

Town of Hebron, Connecticut

Comprehensive Annual Financial Report



For the Year Ended
June 30, 2015

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INTRODUCTORY SECTION

Final Draft



Town of Hebron

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December 28, 2015

To the Board of Finance, Town Manager and Honorable
Members of the Hebron Board of Selectmen
Town of Hebron, Connecticut

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of audited financials. This report is published to fulfill that requirement for the fiscal year ended June 30, 2015.

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

Mahoney Sabol & Company, LLP, Certified Public Accountants, have issued unmodified opinions on the Town of Hebron, Connecticut's financial statements for the year ended June 30, 2015. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A is intended to complement this letter of transmittal and should be read in conjunction with it.

Profile of Government

Hebron covers an area of 36.9 miles and is 20 miles southeast of Hartford. Its location is within the suburban fringe of the Hartford metropolitan area. Hebron is bounded on the east by Columbia, the southeast by Lebanon, the south by Colchester, the west by Marlborough and Glastonbury, the north by Bolton, and the northeast by Andover. The Town is traversed by Connecticut Routes 66 and 85. Included in Hebron town limits are Amston (formerly Turnerville), once a thriving mill area, and Gilead, which grew up around the Congregational Church founded there in 1748.

Hebron is considered to be a semi-rural community. The Town's business community is located primarily along Route 66 near the intersection with Route 85. There is also a neighborhood business center located in the southern part of Town near Amston Lake.

The Town of Hebron adopted a charter in 1988, effective as of November 21, 1989. The Charter was amended on November 5, 1996, November 4, 2003, November 3, 2009 and again on November 4, 2014. The Charter retains a Town meeting form of government, with an elected five-member Board of Selectmen serving overlapping four-year terms and a six-member Board of Finance to reduce to five beginning with the November election 2015 serving overlapping four-year terms. A Town Manager, appointed by the Board of Selectmen, acts as the chief executive and chief administrative officer of the Town, and is responsible to the Board of Selectmen

for the administration of all departments and agencies with elected heads or members. The Town Manager has the authority to appoint various officers, including a Finance Director who, among other duties, acts as the Town Treasurer and the agent of all Town funds.

The Board of Education is the policy-making body for grades kindergarten through six. Grades seven through twelve are governed by Regional School District Number 8 composed of the Towns of Hebron, Andover and Marlborough. A member town may withdraw from the District, but such withdrawal does not affect the obligation of the member town to District bondholders.

The Town provides a full range of services including public safety, street maintenance, sanitation, health and human services, public parks and recreation, library, education, culture, public improvement, planning, zoning, sewer and general administrative services.

Regional School District Number 8

Regional School District No. 8 was organized in 1957 under provisions of the Connecticut General Statutes, Section 10-45, after approval by the member towns of Hebron, Andover and Marlborough. Regional Hebron Andover Marlborough (RHAM) Middle School in Hebron accommodates grades 7 and 8, and Regional Hebron Andover Marlborough (RHAM) High School in Hebron serves grades 9-12. Each member town maintains and funds its own school district, which provides elementary education grades K- 6.

Local Economy

The Town aggressively pursues economic and physical stabilization and revitalization. After many years of steady population growth, Hebron has recently seen an additional 10% increase in population from 2000 to 2010 (Source: Federal Census). Consequently the Town is involved with several projects which will improve both the tax base and quality of life in Hebron.

The net taxable grand list for October 1, 2013 was \$778,651,850, a slight increase of .09% from the October 1, 2012 grand list amount of \$772,648,505. With the economy appearing to be on the incline, new construction in Town appears to also be rebounding with a recognized increase in our building permits and applications. Hebron's unemployment rate remained at 5.2% at June 30, 2014. This is indicative of a continued fluctuating local re-employment process and economy. Hebron still ranked better than the Federal rate of 7.3% and the State rate of 7.8% at June 30, 2014.

Major Initiatives:

The Economic Development Commission in association with Town staff has continued to promote local businesses and retain them for viability in the Town. A "Shops Local" initiative was developed in 2011 to assist with increasing the viability of Hebron's businesses, and keeping citizen dollars circulating within the Town. There was also a review and reworking of the local tax abatement policy to attract new businesses to the Town. These initiatives will aid in increasing the commercial tax base as well as helping keep current businesses strong with a continuous and expanding employment base being kept in Town.

In 2011 the Town initiated a Charrette Process with assistance from the University of Connecticut Architectural and Landscaping students to increase and improve the look of our Main Street business district. Several future infrastructure improvement objectives for this area along Route 66 were identified by bringing in all points of view from residents, Town representatives and experts, who were invited to three interactive charrette sessions. Objectives that were identified at that time continue to be implemented through continuing STEAP grant applications for business owners and in conjunction with the Plan of Development for Hebron through the Planning and Zoning Commission, Economic Development Commission and the Historic Properties Committee as noted below:

- Installation of a traffic light for easier access to the community business district.
- Increase economic viability through the addition of commercial opportunities with the recent opening of a new large CVS Pharmacy, Giuliano Pools and several smaller quaint shops.
- Preserve and enhance the historic district.
- Sidewalk installation has improved walk-ability of the downtown corridor and improved the overall aesthetic appeal of the downtown area with additional parking.

Relevant Financial Policies:

Budgetary Control

The Town maintains extensive budgetary controls including a very strong purchasing policy. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Selectmen and Board of Finance. Activities of the general fund are included in the annual appropriated budget. Project-length budgets are prepared for the capital projects funds. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the departmental level within each fund. The Town also maintains an encumbrance accounting system as one method of maintaining budgetary control. Unencumbered amounts lapse at year end. Encumbered amounts at year end are reported as reservations of fund balance.

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

Other Policies

The Town Management and Boards of Selectmen and Finance are in the process of reviewing, revising and adopting several financial policies. Most recently reviewed and revised is the General Fund Balance Policy. Also in process are a separate Capital Equipment Replacement Policy, Debt Policy and other Operating Budget and Financial Policies continue to be reviewed and updated.

Long Term Financial Planning:

A significant measure of the Town's financial strength is the level of its fund balances (i.e., the accumulation of the revenues in excess of expenditures). The Town's General Fund Balance has demonstrated positive trends over the past several years and the current fiscal year. In years where there has been a substantial buildup in the General Fund Balance funds were transferred to a debt service fund in order to set aside funds for future years debt requirements. The Boards of Selectmen and Finance along with Town Management, takes the responsibility of being stewards of public funds very seriously and have implemented a policy effective in April 2014 to maintain a General Fund Balance between 10% and 12%.

Hebron has a Capital Improvement Program through which its goal is to maintain the Town's infrastructure, provide for capital equipment and vehicle replacement and to make improvements to and/or add community facilities to enhance the Town's overall image and services it provides to Town residents.

The Town's annual Capital Improvement Program (CIP) results in a five-year plan of acquisition, new construction, and repair and replacement of municipal facilities and equipment. The program consists of a planning and a budgetary process. Requests are prepared by Town Departments, Boards and Commissions and are submitted to the Citizen appointed Capital Improvement Committee. The Committee reviews the requests and prioritizes them by 1) Core Projects: Safety and health concerns, mandates, continuation of a current project; 2) Essential projects: conformance with plans and initiatives, grant matches, positive fiscal impact etc.; and 3) Discretionary projects: optional remodeling and construction. The Committee forwards their recommendation for the five year plan and funding to the Town Manager and Board of Selectmen in a five year planning document. The Board of Selectmen and then the Board of Finance complete their reviews and recommends the CIP budget as part of the overall budget process. The budget for the Capital Improvement Program is then voted on by the voters during the yearly budget referendum.

There also is a Long Term Financial Report that is updated each year to try to project future operating budget revenues and expenditures over several years which are utilized to plan appropriately for major events and funding requirements. The Town recognizes that because of population growth variation, residential and commercial development, changes in assessed values and increased cost of operations, a clearer vision is important to the proper allocation of financial resources based on both legal debt capacity and reasonable amount of future funds the Town can afford to fund capital projects.

2014/2015 Revenues

A continuing challenge when considering the Town's budget is the appropriate balance between operational requirements, level of service the community needs and expectations and ongoing taxes. As revenues are highly dependent on the economy and market conditions, naturally the Town, region and nation began to experience a downturn in the early part of 2008. The Town evaluated the impact of the possible reduction in revenues at the State level and during the budget development for 2014-2015 utilized the most accurate numbers available.

2014/2015 Expenditures

The Town continued to face many of the same challenges in the development of expenditures for the 2014/2015 fiscal year. The combined overall Town, Debt, Capital, RHAM Assessment and Education budget increased by \$807,118 or 2.31%. Some of the budgeting challenges continue to include:

First and foremost, managing negotiated increases in wages and health insurance costs for all staff. The RHAM Region 8 Health Consortium District for combined health insurance coverage, which the Town and Board of Education are a part of, continue to manage health insurance costs by implementing new initiatives that include plan design changes, health improvement initiatives and programs, ooled savings and possibly evaluating the feasibility of self -insurance. This is an ongoing process.


Managing the needs for capital equipment and infrastructure improvements with limited resources. The Capital Improvement Policy (CIP) was reviewed by the policy makers during fiscal year 2012 with changes to the method and threshold of the CIP being made. With the fiscal year 2013/2014 major funding was returned to the Capital Improvement Plan Fund after drastic reductions were made during the 2012/2013 to major projects due to the necessity of a third referendum for budget approval. The policy makers are working together to develop the best funding alternatives for future capital needs. The Town Management, Boards of Selectmen and Finance are proactive in addressing the budgetary needs and the various internal and external factors that affect the Town's budget and finances.

Awards and Acknowledgments:

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 Hebron for its comprehensive annual financial report for the fiscal year ended June 30, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. Certificate of Achievement is valid for a period of one year only. The Town of Hebron received the Certificate of Achievement for the eleventh consecutive fiscal year and is a fact that we boast of continuously. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

The preparation of this report could not have been accomplished without the efficient and dedicated services of all Town staff specifically within the Finance Department. I must also extend my sincerest appreciation to all members of the Town Departments who assisted with their daily cooperation in its compilation and preparation. While this CAFR is the result of the diligent efforts of Town staff and our auditing firm Mahoney Sabol & Co., LLP, it would not be possible without the ongoing support of the Board of Selectmen, Board of Finance and the Town Manager.

Respectfully submitted,


Elaine M. Griffin
Finance Director



Government Finance Officers Association

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

Presented to

**Town of Hebron
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

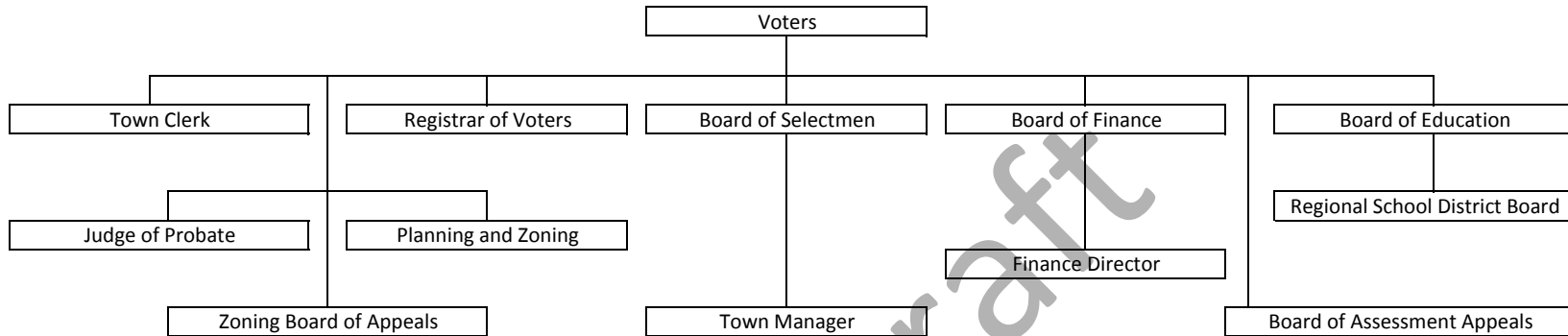


Executive Director/CEO

TOWN OF HEBRON, CONNECTICUT
PRINCIPAL TOWN OFFICIALS
JUNE 30, 2015

Chairman of the Board of Selectman.....	Jeffrey Watt
Chairman of the Board of Finance.....	Michael Hazel
Town Manager.....	Andrew J. Tierney
Assessor.....	Debra Gernhardt
Building Inspector.....	Joseph Summers
Resident Trooper.....	Daniel Greenwood
Town Clerk.....	Carla Pomprowicz
Town Planner.....	Michael O'Leary
Finance Director.....	Elaine M. Griffin
Legal Counsel.....	Kenneth Slater, Esq.
Emergency Management.....	Sean Shoemaker
Engineer.....	Nathan Jacobson & Assoc.
Fire Chief.....	Nick Wallick
Fire Marshal.....	Randy Blais
Health Director.....	Thad King
Public Works Director.....	Kevin Kelly
Recreation Director.....	Richard Calarco
Senior Services Director.....	Sharon Garrard
Superintendent of Schools.....	Timothy Van Tassel
Tax Collector.....	Adrian MacLean
AHM Youth and Family Services.....	Joel Rosenberg
Zoning Enforcement Officer.....	Joseph Summers

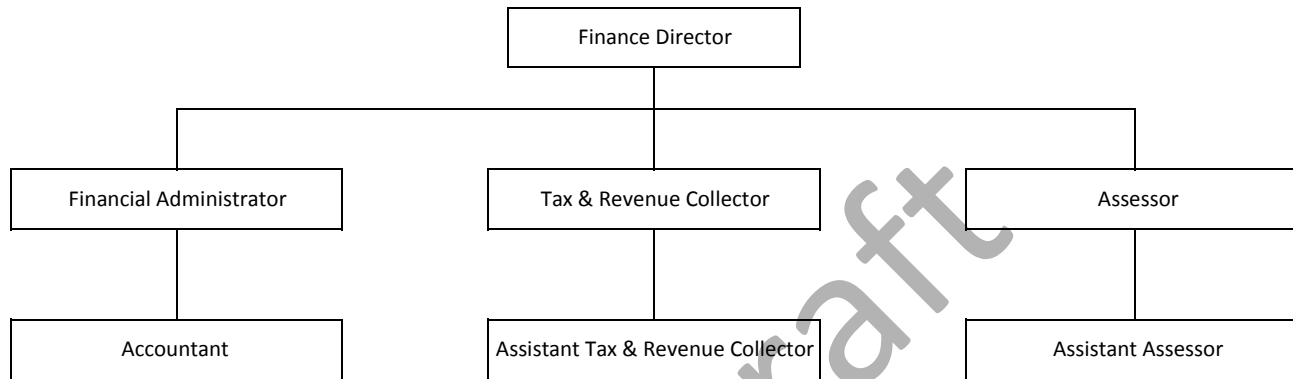
TOWN OF HEBRON, CONNECTICUT
ORGANIZATIONAL CHART AND TOWN AGENCIES
 JUNE 30, 2015



Town Agencies
Finance
Revenue Collector
Assessor
Fire Administration
Ambulance
Police
Emergency Management
Fire Marshal
Building
Planning
Wetlands
Town Clerk
Canine Control
Library
Senior Services
Recreation
Town Attorney

Boards and Commissions
Parks and Recreation
Conservation Commission
Water Pollution Control Authority
Inlands Wetlands
Commission on Aging
Open Space & Land Acquisition
CIP Committee
Economic Development Comm.
Historic Preservation Comm.
Park Development Comm.

TOWN OF HEBRON, CONNECTICUT
ORGANIZATIONAL CHART - FINANCE DEPARTMENT
JUNE 30, 2015



FINANCIAL SECTION

Final Draft

INDEPENDENT AUDITOR'S REPORT

Final Draft

MANAGEMENT'S DISCUSSION AND ANALYSIS

Final Draft

TOWN OF HEBRON, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS – UNAUDITED

The management of the Town of Hebron, Connecticut (the “Town”) offers the readers of its financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - iv of this report, as well as the Town’s basic financial statements that follow this section.

HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities at the close of the most recent fiscal year by \$56,336,844 (net position). Of this amount, \$8,479,844 represents unrestricted net position, which may be used to meet the government’s ongoing obligations to citizens and creditors.
- The Town’s total net position increased by \$722,306 during the current fiscal year.
- As of the close of the current fiscal year, the Town’s governmental funds reported combined ending fund balances of \$8,537,330, an increase of \$1,155,348 in comparison with the prior year.
- At the close of the current fiscal year, unassigned fund balance of the General Fund was \$5,809,658 or 15.8% of total General Fund expenditures. Expressed another way, unassigned fund balance for the General Fund was sufficient to cover 1.9 months of General Fund operating expenditures.
- The Town’s total long-term bonded debt and capital lease obligations decreased by \$832,654 or 11.2% during the current fiscal year due to net scheduled principal repayments.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The statement of net position presents information on all of the Town’s assets, deferred outflows of resources, and liabilities, with net position as the residual of these elements. 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 FINANCIAL STATEMENTS (*Continued*)

Government-wide 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 result in cash flows in future fiscal periods.

Both of the government-wide financial statements are intended to 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 activities such as: general government, finance, public safety, public works, human services, planning and development, and education. The Town has no business-type activities.

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

Fund Financial Statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented 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 several 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 and the Capital Projects Fund, both of which are considered to be major funds. Data from the remaining 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 basic governmental fund financial statements can be found on pages 16 through 20 of this report.

TOWN OF HEBRON, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS – UNAUDITED (*Continued*)

OVERVIEW OF THE FINANCIAL STATEMENTS (*Continued*)

Fund Financial Statements (*Continued*)

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to the Town's own programs.

The basic fiduciary fund financial statements can be found on pages 21 and 22 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 48 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information other than this management's discussion and analysis that can be found on pages 49 and 50 of this report. Combining and individual fund statements and schedules can be found on pages 51 through 68 of this report and statistical information can be found on pages 69 through 86 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

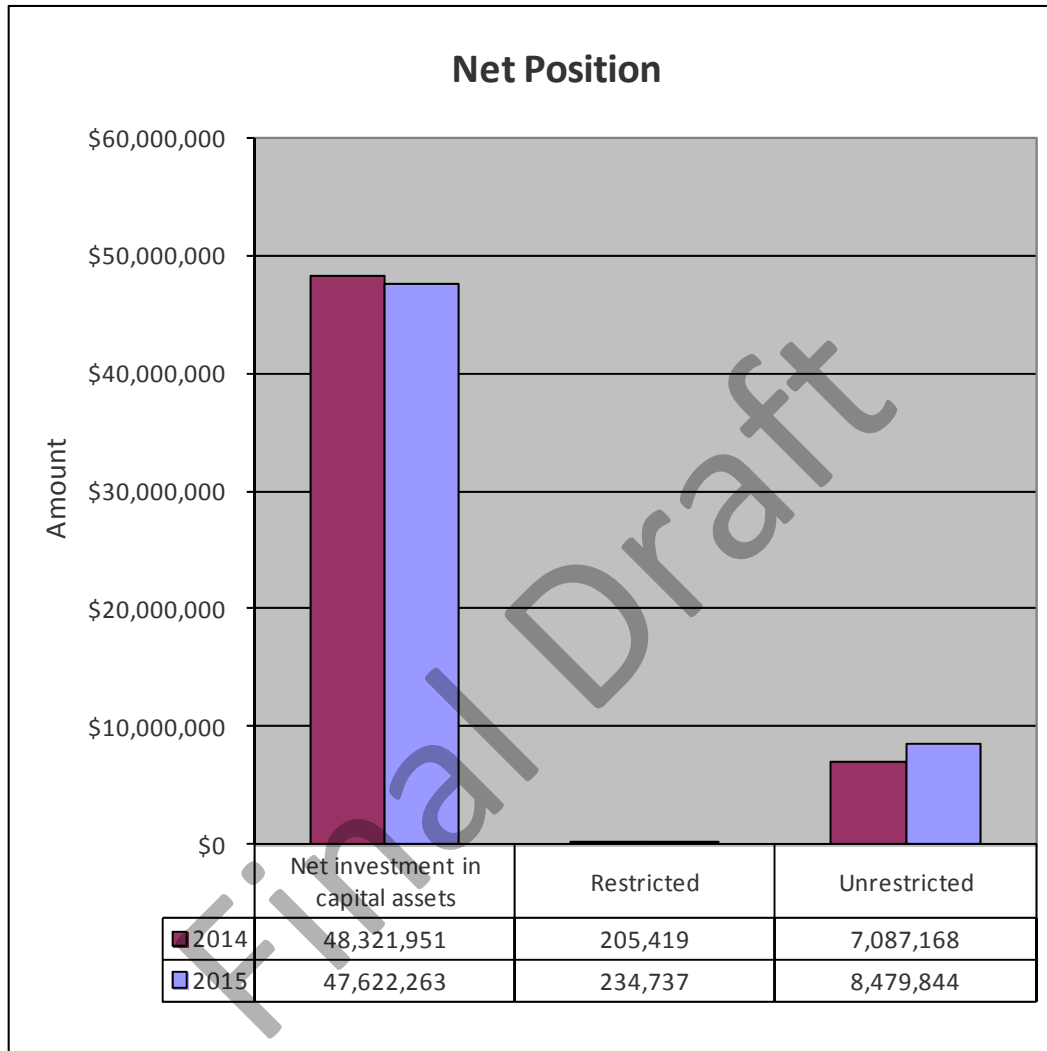
Over time, net position may serve as one measure of a government's financial position. Total net position of the Town totaled \$56,336,844 and \$55,614,538 as of June 30, 2015 and 2014, respectively, and are summarized as follows:

	2015	2014
Current and other assets	\$ 10,622,378	\$ 9,022,105
Capital assets	54,166,785	55,531,220
Total assets	<u>64,789,163</u>	<u>64,553,325</u>
Deferred outflows of resources	<u>77,715</u>	<u>245,622</u>
Other liabilities	571,783	438,817
Long-term liabilities	<u>7,958,251</u>	<u>8,745,592</u>
Total liabilities	<u>8,530,034</u>	<u>9,184,409</u>
Net position:		
Net investment in capital assets	47,622,263	48,321,951
Restricted	234,737	205,419
Unrestricted	<u>8,479,844</u>	<u>7,087,168</u>
Total net position	<u><u>\$ 56,336,844</u></u>	<u><u>\$ 55,614,538</u></u>

TOWN OF HEBRON, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS – UNAUDITED *(Continued)*

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Net Position *(Continued)*



As of June 30, 2015, approximately 84.5% of the Town's net position reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Approximately 0.4% of net position represents resources that are subject to external restrictions on how they may be used.

The remainder of the Town's net position is considered unrestricted.

Overall, net position increased by \$722,306 in comparison with the prior year.

TOWN OF HEBRON, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS – UNAUDITED *(Continued)*

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Change in Net Position

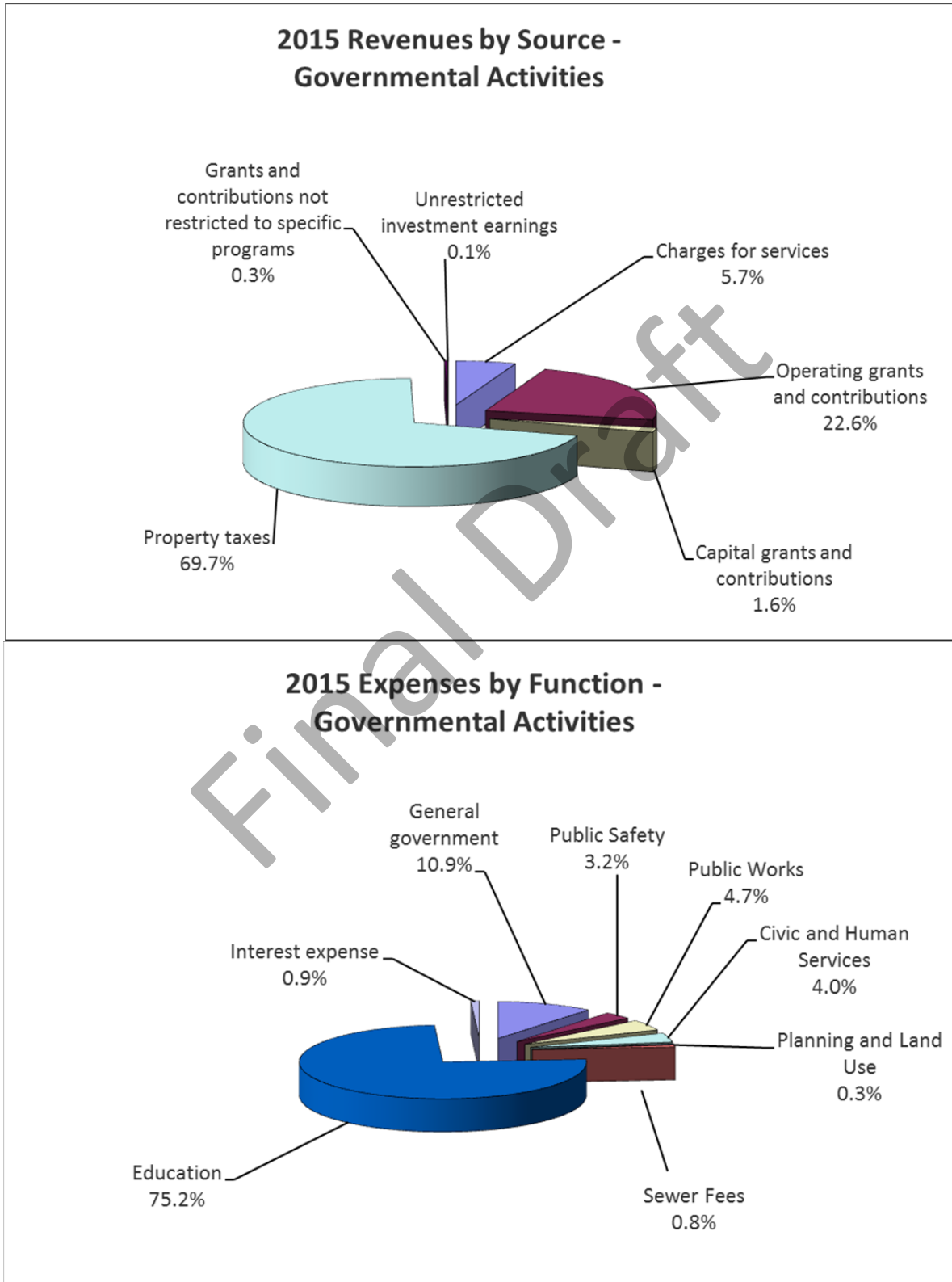
Changes in net position for the years ended June 30, 2015 and 2014 are as follows:

	<u>2015</u>	<u>2014</u>
Revenues		
Program revenues:		
Charges for services	\$ 2,301,079	\$ 2,042,361
Operating grants and contributions	9,183,357	9,117,829
Capital grants and contributions	637,473	438,530
General revenues:		
Property taxes, levied for general purposes	28,337,637	27,134,995
Grants and contributions not restricted to specific programs	104,649	157,572
Unrestricted investment earnings	22,931	18,447
Total revenues	<u>40,587,126</u>	<u>38,909,734</u>
Expenses		
General government	4,325,420	4,117,694
Public safety	1,268,629	1,236,938
Public works	1,857,033	1,733,671
Civic and human services	1,608,290	1,558,576
Planning and land use	117,273	124,735
Sewer fees	320,260	411,358
Education	29,994,930	29,023,083
Interest expense	372,985	325,736
Total expenses	<u>39,864,820</u>	<u>38,531,791</u>
Change in net position	<u>\$ 722,306</u>	<u>\$ 377,943</u>

TOWN OF HEBRON, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS – UNAUDITED (Continued)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Change in Net Position (Continued)



TOWN OF HEBRON, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS – UNAUDITED *(Continued)*

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Change in Net Position *(Continued)*

Governmental activities increased the Town's net position by \$722,306. Revenues generated by the Town increased by \$1,677,392 in comparison to the prior year. This was primarily caused by an increase in taxes levied due to an increase in the Town's mill rate. In addition, there was a large increase in capital grants, due to an increase in Small Town Economic Assistance Grant receipts received for various ongoing capital projects. Expenses incurred increased by \$1,333,029 in comparison to the prior year, primarily due to an increase in education expenses. The increase in education expenses was caused by an increase in the amount budgeted for education within the General Fund.

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 the 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 \$8,537,330.

General Fund

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,809,658, while total fund balance was \$6,334,774. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 15.8% of total General Fund expenditures. Expressed another way, unassigned fund balance for the General Fund was sufficient to cover 1.9 months of General Fund operating expenditures.

The fund balance of the Town's General Fund increased by \$862,061 during the current fiscal year, which was primarily due to favorable budget variances as outlined below under the General Fund Budgetary Highlights section.

Capital Projects Fund

The fund balance of the Capital Projects Fund increased by \$49,308 during the current fiscal year from \$701,448 to \$750,756. This increase was primarily due to current year revenue sources exceeding current year capital outlays.

TOWN OF HEBRON, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS – UNAUDITED *(Continued)*

GENERAL FUND BUDGETARY HIGHLIGHTS

The original operating budget for the General Fund included no use of fund balance. Additional appropriations of \$193,920 were approved by the Board of Finance and Town Meeting during the year ended June 30, 2015. These appropriations related to the funding of retiree benefits and excess ambulance service costs, as well as the local match relating to the school security grant. The actual net change in fund balance of the General Fund on a budgetary basis was an increase of \$599,016 in the current fiscal year. Total budgetary revenues were \$627,376 more than expected due to increased tax collections of approximately \$378 thousand, increased ambulance fees of approximately \$72 thousand, and various unbudgeted grants of approximately \$69 thousand. Expenditures were \$126,968 less than budgeted, of which approximately \$93 thousand related to education expenditures. Other financing sources were \$38,592 more than expected due to the cancellation of prior year encumbrances.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental activities as of June 30, 2015 and 2014 totaled \$54,166,785 and \$55,531,220, respectively (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. The total decrease in the Town's investment in capital assets for the current fiscal year was \$1,364,435 or 2.5%. This decrease is attributed to depreciation expense of \$2,026,495 offset by capital asset additions. Major capital asset events during the current fiscal year included the following:

- Outlays for various ongoing construction projects totaling \$451,170, including Gilead Hill School bathroom renovations, various Small Town Economic Assistance Grant projects and capital upgrades to the Library;
- Outlays related to new capital lease obligations in the amount of \$140,000 for new school computers; and
- Outlays for various machinery and equipment purchases totaling \$71,890, primarily for the purchase of a new vehicle and bobcat loader.

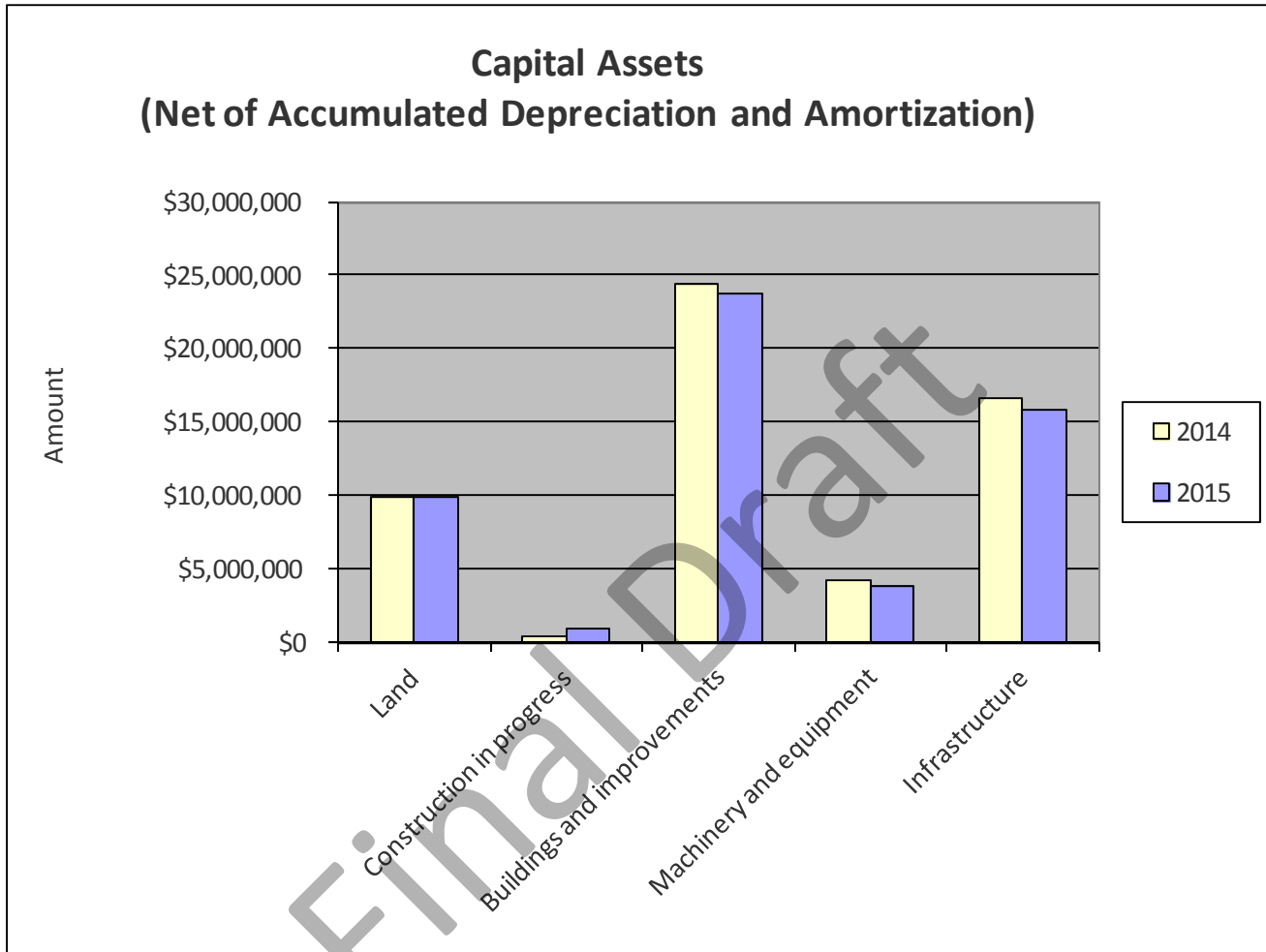
The following table is a two year comparison of the investment in capital assets:

	2015	2014
Land	\$ 9,953,124	\$ 9,953,124
Construction in progress	870,964	419,794
Buildings and improvement	23,681,422	24,392,886
Machinery and equipment	3,812,485	4,205,712
Infrastructure	15,848,790	16,559,704
Totals	<u>\$ 54,166,785</u>	<u>\$ 55,531,220</u>

TOWN OF HEBRON, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS – UNAUDITED *(Continued)*

CAPITAL ASSET AND DEBT ADMINISTRATION *(Continued)*

Capital Assets *(Continued)*



Additional information on the Town's capital assets can be found in Note D of this report.

TOWN OF HEBRON, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS – UNAUDITED *(Continued)*

CAPITAL ASSET AND DEBT ADMINISTRATION *(Continued)*

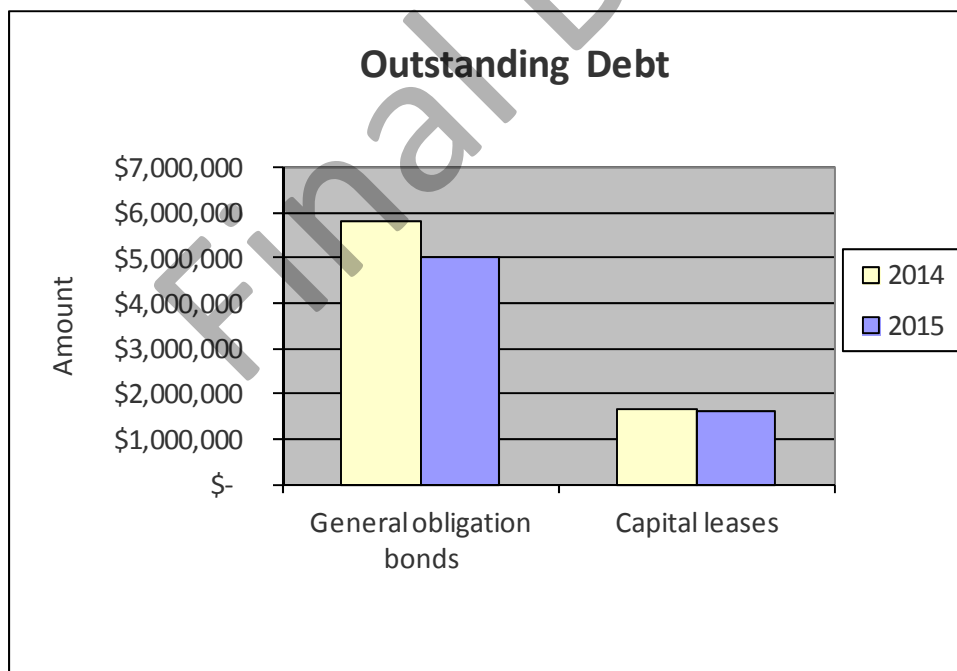
Long-term Debt

At the end of the current fiscal year, the Town had total debt outstanding of \$6,622,237. This entire amount is comprised of debt backed by the full faith and credit of the Town. The Town's total debt decreased by \$832,654 or 11.2% during the current fiscal year due to the net repayment of principal in the amount of \$972,654, offset by new capital lease financing in the amount of \$140,000. As of June 30, 2015, the Town's bond rating was AAA by Standard & Poor's.

State statutes limit the amount of general obligation debt the Town may issue to seven times its annual receipts from taxation, as defined by the statutes. The current debt limitation for the Town is significantly in excess of the Town's outstanding general obligation debt.

The following table is a two year comparison of long-term debt:

	2015	2014
General obligation bonds	\$ 5,021,000	\$ 5,811,000
Capital leases	1,601,237	1,643,891
Totals	<u>\$ 6,622,237</u>	<u>\$ 7,454,891</u>



Additional information on the Town's long-term debt can be found in Note H of this report.

TOWN OF HEBRON, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS – UNAUDITED (*Continued*)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

A summary of key economic factors affecting the Town are as follows:

- The unemployment rate for the Town is currently 3.8%, a decrease of 1.0% from the prior year. This compares favorably to the state's average unemployment rate of 5.7% and the national unemployment rate of 5.3%.
- Significant estimates affecting next year's budget that are subject to change in the near term consist of the following:
 - For purposes of calculating property tax revenues for fiscal year 2016, the assessor's grand list was used along with an estimated tax rate, and an estimated rate of collection, with deductions for taxes to be paid by the State on behalf of certain taxpayers.
 - Intergovernmental grants were based on estimates from the State.
 - It is unknown how the weakened economy will impact real estate activity and related revenues collected by the Land Use Department, the Town Clerk, the Building Department and the amount of conveyance taxes and interest income.

All of these factors were considered in preparing the Town's budget for fiscal year 2016.

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 information should be addressed to the Finance Office, Town of Hebron, 15 Gilead Street, Hebron, Connecticut 06248.

BASIC FINANCIAL STATEMENTS

Final Draft

TOWN OF HEBRON, CONNECTICUT**STATEMENT OF NET POSITION**

JUNE 30, 2015

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 7,921,543
Investments	508,883
Receivables:	
Property taxes and interest, net	1,451,589
Sewer assessments and user fees, net	238,687
Intergovernmental	334,380
Other	8,561
Inventories	6,489
Loans receivable	152,246
Capital assets:	
Non-depreciable	10,824,088
Depreciable, net	43,342,697
Total assets	<u>64,789,163</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charges on refunding	<u>77,715</u>
LIABILITIES	
Accounts payable	423,161
Accrued interest payable	57,409
Unearned revenue	73,713
Other liabilities	17,500
Noncurrent liabilities:	
Due within one year	1,001,024
Due in more than one year	6,957,227
Total liabilities	<u>8,530,034</u>
NET POSITION	
Net investment in capital assets	47,622,263
Restricted for:	
Endowments:	
Expendable	5,933
Nonexpendable	5,945
Other purposes	222,859
Unrestricted	8,479,844
Total net position	<u>\$ 56,336,844</u>

The accompanying notes are an integral part of these financial statements .

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position - Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 4,325,420	\$ 470,801	\$ -	\$ -	\$ (3,854,619)
Public safety	1,268,629	273,482	13,501	-	(981,646)
Public works	1,857,033	3,345	-	599,662	(1,254,026)
Civic and human services	1,608,290	638,533	93,511	-	(876,246)
Planning and land use	117,273	9,235	-	-	(108,038)
Sewer	320,260	421,331	-	-	101,071
Education	29,994,930	484,352	9,076,345	37,811	(20,396,422)
Interest expense	372,985	-	-	-	(372,985)
Total governmental activities	<u>\$ 39,864,820</u>	<u>\$ 2,301,079</u>	<u>\$ 9,183,357</u>	<u>\$ 637,473</u>	<u>(27,742,911)</u>
General revenues:					
Property taxes, levied for general purposes					28,337,637
Grants and contributions not restricted to specific programs					104,649
Unrestricted investment earnings					22,931
Total general revenues					<u>28,465,217</u>
Change in net position					722,306
Net position - beginning					55,614,538
Net position - ending					<u>\$ 56,336,844</u>

The accompanying notes are an integral part of these financial statements .

TOWN OF HEBRON, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 6,368,997	\$ 919,357	\$ 633,189	\$ 7,921,543
Investments	496,945	-	11,938	508,883
Receivables:				
Property taxes, net	1,116,180	-	-	1,116,180
Interest, net	335,409	-	-	335,409
Intergovernmental	124,212	156,890	53,278	334,380
Loans	-	-	152,246	152,246
Sewer assessments, net	-	-	156,456	156,456
Sewer user charges, net	-	-	82,231	82,231
Other	7,905	-	656	8,561
Due from other funds	548,608	147,863	736,970	1,433,441
Inventories	-	-	6,489	6,489
Total assets	<u>\$ 8,998,256</u>	<u>\$ 1,224,110</u>	<u>\$ 1,833,453</u>	<u>\$ 12,055,819</u>
LIABILITIES				
Accounts payable	\$ 409,929	\$ 5,557	\$ 7,675	\$ 423,161
Due to other funds	884,833	467,219	81,389	1,433,441
Unearned revenue	-	578	73,135	73,713
Other liabilities	17,500	-	-	17,500
Total liabilities	<u>1,312,262</u>	<u>473,354</u>	<u>162,199</u>	<u>1,947,815</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes and interest	1,351,220	-	-	1,351,220
Unavailable revenue - sewer assessment	-	-	155,865	155,865
Unavailable revenue - sewer user charges	-	-	63,589	63,589
	<u>1,351,220</u>	<u>-</u>	<u>219,454</u>	<u>1,570,674</u>
FUND BALANCES				
Nonspendable	-	-	169,810	169,810
Restricted	-	-	71,476	71,476
Committed	-	750,756	1,210,514	1,961,270
Assigned	525,116	-	-	525,116
Unassigned	5,809,658	-	-	5,809,658
Total fund balances	<u>6,334,774</u>	<u>750,756</u>	<u>1,451,800</u>	<u>8,537,330</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,998,256</u>	<u>\$ 1,224,110</u>	<u>\$ 1,833,453</u>	<u>\$ 12,055,819</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF HEBRON, CONNECTICUT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015

Total fund balances for governmental funds	\$	8,537,330
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Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Those assets consist of:

Land	\$	9,953,124	
Construction in progress		870,964	
Buildings and improvements		40,001,347	
Machinery and equipment		10,524,607	
Infrastructure		35,545,701	
Less accumulated depreciation and amortization		<u>(42,728,958)</u>	
Total capital assets, net			54,166,785

Some of the Town's taxes, sewer user charges and sewer assessments will be collected after year end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflows of resources in the funds.

1,570,674

Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported in the governmental funds. All liabilities and related amounts - both current and long-term - are reported in the statement of net position.

Accrued interest payable	(57,409)		
Long-term debt:			
Bonds payable	(5,021,000)		
Deferred amount on refunding	77,715		
Capital lease obligations	(1,601,237)		
Other long-term liabilities:			
Compensated absences	(484,014)		
Net OPEB obligation	<u>(852,000)</u>		
Total long-term liabilities			<u>(7,937,945)</u>

Net position of governmental activities	\$	<u><u>56,336,844</u></u>
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The accompanying notes are an integral part of these financial statements .

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

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 28,024,898	\$ -	\$ -	\$ 28,024,898
Intergovernmental	9,032,190	348,361	524,256	9,904,807
Charges for services	963,592	-	1,208,971	2,172,563
Investment income	20,655	1,431	845	22,931
Other	122,259	-	20,672	142,931
Total revenues	<u>38,163,594</u>	<u>349,792</u>	<u>1,754,744</u>	<u>40,268,130</u>
EXPENDITURES				
Current:				
General government	2,794,578	-	15,402	2,809,980
Public safety	933,736	-	-	933,736
Public works	929,827	-	-	929,827
Civic and human services	664,523	-	578,431	1,242,954
Planning and land use	117,273	-	-	117,273
Sewer	9,800	-	310,460	320,260
Education	28,797,677	-	633,421	29,431,098
Insurance and benefits	1,272,418	-	-	1,272,418
Capital outlays	154,887	876,839	56,973	1,088,699
Debt service:				
Principal payments	909,496	-	-	909,496
Interest and fiscal charges	209,053	-	-	209,053
Total expenditures	<u>36,793,268</u>	<u>876,839</u>	<u>1,594,687</u>	<u>39,264,794</u>
Excess (deficiency) of revenues over expenditures	1,370,326	(527,047)	160,057	1,003,336
OTHER FINANCING SOURCES (USES)				
Capital lease financing	140,000	-	-	140,000
Proceeds from sale of capital assets	-	12,012	-	12,012
Transfers in	185,000	686,114	218,922	1,090,036
Transfers out	(833,265)	(121,771)	(135,000)	(1,090,036)
Total other financing sources (uses)	<u>(508,265)</u>	<u>576,355</u>	<u>83,922</u>	<u>152,012</u>
Net change in fund balances	862,061	49,308	243,979	1,155,348
Fund balances - beginning	<u>5,472,713</u>	<u>701,448</u>	<u>1,207,821</u>	<u>7,381,982</u>
Fund balances - ending	<u>\$ 6,334,774</u>	<u>\$ 750,756</u>	<u>\$ 1,451,800</u>	<u>\$ 8,537,330</u>

The accompanying notes are an integral part of these financial statements .

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

Net change in fund balances - total governmental funds	\$ 1,155,348
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Total change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which depreciation and amortization expense exceeded capital outlays in the current period is as follows:

Expenditures for capital assets	\$ 663,060	
Depreciation and amortization expense	(2,026,495)	
Net adjustment		(1,363,435)

In the statement of activities, only the loss on the sale of capital assets is reported whereas the proceeds from the sale increase financial resources in the governmental funds.	(1,000)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term obligations is as follows:

Debt incurred:		
Capital lease financing	\$ (140,000)	
Principal repayments:		
Bonds payable	790,000	
Capital lease financing	182,654	
Net adjustment		832,654

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The net effect of such items is as follows:

Accrued interest	3,975	
Deferred amount on refunding	(167,907)	
Compensated absences	(15,313)	
Net OPEB obligation	(30,000)	
		(209,245)

Certain revenues reported in the statement of activities do not provide current financial resources and, therefore, are reported as deferred inflows of resources in the governmental funds. This amount represents the change in deferred inflows.	307,984
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Change in net position of governmental activities are an integral part of these financial statements .	\$ 722,306
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TOWN OF HEBRON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts			Variance With
	Original Budget	Final Budget	Actual	Final Budget Over (Under)
REVENUES				
Property taxes	\$ 27,647,342	\$ 27,647,342	\$ 28,024,898	\$ 377,556
Licenses and permits	487,180	487,180	606,973	119,793
Intergovernmental	7,334,285	7,334,285	7,403,617	69,332
Investment earnings	20,000	20,000	20,655	655
Other revenues	86,600	86,600	146,640	60,040
Total revenues	<u>35,575,407</u>	<u>35,575,407</u>	<u>36,202,783</u>	<u>627,376</u>
EXPENDITURES				
Current:				
General government	2,778,696	2,712,060	2,704,562	(7,498)
Public safety	883,342	941,215	936,663	(4,552)
Civic and human services	680,919	668,116	665,275	(2,841)
Planning and land use	135,445	119,990	119,079	(911)
Public works	998,099	1,122,569	1,120,865	(1,704)
Sewer fees	9,800	9,800	9,800	-
Insurance and benefits	1,334,602	1,335,983	1,334,806	(1,177)
Education	27,093,970	27,181,750	27,088,727	(93,023)
Debt service	984,420	979,579	964,317	(15,262)
Total expenditures	<u>34,899,293</u>	<u>35,071,062</u>	<u>34,944,094</u>	<u>(126,968)</u>
Excess of revenues over expenditures	676,114	504,345	1,258,689	754,344
OTHER FINANCING SOURCES (USES)				
Appropriation of fund balance	-	193,920	-	(193,920)
Cancellation of prior year encumbrances	-	-	38,592	38,592
Transfers in	185,000	185,000	185,000	-
Transfers out	(861,114)	(883,265)	(883,265)	-
Total other financing sources (uses)	<u>(676,114)</u>	<u>(504,345)</u>	<u>(659,673)</u>	<u>(155,328)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	599,016	<u>\$ 599,016</u>
Fund balances - beginning			<u>5,210,642</u>	
Fund balances - ending			<u>\$ 5,809,658</u>	

The accompanying notes are an integral part of these financial statements .

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

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ -	\$ 164,394
Investments, at fair value:		
Pooled separate accounts	3,218,746	-
Other assets	-	10,946
Total assets	<u>3,218,746</u>	<u>\$ 175,340</u>
LIABILITIES		
Due to student groups	-	33,454
Due to others	-	141,886
Total liabilities	<u>-</u>	<u>\$ 175,340</u>
NET POSITION		
Held in trust for pension benefits	<u>\$ 3,218,746</u>	

The accompanying notes are an integral part of these financial statements .

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

	Pension Trust Fund
ADDITIONS	
Employer contributions	\$ 217,243
Employee contributions - rollover	295,340
Total contributions	<u>512,583</u>
Investment earnings:	
Net increase in the fair value of investments	<u>105,435</u>
Net investment earnings	<u>105,435</u>
Total additions	<u>618,018</u>
DEDUCTIONS	
Benefit payments	524,876
Administrative expenses	1,230
Total deductions	<u>526,106</u>
Change in net position	91,912
Net position - beginning	<u>3,126,834</u>
Net position - ending	<u><u>\$ 3,218,746</u></u>

The accompanying notes are an integral part of these financial statements .

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Hebron, Connecticut (the "Town") conform to accounting principles generally accepted in the United States of America, as applicable to governmental organizations. The following is a summary of significant accounting policies:

Financial Reporting Entity

The Town was incorporated in 1708. The Town operates under a Charter which became effective in November 1988 and was most recently amended in November 2009. The form of government includes an elected Board of Selectmen consisting of five members, an elected six member Board of Finance and an elected seven member local Board of Education.

The legislative power of the Town is vested with the Board of Selectmen and the Town Meeting. The Board of Selectmen may enact, amend or repeal ordinances and resolutions. The administration of the Town offices and agencies, with the exception of the local Board of Education, is the responsibility of the Town Manager, who is appointed by the Board of Selectmen.

The Board of Finance is responsible for financial and taxation matters as prescribed by the Connecticut General Statutes, and is responsible for presenting fiscal operating budgets for Town Meeting approval.

The Town provides the following services: police, fire, community health and social services, solid waste removal, cultural and recreation services, education, streets and highways, planning and zoning, public improvements and general administrative services.

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government and its component units, entities for which the government is considered to be financially accountable, and other organizations which by nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded. Based on these criteria, there are no component units requiring inclusion in these financial statements.

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Town and include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. The statements are intended to distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The Town has no business-type activities.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

Government-wide Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Fund Financial Statements

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

The Town reports the following major governmental funds:

General Fund - This fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those not accounted for and reported in another fund.

Capital Projects Fund - This fund is used to account for the financial resources for the acquisition and construction of major capital facilities.

In addition, the Town reports the following fiduciary fund types:

Pension Trust Fund - This fund type is used to account for resources held in trust for the members and beneficiaries of the Town's defined contribution pension plan, which accumulates resources for pension benefit payments to qualified employees.

Agency Funds - These funds are used to account for resources held by the Town in a purely custodial capacity. The Town utilizes these funds to account for assets held for student activities, performance bonds, employees and others.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting (Continued)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The 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 government 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital lease are reported as other financing sources.

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

The pension trust fund is reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position/Fund Equity

Cash Equivalents

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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

Investments

Investments for the Town are reported at fair value (generally based on quoted market prices) except as described below.

The Town invests in the State Treasurer's Short-Term Investment Fund (STIF), which is an investment pool managed by the State Treasurer's Office. STIF operates in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, STIF qualifies as 2a7-like pools and is reported at the net position value per share (which approximates fair value) even though it is calculated using the amortized cost method. STIF is subject to regulatory oversight even though they are not registered by the SEC.

Property Taxes, Sewer Assessment and Usage Charges

Property taxes are assessed as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and January 1. Personal property and motor vehicle taxes are billed in July and are due in one installment, July 1. Taxes not paid within 30 days of the due date are subject to an interest charge of 1.5% per month. Liens are effective on the assessment date and are continued by filing before the end of the year following the due date. Based on historical collection experience and other factors, the Town has established an allowance for uncollectible taxes and interest receivable of \$115,000 and \$78,000, respectively, as of June 30, 2015.

Sewer assessments are levied by the Water Pollution Control Authority and assessed to the users as projects are completed. Assessment charges are billed annually in May. Usage charges are billed annually in October, unless there are more than 1 EDU which is billed semi-annually in October and April for flat rate fees and metered fees. Assessments and user charges are due and payable within thirty days and delinquent amounts are subject to interest at prevailing rates. Liens are filed on all properties until the assessment is paid in full. Based on historical collection experience and other factors, the Town has established an allowance for uncollectible sewer assessments and user charges of \$34,000 and \$26,000, respectively, as of June 30, 2015.

Inventories and Prepaid Items

Inventories are reported at cost using the first-in first-out (FIFO) method, except for USDA donated commodities, which are recorded at market value. Inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and the fund financial statements.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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

Loans Receivable

The Town administers a rehabilitation loan program for low to moderate income families. The loans bear an interest rate of 0%. Repayment of the loans is deferred, but the loans become due and payable upon sale or transfer of the property, the owner's demise, or when the subject property is no longer the applicant's principal place of residence. The notes may be paid in full or in part by the borrower at any time without penalty.

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$5,000 for furniture, equipment and buildings, and \$50,000 for infrastructure assets. 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 a capital asset or materially extend capital asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	25 - 50
Building improvements	25 - 50
System infrastructure	20 - 50
Furniture and equipment	5 - 25

Unearned Revenue

This liability represents resources that have been received but not yet earned.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position/Fund Equity (Continued)

Deferred Outflows/Inflows of Resources (Continued)

Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has one type of this item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, sewer user charges and sewer assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-term Obligations

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

In the fund financial statements, governmental funds 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.

Compensated Absences

Town and noncertified Board of Education employees are granted vacation and sick leave, and certified employees of the Board of Education are granted sick leave based upon length of employment. In the event of termination, employees are compensated for accumulated vacation and sick time.

All compensated absences are accrued when incurred in the government-wide financial statements. Expenditures for compensated absences are recognized in the governmental fund financial statements in the current year to the extent they are paid during the year, or when the vested amount is expected to be paid with available resources.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position/Fund Equity (Continued)

Net Position and Fund Balance

The government-wide statement of net position presents the Town's non-fiduciary assets, deferred outflows of resources and liabilities, with net position as the residual of these elements. Net position is reported in three categories:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of capital assets.

Restricted net position – This component of net position consists of net position whose use is restricted either through external restrictions imposed by creditors, grantors, contributors, and the like, or through restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This component of net position is the net amount of assets, liabilities, and deferred outflows of resources.

The Town's governmental funds report the following fund balance categories:

Nonspendable – Amounts that cannot be spent because they are not in spendable form or they are legally or contractually required to be maintained intact.

Restricted – Constraints are placed on the use of resources that are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through enabling legislation.

Committed – Amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Selectmen (the highest level of decision making authority of the Town) and cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same formal action. The formal action required to be taken by the Board of Selectmen to commit fund balance is by adoption of a resolution.

Assigned – Amounts are constrained by the Town's intent to be used for specific purposes, but are not restricted or committed. The Town Manager and Finance Director have been authorized to assign Fund Balance as needed to meet the obligations of the Town.

Unassigned – Residual classification for the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position/Fund Equity (Continued)

Net Position and Fund Balance (Continued)

Net Position Flow Assumption

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

The Town considers restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

The Town's policy is to first use restricted resources when available. When committed, assigned and unassigned resources are available for use, it is assumed that the Town will use committed resources first, then assigned resources and then unassigned resources as they are needed.

Interfund Activities

Interfund activities are reported as follows:

Interfund Receivables and Payables

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

Interfund Services Provided and Used

Sales and purchases of goods and services between funds for a price approximating their external exchange value are reported as revenues and expenditures, or expenses, in the applicable funds.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Interfund Activities *(Continued)*

Interfund Transfers

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and other financing sources in the funds receiving transfers.

Interfund Reimbursements

Interfund reimbursements represent repayments from the funds responsible for particular expenditures, or expenses, to the funds that initially paid for them.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Recently Issued Accounting Standards

Effective July 1, 2014, the Town adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 69, *Government Combinations and Disposals of Government Operations*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The adoption of these statements did not have a material effect on the Town's financial statements.

Effective July 1, 2014, the Town adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The adoption of this statements resulted in additional disclosure relating to the Town's participation in the Connecticut State Teachers' Retirement System (see Note J).

NOTE B - BUDGETARY INFORMATION

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements.

- At least one hundred fifty (150) days before the end of the fiscal year, the head of each department, office or agency of the Town, supported wholly or in part from Town funds, except the Regional Board of Education, files with the Town Manager a detailed estimate of the expenditures to be made and the revenues, other than property taxes, to be collected in the ensuing fiscal year.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE B - BUDGETARY INFORMATION (Continued)

- Expenditures are budgeted by function, department and object. The legal level of budgetary control, the level at which expenditures may not exceed appropriations, is established at the department level.
- The Town Manager, with the assistance of the Finance Director, reviews the budget estimates with the heads of all Town supported departments, offices and agencies. No later than one hundred twenty (120) days prior to the end of the fiscal year, the Town Manager presents to the Board of Selectmen a proposed budget. In preparing the proposed budget, the Town Manager may add to, delete from or eliminate requests made by the various departments, offices and agencies, except that he may only comment and make recommendations on the budget requests of elected officials and the local Board of Education. The Town Manager includes in the budget the estimated budget request of Regional School District No. 8.
- The Board of Selectmen reviews the budget estimates and make further revisions, except that the Board may only make recommendations in the budgets prepared by other elected officers, elected Town agencies and the local Board of Education. The Board of Selectmen submits its budget recommendations to the Board of Finance no later than ninety (90) days before the end of the fiscal year.
- The Board of Finance holds at least one public hearing on the budget as presented. The Board of Finance may review the budget requests with the head of each department, board, agency and commission including the local Board of Education. The Board of Finance then prepares a budget to be presented to the annual Town budget meeting.
- The Town Charter provides the manner which is to be utilized by Town Meeting in acting upon the budget. The Board of Finance may make supplemental appropriations during the year provided that such appropriations do not cumulatively exceed one-half of one percent (.005) of the current year budget, excluding the amount appropriated to Regional School District No. 8. All subsequent supplemental appropriations are subject to Town Meeting approval. The Board of Finance is authorized to approve transfers from one department, office or agency to another only within the last three (3) months of the fiscal year.
- The Charter also provides for the making of emergency appropriations which do not require Town Meeting approval. There were no emergency appropriations made during the year.
- Unexpended appropriations lapse at the end of the fiscal year unless specifically continued in force to the subsequent period.
- The General Fund budget is prepared on a modified accrual basis of accounting. 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 reflected in budgetary reports as expenditures in the current year.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE B - BUDGETARY INFORMATION (Continued)

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP basis"). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2015:

	Total Revenues	Total Expenditures	Total Other Financing Sources (Uses)	Net Change in Fund Balance
Budgetary basis	\$ 36,202,783	\$ 34,944,094	\$ (659,673)	\$ 599,016
"On-behalf" payments - State Teachers Retirement Fund (see Note J)	1,396,761	1,396,761	-	-
Change in encumbrances	-	(204,349)	(38,592)	165,757
Capital leases, not recorded for budgetary purposes	-	140,000	140,000	-
Reserve for Revaluation	-	-	50,000	50,000
Reserve for Retiree Benefits	-	(62,388)	-	62,388
Reserve for DOT Grant Match	(213)	14,887	-	(15,100)
Intergovernmental grants and local revenue netted against expenditures	564,263	564,263	-	-
GAAP basis	<u>\$ 38,163,594</u>	<u>\$ 36,793,268</u>	<u>\$ (508,265)</u>	<u>\$ 862,061</u>

NOTE C - CASH DEPOSITS AND INVESTMENTS

Cash Deposits

A reconciliation of the Town's cash deposits as of June 30, 2015 is as follows:

Government-wide statement of net position:	
Cash and cash equivalents	\$ 7,921,543
Statement of fiduciary net position:	
Cash and cash equivalents	164,394
Plus: certificates of deposit considered cash deposits for disclosure purposes	508,883
Less: cash equivalents considered investments for disclosure purposes	<u>(2,803,915)</u>
	<u>\$ 5,790,905</u>

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE C - CASH DEPOSITS AND INVESTMENTS (Continued)

Cash Deposits (Continued)

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2015, \$5,152,099 of the Town's bank balance of \$6,689,827 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 4,636,889
Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the Town's name	515,210
	<u>\$ 5,152,099</u>

All of the Town's deposits were in qualified public institutions as defined by Connecticut state statute. Under this statute, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

Investments

A reconciliation of the Town's investments as of June 30, 2015 is as follows:

Government-wide statement of net position:	
Investments	\$ 508,883
Statement of fiduciary net position:	
Investments	3,218,746
Plus: cash equivalents considered investments for disclosure purposes	2,803,915
Less: certificates of deposit considered cash deposits for disclosure purposes	(508,883)
	<u>\$ 6,022,661</u>

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
JUNE 30, 2015

NOTE C - CASH DEPOSITS AND INVESTMENTS *(Continued)*

Investments *(Continued)*

As of June 30, 2015, the Town's investments consisted of the following:

Investment type	Credit Rating	Fair Value	Investment Maturities (In Years) Less Than 1
Debt Securities:			
Short-term Investment Fund (STIF)	AAA	\$ 2,786,982	\$ 2,786,982
Money market mutual funds	Unrated	16,933	16,933
		2,803,915	<u>\$ 2,803,915</u>
Other investments:			
Pooled separate accounts		3,218,746	
		<u>\$ 6,022,661</u>	

Because STIF and the money market mutual funds have weighted average maturities of less than 90 days, they have been presented as investments with maturities of less than one year for disclosure purposes.

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. However, its practice is to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools.

Credit Risk

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut state statutes. Connecticut state statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. The Pension Trust Funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee, with the care of a prudent investor.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE C - CASH DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, 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. The Town's investments consist primarily of investments in external investment pools which are not exposed to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

Concentrations of Credit Risk

The Town's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific issuer. More than 5 percent of the Town's investments are in STIF and pooled separate accounts. Investments in these types of accounts are considered to be diversified by nature.

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 consisted of the following:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 9,953,124	\$ -	\$ -	\$ 9,953,124
Construction in progress	419,794	451,170	-	870,964
Total capital assets, not being depreciated	<u>10,372,918</u>	<u>451,170</u>	<u>-</u>	<u>10,824,088</u>
Capital assets, being depreciated:				
Buildings and improvements	40,001,347	-	-	40,001,347
Machinery and equipment	10,524,039	211,890	(211,322)	10,524,607
Infrastructure	35,545,701	-	-	35,545,701
Total capital assets, being depreciated	<u>86,071,087</u>	<u>211,890</u>	<u>(211,322)</u>	<u>86,071,655</u>
Less accumulated depreciation for:				
Buildings and improvements	(15,608,461)	(711,464)	-	(16,319,925)
Machinery and equipment	(6,318,327)	(604,117)	210,322	(6,712,122)
Infrastructure	(18,985,997)	(710,914)	-	(19,696,911)
Total accumulated depreciation	<u>(40,912,785)</u>	<u>(2,026,495)</u>	<u>210,322</u>	<u>(42,728,958)</u>
Total capital assets, being depreciated, net	<u>45,158,302</u>	<u>(1,814,605)</u>	<u>(1,000)</u>	<u>43,342,697</u>
Governmental activities capital assets, net	<u>\$ 55,531,220</u>	<u>\$ (1,363,435)</u>	<u>\$ (1,000)</u>	<u>\$ 54,166,785</u>

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE D - CAPITAL ASSETS (Continued)

Depreciation and amortization expense was charged to functions of the Town as follows:

General government	\$ 844,949
Public safety	239,637
Public works	247,741
Civic and human services	142,175
Education	551,993
Total depreciation expense	<u>\$ 2,026,495</u>

NOTE E - REHABILITATION LOANS

Rehabilitation loans consist of deferred loans made to certain qualifying individuals for home improvements in connection with funding received by the Town under a Small Cities Development Block Grant to administer the Town's Housing Rehabilitation Program. The loans bear no interest during their term. Repayment of the loans is deferred, but the loans become due and payable upon sale or transfer of the property, the owner's demise, or when the subject property is no longer the applicant's place of residence. The notes may be paid in full or in part by the borrower at any time without penalty. As of June 30, 2015, loans receivable totaled \$152,246 under this program.

NOTE F - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2015 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental Funds		
General Fund	Capital Projects Fund	\$ 467,219
	Other Governmental Funds	81,389
		<u>548,608</u>
Capital Projects Fund	General Fund	<u>147,863</u>
Other Governmental Funds	General Fund	736,970
		<u>\$ 1,433,441</u>

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

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE G - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2015 consisted of the following:

Transfers In	Transfers Out	Amount
Governmental Funds		
General Fund	Capital Projects Fund	\$ 100,000
	Other Governmental Funds	85,000
		<u>185,000</u>
Capital Projects Fund	General Fund	<u>686,114</u>
Other Governmental Funds	General Fund	147,151
	Capital Projects Fund	21,771
	Other Governmental Funds	50,000
		<u>218,922</u>
Total transfers		<u><u>\$ 1,090,036</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE H - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2015:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable:					
General obligation bonds	\$ 5,811,000	\$ -	\$ (790,000)	\$ 5,021,000	\$ 779,000
Other liabilities:					
Capital leases	1,643,891	140,000	(182,654)	1,601,237	173,623
Compensated absences	468,701	35,351	(20,038)	484,014	48,401
Net OPEB obligation (Note K)	822,000	30,000	-	852,000	-
	<u>\$ 8,745,592</u>	<u>\$ 205,351</u>	<u>\$ (992,692)</u>	<u>\$ 7,958,251</u>	<u>\$1,001,024</u>

Long - term liabilities above typically have been liquidated by the General Fund.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE H - LONG-TERM LIABILITIES

General Obligation Bonds

A summary of general obligation bonds outstanding at June 30, 2015 is as follows:

Purpose of Bonds	Original Issue	Interest Rates	Maturity Date	Amount Outstanding
Governmental Activities				
2008 General Obligation Bonds	\$ 4,300,000	3.2-4.0%	7/15/2023	\$ 2,565,000
2013 General Obligation Refunding Bonds	1,164,000	2.25%	7/15/2024	972,000
2013 General Obligation School Refunding Bonds	2,227,000	1.80%	6/1/2019	1,484,000
				<u>\$ 5,021,000</u>

Annual debt service requirements to maturity on general obligation bonds are as follows as of June 30, 2015:

Year ending June 30:	Governmental Activities		
	General Obligation Bonds		
	Principal	Interest	Totals
2016	\$ 779,000	\$ 141,474	\$ 920,474
2017	768,000	121,988	889,988
2018	748,000	102,359	850,359
2019	737,000	82,766	819,766
2020	385,000	63,016	448,016
2021-2025	1,604,000	117,197	1,721,197
	<u>\$ 5,021,000</u>	<u>\$ 628,800</u>	<u>\$ 5,649,800</u>

Overlapping Debt

The Town is contingently liable for its pro-rata share of Regional School District No. 8's (the "District") outstanding bonds. At June 30, 2015, the District's total outstanding bonds were \$18,400,000. The Town of Hebron's share will be approximately 56.26% of the total, or \$10,351,840. Such outstanding indebtedness represents general obligations of the Regional School District No. 8 and its member towns, however, the Town is not required to record its share in the accompanying statement of net position. Regional School District No. 8 has no authorized, unissued bonds, for which the Town of Hebron would be contingently liable.

Legal Debt Limit

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts, as defined in the Statute. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2015.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
JUNE 30, 2015

NOTE H - LONG-TERM LIABILITIES *(Continued)*

Capital Leases

A summary of assets acquired through capital leases is as follows as of June 30, 2015:

	Governmental Activities
Furniture and Equipment	\$ 2,193,354
Less: accumulated amortization	341,683
	<u>\$ 1,851,671</u>

Depreciation expense relative to leased property under capital leases totaled \$150,547 for the year ended June 30, 2015 and is included in depreciation expense disclosed in Note D.

Future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2015 are as follows:

Year Ending June 30:	Governmental Activities
2016	\$ 226,163
2017	215,924
2018	203,081
2019	102,819
2020	75,164
2021-2025	411,025
2026-2030	476,488
2031-2034	373,689
Total minimum lease payments	2,084,353
Less: amount representing interest	483,116
Present value of minimum lease payments	<u>\$ 1,601,237</u>

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE I - FUND BALANCE

The various components of fund balance at June 30, 2015 are as follows:

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Nonspendable:				
Inventories	\$ -	\$ -	\$ 6,489	\$ 6,489
Loans receivable	-	-	157,376	157,376
Permanent principal	-	-	5,945	5,945
Restricted for:				
Donor restrictions	-	-	31,952	31,952
Educational grants	-	-	17,665	17,665
Debt repayment	-	-	21,859	21,859
Committed to:				
Capital outlays	-	750,756	-	750,756
Open space and land acquisition	-	-	575,472	575,472
Sewer operations	-	-	497,781	497,781
Parks and recreation activities	-	-	73,273	73,273
Cafeteria operations	-	-	15,446	15,446
Library	-	-	19,636	19,636
General government	-	-	28,906	28,906
Assigned to:				
Revaluation	150,000	-	-	150,000
Retiree benefits	81,388	-	-	81,388
Encumbrances - General government	10,784	-	-	10,784
Encumbrances - Public safety	15,995	-	-	15,995
Encumbrances - Public works	261,246	-	-	261,246
Encumbrances - Civic and human services	3,753	-	-	3,753
Encumbrances - Planning and land use	1,950	-	-	1,950
Unassigned	5,809,658	-	-	5,809,658
	<u>\$ 6,334,774</u>	<u>\$ 750,756</u>	<u>\$ 1,451,800</u>	<u>\$ 8,537,330</u>

NOTE J - EMPLOYEE RETIREMENT PLANS

Town of Hebron Retirement Plan

The Town established a single employer defined contribution money accumulation retirement plan (the "Plan") to provide benefits for all Town and non-certified Board of Education employees. Under the provisions of the Plan, all employees must be at least twenty-one years of age and have completed one year of service to participate. The Town is required to contribute an amount equal to 5% of employee covered payroll for Board of Education non-certified employees and 7% of employee covered payroll for all Town employees. Plan participants are not eligible to contribute to the Plan.

The Plan does not issue stand alone financial statements and is part of the Town's financial reporting entity since the Town has trustee responsibilities related to the participant accounts which contain employer contributions. As such, the Plan is accounted for in the fiduciary fund financial statements as a pension trust fund.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
JUNE 30, 2015

NOTE J - EMPLOYEE RETIREMENT PLANS *(Continued)*

Town of Hebron Retirement Plan *(Continued)*

The Plan is accounted for using the accrual basis of accounting. Town contributions are recognized when due and the Town has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investments are reported at fair value. Securities traded on national exchanges are valued at the last reported sales price. Investment income is recognized when earned and gains and losses on sales or exchanges are recognized on the transaction date.

Employer contributions totaled \$217,243 for the year ended June 30, 2015.

Contribution requirements of the Town are established and may be amended by the Board of Selectmen.

Connecticut State Teachers' Retirement System

The faculty and professional personnel of the Town's Board of Education participate in the Teachers' Retirement System ("TRS"), which is a cost-sharing multiple-employer defined benefit pension plan established under Chapter 167a of the Connecticut General Statutes. The TRS is administered by the Connecticut State Teachers' Retirement Board (the "Board") and is included as a fiduciary pension trust fund in the State of Connecticut's basic financial statements.

Plan benefits, cost-of-living allowances, required contributions of plan members and the State, and other plan provisions are described in Sections 10-183b to 10-183ss of the Connecticut General Statutes. The plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to plan members and their beneficiaries.

The contribution requirements of plan members and the State are established and may be amended by the State legislature. In accordance with Section 10-183z of the General Statutes, the Town does not and is not legally responsible to contribute to the plan as a special funding situation exists that requires the State to contribute one hundred percent of employer's contributions on-behalf of its participating municipalities at an actuarially determined rate. Plan members are currently required to contribute 7.25% of their annual earnings to the plan. After five years of service, teachers are fully vested in their own contributions. After ten years of service, teachers are fully vested in the monthly pension benefit which is payable at the age of sixty. For the year ended June 30, 2015, plan members of the Town contributed \$395,567 to the plan and covered payroll for the year was \$5,456,097. The Town has recognized on-behalf payments of \$1,396,761 made by the State of Connecticut into the plan as intergovernmental revenues, and related expenditures of the General Fund in the accompanying statement of revenues, expenditures and changes in fund balances of the governmental funds.

Administrative costs of the plan are funded by the State.

The total estimated net pension liability of the TRS as of June 30, 2014 was \$10.141 billion, the most recent available reporting provided by the Board. The portion that was associated with the Town totaled approximately \$15.1 million or approximately 0.149% of the total estimated net pension liability. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014. The portion of the net pension liability associated with the Town was based on a projection of the long-term share of contributions to the plan related to the Town relative to the projected contributions of all participating employers, actuarially determined.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE J - EMPLOYEE RETIREMENT PLANS (Continued)

Connecticut State Teachers' Retirement System (Continued)

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

Inflation	3.0%
Salary increases	3.75% - 7.0% (includes inflation)
Investment rate of return	8.5% (includes inflation)
Cost of living adjustments:	
Retirements prior to 9/1/1992	3.0%
Retirements on or after 9/1/1992	2.0%

For healthy retirees and beneficiaries, the RP-2000 Combined Mortality Table projected forward 19 years using scale AA, with a two-year setback for males and females.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Large Cap U.S. Equities	21%	7.30%
Developed Non-U.S. Equities	18%	7.50%
Emerging Markets (Non-U.S.)	9%	8.60%
Core Fixed Income	7%	1.70%
Inflation Linked Bonds	3%	1.30%
Emerging Market Bonds	5%	4.80%
High Yield Bonds	5%	3.70%
Real Estate	7%	5.90%
Private Equity	11%	10.90%
Alternative Investment	8%	0.70%
Liquidity Fund	6%	0.40%

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

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE J - EMPLOYEE RETIREMENT PLANS (Continued)

Connecticut State Teachers' Retirement System (Continued)

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 8.50%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (7.50%) or 1-percentage-point higher (9.50%) than the current rate:

	1% Decrease (7.50%)	Current Discount (8.50%)	1% Increase (9.50%)
Town proportionate share of the net pension liability	\$19.3 million	\$15.1 million	\$11.6 million

Detailed information about the plan's fiduciary net position is included in the State of Connecticut's basic financial statements.

NOTE K - OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The Town provides healthcare insurance benefits for eligible retirees and their spouses through the Town's group health insurance plan, which covers both active and retired members (the "Plan"). Benefit provisions are established by various collective bargaining and employment agreements with the Town. The Plan is considered to be part of the Town's financial reporting entity. The Plan does not issue a publicly available financial report and is not included in the financial statements of another entity.

Funding Policy

Contribution requirements of the plan members and the Town are established in the provisions of the program and in accordance with the General Statutes of the State of Connecticut. Currently, Board of Education employees and spouses who are age 55 with 20 years of service or any age with 25 years of service in the Hebron School System are eligible to receive benefits. Those who choose to participate must pay 100% of the premium cost. Town employees and spouses who are age 62 with 15 years of service in the Town are eligible to receive benefits. Those who choose to participate must pay 100% of the spouses premium cost. For fiscal year 2015, the Town contributions were estimated to be \$116,000 on a pay-as-you-go basis.

The Town has not established a trust fund as of June 30, 2015, to irrevocably segregate assets to fund the liability for post-employment benefits, which would require the reporting of a trust fund.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE K - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation

The Town's annual OPEB cost (expense) is calculated based on the annual required contribution ("ARC"), an amount actuarially determined. 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 over a period not to exceed thirty years. The Town's annual OPEB cost and net OPEB obligation are primarily attributed to an implicit rate subsidy, whereby retirees are considered to be receiving a benefit from the Town for access to insurance rates offered to the Town's active employees. 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:

Annual required contribution	\$ 159,000
Interest on net OPEB obligation	33,000
Adjustment to annual required contribution	(46,000)
Annual OPEB cost (expense)	146,000
Contributions made	116,000
Increase in net OPEB obligation	30,000
Net OPEB obligation, beginning of year	822,000
Net OPEB obligation, end of year	<u>\$ 852,000</u>

Three-year Trend Information

Year Ended June 30	Annual OPEB Cost	Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 159,000	\$ 91,000	57.2%	\$ 793,000
2014	161,000	132,000	82.0%	822,000
2015	146,000	116,000	79.5%	852,000

Funded Status and Funding Progress

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

Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Projected Unit Credit Cost Method (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
\$ -	\$ 1,586,000	\$ 1,586,000	\$ -	\$ 6,727,000	23.6%

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE K - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Funded Status and Funding Progress (Continued)

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of events in 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 Town are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

Valuation date:	July 1, 2014
Actuarial cost method:	Projected Unit Credit
Amortization method:	Level Dollar, open
Remaining amortization period:	30 years
Asset valuation method:	Market Value
Actuarial assumptions:	
Interest rate	4.0%
Inflation rate	3.0%
Healthcare cost trend rate	8% initial 5% final

NOTE L - DEFERRED COMPENSATION PLAN

The Town offers all employees who are eligible for benefits a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Town is required to contribute up to a maximum of 4.5% if the employee elects to contribute 7% of their wages into the plan on a before-tax basis. The Town is required to contribute 50% of the dollar amount contributed by the employee if the employee elects to contribute less than 7%. If an employee elects to contribute 10% of their before-tax wages, the Town is required to contribute 5%. Contribution requirements of the Town are established and may be amended by the Board of Selectmen. Town contributions totaled \$69,154 for the year ended June 30, 2015. Deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE L - DEFERRED COMPENSATION PLAN (Continued)

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for exclusive benefit of the plan participants and their beneficiaries. In addition, it is the opinion of the Town's management that the Town has no liability for the losses under the plans. Therefore, the accounts of the deferred compensation plans are not reported in the basic financial statements of the Town.

NOTE M - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God. The Town purchases commercial insurance for all risks of loss, including blanket and umbrella. Coverage has not been materially reduced, nor have settled claims exceeded commercial coverage in any of the past three years.

NOTE N - COMMITMENTS AND CONTINGENCIES

There are several legal matters pending against the Town. The outcome and eventual liability to the Town, if any, in these cases is not known at this time. The Town's management, based upon consultation with legal counsel, estimates that potential claims against the Town, not covered by insurance, resulting from such litigation would not materially affect the financial position of the Town.

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

The Town may be subject to arbitrage rebate penalties to the federal government relating to various bond and note issuances. Town management believes such penalties, if any, would not materially affect the financial position of the Town.

As of June 30, 2015, the Town has recorded \$293,728 in encumbrances for the commitments made for the purchase of goods and services. Such encumbrances have been included as part of the assigned fund balance in the General Fund.

NOTE O - RECENTLY ISSUED ACCOUNTING STANDARDS

In February 2015, the GASB issued Statement No. 72, *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements and provides guidance for a) determining a fair value measurement for financial reporting purposes and b) applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2015. The Town does not expect this statement to have a material effect on its financial statements.

TOWN OF HEBRON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2015

NOTE O - RECENTLY ISSUED ACCOUNTING STANDARDS (Continued)

In June 2015, the GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This statement establishes standards of accounting and financial reporting for defined benefit pensions and defined contribution pensions that are provided to the employees of state and local governmental employers and are not within the scope of GASB Statement No. 68. The requirements of this statement that address accounting and financial reporting by employers and governmental non-employer contributing entities for pensions that are not within the scope of GASB Statement No. 68 are effective for the Town's reporting period beginning July 1, 2016, and the requirements of this statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for the Town's reporting period beginning July 1, 2015. The requirements of this statement for pension plans that are within the scope of GASB Statement No. 67, or for pensions that are within the scope of GASB Statement No. 68, are effective for the Town's reporting period beginning July 1, 2015. The Town does not expect this statement to have a material effect on its financial statements.

In June 2015, the GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*. This statement establishes new accounting and financial reporting requirements for OPEB plans included in the general purpose external financial reports of state and local governmental OPEB plans and replaces the requirements of GASB Statements No. 43, *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*, as amended, and GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2016. The Town currently provides other post-employment benefits to certain eligible employees. The Town has not yet determined the impact that this statement will have on its financial statements.

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This statement establishes new accounting and financial reporting requirements for OPEB plans and replaces the requirements of GASB Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2017. The Town currently provides other post-employment benefits to certain eligible employees. The Town has not yet determined the impact that this statement will have on its financial statements.

In June 2015, the GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This statement establishes the hierarchy of GAAP for state and local governments and supersedes GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* and amends GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2015. The Town does not expect this statement to have a material effect on its financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Final Draft

TOWN OF HEBRON, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY - UNAUDITED
CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM
(Dollar amounts in thousands)

	2015
Town's proportion of the net pension liability	0.149%
Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	15,140
Total	<u>\$ 15,140</u>
Town's covered payroll	\$ 5,456
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.0%
Plan fiduciary net position as a percentage of the total pension liability	61.51%

Notes to Schedule:

Valuation Date	June 30, 2014
Measurement Date	June 30, 2014
Reporting Date	June 30, 2015

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percent of pay, closed
Remaining amortization period	22.4 years
Asset valuation method	4 year smoothed market
Investment rate of return	8.50%
Salary increases	3.75% - 7.00%, including inflation
Inflation	3.00%

Note: The Town began to report this schedule when it implemented GASB Statement No. 68 in fiscal year 2015.

See accompanying Independent Auditor's Report.

TOWN OF HEBRON, CONNECTICUT
SCHEDULE OF FUNDING PROGRESS - UNAUDITED
JUNE 30, 2015

Other Post-Employment Benefits Program						
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
July 1, 2007	\$ -	\$ 2,657,000	\$ 2,657,000	0.0%	\$ 9,812,000	27.1%
July 1, 2009	-	1,794,000	1,794,000	0.0%	9,833,000	18.2%
July 1, 2011	-	1,717,000	1,717,000	0.0%	8,243,000	20.8%
July 1, 2014	-	1,586,000	1,586,000	0.0%	6,727,000	23.6%

See accompanying Independent Auditor's Report.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Final Draft

GENERAL FUND

Final Draft

TOWN OF HEBRON, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Property taxes:				
Taxes, interest and lien fees	\$ 27,647,342	\$ 27,647,342	\$ 28,024,898	\$ 377,556
Licenses and permits				
Zoning board of appeals	500	500	125	(375)
Wetland fees	4,500	4,500	1,476	(3,024)
Building fees	69,000	69,000	114,155	45,155
Notary fees	1,300	1,300	1,750	450
Town clerk fees	13,000	13,000	13,198	198
Recording fees	50,000	50,000	42,052	(7,948)
Sportsmen's licenses	100	100	151	51
Conveyance tax	55,000	55,000	79,315	24,315
Marriage licenses fees	50	50	-	(50)
Records	50	50	14	(36)
Planning and zoning fees	7,000	7,000	7,524	524
Compactor/recycling fees	65,000	65,000	62,319	(2,681)
Dog fund fees	6,000	6,000	5,390	(610)
Health department	5,000	5,000	-	(5,000)
Animal population control	2,000	2,000	2,032	32
Library fees	28,000	28,000	32,547	4,547
Engineering fees	5,000	5,000	-	(5,000)
Blasting permits	30	30	110	80
Xerox fees	2,000	2,000	728	(1,272)
Soil and water conservation fees	1,100	1,100	2,146	1,046
Education fee assessment	150	150	160	10
PA CIP funding	5,400	5,400	3,345	(2,055)
Ambulance service	160,000	160,000	231,605	71,605
Plotter/copier fees	1,000	1,000	729	(271)
Software permit fees	6,000	6,000	5,850	(150)
Farmland preservation fees	-	-	252	252
Total licenses and permits	487,180	487,180	606,973	119,793
Intergovernmental revenue				
Education equalization grants	7,016,070	7,016,070	7,015,394	(676)
Transportation of school children	-	-	37,934	37,934
Miscellaneous	2,000	2,000	3,103	1,103
Payment in lieu of taxes on state owned property	12,843	12,843	15,564	2,721
Property tax relief for totally disabled	694	694	762	68
Property tax relief for veterans	3,700	3,700	3,324	(376)
Property tax relief	28,400	28,400	31,423	3,023
Pequot grant	-	-	30,564	30,564
Municipal revenue sharing	2,080	2,080	2,084	4
State home harmless grant	3,717	3,717	-	(3,717)
Town aid road	242,181	242,181	241,561	(620)
Emergency management performance grant	4,600	4,600	4,079	(521)
Telecommunications funding	18,000	18,000	17,825	(175)
Total intergovernmental	7,334,285	7,334,285	7,403,617	69,332
(Continued)				

See accompanying Independent Auditor's Report.

TOWN OF HEBRON, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (Continued)
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
Investment earnings	\$ 20,000	\$ 20,000	\$ 20,655	\$ 655
Other revenues				
Constable fees	8,000	8,000	22,000	14,000
Housing authority	4,000	4,000	4,538	538
Elderly van	8,000	8,000	18,728	10,728
State trooper private duty	3,500	3,500	8,159	4,659
Hebron harvest fair	12,000	12,000	4,489	(7,511)
Maple festival private duty	6,000	6,000	4,296	(1,704)
Elderly demand respond	16,000	16,000	24,168	8,168
Miscellaneous	5,000	5,000	5,410	410
Parking ticket fines	100	100	-	(100)
Colchester interim agreement	19,000	19,000	-	(19,000)
Senior center physical fitness	4,500	4,500	1,681	(2,819)
Senior center transportation fees	-	-	6,615	6,615
Building officer reimbursement	-	-	17,707	17,707
RHAM traffic control reimbursement	-	-	14,995	14,995
MIRA rebate	-	-	9,862	9,862
EMS reimbursement	-	-	3,176	3,176
CL&P rebate	-	-	816	816
Other	500	500	-	(500)
Total other revenues	86,600	86,600	146,640	60,040
Total revenues	35,575,407	35,575,407	36,202,783	627,376
OTHER FINANCING SOURCES				
Appropriation of fund balance	-	193,920	-	(193,920)
Cancellation of prior year encumbrances	-	-	38,592	38,592
Transfers in:				
Cell tower fund	40,000	40,000	40,000	-
WPCA operating fund	25,000	25,000	25,000	-
Surplus transfer	100,000	100,000	100,000	-
Recreation fund	20,000	20,000	20,000	-
Total other financing sources	185,000	378,920	223,592	(155,328)
Total revenue and other financing sources	\$ 35,760,407	\$ 35,954,327	\$ 36,426,375	\$ 472,048

See accompanying Independent Auditor's Report.

TOWN OF HEBRON, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts			Variance With Original Budget Over (Under)
	Original Budget	Final Budget	Actual	
General government				
Payroll:				
Clerical	\$ 407,994	\$ 378,374	\$ 378,374	\$ -
Administration	684,214	686,832	686,832	-
Health and welfare	111,748	106,762	106,762	-
Public safety	100,926	100,926	100,922	(4)
Recreation	165,069	161,534	161,534	-
Public works	669,585	654,912	654,912	-
Library	136,474	136,474	136,025	(449)
Fire marshal	47,313	47,320	47,320	-
Elected officials	58,972	58,971	58,968	(3)
Contractual commitments	9,648	6,000	6,000	-
Total payroll	<u>2,391,943</u>	<u>2,338,105</u>	<u>2,337,649</u>	<u>(456)</u>
Selectman's office	37,081	36,114	34,786	(1,328)
Central services	39,200	38,567	38,475	(92)
Legal	42,000	44,735	44,735	-
Central computer services	44,190	44,190	43,805	(385)
Tricentennial commission	100	465	465	-
Town buildings	56,022	57,097	56,946	(151)
Board of Finance	31,000	31,000	31,000	-
Financial administrator	10,071	8,227	7,673	(554)
Tax collector	19,080	19,080	18,190	(890)
Assessor	26,395	22,116	19,863	(2,253)
Board of tax review	170	170	-	(170)
Town clerk's office	32,000	29,645	28,679	(966)
Registrar of voters	49,444	42,549	42,296	(253)
Total general government	<u>2,778,696</u>	<u>2,712,060</u>	<u>2,704,562</u>	<u>(7,498)</u>
Public safety				
Police administration	314,758	349,763	348,959	(804)
Fire administration	358,306	337,659	336,388	(1,271)
Fire marshal	10,629	10,629	9,804	(825)
Burning official	1,434	1,434	1,434	-
Emergency management	12,350	12,350	12,280	(70)
Animal control	31,587	30,800	30,769	(31)
Ambulance service	154,278	198,580	197,029	(1,551)
Total public safety	<u>883,342</u>	<u>941,215</u>	<u>936,663</u>	<u>(4,552)</u>
Civic and human services				
Community agency donations	163,945	163,945	163,945	-
Regional health district assessment	86,135	86,135	86,135	-
Library	238,171	228,897	227,961	(936)
Van- disabled	57,568	55,011	54,763	(248)
Senior center	31,005	28,983	28,004	(979)
Probate court	2,815	2,815	2,815	-
St. Peter's lease	850	850	850	-
Recreation programs	99,930	100,773	100,095	(678)
Memorial Day	500	707	707	-
Total civic and human services	<u>680,919</u>	<u>668,116</u>	<u>665,275</u>	<u>(2,841)</u>

See accompanying Independent Auditor's Report.

(Continued)

TOWN OF HEBRON, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (Continued)
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts			Variance With Original Budget Over (Under)
	Original Budget	Final Budget	Actual	
Planning and land use				
Economic development	\$ 26,451	\$ 24,802	\$ 24,445	\$ (357)
Planning and development	108,994	95,188	94,634	(554)
Total planning and land use	<u>135,445</u>	<u>119,990</u>	<u>119,079</u>	<u>(911)</u>
Public works				
Highways and grounds administration	276,882	336,124	335,170	(954)
Town yard and garage	48,967	48,382	48,177	(205)
Street services	496,430	569,325	568,988	(337)
Solid waste, recycling, bulky	175,820	168,738	168,530	(208)
Total public works	<u>998,099</u>	<u>1,122,569</u>	<u>1,120,865</u>	<u>(1,704)</u>
Sewer fees				
Town property user fees	9,800	9,800	9,800	-
Insurance and benefits				
Insurance	246,640	227,240	227,240	-
Retiree payout	-	62,388	62,388	-
Employee benefits	1,087,962	1,046,355	1,045,178	(1,177)
Total insurance and benefits	<u>1,334,602</u>	<u>1,335,983</u>	<u>1,334,806</u>	<u>(1,177)</u>
Debt service				
Town	515,962	515,962	515,662	(300)
School	435,402	435,402	435,327	(75)
Sewers	33,056	28,215	13,328	(14,887)
Total debt service	<u>984,420</u>	<u>979,579</u>	<u>964,317</u>	<u>(15,262)</u>
Education				
Regional School District No. 8 assessment	15,103,516	15,103,516	15,103,513	(3)
Hebron Elementary School education	11,990,454	11,990,454	11,909,538	(80,916)
GHS Construction	-	87,780	75,676	(12,104)
Total education	<u>27,093,970</u>	<u>27,181,750</u>	<u>27,088,727</u>	<u>(93,023)</u>
Total expenditures	<u>34,899,293</u>	<u>35,071,062</u>	<u>34,944,094</u>	<u>(126,968)</u>
Other financing uses				
Transfers out:				
Land Acquisition Fund	125,000	125,000	125,000	-
Capital Improvement Fund	642,114	642,114	642,114	-
Capital Nonrecurring Fund	10,000	10,000	10,000	-
Revaluation	50,000	50,000	50,000	-
Capital Projects Fund	34,000	34,000	34,000	-
Miscellaneous Grants Fund	-	22,151	22,151	-
Total other financing uses	<u>861,114</u>	<u>883,265</u>	<u>883,265</u>	<u>-</u>
Total expenditures and other financing uses	<u>\$ 35,760,407</u>	<u>\$ 35,954,327</u>	<u>\$ 35,827,359</u>	<u>\$ (126,968)</u>

See accompanying Independent Auditor's Report.

TOWN OF HEBRON, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2015

Grand List Year	Balance Uncollected June 30, 2014	Current Levy	Lawful Corrections		Transfers To Suspense	Balance To Be Collected	Collections			Balance Uncollected June 30, 2015
			Additions	Deductions			Taxes	Interest and Lien Fees	Total	
1998 and prior	\$ 3,216	\$ -	\$ -	\$ 3,216	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1999	4,690	-	-	-	-	4,690	-	-	-	4,690
2000	4,808	-	-	-	-	4,808	-	-	-	4,808
2001	6,400	-	-	-	-	6,400	-	-	-	6,400
2002	8,552	-	-	-	-	8,552	-	-	-	8,552
2003	10,077	-	-	-	-	10,077	-	-	-	10,077
2004	11,067	-	-	-	-	11,067	-	-	-	11,067
2005	13,433	-	-	-	-	13,433	11	32	43	13,422
2006	16,847	-	-	-	-	16,847	312	488	800	16,535
2007	21,372	-	324	349	-	21,347	2,351	1,094	3,445	18,996
2008	50,242	-	-	-	-	50,242	452	8,070	8,522	49,790
2009	86,911	-	-	-	-	86,911	9,359	3,950	13,309	77,552
2010	139,955	-	-	459	-	139,496	24,686	11,399	36,085	114,810
2011	227,880	-	-	1,239	4,040	222,601	51,198	22,298	73,496	171,403
2012	468,507	-	11,343	11,730	911	467,209	191,037	44,707	235,744	276,172
Suspense Collections	-	-	-	-	-	-	562	521	1,083	-
Total prior years	1,073,957	-	11,667	16,993	4,951	1,063,680	279,968	92,559	372,527	784,274
2013	-	28,084,730	31,432	69,662	656	28,045,844	27,598,938	81,652	27,680,590	446,906
Total	<u>\$ 1,073,957</u>	<u>\$ 28,084,730</u>	<u>\$ 43,099</u>	<u>\$ 86,655</u>	<u>\$ 5,607</u>	<u>\$ 29,109,524</u>	<u>\$ 27,878,906</u>	<u>\$ 174,211</u>	<u>\$ 28,053,117</u>	<u>\$ 1,231,180</u>

See accompanying Independent Auditor's Report.

TOWN OF HEBRON, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)
FOR THE YEAR ENDED JUNE 30, 2015

Total cash collections for the year ended
June 30, 2015:

Taxes	\$ 27,878,906
Interest and lien fees	174,211
	<u>28,053,117</u>

Reimbursement for revenue loss:

Tax relief for elderly (CGS 12-129d)	31,423
Base	<u>\$ 28,084,540</u>

	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2-1/4 times base	\$ 63,190,215	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	126,380,430	-	-	-
3-3/4 times base	-	-	105,317,025	-	-
3-1/4 times base	-	-	-	91,274,755	-
3 times base	-	-	-	-	84,253,620
	<u>63,190,215</u>	<u>126,380,430</u>	<u>105,317,025</u>	<u>91,274,755</u>	<u>84,253,620</u>
Total debt limitation	63,190,215	126,380,430	105,317,025	91,274,755	84,253,620
Indebtedness:					
Bonds payable	3,537,000	1,484,000	-	-	-
Bonds payable - Regional School District No. 8 share	-	10,351,840	-	-	-
	<u>3,537,000</u>	<u>11,835,840</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total indebtedness	3,537,000	11,835,840	-	-	-
Debt limitation in excess of outstanding and authorized debt	<u>\$ 59,653,215</u>	<u>\$ 114,544,590</u>	<u>\$ 105,317,025</u>	<u>\$ 91,274,755</u>	<u>\$ 84,253,620</u>
Total capacity of borrowing (7 times base)	\$ 196,591,780				
Total present indebtedness	<u>15,372,840</u>				
Margin for additional borrowing	<u>\$ 181,218,940</u>				

See accompanying Independent Auditor's Report.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of specific revenue sources that are restricted, committed, or assigned for specified purposes. Nonmajor special revenue funds include the following:

Hebron Park Fund - A fund created to account for revenue from the cell tower antenna.

Miscellaneous Grants Fund - A fund created to account for revenues and expenditures of miscellaneous State and Federal grants.

Sewer Assessment Fund - A fund created to account for the special sewer assessments of the WPCA.

WPCA Sewer Operations Fund - A fund established to account for the collection of sewer use charges and inspection fees that finance the operating expenditures of the wastewater treatment facility.

Marion Celio Angel Fund - A fund created to account for donations to support seniors who have a hardship.

Douglas Library Fund - A fund created to account for small donations made to benefit the Library.

Recreation Fund - A fund created to account for recreational, social and cultural programs to meet the needs of all segments of the community.

EMS Fund - A fund created to account for the operations of the ambulance services.

Tri-Centennial Commission Fund - A fund created to account for a Town-wide celebration for the 300th anniversary of Hebron's establishment in 1708.

Small Cities Grant Fund - A fund created to account for U.S. Housing and Urban Development grants relating to the Community Development Block Grants.

Historic Records Preservation Fund - A fund created to account fees collected by the Town Clerk for historic records preservation.

Debt Management Fund - This fund is used to account for the accumulation of reserves to stabilize the effect on the mill rate of future debt services requirements.

Education Grant Fund - A fund created to account for the revenues and expenditures of State and Federal education grants.

Cafeteria Fund - A fund created to account for the operations of the school lunch program.

NONMAJOR GOVERNMENTAL FUNDS *(Continued)*

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure projects, other than those financed by proprietary funds. The nonmajor capital projects fund consists of the following:

Land Acquisition Fund - This fund is used to account for the financial resources for the acquisition of land held for open space.

Marjorie Circle Bridge Grant Fund - This fund is used to account for the grant revenues and related capital outlays relating to the repair and reconstruction of the Marjorie Circle Bridge.

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 - A fund established to account for funds donated for the upkeep of various cemeteries in Town.

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

	Nonmajor Special Revenue Funds						
	Hebron Park Fund	Miscellaneous Grants Fund	Sewer Assessment Fund	WPCA Sewer Operation Fund	Marion Celio Angel Fund	Douglas Library Fund	Recreation Fund
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 187,269	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Receivables:							
Sewer assessments, net	-	-	156,456	-	-	-	-
Sewer user charges, net	-	-	-	82,231	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Due from other funds	15,407	6,500	143,846	147,433	25,959	19,636	132,174
Inventories	-	-	-	-	-	-	-
Total assets	\$ 15,407	\$ 6,500	\$ 300,302	\$ 416,933	\$ 25,959	\$ 19,636	\$ 132,174
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Unearned revenue	-	6,500	-	-	-	-	58,901
Total liabilities	-	6,500	-	-	-	-	58,901
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - sewer assessments	-	-	155,865	-	-	-	-
Unavailable revenue - sewer user charges	-	-	-	63,589	-	-	-
	-	-	155,865	63,589	-	-	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	25,959	-	-
Committed	15,407	-	144,437	353,344	-	19,636	73,273
Total fund balances	15,407	-	144,437	353,344	25,959	19,636	73,273
Total liabilities, deferred inflows and fund balances	\$ 15,407	\$ 6,500	\$ 300,302	\$ 416,933	\$ 25,959	\$ 19,636	\$ 132,174

(Continued)

See accompanying Independent Auditor's Report.

TOWN OF HEBRON, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)
JUNE 30, 2015

	Nonmajor Special Revenue Funds					
	EMS Fund	Tri-Centennial Commission Fund	Small Cities Grant Fund	Historic Records Preservation	Debt Management Fund	Education Grant Fund
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ 6,881	\$ -	\$ 21,859	\$ 48,508
Investments	-	-	-	-	-	-
Receivables:						
Sewer assessments, net	-	-	-	-	-	-
Sewer user charges, net	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	2,840
Loans	-	-	152,246	-	-	-
Other	-	-	-	-	-	-
Due from other funds	3,784	873	-	8,842	-	-
Inventories	-	-	-	-	-	-
Total assets	<u>\$ 3,784</u>	<u>\$ 873</u>	<u>\$ 159,127</u>	<u>\$ 8,842</u>	<u>\$ 21,859</u>	<u>\$ 51,348</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,675
Due to other funds	-	-	-	-	-	25,290
Unearned revenue	-	-	1,751	-	-	718
Total liabilities	<u>-</u>	<u>-</u>	<u>1,751</u>	<u>-</u>	<u>-</u>	<u>33,683</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - sewer assessments	-	-	-	-	-	-
Unavailable revenue - sewer user charges	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	157,376	-	-	-
Restricted	-	-	-	-	21,859	17,665
Committed	3,784	873	-	8,842	-	-
Total fund balances	<u>3,784</u>	<u>873</u>	<u>157,376</u>	<u>8,842</u>	<u>21,859</u>	<u>17,665</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 3,784</u>	<u>\$ 873</u>	<u>\$ 159,127</u>	<u>\$ 8,842</u>	<u>\$ 21,859</u>	<u>\$ 51,348</u>

(Continued)

See accompanying Independent Auditor's Report.

TOWN OF HEBRON, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)
JUNE 30, 2015

	Nonmajor Special Revenue Funds		Capital Project Funds			Permanent Fund	Total Nonmajor Governmental Funds
	Cafeteria Fund	Total	Land Acquisition Fund	Marjorie Circle Bridge Grant Fund	Total	Cemetery Fund	
ASSETS							
Cash and cash equivalents	\$ 25,716	\$ 290,233	\$ 342,956	\$ -	\$ 342,956	\$ -	\$ 633,189
Investments	-	-	-	-	-	11,938	11,938
Receivables:							
Sewer assessments, net	-	156,456	-	-	-	-	156,456
Sewer user charges, net	-	82,231	-	-	-	-	82,231
Intergovernmental	8,365	11,205	-	42,073	42,073	-	53,278
Loans	-	152,246	-	-	-	-	152,246
Other	656	656	-	-	-	-	656
Due from other funds	-	504,454	232,516	-	232,516	-	736,970
Inventories	6,489	6,489	-	-	-	-	6,489
Total assets	<u>\$ 41,226</u>	<u>\$ 1,203,970</u>	<u>\$ 575,472</u>	<u>\$ 42,073</u>	<u>\$ 617,545</u>	<u>\$ 11,938</u>	<u>\$ 1,833,453</u>
LIABILITIES							
Accounts payable	\$ -	\$ 7,675	\$ -	\$ -	\$ -	\$ -	\$ 7,675
Due to other funds	14,026	39,316	-	42,073	42,073	-	81,389
Unearned revenue	5,265	73,135	-	-	-	-	73,135
Total liabilities	<u>19,291</u>	<u>120,126</u>	<u>-</u>	<u>42,073</u>	<u>42,073</u>	<u>-</u>	<u>162,199</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - sewer assessments	-	155,865	-	-	-	-	155,865
Unavailable revenue - sewer user charges	-	63,589	-	-	-	-	63,589
	<u>-</u>	<u>219,454</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>219,454</u>
FUND BALANCES							
Nonspendable	6,489	163,865	-	-	-	5,945	169,810
Restricted	-	65,483	-	-	-	5,993	71,476
Committed	15,446	635,042	575,472	-	575,472	-	1,210,514
Total fund balances	<u>21,935</u>	<u>864,390</u>	<u>575,472</u>	<u>-</u>	<u>575,472</u>	<u>11,938</u>	<u>1,451,800</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 41,226</u>	<u>\$ 1,203,970</u>	<u>\$ 575,472</u>	<u>\$ 42,073</u>	<u>\$ 617,545</u>	<u>\$ 11,938</u>	<u>\$ 1,833,453</u>

See accompanying Independent Auditor's Report.

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

	Nonmajor Special Revenue Funds						
	Hebron Park Fund	Miscellaneous Grants Fund	Sewer Assessment Fund	WPCA Sewer Operation Fund	Marion Celio Angel Fund	Douglas Library Fund	Recreation Fund
REVENUES							
Intergovernmental	\$ -	\$ 58,571	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	71,217	-	14,685	411,401	-	-	499,646
Investment income	-	-	-	270	-	-	-
Other revenues	-	-	-	-	9,459	6,083	-
Total revenues	71,217	58,571	14,685	411,671	9,459	6,083	499,646
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Civic and human services	23,295	43,671	-	-	2,906	4,603	495,740
Sewer	-	-	-	310,460	-	-	-
Education	-	-	-	-	-	-	-
Capital outlays	-	14,900	-	-	-	-	-
Total expenditures	23,295	58,571	-	310,460	2,906	4,603	495,740
Excess (deficiency) of revenues over expenditures	47,922	-	14,685	101,211	6,553	1,480	3,906
OTHER FINANCING SOURCES (USES)							
Transfers in	-	22,151	-	50,000	-	-	-
Transfers out	(40,000)	-	(50,000)	(25,000)	-	-	(20,000)
Total other financing sources (uses)	(40,000)	22,151	(50,000)	25,000	-	-	(20,000)
Net change in fund balances	7,922	22,151	(35,315)	126,211	6,553	1,480	(16,094)
Fund balances (deficit) - beginning	7,485	(22,151)	179,752	227,133	19,406	18,156	89,367
Fund balances - ending	\$ 15,407	\$ -	\$ 144,437	\$ 353,344	\$ 25,959	\$ 19,636	\$ 73,273
							(Continued)

(Continued)

See accompanying Independent Auditor's Report.

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

	Nonmajor Special Revenue Funds					
	EMS Fund	Tri-Centennial Commission Fund	Small Cities Grant Fund	Historic Records Preservation	Debt Management Fund	Education Grant Fund
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 361,097
Charges for services	-	-	-	3,610	-	28,608
Investment income	-	-	-	-	-	-
Miscellaneous	-	-	5,130	-	-	-
Total revenues	-	-	5,130	8,610	-	389,705
EXPENDITURES						
Current:						
General government	-	-	-	-	-	10,252
Civic and human services	-	-	-	8,216	-	-
Sewer	-	-	-	-	-	-
Education	-	-	-	-	-	383,588
Capital outlays	-	-	-	-	-	-
Total expenditures	-	-	-	8,216	-	393,840
Excess (deficiency) of revenues over expenditures	-	-	5,130	394	-	(4,135)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	21,771	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	21,771	-
Net change in fund balances	-	-	5,130	394	21,771	(4,135)
Fund balances (deficit) - beginning	3,784	873	152,246	8,448	88	21,800
Fund balances - ending	\$ 3,784	\$ 873	\$ 157,376	\$ 8,842	\$ 21,859	\$ 17,665
						(Continued)

(Continued)

See accompanying Independent Auditor's Report.

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

	Nonmajor Special Revenue Funds		Capital Project Funds			Permanent Fund	Total Nonmajor Governmental Funds
	Cafeteria Fund	Total	Land Acquisition Fund	Marjorie Circle Bridge Grant Fund	Total	Cemetery Fund	
REVENUES							
Intergovernmental	\$ 57,515	\$ 482,183	\$ -	\$ 42,073	\$ 42,073	\$ -	\$ 524,256
Charges for services	179,804	1,208,971	-	-	-	-	1,208,971
Investment income	8	278	508	-	508	59	845
Miscellaneous	-	20,672	-	-	-	-	20,672
Total revenues	<u>237,327</u>	<u>1,712,104</u>	<u>508</u>	<u>42,073</u>	<u>42,581</u>	<u>59</u>	<u>1,754,744</u>
EXPENDITURES							
Current:							
General government	-	10,252	5,150	-	5,150	-	15,402
Civic and human services	-	578,431	-	-	-	-	578,431
Sewer	-	310,460	-	-	-	-	310,460
Education	249,833	633,421	-	-	-	-	633,421
Capital outlays	-	14,900	-	42,073	42,073	-	56,973
Total expenditures	<u>249,833</u>	<u>1,547,464</u>	<u>5,150</u>	<u>42,073</u>	<u>47,223</u>	<u>-</u>	<u>1,594,687</u>
Excess (deficiency) of revenues over expenditures	(12,506)	164,640	(4,642)	-	(4,642)	59	160,057
OTHER FINANCING SOURCES (USES)							
Transfers in	-	93,922	125,000	-	125,000	-	218,922
Transfers out	-	(135,000)	-	-	-	-	(135,000)
Total other financing sources (uses)	<u>-</u>	<u>(41,078)</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>83,922</u>
Net change in fund balances	(12,506)	123,562	120,358	-	120,358	59	243,979
Fund balances (deficit) - beginning	<u>34,441</u>	<u>740,828</u>	<u>455,114</u>	<u>-</u>	<u>455,114</u>	<u>11,879</u>	<u>1,207,821</u>
Fund balances - ending	<u>\$ 21,935</u>	<u>\$ 864,390</u>	<u>\$ 575,472</u>	<u>\$ -</u>	<u>\$ 575,472</u>	<u>\$ 11,938</u>	<u>\$ 1,451,800</u>

See accompanying Independent Auditor's Report.

FIDUCIARY FUNDS

AGENCY FUNDS

Agency funds are used to report resources held by the Town in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Agency funds include the following:

Student Activities Fund - To account for monies from various self-funding school activities.

Performance Bonds Fund - To account for cash bonds and other cash held by the Town to ensure compliance with specifications and regulations with respect to various building projects and improvements.

Senior Center Fund - To account for monies from self-funding senior center activities.

Escrow Fund - To account for monies from various self-funding Town Hall activities.

TOWN OF HEBRON, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2015

	Student Activities	Performance Bonds	Senior Center	Escrow Fund	Total Agency Funds
ASSETS					
Cash and cash equivalents	\$ 33,454	\$ 86,172	\$ 44,768	\$ -	\$ 164,394
Other assets	-	-	-	10,946	10,946
Total assets	<u>\$ 33,454</u>	<u>\$ 86,172</u>	<u>\$ 44,768</u>	<u>\$ 10,946</u>	<u>\$ 175,340</u>
LIABILITIES					
Due to student groups	\$ 33,454	\$ -	\$ -	\$ -	\$ 33,454
Due to others	-	86,172	44,768	10,946	141,886
Total liabilities	<u>\$ 33,454</u>	<u>\$ 86,172</u>	<u>\$ 44,768</u>	<u>\$ 10,946</u>	<u>\$ 175,340</u>

Final Draft

See accompanying Independent Auditor's Report.

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

	Balance, July 1, 2014	Additions	Deletions	Balance, June 30, 2015
Student Activities				
Assets				
Cash and cash equivalents	\$ 39,265	\$ 113,157	\$ 118,968	\$ 33,454
Total assets	<u>\$ 39,265</u>	<u>\$ 113,157</u>	<u>\$ 118,968</u>	<u>\$ 33,454</u>
Liabilities				
Due to student groups	\$ 39,265	\$ 113,157	\$ 118,968	\$ 33,454
Total liabilities	<u>\$ 39,265</u>	<u>\$ 113,157</u>	<u>\$ 118,968</u>	<u>\$ 33,454</u>
Performance Bonds				
Assets				
Cash and cash equivalents	\$ 79,605	\$ 19,335	\$ 12,768	\$ 86,172
Total assets	<u>\$ 79,605</u>	<u>\$ 19,335</u>	<u>\$ 12,768</u>	<u>\$ 86,172</u>
Liabilities				
Due to others	\$ 79,605	\$ 19,335	\$ 12,768	\$ 86,172
Total liabilities	<u>\$ 79,605</u>	<u>\$ 19,335</u>	<u>\$ 12,768</u>	<u>\$ 86,172</u>
Senior Center				
Assets				
Cash and cash equivalents	\$ 37,137	\$ 16,864	\$ 9,233	\$ 44,768
Total assets	<u>\$ 37,137</u>	<u>\$ 16,864</u>	<u>\$ 9,233</u>	<u>\$ 44,768</u>
Liabilities				
Due to others	\$ 37,137	\$ 16,864	\$ 9,233	\$ 44,768
Total liabilities	<u>\$ 37,137</u>	<u>\$ 16,864</u>	<u>\$ 9,233</u>	<u>\$ 44,768</u>
Escrow Fund				
Assets				
Other assets	\$ 1,351	\$ 14,220	\$ 4,625	\$ 10,946
Total assets	<u>\$ 1,351</u>	<u>\$ 14,220</u>	<u>\$ 4,625</u>	<u>\$ 10,946</u>
Liabilities				
Due to others	\$ 1,351	\$ 14,220	\$ 4,625	\$ 10,946
Total liabilities	<u>\$ 1,351</u>	<u>\$ 14,220</u>	<u>\$ 4,625</u>	<u>\$ 10,946</u>
Total All Agency Funds				
Assets				
Cash and cash equivalents	\$ 156,007	\$ 149,356	\$ 140,969	\$ 164,394
Other assets	1,351	14,220	4,625	10,946
Total assets	<u>\$ 157,358</u>	<u>\$ 163,576</u>	<u>\$ 145,594</u>	<u>\$ 175,340</u>
Liabilities				
Due to student groups	\$ 39,265	\$ 113,157	\$ 118,968	\$ 33,454
Due to others	118,093	50,419	26,626	141,886
Total liabilities	<u>\$ 157,358</u>	<u>\$ 163,576</u>	<u>\$ 145,594</u>	<u>\$ 175,340</u>

See accompanying Independent Auditor's Report.

CAPITAL ASSET SCHEDULE

Final Draft

TOWN OF HEBRON, CONNECTICUT
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
SCHEDULE BY CATEGORY - HISTORICAL COST
FOR THE YEAR ENDED JUNE 30, 2015

Governmental funds capital assets:

Land	\$ 9,953,124
Construction in progress	870,964
Buildings and improvements	40,001,347
Machinery and equipment	10,524,607
Infrastructure	35,545,701
	<u>\$ 96,895,743</u>

Final Draft

See accompanying Independent Auditor's Report.

STATISTICAL SECTION

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.

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These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	70
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These schedules contain information to help the reader assess the factors affecting the Town's ability to generate its property taxes.	75
Debt Capacity	
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.	79
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place and to help make comparisons over time and with other governments.	82
Operating Information	
These schedules contain information about the Town's operations and resources to help the reader understand how the Town's financial information relates to the services the Town provides and the activities it performs.	84

Sources: Unless otherwise noted, the information in the accompanying tables is derived from the comprehensive annual financial reports for the relevant year. The Town implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition* in fiscal year 2011: tables presenting fund balance of governmental funds will be adjusted prospectively.

Table 1

TOWN OF HEBRON, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting - Unaudited)

	Fiscal Year				
	2006	2007	2008	2009	2010
Governmental activities					
Net investment in capital assets	\$ 25,359,165	\$ 44,095,965	\$ 46,007,316	\$ 46,088,678	\$ 47,008,061
Restricted	10,160	10,432	10,860	11,176	11,420
Unrestricted	7,659,232	7,905,728	7,648,658	7,743,736	6,339,484
Total governmental activities net position	<u>\$ 33,028,557</u>	<u>\$ 52,012,125</u>	<u>\$ 53,666,834</u>	<u>\$ 53,843,590</u>	<u>\$ 53,358,965</u>

	Fiscal Year				
	2011	2012	2013	2014	2015
Governmental activities					
Net investment in capital assets	\$ 47,141,777	\$ 49,016,212	\$ 48,869,955	\$ 48,321,951	\$ 47,622,263
Restricted	95,985	309,702	220,384	205,419	234,737
Unrestricted	4,882,063	5,215,082	6,146,256	7,087,168	8,479,844
Total governmental activities net position	<u>\$ 52,119,825</u>	<u>\$ 54,540,996</u>	<u>\$ 55,236,595</u>	<u>\$ 55,614,538</u>	<u>\$ 56,336,844</u>

Source: Town CAFR

Table 2

TOWN OF HEBRON, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting - Unaudited)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 3,034,214	\$ 3,387,354	\$ 3,634,827	\$ 3,206,614	\$ 3,590,461	\$ 3,090,619	\$ 4,113,942	\$ 4,105,884	\$ 4,117,694	\$ 4,325,420
Public safety	1,106,363	1,025,330	430,714	1,297,154	1,134,939	1,110,617	1,248,307	1,352,665	1,236,938	1,268,629
Public works	1,182,723	1,415,397	2,052,382	2,088,890	1,854,797	2,326,772	1,458,867	1,654,957	1,733,671	1,857,033
Civic and human services	1,088,213	1,306,503	1,188,062	1,328,244	1,447,189	1,618,626	1,638,036	1,535,361	1,558,576	1,608,290
Planning and land use	141,343	168,871	75,869	188,966	146,868	127,342	100,104	118,139	124,735	117,273
Sewer	399,457	387,373	270,891	414,558	439,769	381,677	579,075	453,042	411,358	320,260
Education	21,179,900	22,300,802	24,006,912	25,088,292	26,846,086	27,946,945	27,626,247	28,109,170	29,023,083	29,994,930
Interest expense	320,479	489,084	360,099	528,928	412,400	375,805	410,111	297,813	325,736	372,985
Total governmental activities expenses	28,452,692	30,480,714	32,019,756	34,141,646	35,872,509	36,978,403	37,174,689	37,627,031	38,531,791	39,864,820
Program Revenues										
Governmental activities:										
Charges for services										
General government	739,841	578,297	694,680	399,100	165,998	143,971	452,726	505,267	436,543	470,801
Public safety	158,018	18,999	23,822	156,190	158,127	200,145	224,688	274,342	270,560	273,482
Public works	423,401	442,088	393,785	406,485	131,756	509,237	6,642	14,896	6,820	3,345
Civic and human services	469,445	702,997	750,773	606,802	564,552	634,002	726,716	653,200	628,653	638,533
Planning and land use	39,977	57,494	41,006	55,523	15,620	15,119	11,079	1,999	6,252	9,235
Sewer fees	113,019	59,497	298,909	4,912	409,105	414,457	620,627	633,847	511,709	421,331
Education	22,421	233,331	253,016	99,890	263,378	266,019	237,789	232,498	181,824	484,352
Operating grants and contributions										
General government	27,811	35,542	35,969	-	27,936	152,393	-	-	-	-
Public safety	1,725	15,597	1,737	28,842	66,180	6,740	80,678	39,175	52,304	13,501
Public works	50,000	-	-	-	-	2,218	-	-	-	-
Civic and human services	51,585	43,711	45,744	45,317	2,080	79,841	85,614	91,657	96,589	93,511
Planning and land use	-	-	-	-	-	-	-	-	-	-
Sewer fees	-	-	-	-	671	-	-	-	-	-
Education	5,721,448	5,761,297	6,669,226	6,946,829	8,106,903	8,071,672	8,719,424	9,020,132	8,968,936	9,076,345
Capital grants and contributions										
General government	-	-	-	443,146	316,866	-	-	-	-	-
Public safety	157,635	168,934	630,374	9,531	-	-	-	-	-	-
Public works	679,819	221,346	119,856	190,677	334,525	249,641	854,104	468,440	273,530	599,662
Civic and human services	-	-	-	-	125,000	-	120,000	-	165,000	-
Education	3,200	-	-	-	-	-	-	142,826	-	37,811
Total governmental activities program revenues	8,659,345	8,339,130	9,958,897	9,393,244	10,688,697	10,745,455	12,140,087	12,078,279	11,598,720	12,121,909
Net (Expense)/Revenue	(19,793,347)	(22,141,584)	(22,060,859)	(24,748,402)	(25,183,812)	(26,232,948)	(25,034,602)	(25,548,752)	(26,933,071)	(27,742,911)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes	20,118,860	21,457,967	22,310,176	23,631,881	24,384,815	25,098,307	26,170,302	26,043,661	27,134,995	28,337,637
Grants and contributions not restricted to specific programs	540,871	895,606	1,051,342	1,116,089	267,740	81,152	104,092	186,142	157,572	104,649
Unrestricted investment earnings	337,735	488,997	354,050	177,188	46,632	36,275	16,150	14,548	18,447	22,931
Loss on disposal	-	-	-	-	-	(221,926)	-	-	-	-
Total governmental activities general revenues and other changes in net position	20,997,466	22,842,570	23,715,568	24,925,158	24,699,187	24,993,808	26,290,544	26,244,351	27,311,014	28,465,217
Change in Net Position	<u>\$ 1,204,119</u>	<u>\$ 700,986</u>	<u>\$ 1,654,709</u>	<u>\$ 176,756</u>	<u>\$ (484,625)</u>	<u>\$ (1,239,140)</u>	<u>\$ 1,255,942</u>	<u>\$ 695,599</u>	<u>\$ 377,943</u>	<u>\$ 722,306</u>

Table 3

TOWN OF HEBRON, CONNECTICUT
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting - Unaudited)

	Fiscal Year				
	2006	2007	2008	2009	2010
Function/Program					
Governmental activities:					
General government	\$ 767,652	\$ 613,839	\$ 730,649	\$ 842,246	\$ 510,800
Public safety	317,378	203,530	655,933	194,563	224,307
Civic and human services	521,030	746,708	796,517	652,119	691,632
Planning and land use	39,977	57,494	41,006	55,523	15,620
Public works	1,153,220	663,434	513,641	597,162	466,281
Sewer	113,019	59,497	298,909	4,912	409,776
Education	5,747,069	5,994,628	6,922,242	7,046,719	8,370,281
Total governmental activities	<u>\$ 8,659,345</u>	<u>\$ 8,339,130</u>	<u>\$ 9,958,897</u>	<u>\$ 9,393,244</u>	<u>\$ 10,688,697</u>
	Fiscal Year				
	2011	2012	2013	2014	2015
Function/Program					
Governmental activities:					
General government	\$ 296,364	\$ 452,726	\$ 505,267	\$ 436,543	\$ 470,801
Public safety	206,885	305,366	313,517	322,864	286,983
Civic and human services	713,843	932,330	744,857	890,242	732,044
Planning and land use	15,119	11,079	1,999	6,252	9,235
Public works	761,096	860,746	483,336	280,350	603,007
Sewer	414,457	620,627	633,847	511,709	421,331
Education	8,337,691	8,957,213	9,395,456	9,150,760	9,598,508
Total governmental activities	<u>\$ 10,745,455</u>	<u>\$ 12,140,087</u>	<u>\$ 12,078,279</u>	<u>\$ 11,598,720</u>	<u>\$ 12,121,909</u>

Source: Town CAFR

Table 4

TOWN OF HEBRON, CONNECTICUT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting - Unaudited)

	Fiscal Year				
	2006	2007	2008	2009	2010
General Fund					
Reserved	\$ 53,327	\$ 158,472	\$ 242,758	\$ 232,226	\$ 213,975
Unreserved	3,720,080	2,597,544	3,611,443	3,166,328	3,213,048
Total general fund	<u>\$ 3,773,407</u>	<u>\$ 2,756,016</u>	<u>\$ 3,854,201</u>	<u>\$ 3,398,554</u>	<u>\$ 3,427,023</u>
All Other Governmental Funds					
Reserved	\$ 328,790	\$ 17,037	\$ 68,255	\$ 37,764	\$ 33,208
Unreserved, reported in:					
Special revenue funds	979,435	1,119,956	1,254,706	1,232,285	70,691
Debt service funds	1,309,526	1,973,359	1,420,506	1,815,959	1,119,038
Capital projects funds	(317,989)	718,858	(158,879)	522,902	1,180,577
Total all other governmental funds	<u>\$ 2,299,762</u>	<u>\$ 3,829,210</u>	<u>\$ 2,584,588</u>	<u>\$ 3,608,910</u>	<u>\$ 2,403,514</u>
	Fiscal Year				
	2011	2012	2013	2014	2015
General Fund					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	77,095	194,396	337,742	262,071	525,116
Unassigned	3,045,117	3,084,946	4,123,853	5,210,642	5,809,658
Total general fund	<u>\$ 3,122,212</u>	<u>\$ 3,279,342</u>	<u>\$ 4,461,595</u>	<u>\$ 5,472,713</u>	<u>\$ 6,334,774</u>
All Other Governmental Funds					
Nonspendable	\$ 11,391	\$ 163,115	\$ 168,234	\$ 173,731	\$ 169,810
Restricted	84,594	298,833	62,193	47,228	71,476
Committed	1,910,802	2,085,658	1,899,324	1,710,461	1,961,270
Assigned	-	-	-	-	-
Unassigned	(186,773)	(9,003)	(22,151)	(22,151)	-
Total all other governmental funds	<u>\$ 1,820,014</u>	<u>\$ 2,538,603</u>	<u>\$ 2,107,600</u>	<u>\$ 1,909,269</u>	<u>\$ 2,202,556</u>

Source: Town CAFR

Note: The Town adjusted fund balance presentation in accordance with GASB Statement No. 54, implemented in fiscal year 2011.

Table 5

TOWN OF HEBRON, CONNECTICUT
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting - Unaudited)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Property taxes	\$ 20,016,475	\$ 21,310,125	\$ 22,473,200	\$ 23,457,532	\$ 24,234,224	\$ 25,122,507	\$ 26,356,371	\$ 26,016,823	\$ 27,078,435	\$ 28,024,898
Intergovernmental	6,694,079	6,776,104	7,967,184	8,233,521	8,098,555	8,184,027	9,943,592	9,743,681	9,704,765	9,904,807
Charges for services	766,632	538,062	430,935	466,833	550,077	545,393	2,123,372	2,047,175	1,859,181	2,172,563
Investment income	253,272	279,337	195,189	111,851	19,090	26,140	16,150	14,548	18,447	22,931
Other revenue	220,358	325,535	347,158	203,643	191,653	129,380	135,914	378,990	104,013	142,931
Total revenues	27,950,816	29,229,163	31,413,666	32,473,380	33,093,599	34,007,447	38,575,399	38,201,217	38,764,841	40,268,130
Expenditures										
General government	2,879,816	3,043,270	3,182,595	3,371,375	3,339,989	2,890,079	2,688,835	2,675,743	2,646,254	2,809,980
Public safety	665,976	559,211	629,060	750,671	849,513	809,348	855,946	934,377	833,543	933,736
Public works	883,238	853,377	886,391	1,080,910	969,220	971,170	840,028	963,490	975,317	929,827
Civic and human services	-	-	-	-	-	692,084	1,282,464	1,191,593	1,202,394	1,242,954
Planning and land use	-	-	-	-	-	108,318	87,989	103,723	108,366	117,273
Sewer	-	-	-	-	-	9,280	373,354	354,023	331,144	320,260
Recreation, library, health and welfare	502,302	539,306	666,092	715,392	771,594	-	-	-	-	-
Education	20,721,940	21,795,507	23,537,458	24,770,356	25,224,497	26,052,515	27,122,281	27,500,256	28,523,790	29,431,098
Interest and benefits	-	-	-	-	-	1,127,567	1,105,978	1,125,058	1,203,852	1,272,418
Capital outlays	-	-	845	-	121,813	92,709	1,524,456	2,670,844	1,411,772	1,088,699
Debt service:										
Principal	1,181,795	1,206,575	1,208,487	1,220,489	1,513,841	1,524,220	1,630,182	952,787	820,041	909,496
Interest	390,682	444,027	313,214	390,048	396,141	351,050	320,378	281,095	320,995	209,053
Total expenditures	27,225,749	28,441,273	30,424,142	32,299,241	33,186,608	34,628,340	37,831,891	38,752,989	38,377,468	39,264,794
Excess of revenues over (under) expenditures	725,067	787,890	989,524	174,139	(93,009)	(620,893)	743,508	(551,772)	387,373	1,003,336
Other Financing Sources (Uses)										
Transfers in	1,205,000	530,000	1,130,000	1,490,000	1,230,000	950,000	1,565,573	850,070	970,457	1,090,036
Transfers out	(1,455,660)	(2,335,281)	(1,021,339)	(2,119,786)	(1,107,522)	(726,627)	(1,565,573)	(850,070)	(970,457)	(1,090,036)
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-	12,012
Issuance of long-term debt	-	-	-	-	-	-	-	-	3,391,000	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	(3,344,073)	-
Capital leases	-	-	-	-	-	92,709	55,756	1,303,022	378,487	140,000
Total other financing sources (uses)	(250,660)	(1,805,281)	108,661	(629,786)	122,478	316,082	55,756	1,303,022	425,414	152,012
Net change in fund balances	474,407	(1,017,391)	1,098,185	(455,647)	29,469	(304,811)	799,264	751,250	812,787	1,155,348
Debt service as a percentage of noncapital expenditures	5.78%	5.80%	5.00%	4.99%	5.78%	5.43%	6.63%	3.37%	3.06%	2.90%
Total debt service	\$ 1,572,477	\$ 1,650,602	\$ 1,521,701	\$ 1,610,537	\$ 1,909,982	\$ 1,875,270	\$ 1,950,560	\$ 1,233,882	\$ 1,141,036	\$ 1,118,549
Noncapital expenditures	27,225,749	28,441,273	30,423,297	32,299,241	33,064,795	34,535,631	29,417,035	36,585,722	37,317,337	38,601,734

Source: Town CAFR

Table 6

TOWN OF HEBRON, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Real Property			Personal Property	Motor Vehicle	Gross Taxable Assessed Value	Net Taxable Assessed Value	Percent Growth	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Other ¹								
2006	\$ 492,242,131	\$ 22,859,359	\$ 1,296,150	\$ 12,431,250	\$ 60,329,855	\$ 589,158,745	\$ 586,823,996	3.06%	33.24	\$ 1,156,166,163	50.76%
2007	509,006,398	18,383,978	1,269,946	12,457,564	63,618,241	604,736,127	602,335,588	2.64%	34.89	1,213,821,076	49.62%
2008	739,146,521	28,705,541	1,439,511	13,040,275	64,439,284	846,771,132	844,164,284	40.15%	26.27	1,205,948,977	70.00%
2009	750,490,568	26,133,077	1,370,916	12,680,969	66,146,674	856,822,204	854,338,977	1.21%	27.20	1,190,523,436	71.76%
2010	755,672,933	24,888,717	1,373,170	13,130,943	63,165,847	858,231,610	855,742,310	0.16%	28.17	1,137,741,681	75.21%
2011	759,847,670	24,903,870	1,385,880	13,059,935	65,372,470	864,569,825	861,303,815	0.65%	28.94	1,116,691,060	77.13%
2012	763,852,380	24,972,620	1,365,670	13,713,060	67,696,700	871,600,430	868,272,830	0.81%	30.26	1,115,238,901	77.86%
2013	660,013,050	25,121,530	987,320	14,374,990	71,110,490	771,607,380	768,127,730	-11.53%	33.55	1,097,934,379	69.96%
2014	664,928,190	25,215,610	956,960	14,870,640	77,888,102	783,859,502	772,697,085	0.59%	34.70	1,080,916,746	71.49%
2015	667,155,010	25,846,450	954,530	15,784,600	72,404,690	782,145,280	778,651,850	0.77%	35.75	1,112,632,087	69.98%

Source: Town of Hebron, Assessor Office

Note: A revaluation of all real estate was effective on the October 1, 2006 and October 1, 2011 Grand Lists

Note: By State law, property is assessed at 70% of actual value with periodic revaluation of real property.

The estimated actual amount is the equalized grand list which is estimated by the State of Connecticut, Office of Policy and Management.

1 Represents land with a use assessment and 10 mill land

Table 7

TOWN OF HEBRON, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Grand List Year	Real Estate	Motor Vehicle	Personal Property	Total	Total Direct Tax Rate
2006	2004	-	-	-	-	33.24
2007	2005	-	-	-	-	34.89
2008	2006	-	-	-	-	26.27
2009	2007	\$ 20,744,619	\$ 1,926,525	\$ 320,750	\$ 22,991,894	27.20
2010	2008	21,622,199	1,870,379	345,940	23,838,518	28.17
2011	2009	22,342,779	1,975,939	347,843	24,666,561	28.94
2012	2010	23,302,802	2,229,168	385,972	25,917,942	30.26
2013	2011	22,937,205	2,373,378	460,103	25,770,686	33.55
2014	2012	22,904,188	2,559,082	459,315	25,922,585	34.70
2015	2013	24,719,625	2,575,410	541,769	27,836,804	35.75

Source: Town of Hebron, Town Tax Records

Note: Data not available by source for Fiscal years 2006-2008
The estimated actual amount is the equalized grand list which is estimated by the State of Connecticut, Office of Policy and Management.

Table 8

TOWN OF HEBRON, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO
(Unaudited)

<u>Taxpayer</u>	<u>2015</u>			<u>2006</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Town Taxable Assessed Grand List</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Town Taxable Assessed Grand List</u>
Connecticut Light & Power	\$ 7,006,540	1	0.90%	\$ 4,214,460	1	0.70%
Village Shoppes, LLC	1,995,070	2	0.26%	1,862,980	4	0.31%
Blackledge Country Club, Inc.	1,730,760	3	0.22%	2,897,305	2	0.48%
Connecticut Water Co., The	1,558,570	4	0.20%	-	-	-
Hebron Properties LLC	1,470,000	5	0.19%	1,092,950	6	0.18%
Hebron Country Manor, LLC	1,309,770	6	0.17%	703,960	9	0.12%
Grayville Estates of Hebron, LLC	1,112,720	7	0.14%	-	-	-
41-61 Main Street, LLC	1,071,350	8	0.14%	-	-	-
Holland, Deborah & Jones Street, LLC	857,920	9	0.11%	-	-	-
Houston, Hayden O., Jr.	856,890	10	0.11%	-	-	-
Birmingham Utilities	-	-	-	1,879,845	3	0.31%
B.I.S.S, Inc.	-	-	-	1,116,160	5	0.19%
Blackledge East LLC	-	-	-	733,680	7	0.12%
Robin Malkasian	-	-	-	711,210	8	0.12%
Loveland Farms LLC	-	-	-	691,630	10	0.11%
	<u>\$ 18,969,590</u>		<u>2.43%</u>	<u>\$ 15,904,180</u>		<u>2.64%</u>

Source: Town of Hebron, Offices of the Tax Collector and the Assessor

Table 9

TOWN OF HEBRON, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Grand List Year	Adjusted Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2006	2004	\$ 19,799,849	\$ 19,655,726	99.27%	\$ 133,056	\$ 19,788,782	99.94%
2007	2005	21,278,613	21,081,196	99.07%	183,995	21,265,191	99.94%
2008	2006	22,354,646	22,115,292	98.93%	222,819	22,338,111	99.93%
2009	2007	23,418,756	22,991,894	98.18%	407,866	23,399,760	99.92%
2010	2008	24,222,438	23,838,518	98.42%	334,130	24,172,648	99.79%
2011	2009	25,010,853	24,666,561	98.62%	166,740	24,833,301	99.29%
2012	2010	26,398,547	25,975,464	98.40%	308,273	26,283,737	99.57%
2013	2011	25,944,959	25,518,394	98.36%	155,162	25,673,556	98.95%
2014	2012	26,944,807	26,476,300	98.26%	192,335	26,668,635	98.98%
2015	2013	28,045,844	27,598,938	98.41%	-	27,598,938	98.41%

Source: Town of Hebron, Office of the Tax Collector.

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

Table 10

TOWN OF HEBRON, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	General Obligation Bonds and Notes¹	Less Amount Available in Debt Service	Total Primary Government	Percentage of Actual Property Value²	Percentage of Personal Income³	Debt Per Capita⁴
2006	\$ 29,130,677	\$ 1,309,526	\$ 27,821,151	2.41%	8.22%	2,992
2007	27,821,151	1,561,551	26,259,600	2.16%	7.72%	2,843
2008	26,259,600	1,639,776	24,619,824	2.04%	7.25%	2,667
2009	26,550,151	2,020,489	24,529,662	2.06%	6.89%	2,582
2010	24,755,810	1,119,038	23,636,772	2.08%	5.82%	2,488
2011	22,261,725	420,134	21,841,591	1.96%	5.98%	2,255
2012	19,846,150	220,458	19,625,692	1.76%	5.23%	2,022
2013	18,258,105	88	18,258,017	1.66%	4.81%	1,898
2014	17,163,413	88	17,163,325	1.59%	4.47%	1,779
2015	15,372,840	21,859	15,350,981	1.38%	4.60%	1,593

Source: Town CAFR

- 1** General Obligation Bonds includes over-lapping debt for the Town of Hebron's share of RHAM Regional School District No. 8 debt. The amount for Fiscal Year 2015 is \$10,351,840. It also includes debt owed for the CT Clean Water Fund Notes Payable. These notes have been fully defeased as of fiscal year 2012.
- 2** See Table 6 for taxable property value data.
- 3** See Table 13 for population data. These ratios are calculated using personal income.
- 4** See Table 13 for population data. These ratios are calculated using personal income and population.

Table 11

TOWN OF HEBRON, CONNECTICUT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
FOR THE YEAR ENDED JUNE 30, 2015
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable¹	Estimated Share of Overlapping Debt
Debt repaid with property tax: RHAM Regional School District No. 8	\$ 18,400,000	56.26%	\$ 10,351,840
Direct general obligation bond debt - Hebron			5,021,000
Direct capital lease debt - Hebron			1,601,237
			<u>\$ 16,974,077</u>

Source: Town CAFR

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This Schedule estimates the portion of outstanding debt of the RHAM Regional School District No. 8 that is borne by the residents and businesses of the Town of Hebron. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each

- 1** The percentage of overlapping debt applicable is calculated using the total percentage of Town of Hebron students enrolled in RHAM. This is the same percentage used to calculate the share of RHAM expenditures that the Town of Hebron must pay.

Table 12

TOWN OF HEBRON, CONNECTICUT
RATIOS OF GENERAL BONDED DEBT AND CAPITAL LEASES OUTSTANDING BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Net Bonded Debt	Clean Water Fund Notes	Total Net Bonded Debt	Capital Leases	Total Primary Government	Ration of Net Bonded Debt to Est. Actual Taxable Value¹	Percentage of Personal Income²	Debt Per Capita³
2006	\$ 24,105,474	\$ 3,715,677	\$ 27,821,151	\$ -	\$ 27,821,151	2.41%	8.22%	2,992
2007	23,132,254	3,127,346	26,259,600	-	26,259,600	2.16%	7.72%	2,843
2008	22,092,575	2,527,249	24,619,824	-	24,619,824	2.04%	7.25%	2,667
2009	22,616,511	1,915,151	24,531,662	-	24,531,662	2.06%	6.89%	2,582
2010	22,345,962	1,290,810	23,636,772	-	23,636,772	2.08%	5.82%	2,488
2011	21,190,503	651,088	21,841,591	63,037	21,904,628	1.96%	6.00%	2,262
2012	19,846,150	-	19,846,150	160,210	20,006,360	1.79%	5.34%	2,062
2013	18,258,105	-	18,258,105	1,365,445	19,623,550	1.79%	5.17%	2,040
2014	17,163,413	-	17,163,413	1,643,891	18,807,304	1.74%	4.90%	1,949
2015	15,372,840	-	15,372,840	1,601,237	16,974,077	1.53%	5.08%	1,761

Source: Town CAFR

1 See Table 6 for taxable property value data.

2 See Table 13 for population data. These ratios are calculated using personal income.

3 See Table 13 for population data. These ratios are calculated using personal income and population.

Table 13

TOWN OF HEBRON, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Population	Personal Income (000)s	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate¹
2006	9,298	\$ 338,459	\$ 36,401	39.5	2,019	3.1%
2007	9,238	339,931	36,797	39.5	2,089	2.9%
2008	9,232	339,710	36,797	39	2,093	4.4%
2009	9,500	356,108	37,485	39	2,105	6.5%
2010	9,500	406,325	42,771	38.3	2,019	7.5%
2011	9,685	365,058	37,693	39	2,102	6.8%
2012	9,704	374,972	38,641	41	2,118	5.6%
2013	9,620	379,634	39,463	40	1,903	5.2%
2014	9,649	383,789	39,775	42	1,849	4.8%
2015	9,638	334,061	34,661	42	1,690	4.1%

Source: Various Town records

1 State of Connecticut, Labor Department, By Town, Not Seasonally Adjusted

Table 14

TOWN OF HEBRON, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
(Unaudited)

Employer	2015			2006		
	(1) Employees¹	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Regional School District No. 8	247	1	2.6%	211	1	13.60%
Town of Hebron	214	2	2.2%	70	2	4.40%
Ted's Supermarket	90	3	0.9%	67	3	4.30%
Blackledge Country Club	50	4	0.5%	10	9	0.60%
CVS Pharmacy	26	5	0.3%	-	-	-
Country Carpenters	22	6	0.2%	25	4	1.60%
Gina Maries Restaurant	18	7	0.2%	-	-	-
Fireside Supply	17	8	0.2%	10	10	0.60%
Tallwood Country Club	17	9	0.2%	-	-	-
Fennagins	14	10	0.1%	-	-	-
Hebron Pharmacy	-	-	-	24	5	1.50%
Staff Mates	-	-	-	15	6	1.00%
Children's Discovery Center	-	-	-	13	7	0.87%
Route 85 Lumber	-	-	-	10	8	0.60%
Total	715		7.4%	455		15.47%

Source: Various Town Records

1 Full time equivalent

Table 15

TOWN OF HEBRON, CONNECTICUT
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	Full-Time Equivalent Employees as of June 30									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government:										
General government:										
Town manager	1	1	1	1	1	1	1	1	1	1
Town clerk	2	2	2	2	2	2	2	2	2	2
Personnel	2	2	2	2	2	2	2	2	2	2
Finance and tax	7	7	7	7	7	7	7	6	6	7
Building safety	2	2	2	2	2	2	2	2	2	2
Planning	2	2	2	2	2	2	2	2	2	2
Facility management	1	1	1	1	1	1	1	1	1	1
Community development	-	-	-	-	-	-	-	-	-	-
Parks and recreation:										
General and administrative	2	2	2	2	2	2	2	2	2	2
Recreation	1	1	1	2	2	3	3	3	3	4
Fire:										
Firefighter and officers	2	2	2	2	2	2	2	2	2	2
Public works:										
Administration	2	2	2	2	2	2	2	2	2	3
Street maintenance	12	12	12	12	12	12	12	12	12	12
Water:										
Administration	1	1	1	1	1	1	1	1	1	1
Library:										
Administration	3	3	3	3	3	3	3	3	3	3
Senior Center:										
Administration	2	3	3	3	3	3	3	3	3	3
Total	42	43	43	44	44	45	45	44	44	47

Source: Various Town Records

Table 16

TOWN OF HEBRON, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>Police:</u>										
Calls for service	2,433	3,690	4,366	4,750	5,217	5,211	4,358	3,914	4,297	4,410
Adult arrest	93	87	84	72	89	99	73	71	72	75
Juvenile arrest	5	5	10	10	9	10	6	15	10	14
Traffic citations	231	486	383	466	871	1,457	1,019	664	722	771
<u>Fire:</u>										
Total fire runs	236	243	266	237	367	302	226	227	208	271
Total rescue runs	420	433	446	424	429	450	437	493	582	518
<u>Building safety:</u>										
Total building permits	486	478	568	434	438	394	521	532	491	490
Total value all permits	N/A	N/A	\$ 8,258,492	\$ 7,157,558	\$ 8,510,149	\$ 5,368,058	\$ 7,145,131	\$ 9,420,872	\$ 6,995,765	\$ 9,612,919
Total building permits - new homes	63	30	13	8	11	7	9	11	6	11
Total value all permits - new homes	\$14,378,935	\$ 6,303,706	\$ 7,210,619	\$ 2,047,216	\$ 3,202,802	\$ 1,608,801	\$ 1,937,260	\$ 2,570,707	\$ 1,416,345	\$ 2,858,140
<u>Library</u>										
Volumes in collection	38,307	38,645	35,866	40,292	39,169	39,233	39,329	46,823	39,019	50,018

Source: Various Town departments and records

Source: CT State Police Troop K Data

Table 17

TOWN OF HEBRON, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>Police:</u>										
Stations	1	1	1	1	1	1	1	1	1	1
<u>Fire:</u>										
Fire stations (Volunteer)	3	3	3	3	3	3	3	3	3	3
<u>Public Works:</u>										
Buildings	5	5	5	5	5	5	5.0	5.0	5.0	5.0
Streets (miles)	84	88	92	96	98	98	98	98	98	98
Traffic lights	2	2	2	2	2	2	2	2	2	3
Street lights	197	197	197	199	200	201	201	201	201	201
<u>Parks and recreation:</u>										
Acreage	500	500	850	850	850	900	900	900	900	900
Parks	3	3	3	3	4	4	4	4	4	4
Baseball diamonds	7	7	7	7	9	9	9	9	9	9
Soccer fields	4	4	4	4	8	8	8	8	8	8
Basketball courts	1	1	1	1	1	1	1	1	1	1
Tennis courts	8	8	8	8	8	8	8	8	8	8
Skate park	1	1	1	1	1	1	1	1	1	1
Parks with playground equipment	1	1	1	1	1	1	1	1	1	1
Picnic shelters	1	1	1	1	2	2	2	2	2	2
Office and maintenance building	1	1	1	1	1	1	1	1	1	1
Rest room facilities	1	1	1	1	2	2	2	2	2	2
<u>Public Buildings:</u>										
Town buildings	3	3	3	3	3	3	3	3	3	3
Schools	2	2	2	2	2	2	2	2	2	2
Regional school district	2	2	2	2	2	2	2	2	2	2
<u>Library:</u>										
Facilities	1	1	1	1	1	1	1	1	1	1
Volumes	38,307	38,465	35,866	40,292	39,169	39,223	39,329	46,823	39,019	50,018
<u>Water:</u>										
Lakes	1	1	1	1	1	1	1	1	1	1
<u>Sewer:</u>										
Number of miles	18	18	18	18	18	18	18	18	18	18

Source: Various Town departments