses)	825,000	-	-	-	-	343,523
Net Change in Fund Balances	(17,086)	(33,900)	(5)	(33,905)	-	226,615
Fund Balances at Beginning of Year, as Restated	79,431	307,261	928	308,189	-	2,086,405
Fund Balances at End of Year	\$ 62,345	\$ 273,361	\$ 923	\$ 274,284	\$ -	\$ 2,313,020

**TOWN OF MANSFIELD, CONNECTICUT
CAPITAL NONRECURRING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 212,000	\$ 212,000	\$ 231,700	\$ 19,700
Special assessment	3,000	3,000	913	(2,087)
Charges for services	330,000	330,000	255,627	(74,373)
Other revenues			621,883	621,883
	<u>545,000</u>	<u>545,000</u>	<u>1,110,123</u>	<u>565,123</u>
Total Revenues				
Expenditures:				
Capital outlay	<u>175,000</u>	<u>175,000</u>	<u>175,000</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>370,000</u>	<u>370,000</u>	<u>935,123</u>	<u>565,123</u>
Other Financing Sources (Uses):				
Transfers in	1,014,210	1,014,210	1,349,886	335,676
Transfers out	<u>(1,387,210)</u>	<u>(1,695,235)</u>	<u>(2,298,313)</u>	<u>(603,078)</u>
Net Other Financing Uses	<u>(373,000)</u>	<u>(681,025)</u>	<u>(948,427)</u>	<u>(267,402)</u>
Net Change in Fund Balance	<u>\$ (3,000)</u>	<u>\$ (311,025)</u>	(13,304)	<u>\$ 297,721</u>
Fund Balance at Beginning of Year			<u>13,422</u>	
Fund Balance at End of Year			<u>\$ 118</u>	

**TOWN OF MANSFIELD, CONNECTICUT
OTHER OPERATING FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013**

	Revenues and Other Financing Sources							Expenditures and Other Financing Uses							Fund Balances July 1, 2012	Fund Balances June 30, 2013	
	Inter-Governmental	Investment Income	Charges for Services	Contributions	Other Local Revenues	Transfers In (Out)	Total	General Government	Public Safety	Public Works	Community Services	Education	Capital Outlay	Transfers Out			Total
Maintenance-sale of property	\$	\$	\$ 2,979	\$	\$	\$	\$ 2,979	\$	\$	\$ 3,882	\$	\$	\$	\$	\$ 3,882	\$ 3,184	\$ 2,281
Mansfield bike tour			2,924	250			3,174				1,492				1,492	4,373	6,055
Mansfield one book				1,123			1,123								966		157
Mansfield challenge - summer				380			380				831				831	2,500	2,049
Mansfield community playground				217,131			217,131			19,683					19,683	853	198,301
Mansfield public school birthday book buddies				1,770			1,770					624			624	1,036	2,182
Mansfield summer school program						5,000	5,000					5,877			5,877	952	75
Mansfield uniform shirts			516				516	558							558	125	83
MDP festival on the green			797		23,565		24,362				18,453				18,453	22,804	28,713
Mohegan Tribe Challenge Grant												152			152	748	596
Moss sanctuary last green valley															201	443	242
Mount Hope park	1,375						1,375								1,375		
NECASA					3,859		3,859				3,859				3,859		
Neighborhood assist act - energy					13,596		13,596										13,596
Neighborhood assist act - water harvest					12,895		12,895										12,895
Neuter assist/education fund			500				500		70						70	705	1,135
Nuclear safety emergency*T47 relocation	1,663						1,663		1,663						1,663		
Nuclear safety EMG*T51 equipment	4,895						4,895		4,895						4,895		
Oak grove school	12,018					8,850	20,868					19,301			19,301	4,072	5,639
Old Spring Hill	6,321						6,321				6,321				6,321		
Permitting/Enforcement software			6,903				6,903										6,903
Preschool tuition																51,592	51,592
Rec. program scholarship fund				376			376				937				937	3,285	2,724
REPT EOC upgrade grant	2,300						2,300		2,300						2,300		
Restitution fees																710	710
Retirement reception			2,344				2,344	1,978							1,978		366
River Park NEPA Tree Grant																289	289
School House Brook Park-Local Support	4,277						4,277				4,277				4,277		
School use fund					(305)		(305)					1,377			1,377	2,277	595
Senior Center Herrmann Trust				180			180				22				22	4,347	4,505
Senior Center Veteran's Day				3,222			3,222				1,425				1,425	502	2,999
Senior programs			25,723			5,000	30,723			30,878					30,878	14,926	14,771
Special education tuition - other schools	231,484				26,209		257,693					362,827			362,827	521,472	416,338
Surplus sales																55	55
Suzuki			18,375			27,000	45,375					38,707			38,707	15,282	21,950
Tim Quinn music program												817			817	939	122
TVCCA senior nutrition					2,580		2,580			2,580					2,580	792	792
Underage drinking program	11,934						11,934		11,934						11,934	135	135
Year 2009 property revaluation						25,000		2,700							2,700		22,300
Youth services special needs				1,275			1,275				117				117	1,371	2,529
Total	\$ 474,120	\$ -	\$ 256,170	\$ 274,742	\$ 128,101	\$ 70,850	\$ 1,203,983	\$ 19,065	\$ 334,306	\$ 3,882	\$ 194,827	\$ 498,524	\$ 4,453	\$ -	\$ 1,055,057	\$ 825,253	\$ 974,179

Internal Service Funds

Internal Service funds are used to account for the providing of goods or services provided by one department to other departments of the Town on a cost reimbursement basis or accounting for risk retention as allowed by GASB Statement No. 10.

Health Insurance Fund

To account for the provision of Health Insurance for the Town. All activities necessary to provide such coverage are accounted for in this fund.

Workers' Compensation Insurance Fund

To account for the provision of Workers' Compensation Insurance for the Town. All activities necessary to provide such coverage are accounted for in this fund.

Management Services Fund

To account for the provision of land, buildings, equipment and related supplies which benefit Town departments and schools.

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

	<u>Health Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Management Services</u>	<u>Interfund Eliminations</u>	<u>Total</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 3,488,932	\$ 9,171	\$ 1,062,709	\$ -	\$ 4,560,812
Accounts receivable	188,756		79,289		268,045
Due from other funds	317,370			(3,163)	314,207
Other			9,049		9,049
Total current assets	<u>3,995,058</u>	<u>9,171</u>	<u>1,151,047</u>	<u>(3,163)</u>	<u>5,152,113</u>
Noncurrent assets:					
Capital assets (net of accumulated depreciation):					
Land			145,649		145,649
Construction in progress			104,653		104,653
Buildings			77,136		77,136
Equipment			1,107,709		1,107,709
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>1,435,147</u>	<u>-</u>	<u>1,435,147</u>
Total Assets	<u>3,995,058</u>	<u>9,171</u>	<u>2,586,194</u>	<u>(3,163)</u>	<u>6,587,260</u>
LIABILITIES					
Current liabilities:					
Accounts payable	1,248		193,561		194,809
Accrued claims payable	409,500				409,500
Due to other funds			3,163	(3,163)	-
Total Liabilities	<u>410,748</u>	<u>-</u>	<u>196,724</u>	<u>(3,163)</u>	<u>604,309</u>
NET POSITION					
Net investment in capital assets			1,435,147		1,435,147
Unrestricted	<u>3,584,310</u>	<u>9,171</u>	<u>954,323</u>		<u>4,547,804</u>
Total Net Position	<u>\$ 3,584,310</u>	<u>\$ 9,171</u>	<u>\$ 2,389,470</u>	<u>\$ -</u>	<u>\$ 5,982,951</u>

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

	<u>Health Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Management Services</u>	<u>Total</u>
Operating Revenues:				
Premiums	\$ 6,845,398	\$ 448,130	\$	\$ 7,293,528
Charges for services			2,861,852	2,861,852
Rental income			230,113	230,113
Other		26,684	288,842	315,526
Total Operating Revenues	<u>6,845,398</u>	<u>474,814</u>	<u>3,380,807</u>	<u>10,701,019</u>
Operating Expenses:				
Wages and fringe benefits	118,869		395,077	513,946
Administration	835,602			835,602
Medical claims	6,189,683			6,189,683
Workers' compensation		516,936		516,936
Repairs and maintenance			121,446	121,446
Consultants	17,000		63,995	80,995
Supplies, materials and rentals			143,628	143,628
Software and related communication costs	10,000		270,709	280,709
Utilities			1,761,246	1,761,246
Depreciation			199,942	199,942
Total Operating Expenses	<u>7,171,154</u>	<u>516,936</u>	<u>2,956,043</u>	<u>10,644,133</u>
Operating Income (Loss)	<u>(325,756)</u>	<u>(42,122)</u>	<u>424,764</u>	<u>56,886</u>
Nonoperating Revenues (Expenses):				
Loss on disposal of capital assets			(5,677)	(5,677)
Investment income	4,999			4,999
Net nonoperating revenues (expenses)	<u>4,999</u>	<u>-</u>	<u>(5,677)</u>	<u>(678)</u>
Changes in Net Position	(320,757)	(42,122)	419,087	56,208
Net Position at Beginning of Year	<u>3,905,067</u>	<u>51,293</u>	<u>1,970,383</u>	<u>5,926,743</u>
Net Position at End of Year	<u>\$ 3,584,310</u>	<u>\$ 9,171</u>	<u>\$ 2,389,470</u>	<u>\$ 5,982,951</u>

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

	<u>Health Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Management Services</u>	<u>Total</u>
Cash Flows from Operating Activities				
Receipts from customers	\$ 6,843,475	\$ 474,814	\$ 3,372,554	\$ 3,372,554
Premiums received	(991,354)	(516,936)	(2,216,690)	(3,724,980)
Payments to vendors	(6,128,183)			(6,128,183)
Payments for claims	(118,869)		(395,077)	(513,946)
Payments to employees				
Net Cash Provided by (Used in) Operating Activities	<u>(394,931)</u>	<u>(42,122)</u>	<u>760,787</u>	<u>323,734</u>
Cash Flows from Noncapital Financing Activities				
Cash paid to other funds	(442,000)		(663)	(442,663)
Cash received from other funds	21,855		35,000	56,855
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(420,145)</u>	<u>-</u>	<u>34,337</u>	<u>(385,808)</u>
Cash Flows from Capital and Related Financing Activities				
Purchase of capital assets			(339,424)	(339,424)
Principal payment - lease purchase			(75,288)	(75,288)
Net Cash Used in Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>(414,712)</u>	<u>(414,712)</u>
Cash Flows from Investing Activities				
Income from investments	4,999			4,999
Net Increase (Decrease) in Cash and Cash Equivalents	(810,077)	(42,122)	380,412	(471,787)
Cash and Cash Equivalents at Beginning of Year	4,299,009	51,293	682,297	5,032,599
Cash and Cash Equivalents at End of Year	<u>\$ 3,488,932</u>	<u>\$ 9,171</u>	<u>\$ 1,062,709</u>	<u>\$ 4,560,812</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)	\$ (325,756)	\$ (42,122)	\$ 424,764	\$ 56,886
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation			199,942	199,942
(Increase) decrease in:				
Accounts receivable	(1,923)		(8,253)	(10,176)
Other			1,859	1,859
Increase (decrease) in:				
Accounts payable	(128,752)		142,475	13,723
Accrued claims payable	61,500			61,500
Net Cash Provided By (Used In) Operating Activities	<u>\$ (394,931)</u>	<u>\$ (42,122)</u>	<u>\$ 760,787</u>	<u>\$ 323,734</u>

Fiduciary Funds

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

Post-Employment Healthcare Trust Fund

This fund is used to account for post-employment benefits of Locals 531 and 760 employees, certain nonunion employees and public works employees.

AGENCY FUNDS

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

Student Activities Fund

This fund is used to control various activities, as defined by State Statute, undertaken by students of the public school system.

Celeron Square, Eastbrook Heights, Courtyard Associates, Ledgebrook, Holinko Estates, Freedom Green, Valley View, Block Property and ING US Students No. 8 LLC Sewer Funds

These funds are used to ensure that the privately owned sewer systems are operated and maintained in accordance with all applicable Federal, State and local regulations.

Dependent Care Fund

This fund is used to account for funds withheld from employees' pay for the purpose of reimbursement of dependent care expenses.

Uninsured Medical Costs Fund

This fund is used to account for funds withheld from employees' pay for the purpose of reimbursement of uninsured medical costs.

Mid-Neroc (Mid-Northeast Recycling Operating Committee) Operating Fund

This fund is used to account for a regional household chemical waste facility located in the Town of Willington.

Performance Bonds

This fund is used to account for the cash performance bonds the Town requires for various types of activities.

TOWN OF MANSFIELD, CONNECTICUT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
ASSETS				
Cash and Cash Equivalents:				
Student activities fund	\$ 85,138	\$ 135,346	\$ 143,504	\$ 76,980
Celeron Square sewer fund	140,907	3,933		144,840
Eastbrook Heights sewer fund	138,172	3,497		141,669
Courtyard Associates sewer fund	69,208	1,653		70,861
Ledgebrook sewer fund	86,766	2,690		89,456
Holinko Estates sewer fund	27,561	809		28,370
Freedom Green sewer fund	14,930	4,427		19,357
Valley View sewer fund	8,362	809		9,171
Block Property sewer fund	2,915	478		3,393
ING US students No. 8 LLC sewer	139,617	18,362		157,979
Dependent care fund	8,515	51,318	46,930	12,903
Uninsured medical costs fund	16,874	81,840	85,335	13,379
Mid-Neroc operating fund	76,089	59,763	55,469	80,383
Mansfield downtown partnership	304,094	268,231	277,777	294,548
Total cash and cash equivalents	<u>1,119,148</u>	<u>633,156</u>	<u>609,015</u>	<u>1,143,289</u>
Accounts Receivable:				
Mid-Neroc operating fund	14,649	14,270	14,649	14,270
Mansfield downtown partnership	900			900
Total accounts receivable	<u>15,549</u>	<u>14,270</u>	<u>14,649</u>	<u>15,170</u>
Due from Other Funds:				
Performance bonds	97,998	7,000	9,000	95,998
Total Assets	<u>\$ 1,232,695</u>	<u>\$ 654,426</u>	<u>\$ 632,664</u>	<u>\$ 1,254,457</u>
LIABILITIES				
Due to Others:				
Student activities fund	\$ 85,138	\$ 135,346	\$ 143,504	\$ 76,980
Performance bonds	97,998	7,000	9,000	95,998
Celeron Square sewer fund	140,907	3,933		144,840
Eastbrook Heights sewer fund	138,172	3,497		141,669
Courtyard Associates sewer fund	69,208	1,653		70,861
Ledgebrook sewer fund	86,766	2,690		89,456
Holinko Estates sewer fund	27,561	809		28,370
Freedom Green sewer fund	14,930	4,427		19,357
Valley View sewer fund	8,362	809		9,171
Block Property sewer fund	2,915	478		3,393
ING US students No. 8 LLC sewer	139,617	18,362		157,979
Dependent care fund	8,515	51,318	46,930	12,903
Uninsured medical costs fund	16,874	81,840	85,335	13,379
Mid-Neroc operating fund	90,738	74,033	70,118	94,653
Mansfield downtown partnership	304,994	268,231	277,777	295,448
Total Liabilities	<u>\$ 1,232,695</u>	<u>\$ 654,426</u>	<u>\$ 632,664</u>	<u>\$ 1,254,457</u>

Statistical Tables

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

CONTENTS

FINANCIAL TRENDS (TABLES 1 - 4)

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

REVENUE CAPACITY (TABLES 5 - 8)

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

DEBT CAPACITY (TABLES 9 - 13)

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

DEMOGRAPHIC AND ECONOMIC INFORMATION (TABLES 14 - 16)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

OPERATING INFORMATION (TABLES 17 - 18)

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

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

TABLE 1

TOWN OF MANSFIELD, CONNECTICUT

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:										
Net investment in capital assets	\$ 79,677,678	\$ 79,717,286	\$ 68,336,430	\$ 70,198,169	\$ 67,870,994	\$ 66,557,840	\$ 64,693,077	\$ 63,774,998	\$ 62,880,466	\$ 61,779,841
Restricted	274,284	308,189	323,130	332,601	361,900	438,879	639,171	516,156	3,612,577	840,920
Unrestricted	8,673,559	8,964,477	7,699,256	4,314,520	2,897,979	1,695,208	2,797,281	4,123,470	476,846	2,650,673
Total Governmental activities net position	88,625,521	88,989,952	76,358,816	74,845,290	71,130,873	68,691,927	68,129,529	68,414,624	66,969,889	65,271,434
Business-type activities:										
Net investment in capital assets	12,219,106	666,496	699,867	737,210	757,113	803,063	832,081	817,198	871,322	925,951
Unrestricted	221,930	241,074	299,774	159,043	107,789	360,421	336,380	336,432	301,106	416,974
Total Business-type activities net position	12,441,036	907,570	999,641	896,253	864,902	1,163,484	1,168,461	1,153,630	1,172,428	1,342,925
Total Net Position:										
Net investment in capital assets	91,896,784	80,383,782	69,036,297	70,935,379	68,628,107	67,360,903	65,525,158	64,592,196	63,751,788	62,705,792
Restricted	274,284	308,189	323,130	332,601	361,900	438,879	639,171	516,156	3,612,577	840,920
Unrestricted	8,895,489	9,205,551	7,999,030	4,473,563	3,005,768	2,055,629	3,133,661	4,459,902	777,952	3,067,647
Total Net Position:	\$ 101,066,557	\$ 89,897,522	\$ 77,358,457	\$ 75,741,543	\$ 71,995,775	\$ 69,855,411	\$ 69,297,990	\$ 69,568,254	\$ 68,142,317	\$ 66,614,359

TOWN OF MANSFIELD, CONNECTICUT

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses:										
Governmental activities:										
General government	\$ 2,642,388	\$ 2,567,803	\$ 2,583,279	\$ 2,458,702	\$ 2,712,239	\$ 2,370,172	\$ 2,457,128	\$ 2,536,868	\$ 2,538,107	\$ 2,417,854
Public safety	4,052,517	3,678,932	3,425,477	3,017,094	3,106,801	3,508,378	3,042,626	2,838,970	2,775,110	2,678,808
Public works	3,193,047	3,615,666	3,754,652	3,398,958	3,457,353	5,021,008	4,998,186	4,335,002	3,698,504	3,680,017
Community services	5,983,857	4,738,542	4,518,426	4,231,095	4,520,103	5,085,269	4,719,147	4,465,428	4,886,361	4,412,130
Community development	1,072,814	858,172	710,579	707,219	851,058	520,446	558,720	454,273	328,078	303,910
Education	36,309,297	36,575,004	35,489,552	34,727,599	35,099,466	37,386,543	30,724,185	29,003,912	26,431,915	26,897,222
Interest expense	231,885	256,797	233,974	138,630	190,087	156,920	197,044	236,932	282,086	276,633
Total governmental activities expenses	53,485,805	52,290,916	50,715,939	48,679,297	49,937,107	54,048,736	46,697,036	43,871,385	40,940,161	40,666,574
Business-type activities										
Sewer Operating	368,270	317,849	198,891	216,362	605,726	344,725	213,732	162,587	153,202	152,480
Solid Waste Disposal	1,077,733	1,039,725	938,311	917,194	1,000,877	988,715	989,790	992,637	1,264,101	1,108,927
Transit Services	391,970									
Total business-type activities expenses	1,837,973	1,357,574	1,137,202	1,133,556	1,606,603	1,333,440	1,203,522	1,155,224	1,417,303	1,261,407
Total expenses	55,323,778	53,648,490	51,853,141	49,812,853	51,543,710	55,382,176	47,900,558	45,026,609	42,357,464	41,927,981
Program revenues:										
Governmental activities:										
Charges for services:										
General government	350,701	338,468	314,967	344,224	283,798	476,038	490,052	461,599	503,446	389,686
Public safety	574,346	539,700	566,629	501,814	479,959	77,360	59,531	67,067	224,262	179,162
Public works	370,077	386,265	337,213	378,440	365,729	660,502	675,113	596,219	753,717	518,020
Community services	2,851,027	1,761,031	1,746,301	1,782,914	1,795,792	2,014,585	1,855,651	1,824,775	1,722,586	1,466,428
Community development	302,481	498,920	326,758	36,882	132,417	158,179	32,059	88,093	151,635	28,346
Education	655,681	666,100	656,344	665,921	673,635	734,329	676,530	702,052	710,322	595,847
Operating grants and contributions	15,507,421	14,520,834	13,955,865	13,595,609	14,302,128	16,670,202	11,415,580	11,352,684	10,706,110	10,954,571
Capital grants and contributions	9,264,040	12,267,413	1,552,675	2,486,915	1,610,563	2,694,887	1,025,360	844,541	1,185,813	400,318
Total governmental activities program revenues	29,875,774	30,978,731	19,456,752	19,792,719	19,644,021	23,486,082	16,229,876	15,937,030	15,957,891	14,532,378
Business-type activities										
Charges for services:										
Sewer operating	292,441	261,098	263,703	213,976	283,592	284,510	196,000	190,000	178,000	178,000
Solid Waste Disposal	1,088,945	1,002,234	972,430	949,655	1,021,392	1,040,449	1,019,103	944,101	994,830	1,064,008
Transit Services	155,408									
Operating grants and contributions									191,819	33,181
Total business-type activities program revenues	1,536,794	1,263,332	1,236,133	1,163,631	1,304,984	1,324,959	1,215,103	1,134,101	1,364,649	1,275,189
Total program revenues	31,412,568	32,242,063	20,692,885	20,956,350	20,949,005	24,811,041	17,444,979	17,071,131	17,322,540	15,807,567
Net (Expense) Revenue:										
Governmental activities	(23,610,031)	(21,312,185)	(31,259,187)	(28,886,578)	(30,293,086)	(30,562,654)	(30,467,160)	(27,934,355)	(24,982,270)	(26,134,196)
Business-type activities	(301,179)	(94,242)	98,931	30,075	(301,619)	(8,481)	11,581	(21,123)	(52,654)	13,782
Total net expense	(23,911,210)	(21,406,427)	(31,160,256)	(28,856,503)	(30,594,705)	(30,571,135)	(30,455,579)	(27,955,478)	(25,034,924)	(26,120,414)
General revenues and other changes in net position:										
Governmental activities:										
General revenues:										
Property taxes	27,072,830	26,201,473	25,125,357	24,119,297	23,616,872	21,990,246	20,560,377	19,421,660	18,524,910	17,559,957
Grants and contributions not restricted to specific programs	7,332,013	7,367,837	7,551,256	8,348,141	8,872,157	8,481,007	8,665,335	9,244,886	7,756,083	6,582,212
Investment income	16,825	78,768	67,705	82,043	114,686	525,748	772,761	571,794	312,972	176,649
Insurance recoveries	603,077									
Miscellaneous	55,089	42,651	28,835	51,514	128,317	128,051	183,592	140,750	86,760	100,226
Transfers	(11,834,234)									
Total governmental activities	23,245,600	33,690,729	32,773,153	32,600,995	32,732,032	31,125,052	30,182,065	29,379,090	26,680,725	24,419,044
Business-type activities										
Miscellaneous	411	2,171	4,457	1,276	3,037	3,504	3,250	2,325	2,157	4,525
Transfers	11,834,234									
Total business-type activities	11,834,645	2,171	4,457	1,276	3,037	3,504	3,250	2,325	2,157	4,525
Total	35,080,245	33,692,900	32,777,610	32,602,271	32,735,069	31,128,556	30,185,315	29,381,415	26,682,882	24,423,569
Change in net position:										
Governmental activities	(364,431)	12,378,544	1,513,966	3,714,417	2,438,946	562,398	(285,095)	1,444,735	1,698,455	(1,715,152)
Business-type activities	11,533,466	(92,071)	103,388	31,351	(298,582)	(4,977)	14,831	(18,798)	(50,497)	18,307
Total	\$ 11,169,035	\$ 12,286,473	\$ 1,617,354	\$ 3,745,768	\$ 2,140,364	\$ 557,421	\$ (270,264)	\$ 1,425,937	\$ 1,647,958	\$ (1,696,845)

TABLE 3

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

	FISCAL YEAR ENDED JUNE 30									
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund:										
Reserved	\$	\$	\$	\$ 381,593	\$ 303,236	\$ 157,377	\$ 126,765	\$ 71,936	\$ 88,601	\$ 97,429
Unreserved:										
Designated										
Undesignated				1,865,895	1,824,737	1,830,202	1,769,124	1,661,693	1,568,102	1,016,080
Assigned	424,907	253,527	329,652							
Unassigned	<u>2,749,756</u>	<u>2,241,568</u>	<u>1,867,105</u>							
Total General Fund	<u>3,174,663</u>	<u>2,495,095</u>	<u>2,196,757</u>	<u>2,247,488</u>	<u>2,127,973</u>	<u>1,987,579</u>	<u>1,895,889</u>	<u>1,733,629</u>	<u>1,656,703</u>	<u>1,113,509</u>
All Other Governmental Funds:										
Reserved:										
Encumbrances				378,574	2,571,613				2,864,726	
Inventory				46,050	33,068					
Commitments					10,735	76,157	292,651	24,216	153,701	45,154
Debt Service							59	71,079	136,939	321,859
Perpetual Care				330,554	349,162	360,725	344,492	346,991	366,679	374,568
Endowments				1,970	1,910	1,910	1,910	1,910	1,910	1,910
Unreserved reported in:										
Special Revenue funds				1,120,487	728,183	509,182	498,856	783,282	990,791	999,486
Capital funds				(970,938)	(2,293,101)	898,703	966,447	1,357,175	(1,147,188)	2,012,138
Debt Service				(358,478)	(417,446)	(400,107)	(440,456)	(55,199)	(56,518)	(45,562)
Permanent funds				77	93	87	59	24	21	
Nonspendable	17,971	17,538	69,148							
Restricted	4,915,700	6,650,902	2,645,879							
Committed	1,844,321	1,550,994	1,208,557							
Unassigned	<u>(4,829,171)</u>	<u>(4,901,110)</u>								
Total All Other Governmental Funds	<u>1,948,821</u>	<u>3,318,324</u>	<u>3,923,584</u>	<u>548,296</u>	<u>984,217</u>	<u>1,446,657</u>	<u>1,664,018</u>	<u>2,529,478</u>	<u>3,311,061</u>	<u>3,709,553</u>
Grand Total	<u>\$ 5,123,484</u>	<u>\$ 5,813,419</u>	<u>\$ 6,120,341</u>	<u>\$ 2,795,784</u>	<u>\$ 3,112,190</u>	<u>\$ 3,434,236</u>	<u>\$ 3,559,907</u>	<u>\$ 4,263,107</u>	<u>\$ 4,967,764</u>	<u>\$ 4,823,062</u>

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

TABLE 4

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

	FISCAL YEAR ENDED JUNE 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:										
Property taxes	\$ 26,975,001	\$ 25,991,047	\$ 25,422,441	\$ 23,989,637	\$ 23,498,662	\$ 21,921,177	\$ 20,551,473	\$ 19,380,701	\$ 18,571,837	\$ 17,572,787
Intergovernmental	30,543,317	33,900,538	22,821,241	24,268,726	24,649,283	26,468,325	20,916,784	21,305,763	19,137,190	18,224,822
Investment income	11,826	75,122	64,724	76,173	103,014	487,192	700,844	534,578	297,757	132,779
Charges for services	5,098,251	4,190,596	3,947,712	3,711,409	3,762,189	4,004,829	3,853,672	3,700,284	3,981,026	3,069,647
Net increase in fair value of investments									4,622	35,827
Contributions	1,448,082	79,529	71,659	51,503	55,334	237,263	183,453	190,647	175,203	97,976
Other	776,303	218,556	196,231	160,736	152,543	64,853	81,041	35,662	75,176	100,226
Total Revenues	64,852,780	64,455,388	52,524,008	52,258,184	52,221,025	53,183,639	46,287,267	45,147,635	42,242,811	39,234,064
Expenditures:										
Current:										
General government	2,409,250	2,352,021	2,493,342	2,294,768	1,499,878	1,483,648	1,830,252	1,445,792	1,521,750	1,845,607
Public safety	3,596,832	3,378,176	3,176,632	2,825,567	2,928,387	2,959,562	2,561,450	2,423,765	2,357,210	2,254,756
Public works	2,157,691	2,094,351	2,135,618	2,019,252	3,225,131	3,169,271	2,896,753	2,678,305	2,351,884	2,161,940
Community services	5,370,430	3,906,060	3,924,752	3,793,081	4,091,147	4,081,152	3,804,230	3,637,669	3,756,881	3,743,304
Community development	736,118	654,674	644,361	675,780	792,917	450,656	462,318	399,712	243,000	263,668
Townwide expenditures	2,611,262	2,372,776	2,353,028	2,475,155	2,521,997	2,297,118	2,124,445	2,647,899	1,772,149	1,412,413
Education	34,530,737	34,718,647	34,114,493	33,493,250	33,711,808	35,562,697	29,991,931	29,086,170	26,478,820	25,252,840
Capital outlay	13,288,309	14,690,759	2,767,464	4,333,824	3,492,470	2,309,124	2,152,606	2,250,753	2,003,430	3,329,842
Debt service:										
Principal	629,087	638,945	627,099	548,826	594,904	660,000	805,000	830,000	980,000	1,065,000
Interest	212,999	238,053	183,204	115,121	117,432	136,082	176,482	216,239	261,507	309,970
Total Expenditures	65,542,715	65,044,462	52,419,993	52,574,624	52,976,071	53,109,310	46,805,467	45,616,304	41,726,631	41,639,340
Excess (Deficiency) of Revenues over Expenditures	(689,935)	(589,074)	104,015	(316,440)	(755,046)	74,329	(518,200)	(468,669)	516,180	(2,405,276)
Other Financing Sources (Uses):										
Payment to refunded bond escrow agent										(4,155,124)
Issuance of refunding bonds										4,255,000
Bond premium			55,542							13,504
Issuance of debt			2,840,000							
Sale of capital assets										
Issuance of capital leases			325,000		508,000					
Transfers in	4,991,349	2,560,076	2,194,504	2,611,110	1,635,134	2,444,758	2,062,430	2,085,132	2,129,419	2,183,664
Transfers out	(4,991,349)	(2,530,076)	(2,194,504)	(2,611,110)	(1,710,134)	(2,644,758)	(2,247,430)	(2,321,120)	(2,500,897)	(2,445,664)
Net Other Financing Sources (Uses)	-	30,000	3,220,542	-	433,000	(200,000)	(185,000)	(235,988)	(371,478)	(148,620)
Net Change in Fund Balances	\$ (689,935)	\$ (559,074)	\$ 3,324,557	\$ (316,440)	\$ (322,046)	\$ (125,671)	\$ (703,200)	\$ (704,657)	\$ 144,702	\$ (2,553,896)
Debt Service as a Percentage of Noncapital Expenditures	1.62%	1.71%	1.66%	1.36%	1.43%	1.60%	2.20%	2.40%	3.13%	3.59%

TABLE 5

TOWN OF MANSFIELD, CONNECTICUT
TAX RATES, LEVIES AND CASH COLLECTIONS
LAST TEN YEARS
(UNAUDITED)

Year Ended June 30	General Fund Mill Rate	Adjusted Total Levy	Current Tax Collections at June 30,	Percentage of Current Taxes Collected	Collections in Subsequent Years	Total Collections	Percent of Levy Collected	Current Delinquent Balance
2004	29.94	\$ 17,406,826	\$ 17,142,139	98.48%	\$ 264,264	\$ 17,406,403	100.00%	\$ 423
2005	30.93	18,314,656	18,028,677	98.44%	284,766	18,313,443	99.99%	1,213
2006	22.01	19,140,949	18,876,286	98.62%	263,414	19,139,700	99.99%	1,249
2007	22.88	20,343,456	20,035,289	98.49%	301,630	20,336,919	99.97%	6,537
2008	23.87	21,752,811	21,423,169	98.48%	316,061	21,739,230	99.94%	13,581
2009	25.42	23,373,465	22,991,472	98.37%	361,222	23,352,694	99.91%	20,771
2010	25.71	23,957,562	23,567,914	98.37%	354,798	23,922,712	99.85%	34,850
2011	25.71	24,661,568	24,365,981	98.80%	204,999	24,570,980	99.63%	90,588
2012	26.68	26,037,701	25,626,839	98.42%	229,040	25,855,879	99.30%	181,822
2013	27.16	26,718,687	26,284,127	98.37%		26,284,127	98.37%	434,560

Source: Town audit reports.

TOWN OF MANSFIELD, CONNECTICUT

TAXABLE GRAND LIST
LAST TEN YEARS
(UNAUDITED)

Grand List as of October 1, *	Residential Real Estate Property	Percent	Utilities Commercial and Industrial Real Property	Percent	All Land	Percent	Personal Property	Percent	Motor Vehicle **	Percent	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	Total Direct Rate
2002	\$ 411,876,590	70%	\$ 79,082,060	13%	\$ 3,850,720	1%	\$ 28,549,730	5%	\$ 66,074,095	11%	\$ 589,433,195	\$ 3,696,830	\$ 585,736,365	29.94
2003	423,877,050	71%	68,463,490	11%	3,940,460	1%	30,133,670	5%	71,181,641	12%	597,596,311	3,522,073	594,074,238	30.93
2004	658,941,733	75%	106,028,890	12%	8,116,630	1%	32,199,575	4%	74,895,444	9%	880,182,272	5,186,612	874,995,660	22.01
2005	670,168,950	75%	107,835,200	12%	7,727,790	1%	33,853,075	4%	78,529,205	9%	898,114,220	5,844,410	892,269,810	22.88
2006	689,970,600	75%	108,312,710	12%	7,044,070	1%	35,057,720	4%	80,038,570	9%	920,423,670	6,232,636	914,191,034	23.87
2007	702,597,450	75%	108,694,140	12%	6,889,300	1%	36,401,718	4%	79,514,897	9%	934,097,505	6,347,879	927,749,626	25.24
2008	712,378,920	76%	108,803,970	12%	6,792,910	1%	35,487,753	4%	79,279,666	8%	939,743,219	6,462,259	933,280,260	25.71
2009	730,833,500	75%	129,850,480	13%	7,307,020	1%	34,955,764	4%	77,516,289	8%	980,463,053	6,418,378	974,044,675	25.71
2010	735,749,080	75%	129,822,260	13%	7,228,620	1%	35,730,116	4%	77,916,804	7%	980,446,880	6,007,704	974,439,176	25.71
2011	738,105,450	75%	130,229,800	13%	7,125,370	1%	35,552,335	4%	74,750,285	7%	985,763,240	5,365,505	980,397,735	27.16

* Total after changes by Board of Tax Review.

** The Supplemental Motor Vehicle Grand List is included in the Motor Vehicle Totals.

TABLE 7

TOWN OF MANSFIELD, CONNECTICUT

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

As of October 1,	Real Estate Assessed Valuation	Real Estate Estimated True Value	Motor Vehicles Assessed Valuation	Personal Property Assessed Valuation	Total Motor Vehicles and Personal Property Assessed Valuation	Total Motor Vehicles and Personal Property Estimated True Value	Total Gross Assessed Valuation	Total Exemptions	Total Net Assessed Grand List *	Total Estimated True Value	Ratio Assessed Value to True Value Total **	Total Direct Rate
2002	\$ 494,809,370	\$ 702,629,305	\$ 66,074,095	\$ 28,549,730	\$ 94,623,825	\$ 135,176,892	\$ 589,433,195	\$ 3,696,830	\$ 585,736,365	\$ 837,806,197	69.9%	29.94
2003	496,281,000	708,972,857	71,181,641	30,133,670	101,315,311	144,736,159	597,596,311	3,522,073	594,074,238	853,709,016	69.6%	30.93
2004	773,087,253	1,104,410,361	74,895,444	32,199,575	107,095,019	152,992,884	880,182,272	5,186,612	874,995,660	1,257,403,245	69.6%	22.01
2005	785,731,940	1,122,474,200	78,529,205	33,853,075	112,382,280	218,561,263	898,114,220	5,844,410	892,269,810	1,341,035,463	66.5%	22.88
2006	805,327,380	1,337,753,123	80,038,570	35,057,720	115,096,290	164,423,271	920,423,670	6,232,636	914,191,034	1,502,176,394	60.9%	23.87
2007	818,180,890	1,302,835,812	79,514,897	36,401,718	115,916,615	165,595,164	934,097,505	6,347,879	927,749,626	1,468,430,976	63.2%	25.24
2008	827,975,800	1,304,596,218	76,279,666	35,487,753	111,767,419	159,667,741	939,743,219	6,462,259	933,280,960	1,457,801,700	64.0%	25.71
2009	867,991,000	1,239,987,143	77,516,289	34,955,764	112,472,053	160,674,361	980,463,053	6,418,378	974,044,675	1,391,492,393	70.0%	25.71
2010	872,799,960	1,298,809,464	71,916,804	35,730,116	107,646,920	153,781,314	980,446,880	6,007,704	974,439,176	1,443,630,905	67.5%	26.68
2011	875,460,620	1,188,390,982	74,750,285	35,552,335	110,302,620	160,512,176	985,763,240	5,042,505	980,720,735	1,339,347,646	73.2%	27.16

* Total net Grand List is the final Grand List figure after all changes are made by the Board of Tax Review.

** This figure is based on the ratio of assessments for a given Grand List year to actual fair market value for that given Grand List year.

TOWN OF MANSFIELD, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Taxpayer	Nature of Business	Grand List Year					
		2013			2004		
		Assessed Value	Rank	% of Taxable Grand List (1)	Assessed Value	Rank	% of Taxable Grand List (1)
Connecticut Light & Power Co.	Public Utility	\$ 13,641,860	1	1.40%	\$ 8,094,970	1	1.46%
RRE VIP, LLC (Knollwood Acres, et al)	Apartments	10,788,820	2	1.11%			
Eastbrook F LLC	Eastbrook Mall	9,242,310	3	0.95%	4,039,980	3	0.73%
157-35 OAP Holdings LLC (Orchard Acres+ Renwood Apt Complexes)	Apartments	8,656,270	4	0.89%			
Celeron Square Assoc (Celeron Apts)	Apartments	7,509,180	5	0.77%	3,645,880	5	0.66%
Colonial BT LLC (Colonial Townhouse, fka Foster Apts)	Apartments	5,390,000	6	0.55%	4,862,375	2	0.88%
Glen Ridge Cooperative, Inc	Housing Co-Op	5,306,770	7	0.54%	2,979,900	6	0.54%
New Samaritan Corp (Mansfield Center for Nursing & Rehab)	Nursing Home	5,018,020	8	0.51%	3,932,950	4	0.71%
Carriage Polo Run LLC (Carriage House Apts)	Apartments	4,895,240	9	0.50%			
Hayes-Kaufmann Mansfield Assoc. (Big Y Plaza)	Shopping Plaza	4,655,000	10	0.48%	2,601,590	8	0.47%
University of CT Cooperative Corporation	UCONN Co-Op				2,781,630	7	0.50%
Campus Associates (Nathan Hale Inn)	Inn/Restaurant				2,178,720	10	0.39%
Orchard Acres Prop LLC (Orchard Acres Apts)	Apartments				2,453,990	9	0.44%
TOTAL		\$ 75,103,470		7.70%	\$ 37,571,985		6.78%

Source: Town Assessor Department.

(1) Based on a Net Taxable Grand List for October 1, 2011 and October 1, 2002 of \$980,397,735 and \$575,989,725, respectively after Board of Tax Review

TOWN OF MANSFIELD, CONNECTICUT

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS
(UNAUDITED)**

Year Ended June 30	General Obligation Bonds	Percentage of Actual Taxable Value of Property	Percentage of Personal Income	Per Capita
2004	\$ 5,605,800	0.69%	0.63%	\$ 231
2005	4,643,220	0.56%	0.84%	190
2006	3,830,640	0.32%	1.00%	154
2007	3,043,060	0.24%	N/A	123
2008	2,400,480	0.17%	N/A	97
2009	1,887,900	0.13%	N/A	72
2010	1,450,320	0.10%	N/A	57
2011	3,904,811	0.28%	N/A	147
2012	3,458,760	0.24%	N/A	130
2013	3,012,709	0.22%	N/A	114

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

N/A- Information is not available.

TOWN OF MANSFIELD, CONNECTICUT

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

Year Ended June 30	Governmental Activities		Total	Percentage of Actual Taxable Value of Property	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases				
2004	\$ 5,605,800	\$	\$ 5,605,800	0.69%	0.63%	\$ 231
2005	4,643,220		4,643,220	0.56%	0.84%	190
2006	3,830,640		3,830,640	0.32%	1.00%	154
2007	3,043,060		3,043,060	0.24%	N/A	123
2008	2,400,480		2,400,480	0.17%	N/A	97
2009	1,887,900	858,000	2,745,900	0.19%	N/A	104
2010	1,450,320	631,816	2,082,136	0.14%	N/A	82
2011	3,904,811	714,813	4,619,624	0.33%	N/A	174
2012	3,458,760	463,322	3,922,082	0.27%	N/A	148
2013	3,012,709	218,947	3,231,656	0.24%	N/A	122

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

N/A- Information is not available.

TOWN OF MANSFIELD, CONNECTICUT

COMPUTATION OF DIRECT AND OVERLAPPING INDEBTEDNESS
JUNE 30, 2013
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to Mansfield</u>	<u>Mansfield Share of Debt</u>
Town of Mansfield	\$ 3,458,760	100.00%	\$ 3,458,760
Regional School District No. 19	4,357,731 *	56.45%	** <u>2,459,939</u>
Net Direct and Overlapping Indebtedness			\$ <u><u>5,918,699</u></u>

* Debt is net of school grants receivable of \$5,822,269.

** Note: The percentage applicable to Mansfield of the Regional School District No. 19's debt is based the Town's prorated share of student enrollment in the District at October 1 of the preceding year.

TOWN OF MANSFIELD, CONNECTICUT

SCHEDULE OF DEBT LIMITATION
 JUNE 30, 2013
 (UNAUDITED)

Total Tax Collections (including interest and lien fees) for the year ended June 30, 2013	\$ 26,910,845
Reimbursement for Revenue Loss: Tax relief for elderly freeze	<u>2,000</u>
Base for Debt Limitation Computation	<u>\$ 26,912,845</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt Limitation:					
2 1/4 times base	\$ 60,553,901	\$	\$	\$	\$
4 1/2 times base		121,107,803			
3 3/4 times base			100,923,169		
3 1/4 times base				87,466,746	
3 times base					80,738,535
	<u>60,553,901</u>	<u>121,107,803</u>	<u>100,923,169</u>	<u>87,466,746</u>	<u>80,738,535</u>
Total Debt Limitation					
Indebtedness:					
Bonds payable	1,105,000	1,550,000	330,000		
Bonds authorized unissued	1,445,000				
Town portion of Regional School District No. 19 bonds payable - net		<u>2,459,939</u>			
Net Indebtedness (1)	<u>2,550,000</u>	<u>4,009,939</u>	<u>330,000</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Indebtedness	<u>\$ 58,003,901</u>	<u>\$ 117,097,864</u>	<u>\$ 100,593,169</u>	<u>\$ 87,466,746</u>	<u>\$ 80,738,535</u>

(1) The total of the above net indebtedness amounts to \$ 6,889,939

In no event shall total indebtedness exceed seven times the base for debt limitation computation: \$ 188,389,915

TABLE 13

TOWN OF MANSFIELD, CONNECTICUT

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

Year Ended June 30	Debt Limit	Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable
2004	\$ 122,143,231	\$ 8,689,284	\$ 113,453,947	7%
2005	128,681,014	7,511,401	121,169,613	6%
2006	134,734,047	6,808,645	127,925,402	5%
2007	142,741,830	6,143,040	136,598,790	4%
2008	152,468,890	5,475,355	146,993,535	4%
2009	164,332,504	8,897,611	155,434,893	5%
2010	167,515,187	8,997,414	158,517,773	5%
2011	181,077,596	8,144,509	172,933,087	4%
2012	181,160,987	7,666,612	173,494,375	4%
2013	188,389,915	6,889,939	181,499,976	4%

TOWN OF MANSFIELD, CONNECTICUT

**DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(UNAUDITED)**

Year Ended June 30	(3) Population*	(5) Personal Income	(1) Per Capita Income*	(1) Median Age*	Education Level in Years of Schooling	(2) School Enrollment	(4) Unemployment Percentage
2004	25,000	\$ N/A	\$ 21,000	21.6	N/A	2,031	3.4%
2005	25,200	N/A	22,000	21.8	N/A	1,978	3.9%
2006	25,800	N/A	22,312	21.5	N/A	1,996	3.8%
2007	25,700	N/A	22,312	21.5	N/A	1,948	4.4%
2008	25,800	N/A	22,312	21.5	N/A	1,912	4.9%
2009	26,300	N/A	22,500	21.5	N/A	1,906	6.7%
2010	25,268	55,871	22,500	21.5	N/A	1,893	6.9%
2011	26,543	64,757	23,369	22	N/A	1,868	7.9%
2012	26,540	64,757	21,535	21.6	N/A	1,938	7.5%
2013	26,524	64,757	22,735	21.6	N/A	1,895	8.5%

*Estimates (Includes University of Connecticut Students and Bergin Correctional Institute Inmates)

N/A - Data is not available

Data Sources

- (1) American Community Survey 3-Year Estimates (Population-Table B01003; Income-Table DP03; Age-Table B01002)
- (2) Town and Region School Officials
- (3) Connecticut Department of Public Health
- (4) Connecticut Department of Labor
- (5) www.city-data.com/city/Mansfield-Connecticut.html (2011 is most recent available)

TOWN OF MANSFIELD, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND FIVE YEARS AGO
(UNAUDITED)

<u>Employer</u>	<u>2013</u>		<u>2008*</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
University of Connecticut	4,510	1	4,555	1
Town of Mansfield	556	2	419	2
Natchaug Hospital, Inc.	293	3	N/A	
Big Y	200	4	N/A	
Regional School District #19	165	5	171	4
Bergin Correctional Institute	<u> </u>		<u>227</u>	3
Total	<u>5,359</u>		<u>5,372</u>	

* Data not available prior to this date

Note: Total employment for Town & Region 19 are based on the budget

Source for UConn is UConn Fact Sheet 2013 on www.uconn.edu/about/index.php

Source for Bergin Correctional Institute is Monica Rinaldi from warden's office.

N/A - Information not available

TOWN OF MANSFIELD, CONNECTICUT

**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
LAST FIVE YEARS
(UNAUDITED)**

Function/Program	Full -Time Equivalent Employees as of June 30				
	2012	2012	2011	2010	2009
General Government:					
Town Manager	3.91	3.71	3.71	3.54	3.54
Finance	12.50	12.50	12.00	13.00	13.50
Town Clerk	3.00	3.00	3.00	3.00	3.00
Registrars	1.42	1.24	1.25	1.17	0.72
Management Services Fund	3.00	3.00	3.00	4.00	4.00
Facilities Management	7.00	7.00	7.00	7.00	7.25
Public Safety:					
Police	11.26	10.83	11.1	10.16	10.08
Animal Control	1.81	1.81	1.81	1.81	1.81
Fire	21.5	20.86	20.06	20.48	19.29
Public Works:					
Engineering	4.70	4.29	3.50	3.50	3.50
Road Services	10.00	10.00	10.00	10.00	11.00
Maintenance	9.00	9.00	8.00	8.00	8.00
Waste Disposal	3.50	3.50	3.50	3.50	3.50
Supervision/Administration	3.00	3.00	3.00	2.67	2.67
Community Development:					
Building Inspection	3.10	3.10	2.60	2.01	1.60
Housing Inspection	1.65	1.65	1.65	1.79	2.17
Planning/Zoning	3.43	3.15	3.00	3.33	3.33
Human Services:					
Human Services	3.00	3.00	3.00	3.00	3.00
Youth Services	3.29	2.51	2.71	2.71	2.66
Senior Services	4.21	4.21	4.21	3.77	4.19
Community Services:					
Library	10.82	10.44	10.53	10.53	10.84
Parks and Recreation	27.66	27.79	27.88	28.44	30.00
Education:					
Certified	140.30	139.30	138.60	138.40	138.60
Noncertified	119.85	119.85	121.95	119.45	123.30
Total	<u>412.91</u>	<u>408.74</u>	<u>407.06</u>	<u>405.26</u>	<u>411.55</u>

Source: Town Budget

TOWN OF MANSFIELD, CONNECTICUT

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST FIVE YEARS
(UNAUDITED)**

Function/Program	Fiscal Year Ended June 30				
	2013	2012	2011	2010	2009
<u>General Government</u>					
Public Safety					
Fire:					
Emergency responses	1,809	1,930	1,819	1,869	1,864
Fires extinguished	57	110	96	78	93
Inspections	1,797	1,157	845	909	1,194
Police:					
Reportable investigations	1,250	1,059	622	412	531
Motor vehicle accident investigations	410	335	409	280	421
Motor vehicle citations	4,145	2,347	1,386	960	2,303
Motor vehicle warnings	1,669	1,447	2,115	1,561	1,677
Public Works					
Street resurfacing (miles)	11	7	12	12	9
Potholes repaired					
Building permits issued	990	848	701	726	789
Community Services:					
Parks and Recreation					
Athletic field permits issued					
Community center visitations	217,451	215,626	217,383	228,227	230,810
Programs	3,055	2,886	2,349	2,302	1,898
Health					
Number of health inspections					
Library					
Volumes in collection	87,131	87,532	82,533	87,440	90,397
Total volumes borrowed	234,756	228,343	224,292	204,879	252,416
Education					
Enrollment:					
High School	604	585	615	623	627
Middle School	565	576	565	563	580
Elementary Schools	726	749	688	707	699
<u>Business-Type Activities</u>					
Sewer Fund					
Average daily sewage treatment (thousands of gallons)	5 1	5 1	5 1	5 1	4 1

Sources: Various Town Departments

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

Function/Program	FISCAL YEAR ENDED JUNE 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>Governmental Activities</u>										
Public Safety:										
Fire stations	3	3	3	3	3	3	3	3	3	3
Police department:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	2	2	2	2	2	4	4	4	4	4
Public Works:										
Highway department:										
Streets (miles)	107.3	107.3	107.3	107.3	107.5	106	105	105	105	105
Community Services:										
Social services	1	1	1	1	1	1	1	1	1	1
Library services	1	1	1	1	1	1	1	1	1	1
Day care	1	1	1	1	1	1	1	1	1	1
Parks and recreation:										
Acreage	2,785	2,785	2,785	2,785	2,651	1,938	1,938	1,938	1,938	1,938
Baseball/softball diamonds	12	12	12	12	12	12	12	12	12	12
Soccer/football/field hockey fields	15	15	15	15	14	14	14	14	14	14
Community centers	1	1	1	1	1	1	1	1	1	1
Education:										
Number of Middle Schools	1	1	1	1	1	1	1	1	1	1
Number of Elementary Schools	3	3	3	3	3	3	3	3	3	3
Sewer Fund:										
Sewer mains (miles)	5	5	5	5	4	4	4	4	4	4
Pump stations	1	1	1	1	1	1	1	1	1	1

Sources: Various Town Departments

Note: Indicators are not available for the General Government and Community Development functions.