

TOWN OF WESTON, CONNECTICUT

FINANCIAL REPORT
June 30, 2012

TOWN OF WESTON, CONNECTICUT

FINANCIAL REPORT

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1-2
Management's Discussion and Analysis.....	3-10

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:

Statement of Net Assets.....	11
Statement of Activities	12

Fund Financial Statements:

Balance Sheet – Governmental Funds	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
Statement of Net Assets – Proprietary Funds.....	16
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds	17
Statement of Cash Flows – Proprietary Funds	18
Statement of Fiduciary Net Assets – Fiduciary Funds	19
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds.....	20
Notes to Financial Statements	21-45

TOWN OF WESTON, CONNECTICUT

FINANCIAL REPORT

TABLE OF CONTENTS

	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Funding Progress - OPEB.....	47
Schedule of Employer Contributions - OPEB.....	47
Statement of Revenue, Expenditures and Changes in Fund Balance – Budgetary Basis – Budget and Actual – General Fund	48
Note to Required Supplementary Information.....	49-50
SUPPLEMENTAL AND COMBINING INDIVIDUAL NONMAJOR FUND STATEMENTS AND SCHEDULES	
<u>GENERAL FUND</u>	
Schedule of Revenues and Other Financing Sources – Budgetary Basis – Budget and Actual.....	51
Schedule of Expenditures and Other Financing Uses – Budgetary Basis – Budget and Actual.....	52-53
<u>NONMAJOR GOVERNMENTAL FUNDS</u>	
Combining Balance Sheet.....	56-58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)	60-62
<u>NONMAJOR ENTERPRISE FUNDS</u>	
Combining Statement of Net Assets	63
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	64
Combining Statement of Cash Flows	65
<u>FIDUCIARY FUNDS</u>	
Statement of Private Purpose Trust Funds Net Assets.....	67
Statement of Changes in Net Assets - Private Purpose Trust Funds	68
Combining Statement of Changes in Assets and Liabilities - Agency Funds	69

TOWN OF WESTON, CONNECTICUT

FINANCIAL REPORT

TABLE OF CONTENTS

**SUPPLEMENTAL AND COMBINING INDIVIDUAL
NONMAJOR FUND STATEMENTS AND SCHEDULES, Continued**

	<u>Page</u>
<u>CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS</u>	
Schedule By Category – Historical Cost	71
<u>OTHER SCHEDULES</u>	
Balance Sheet – By Account – General Fund	73
Schedule of Revenues, Expenditures and Changes in Fund Balance – By Account – General Fund	74
Schedule of Property Taxes Levied, Collected and Outstanding – General Fund.....	76-77



INDEPENDENT AUDITOR'S REPORT

To the Board of Finance
Town of Weston, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Weston, Connecticut, (the "Town") as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards" issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Weston, Connecticut, as of June 30, 2012, and the respective changes in financial position, and where applicable, cash flows thereof, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with "Government Auditing Standards," we have also issued our report dated December 21, 2012 on our consideration of the Town of Weston, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information

and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Weston, Connecticut's basic financial statements. The supplemental and combining individual nonmajor fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplemental and combining individual nonmajor fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental and combining individual nonmajor fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

McGladrey LLP

New Haven, Connecticut
December 21, 2012

Town of Weston, Connecticut Management's Discussion and Analysis June 30, 2012

As management of the Town of Weston, Connecticut (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with the Town's basic financial statements that follow this section. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

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 financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to 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 assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works, health and welfare, education, and culture and recreation activities. The Town maintains three business-type activities – the Ravenwood area water supply system, self-funded recreation programs and the transfer station operation. Additionally, the Town maintains an internal service fund to account for financial transactions related to health insurance.

The Town does not have any component units which would be other governmental units over which the Town can exercise influence through its legislative body and/or may be obligated to provide financial subsidy.

The government-wide financial statements can be found on pages 11-12 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 of Weston, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a very short period of time after the end of the fiscal year. The difference between a fund's total assets and total liabilities is labeled as the fund balance. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected or paid with cash during the current period, or, shortly after the end of the year.

The governmental funds includes the general fund, the capital improvements fund as well as other governmental funds which consists of 11 special revenue funds, the capital non-recurring reserve fund and one permanent fund. For the most part, the balances and activities accounted for in the governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, different accounting bases are used to prepare fund financial statements and government-wide financial statements. For this reason, there is an analysis which is reflected on page 13 that reconciles the total fund balance to the amount of net assets. On page 15 there is a reconciliation of the total change in fund balances for all governmental funds to the change in net assets as reported in the governmental activities column in the statement of activities. The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources while also reflecting capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate those transactions and incorporate the capital assets and long-term obligations (bonds, etc.) into the governmental activities column.

The basic governmental fund financial statements can be found on pages 13-15 of this report.

Proprietary funds. The Town maintains four (4) proprietary funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Ravenwood area water supply system, self-funded recreation programs, and the recycling/transfer station as business-type activities. Also included under proprietary funds is the internal services fund.

The basic proprietary fund financial statements can be found on pages 16-18 of this report.

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

The basic fiduciary fund financial statements can be found on pages 19-20 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-45 of this report.

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

Financial Highlights – Primary Government

The assets of the Town of Weston exceeded its liabilities at the close of the most recent fiscal year by approximately \$62.8 million (net assets). Of this amount, approximately \$13.3 million (unrestricted net assets) may be used to meet the Town's ongoing obligations to citizens and creditors. The Town's total net assets increased by approximately \$.7 million. This increase is primarily attributable to revenues slightly ahead of overall expenses.

As of the close of the fiscal year, the Town of Weston's governmental funds reported combined ending fund balances of approximately \$16.4 million, an increase of approximately \$1.0 million. The general fund reflects a total fund balance of approximately \$10.9 million or, an increase of approximately \$1.1 million from the prior year. Management has committed to the Boards of Selectmen and Finance the goal of achieving a minimum unassigned fund balance in the range of 10% to 12% of the annual budget. As of the end of the current fiscal year, unassigned fund balance for the general fund was approximately \$8.9 million, or approximately 12.7% of general fund expenditures and uses of funds.

Total debt for the Town decreased by approximately \$4.0 million as prior outstanding debt was amortized and the Town refunded existing debt.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the Town of Weston, assets exceeded liabilities by approximately \$62.8 million at the close of the fiscal year. The Town's overall financial position is summarized as follows:

TOWN OF WESTON, CONNECTICUT
NET ASSETS (000's)

	June 30, 2012			June 30, 2011		
	Primary Government			Primary Government		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 25,770	\$ 123	\$ 25,893	\$ 24,680	\$ 97	\$ 24,777
Capital assets	102,673	155	102,828	106,643	121	106,764
Total Assets	128,443	278	128,721	131,323	218	131,541
Other liabilities	5,686	31	5,717	4,882	32	4,914
Long-term liabilities	60,235	-	60,235	64,547	-	64,547
Total Liabilities	65,921	31	65,952	69,429	32	69,461
Net assets:						
Invested in capital assets, net of related debt	48,738	155	48,893	49,113	121	49,234
Restricted	541	-	541	511	-	-
Unrestricted	13,242	92	13,334	12,270	65	12,335
Total Net Assets	\$ 62,521	\$ 247	\$ 62,768	\$ 61,894	\$ 186	\$ 62,080

For more detailed information, see the Statement of Net Assets (page 11).

The largest portion of the Town's net assets in the governmental activities represents invested in capital assets net of related debt (77.9%), with the remainder classified as restricted (.9%) and unrestricted (21.2%). Capital assets for the Town decreased by \$3.9 million from the prior year as annual depreciation expense exceeded new capital outlay during the year. Although the Town 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.

Unrestricted net assets may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the Town is able to report positive balances in all categories of net assets, both for the government as a whole, as well as for its separate governmental activities.

**TOWN OF WESTON, CONNECTICUT
CHANGES IN NET ASSETS**

	Year Ended June 30, 2012			Year Ended June 30, 2011		
	Primary Government			Primary Government		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program Revenues:						
Charge for services	\$ 3,588	\$ 829	\$ 4,417	\$ 3,277	\$ 853	\$ 4,130
Operating grants and contributions	5,955	-	5,955	4,933	-	4,933
Capital grants and contributions	251	-	251	2,263	-	2,263
General Revenues:						
Property Taxes	62,932	-	62,932	62,780	-	62,780
Grants, contributions not restricted to specific programs	234	-	234	119	-	119
Unrestricted investment earnings	324	-	324	166	-	166
Other	(162)	162	-	(102)	102	-
Total Revenues	73,122	991	74,113	73,436	955	74,391
Expenses:						
Program Activities						
Primary Government:						
General Government	6,365	-	6,365	6,432	-	6,432
Public Safety	2,500	-	2,500	2,504	-	2,504
Public Works	1,904	-	1,904	1,993	-	1,993
Health and Welfare	397	-	397	411	-	411
Culture and Recreation	1,242	-	1,242	1,303	-	1,303
Education	57,529	-	57,529	55,255	-	55,255
Interest on long-term debt	2,558	-	2,558	2,400	-	2,400
Business-Type Activities:						
Water supply system	-	48	48	-	37	37
Self-funded recreation programs	-	464	464	-	490	490
Recycling and transfer station	-	418	418	-	453	453
Total Expenses	72,495	930	73,425	70,298	980	71,278
Change in net assets	627	61	688	3,138	(25)	3,113
Net assets – beginning	61,894	186	62,080	58,756	211	58,967
Net assets - ending	\$ 62,521	\$ 247	\$ 62,768	\$ 61,894	\$ 186	\$ 62,080

Governmental activities - Governmental activities increased the Town's net assets by more than \$.6 million, thereby accounting for a 1.0% increase.

Major revenue factors impacting the change in net assets include the following:

- Operating grants and contributions increased approximately \$1.0 million as a result of an increase in State teacher retirement contributions.
- Capital grants and contributions decreased by approximately \$2.0 million as in the prior year, there were FEMA reimbursements toward the Valley Forge Bridge Project and ARRA funding toward the paving of Old Hyde Road.

Major expense factors include:

- For Governmental Activities, approximately \$57.5 million of the Town's expenses relate to education, \$2.5 million relates to public safety, \$6.4 million for general government, \$1.9 million for public works, \$2.6 million for interest on long-term debt while other expenses total approximately \$1.6 million.
- Educational expenses increased by 2.3 million, which included an increase of \$1.0 million for teachers retirement contributions.

Business-type activities - The Town's three business-type activities accounted for an increase of approximately \$61 thousand in net assets due primarily to transfers from the general fund. Expenses exceeded revenues for these funds by approximately \$101 thousand after the general fund covered the deficits in these funds with transfers amounting to approximately \$162 thousand. Historically, the Town has covered such operating deficits in the Water Supply System and Transfer Station operations through transfers that are included in the Town's annual operating budget.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of approximately \$16.4 million. Approximately 54% of this total amount (\$8.9 million) constitutes unassigned fund balance. The remainder of fund balance is categorized among the remaining four classifications of fund balance depending on the level of commitment on these funds.

General fund. At the end of the current fiscal year, unassigned fund balance of the general fund was approximately \$8.9 million, while total general fund balance totaled approximately \$10.9 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 12.7% of total general fund expenditures and uses of funds, while total fund balance represents approximately 15.5% of that same amount. We need to point out that \$49 thousand of the assigned and total general fund balance is attributable to the Board of Education's Miscellaneous Donations fund.

The fund balance of the Town's general fund increased by approximately \$1.0 million during the current fiscal year as the Town experienced actual revenue collections over budget.

Major expenditure factors include:

- Education increased by approximately \$1.9 million due primarily to an increase in budgeted operating expenditures of approximately \$600 thousand and an increase in teachers retirement contributions.
- Most other expenditure categories were comparable to last year's amounts.

Capital Improvement Fund

At the end of the current fiscal year, the Capital Improvement Fund had a decrease in fund balance of \$.5 million. This decrease was due to the spending down of bond proceeds received in May, 2010 for various capital projects.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was approximately \$.5 million attributable primarily to supplemental appropriations over the course of the year approved by the Boards of Selectmen and Finance.

The Town's budgetary fund balance increased by nearly \$1.2 million as revenues exceeded budget by \$1.7 million.

Capital Asset and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental funds as of June 30, 2012, amounts to approximately \$103 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and related systems, improvements, roads, highways, bridges, machinery, furniture, vehicles and equipment, as well as construction in progress.

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

- A high school boiler and middle school boiler replacement project were both completed and the Town spent \$370,442 toward both projects.
- Windows and door replacement projects are under way at both the middle school and high school with \$365,201 being spent toward these initiatives.
- The Town spent \$143,797 toward bridge repair, including the completion of Valley Forge Road Bridge and initial start-up for Godfrey Road Bridge.
- The Town spent \$102,850 toward repairing Revson Baseball Field. Half of that cost will be reimbursed by a STEAP grant.

TOWN OF WESTON, CONNECTICUT CAPITAL ASSETS, NET OF DEPRECIATION

	June 30, 2012			June 30, 2011		
	Primary Government			Primary Government		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Land	\$ 10,149	\$ -	\$ 10,149	\$ 10,149	\$ -	\$ 10,149
Land Improvements	3,326		3,326	3,564	-	3,564
Buildings and improvements	71,762	102	71,864	75,489	106	75,595
Machinery and equipment	5,564	53	5,617	6,012	15	6,027
Infrastructure	10,869		10,869	8,961	-	8,961
Construction in Progress	1,003		1,003	2,468	-	2,468
Total	\$ 102,673	\$ 155	\$ 102,828	\$ 106,643	\$ 121	\$ 106,764

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

Debt Obligations. At the end of the current fiscal year, the Town had total long-debt obligations outstanding of approximately \$60.2 million. Of this amount, approximately \$56.4 million comprises long-term debt backed by the full faith and credit of the Town. The balance of the debt is comprised mostly of short-term notes payable and compensated absences. The Town has not issued any debt secured solely by specified revenue sources (i.e., revenue bonds). The following summarizes the changes in the Town's debt:

**TOWN OF WESTON, CONNECTICUT
CHANGES IN TOWN DEBT**

	June 30, 2012			June 30, 2011		
	Primary Government			Primary Government		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
General obligation bonds	\$ 56,420	\$ -	\$ 56,420	\$ 60,395	\$ -	\$ 60,395
Total	\$ 56,420	\$ -	\$ 56,420	\$ 60,395	\$ -	\$ 60,395

The Town's total debt decreased by approximately \$4.0 million during the current fiscal year due primarily to the amortization of prior bonds and a refunding.

The Town maintains an "AAA" rating from Moody's Investors Service.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times its annual tax collections. The current debt limitation for the Town is approximately \$443 million which is significantly in excess of the Town's outstanding general obligation debt of approximately \$56.4 million.

Additional information on the Town's long-term debt can be found in note 7 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Town as of June 30, 2012 was 5.8 percent, which compares favorably to the State's average unemployment rate of 8.4 percent and the Stamford Labor Market of 7.8 percent.
- The Town's fiscal year 2011-2012 budget resulted in an increase in the mill rate of just .34%.
- The Town was able to increase investment income through the use of alternative investment strategies deployed through three advisory firms.
- Inflationary trends in the region are similar to national indices.
- The Town receives relatively little State aid in comparison to other Connecticut municipalities. As a result, the Town is considerably insulated from the impact of State revenue shortfalls and corresponding cuts in State grants to municipalities.
- Conservative fiscal policies, particularly in budgeting for revenue, have significantly aided in the Town maintaining an unassigned general fund balance consistently in excess of 11% of the total Town budget.
- Primarily a residential community, wealth and income indicators for the Town are among the strongest in the state. Median family income and per capita income for the Town are approximately twice that of the same categories for Fairfield County as a whole based on the latest census figures.
- The Town utilizes a financial forecasting model to project the tax consequences associated with funding annual budget projections as well as the financing of large capital expenditures (school construction) over a ten year period. The model enables Town administration, Boards and the

general public to be aware of these consequences by utilizing various assumptions and projections related to bonded debt issuance, annual growth in operating revenues and expenditures, capital non-recurring plans, tax collection rates and grand list growth.

- The Town continued to feel the effects of the national and regional economic downturn during this past fiscal year. Building permit activity and Town Clerk conveyance tax revenue continue to drop, or remain well below their pre-recession levels. Unemployment rates and foreclosures have also increased, and the Town will continue to monitor such activity in planning future budgets.

Most of these factors were considered in preparing the Town of Weston's annual budget.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 56 Norfield Road, Weston, CT 06883.

Basic Financial Statements

TOWN OF WESTON, CONNECTICUT

STATEMENT OF NET ASSETS

June 30, 2012

	Primary Government		
	Governmental Activities	Business-Type Activities	Total*
Assets			
Cash and cash equivalents	\$ 7,473,050	\$ 79,977	\$ 7,553,027
Investments	12,207,431	-	12,207,431
Receivables, net of allowances for collection losses:			
Property taxes	1,708,649	-	1,708,649
Other	-	43,527	43,527
Inventories and prepaids	181,756	-	181,756
Intergovernmental receivables	773,167	-	773,167
Restricted cash	2,796,698	-	2,796,698
Net OPEB asset	627,837	-	627,837
Capital assets, non-depreciable	11,151,497	-	11,151,497
Capital assets, net of accumulated depreciation	91,521,951	154,776	91,676,727
Total assets	128,442,036	278,280	128,720,316
Liabilities			
Accounts payable and accrued liabilities	3,336,242	103,202	3,439,444
Internal balances	71,795	(71,795)	-
Accrued interest payable	1,059,229	-	1,059,229
Taxes collected in advance	707,954	-	707,954
Unearned revenues	511,211	-	511,211
Long-term liabilities:			
Due within one year	4,995,920	-	4,995,920
Due in more than one year	55,238,890	-	55,238,890
Total liabilities	65,921,241	31,407	65,952,648
Net Assets			
Investment in capital assets, net of related debt	48,737,729	154,776	48,892,505
Restricted	541,257	-	541,257
Unrestricted	13,241,809	92,097	13,333,906
Total net assets	\$ 62,520,795	\$ 246,873	\$ 62,767,668

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

* After internal balances have been eliminated.

TOWN OF WESTON, CONNECTICUT

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ (6,365,138)	\$ 805,822	\$ 33,655	\$ -	\$ (5,525,661)	\$ -	\$ (5,525,661)
Public safety	(2,499,621)	3,454	-	-	(2,496,167)	-	(2,496,167)
Public works	(1,904,193)	158,177	-	245,803	(1,500,213)	-	(1,500,213)
Public health	(396,791)	-	-	-	(396,791)	-	(396,791)
Education	(57,529,566)	2,619,854	5,921,621	5,199	(48,982,892)	-	(48,982,892)
Culture and recreation	(1,242,025)	-	-	-	(1,242,025)	-	(1,242,025)
Interest on long-term debt	(2,557,561)	-	-	-	(2,557,561)	-	(2,557,561)
Total governmental activities	(72,494,895)	3,587,307	5,955,276	251,002	(62,701,310)	-	(62,701,310)
Business-type activities:							
Water supply system	(47,671)	18,610	-	-	-	(29,061)	(29,061)
Self-funded recreation programs	(464,671)	525,758	-	-	-	61,087	61,087
Recycling and transfer station	(418,445)	285,074	-	-	-	(133,371)	(133,371)
Total business-type activities	(930,787)	829,442	-	-	-	(101,345)	(101,345)
Total primary government	\$ (73,425,682)	\$ 4,416,749	\$ 5,955,276	\$ 251,002	(62,701,310)	(101,345)	(62,802,655)
General revenues:							
Property taxes					62,932,413	-	62,932,413
Grants and contributions not restricted to specific programs					234,112	-	234,112
Unrestricted investment earnings					324,053	194	324,247
Transfers					(162,253)	162,253	-
Total general revenues					63,328,325	162,447	63,490,772
Change in net assets					627,015	61,102	688,117
Net assets - beginning					61,893,780	185,771	62,079,551
Net assets - ending					\$ 62,520,795	\$ 246,873	\$ 62,767,668

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

TOWN OF WESTON, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2012

	General Fund	Capital Improvements	Non-Major Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 9,492,595	\$ -	\$ 777,153	\$ 10,269,748
Investments	12,207,431	-	-	12,207,431
Receivables, net of allowances for collection losses:				
Property taxes	1,708,649	-	-	1,708,649
Intergovernmental and other	453,614	-	319,553	773,167
Inventories and prepaids	174,659	-	7,097	181,756
Due from other funds	483,625	3,526,322	2,576,923	6,586,870
Advances to other funds	582,550	-	-	582,550
Total assets	\$ 25,103,123	\$ 3,526,322	\$ 3,680,726	\$ 32,310,171
Liabilities				
Accounts payable and accruals	\$ 2,396,182	\$ -	\$ 320,009	\$ 2,716,191
Advances from other funds	-	582,550	-	582,550
Due to other funds	9,491,275	10,654	331,012	9,832,941
Deferred revenue	1,532,124	-	-	1,532,124
Unearned revenues	97,100	334,475	79,636	511,211
Taxes collected in advance	707,954	-	-	707,954
Total liabilities	14,224,635	927,679	730,657	15,882,971
Fund balances:				
Nonspendable	757,209	-	7,097	764,306
Restricted	-	2,598,643	541,257	3,139,900
Committed	775,424	-	2,401,765	3,177,189
Assigned	460,884	-	-	460,884
Unassigned	8,884,971	-	(50)	8,884,921
Total fund balances	10,878,488	2,598,643	2,950,069	16,427,200
Total liabilities and fund balances	\$ 25,103,123	\$ 3,526,322	\$ 3,680,726	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets purchased by governmental funds are reported as expenditures, however, the statement of net assets includes those capital assets among the assets of the Town as a whole.	102,673,448
Deferred revenues are not available to pay for current-period expenditures and, therefore, are not recognized as revenues in the funds.	1,532,124
Net OPEB asset	627,837
Internal service funds are used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	2,554,225
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(60,234,810)
Accrued interest payable	(1,059,229)
Net assets of governmental activities	\$ 62,520,795

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

TOWN OF WESTON, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2012

	General Fund	Capital Improvements	Non-Major Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 63,176,813	\$ -	\$ -	\$ 63,176,813
Intergovernmental	5,694,609	-	745,781	6,440,390
Income from investments	323,721	-	332	324,053
Charges for services	1,416,925	-	1,627,000	3,043,925
Other revenues	399,015	-	144,364	543,379
Total revenues	71,011,083	-	2,517,477	73,528,560
EXPENDITURES				
Current:				
General government	5,713,917	-	434,348	6,148,265
Public safety	2,424,400	-	-	2,424,400
Public works	1,628,262	-	-	1,628,262
Health and welfare	402,562	-	-	402,562
Culture and recreation	957,077	-	-	957,077
Education	50,570,007	-	1,957,374	52,527,381
Debt service:				
Principal retirements	4,045,000	-	-	4,045,000
Interest and other charges	2,703,200	-	-	2,703,200
Capital outlay	14,655	531,401	945,593	1,491,649
Bond issuance costs	40,560	-	-	40,560
Total expenditures	68,499,640	531,401	3,337,315	72,368,356
Revenues over (under) expenditures	2,511,443	(531,401)	(819,838)	1,160,204
OTHER FINANCING SOURCES (USES)				
Transfers in	107,000	-	1,407,713	1,514,713
Transfers out	(1,569,966)	-	(107,000)	(1,676,966)
Bond premium	31,061	-	-	31,061
Payment to escrow agent	(2,785,501)	-	-	(2,785,501)
Refunding bond proceeds	2,795,000	-	-	2,795,000
Total other financing sources (uses)	(1,422,406)	-	1,300,713	(121,693)
Net change in fund balance	1,089,037	(531,401)	480,875	1,038,511
FUND BALANCES, beginning	9,789,451	3,130,044	2,469,194	15,388,689
FUND BALANCES, ending	\$ 10,878,488	\$ 2,598,643	\$ 2,950,069	\$ 16,427,200

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

TOWN OF WESTON, 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, 2012**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – total governmental funds	\$ 1,038,511
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	 (3,969,310)
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	 (244,400)
 The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	 4,280,021
 The net revenue (expense) of certain activities of internal service funds is reported with governmental activities	 (442,134)
 Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	 <u>(35,673)</u>
 Change in net assets of governmental activities	 <u>\$ 627,015</u>

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

TOWN OF WESTON, CONNECTICUT

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

June 30, 2012

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Fund
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 79,977	\$ -
Accounts receivable	43,527	-
Due from other funds	210,865	3,231,819
Total current assets	334,369	3,231,819
Noncurrent assets:		
Capital assets, net of accumulated depreciation	154,776	-
Total noncurrent assets	154,776	-
Total assets	489,145	3,231,819
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	103,202	677,594
Due to other funds	139,070	-
Total current liabilities	242,272	677,594
NET ASSETS		
Invested in capital assets	154,776	-
Unrestricted	92,097	2,554,225
Total net assets	\$ 246,873	\$ 2,554,225

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

TOWN OF WESTON, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS-
 PROPRIETARY FUNDS
 For the Year Ended June 30, 2012

	Business-Type Activities Enterprise Fund	Governmental Activities Internal Service Fund
OPERATING REVENUES		
Charges for services	\$ 829,442	\$ 7,367,866
Total operating revenues	<u>829,442</u>	<u>7,367,866</u>
OPERATING EXPENSES		
Costs of services	920,419	7,810,000
Depreciation	10,368	-
Total operating expenses	<u>930,787</u>	<u>7,810,000</u>
Operating loss	<u>(101,345)</u>	<u>(442,134)</u>
NONOPERATING REVENUES		
Interest income	194	-
Total nonoperating revenues	<u>194</u>	<u>-</u>
Net loss before transfers	<u>(101,151)</u>	<u>(442,134)</u>
TRANSFERS		
Transfers In	162,253	-
Change in net assets	61,102	(442,134)
FUND NET ASSETS, beginning	<u>185,771</u>	<u>2,996,359</u>
FUND NET ASSETS, ending	<u>\$ 246,873</u>	<u>\$ 2,554,225</u>

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

TOWN OF WESTON, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

For the Year Ended June 30, 2012

	Business-Type Activities	Governmental Activities
	Enterprise Funds	Internal Service Fund
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 843,775	\$ 7,298,875
Payments to suppliers and personnel	(955,295)	(7,298,875)
Net cash used in operating activities	(111,520)	-
Cash Flows From Investing Activities		
Interest received on investments	194	-
Cash Flows From Non-Capital Financing Activities:		
Transfers from other funds	162,253	-
Cash Flows From Capital and Related Financing Activities:		
Acquisition of capital assets	(44,540)	-
Net increase in cash and cash equivalents	6,387	-
Cash and Cash Equivalents		
Beginning	73,590	-
Ending	\$ 79,977	\$ -
Reconciliation of Operating Loss to Net Cash Used in Operating Activities		
Operating loss	\$ (101,345)	\$ (442,134)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	10,368	-
Changes in assets and liabilities:		
Increase in other receivables	(19,498)	-
Decrease (increase) in due from other funds	4,511	(68,992)
(Decrease) increase in accounts payable	(52,926)	511,126
Increase in due to other funds	47,370	-
Net cash used in operating activities	\$ (111,520)	\$ -

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

TOWN OF WESTON, CONNECTICUT

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

June 30, 2012

	Other Post- Employment Benefit	Private Purpose Trust Fund	Agency Funds
ASSETS			
Cash and cash equivalents	\$ 5,040	\$ 127,119	\$ 407,192
Investments, at fair value	4,073,144	-	-
Total assets	4,078,184	127,119	407,192
LIABILITIES			
Due to student groups	-	-	402,019
Due to others	-	-	5,173
Due to other funds	57,543	-	-
Total liabilities	57,543	-	407,192
Net Assets Held in Trust	\$ 4,020,641	\$ 127,119	\$ -

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

TOWN OF WESTON, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS -
 FIDUCIARY FUNDS
 For the Year Ended June 30, 2012

	Other Post- Employment Benefit Trust Fund	Private Purpose Trust Fund
Additions		
Plan members and reimbursements	\$ 593,353	\$ -
Contributions	1,916,000	-
Investment income:		
Net appreciation in fair value of investments	67,993	-
Dividend and interest	107,675	2,570
Total additions	<u>2,685,021</u>	<u>2,570</u>
Deductions		
Health claims and premiums	1,923,368	-
Other deductions	5,060	-
	<u>1,928,428</u>	<u>-</u>
Change in net assets	756,593	2,570
Net Assets Held in Trust		
Beginning of year	<u>3,264,048</u>	<u>124,549</u>
End of year	<u>\$ 4,020,641</u>	<u>\$ 127,119</u>

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

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

Note 1. Significant Accounting Policies

Reporting entity

The Town of Weston, Connecticut (the "Town") operates under the provisions of its charter and the general statutes of the State of Connecticut. The Town operates under a Board of Selectmen and Board of Finance form of government and provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning, and general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Government Accounting Standards Board Statement Codification Section 2100 have been considered and there are no agencies or entities that should be, but are not, combined in the financial statements of the Town.

Government-wide and Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. However, agency funds, unlike other fiduciary funds, report only assets and liabilities and do not have a measurement focus and follow 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 for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred as under accrual accounting, however, debt service expenditures, other post-employment obligations, claims and judgments and expenditures related to compensated absences and other compensation related transactions are recorded only when payment is due (matured).

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

The Town reports the following major governmental funds.

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

The *Capital Improvement Fund* is used to account for capital improvements done by the Town.

Additionally, the Town reports the following fund type:

Proprietary Funds:

The *Enterprise Funds* - are used to account for operations:

- (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or
- (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The *Enterprise Fund* is used to account for the revenues and expenditures of the Town's water supply system, park and recreation programs and the recycling and transfer station.

The *Internal Service Fund* is used to account for revenues and related expenses of the health insurance plan for employees of the Board of Education.

Fiduciary Funds:

The *Other Post-employment Benefit Trust Fund* accounts for resources for retirees' health benefits.

The *Private-Purpose Trust Fund* is used to account for resources legally held in trust for the benefit of individuals, private organizations or other governments.

The *Agency Funds* account for monies held as a custodian for outside groups and agencies and do not involve measurement of results of operations.

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for business-type activities and enterprise fund financial statements, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

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

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

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Accounting estimates

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

Property taxes

Property taxes are assessed as of October 1, levied on the following July 1, and billed and due in two installments, July 1 and January 1. Taxes less than \$100 are due in full on July 1. Motor vehicle taxes are due in one installment on July 1. Taxes become delinquent thirty days after the installment is due. Liens are filed by the last day of the fiscal year.

Cash equivalents

The Town considers all certificates of deposit and highly liquid short-term investment funds with original maturities of three months or less when purchased to be cash equivalents.

Restricted cash

Restricted cash includes the balance of unspent bond proceeds.

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

Interfund receivables and payables

For "Advances To/From Other Funds," the assets reported in the governmental fund financial statements are offset by a non-spendable fund balance to indicate that they are not available for appropriation and are not expendable financial resources.

Allowances for doubtful accounts

Accounts receivable, including property taxes receivable, are reported net of allowance for doubtful accounts of approximately \$147,000. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon analysis of creditor's ability to pay.

Investments

Investments are stated at fair value based upon quoted market prices. Fixed income funds are reported at fair value based on the unit prices quoted by the fund representing the fair value of the underlying investment. The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

The balance of the pooled fixed income investments were invested in a pool similar to 2a-7. These investments are stated at amortized cost.

Inventories

Inventories are stated at lower of cost (first-in, first-out) or market.

Long-term obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Payments on debt are reported as expenditures. 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.

Other Post Employment Obligations (OPEB) accounting

OPEB Trust:

Employer contributions are recognized in the period in which the contributions are due, and the Town has made a formal commitment to provide the contributions.

In governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. In governmental activities, expense is recognized based on

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

actuarially required contributions. The net OPEB asset or obligation, the cumulative difference between annual OPEB cost and the Town's contributions to the plan since July 1, 2008, is calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 45. The OPEB asset is recorded as an asset in the government-wide financial statements.

Funding Policy:

The Town makes annual contributions based upon management's decisions.

Capital assets

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

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

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

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

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings and improvements	25-50
Infrastructure	20-65
Vehicles	10
Machinery and equipment	5-15

In the governmental fund financial statements, capital outlay (assets) is reported as an expenditure and no depreciation expense is recorded.

Compensated absences

The Town employees are granted vacation leave based upon length of employment. In the event of termination, employees are compensated for accumulated vacation and sick time based upon their respective bargaining unit contract. Non-union Town Hall employees are limited to 30 days with respect to accumulated vacation time.

The Board of Education has employee contracts which provide for the accrual of sick pay based on length of service.

The liability for accrued compensated absences at June 30, 2012 has been recorded in the government-wide statement of net assets. Compensated absences are generally liquidated by the General Fund. A liability for these amounts is reported in governmental funds only for amounts expected to be paid (matured), for example, as a result of employee resignations and retirements.

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to assign that portion of the applicable appropriation, is utilized in the budgeted governmental fund types. Encumbrances outstanding at year-end are reported as assigned fund balance as they do not constitute either expenditures or liabilities.

Fund Equity and Net Assets

In the Government-Wide and Proprietary Fund Financial Statements, net assets are classified in the following categories:

- Invested in Capital Assets, Net of Related Debt – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduces this category.
- Restricted Net Assets – These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- Unrestricted Net Assets – This category represents the net assets of the Town, which are not restricted for any project or other purpose.

In the government fund financial statements, the Town classified fund balances as follows:

- Nonspendable Fund Balance – Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted Fund Balance - These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- Committed Fund Balance – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. The Weston Board of Finance is the highest level of decision making authority for the Town and can commit fund balance through the adoption of a resolution prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until similar action is taken to remove or revise the limitation.
- Assigned Fund Balance – Amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts.
- Unassigned Fund Balance – The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

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

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 2. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds, and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of the difference are as follows:

Bonds payable	\$ (56,420,000)
Deferred refunding amounts, net	(2,441,149)
Capital leases payable	(312,417)
Compensated absences	(1,055,344)
Early retirement incentive	(5,900)
	<hr/>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	\$ (60,234,810)
	<hr/> <hr/>

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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 details of this difference are as follows:

Capital outlay	\$ 1,420,957
Depreciation expense	(5,386,553)
Loss on disposal of capital asset	(3,714)
	<hr/>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	\$ (3,969,310)
	<hr/> <hr/>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums,

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this difference are as follows:

Debt issued or incurred:	
General obligation debt and notes	\$ (2,795,000)
Amortization of deferred refunding amounts, net	154,127
Principal repayments:	
General obligation debt and notes	6,770,000
Payment of capital lease	150,894
	<hr/>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	 <u>\$ 4,280,021</u>

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Compensated absences	\$ 20,760
Early retirement incentive	10,888
Accrued interest	61,512
Other Post Employment Asset	(128,833)
	<hr/>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	 <u>\$ (35,673)</u>

Note 3. Cash, Cash Equivalents and Investments

Deposits: The Town has adopted deposit and cash management policies such that deposits include savings accounts and certificates of deposit. The Town also follows the State of Connecticut policy that requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank’s risk based capital ratio.

Investments: The Town has adopted investment policies that conform to the policies as set forth by the State of Connecticut. The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: (1) obligations of the United States and its agencies (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short Term Investment Fund and the Tax Exempt Proceeds Fund.

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Interest rate risk: The Town's 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.

Concentrations: The Town's practice is to maintain a diversified portfolio to minimize the risk of loss resulting from over-concentration of assets in a specific issuer.

Custodial credit risk:

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government 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. As of June 30, 2012, approximately \$8,364,000 of the Town's bank balance of approximately \$11,629,000 was uninsured and uncollateralized.

Investments: This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Cash and investments of the Town consist of the following at June 30, 2012:

Cash and Cash Equivalents	
Deposits with financial institutions	\$ 10,482,132
State of Connecticut Short-Term Investment fund	302,016
Cutwater Asset Management-Connecticut Class Plus	104,928
Total cash and cash equivalents	<u>10,889,076</u>
Investments	
General Fund	
Municipal Bonds	3,237,357 *
US Government Securities	8,970,074 *
	<u>12,207,431</u>
Trust Fund	
Fixed Income Funds	1,802,864 *
Equity Funds	2,270,280 *
	<u>4,073,144</u>
Total Investments	<u>16,280,575</u>
Total cash, cash equivalents and investments	<u>\$ 27,169,651</u>

* These investments are uninsured and unregistered, with securities held by the Town's agent, in the Town's name.

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Cash, cash equivalents and investments are classified in the accompanying financial statements as follows:

Statement of Net Assets

Cash and cash equivalents	\$ 7,553,027
Restricted cash	2,796,698
Investments	12,207,431
	<u>22,557,156</u>

Fiduciary Funds:

Cash and cash equivalents	539,351
Investments	4,073,144
	<u>4,612,495</u>

Total cash, cash equivalents and investments \$ 27,169,651

Interest rate risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the Town's debt type investments to this risk using the segmented time distribution model is as follows:

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1-5 Years	5-10 Years	Over 10 Years
Pooled Fixed Income	\$ 406,944	\$ 406,944	\$ -	\$ -	\$ -
Municipal Bonds	3,237,357	-	652,018	1,915,629	669,711
U.S. Government Securities	8,970,074	300,688	3,733,620	1,168,015	3,767,751
Fixed Income Funds	1,802,864	92,232	431,864	405,436	873,332
TOTAL	<u><u>\$ 14,417,240</u></u>	<u><u>\$ 799,864</u></u>	<u><u>\$ 4,817,502</u></u>	<u><u>\$ 3,489,080</u></u>	<u><u>\$ 5,310,794</u></u>

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

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Presented below is the rating as required for each debt type investment as rated by Moody's Investor's Services, Inc.

Average Rating	Pooled Fixed Income	Municipal Bonds	Fixed Income Funds
AAAm	\$ 406,944	\$ -	\$ 400,315
AAA	-	1,227,743	-
AA1	-	939,067	-
AA2	-	546,672	-
AA3	-	523,876	-
Unrated	-	-	1,402,549
	\$ 406,944	\$ 3,237,358	\$ 1,802,864

Note 4. Deferred/Unearned Revenue

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

	Deferred Revenue	Unearned Revenue
General Fund:		
Taxes and accrued interest on delinquent property taxes	\$ 1,532,124	\$ -
Fees collected in advance	-	97,100
Capital Improvements Fund:		
Intergovernmental	-	334,475
Nonmajor Funds:		
Intergovernmental	-	79,636
	\$ 1,532,124	\$ 511,211

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 5. Interfund Accounts

As of June 30, 2012, interfund receivables and payables that resulted from various interfund transactions were as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 483,625	\$ 9,491,275
Capital Improvements	3,526,322	10,654
Non-Major Governmental and Other Funds	6,019,607	527,625
Totals	\$ 10,029,554	\$ 10,029,554

All balances resulted from the time lag between the dates payments occur between funds for various activities.

The General Fund has an advance of \$582,550 to the Capital Improvements Fund that is not expected to be paid from current financial resources.

Interfund transfers during the year ended June 30, 2012 were as follows:

	Transfers In	Transfers Out
General Fund	\$ 107,000	\$ 1,569,966
Non-Major Governmental and Other Funds	1,569,966	107,000
Totals	\$ 1,676,966	\$ 1,676,966

Transfers are used to account for unrestricted revenues collected mainly in the general fund to finance various programs accounted for in other funds in accordance with budget authorizations.

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 10,148,899	\$ -	\$ -	\$ 10,148,899
Construction in progress	2,467,830	643,668	(2,108,900)	1,002,598
Total capital assets, not being depreciated	12,616,729	643,668	(2,108,900)	11,151,497
Capital assets, being depreciated:				
Buildings and improvements	111,583,775	428,376	-	112,012,151
Land improvements	4,953,997	9,992	-	4,963,989
Machinery and equipment	12,743,851	216,928	(97,096)	12,863,683
Infrastructure	15,108,595	2,230,893	(29,737)	17,309,751
Total capital assets being depreciated	144,390,218	2,886,189	(126,833)	147,149,574
Less accumulated depreciation for:				
Building and improvements	36,094,808	4,154,987	-	40,249,795
Land improvements	1,389,881	247,950	-	1,637,831
Machinery and equipment	6,731,509	660,691	(93,382)	7,298,818
Infrastructure	6,147,991	322,925	(29,737)	6,441,179
Total accumulated depreciation	50,364,189	5,386,553	(123,119)	55,627,623
Total capital assets, being depreciated, net	94,026,029	(2,500,364)	(3,714)	91,521,951
Governmental activities capital assets, net	\$ 106,642,758	\$ (1,856,696)	\$ (2,112,614)	\$ 102,673,448

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 232,950	\$ -	\$ -	\$ 232,950
Machinery and equipment	172,182	44,540	-	216,722
Total capital assets, being depreciated	405,132	44,540	-	449,672
Less accumulated depreciation for:				
Buildings and improvements	126,032	5,391	-	131,423
Machinery and equipment	158,496	4,977	-	163,473
Total accumulated depreciation	284,528	10,368	-	294,896
Total capital assets, being depreciated, net	120,604	34,172	-	154,776
Business-type capital assets, net	\$ 120,604	\$ 34,172	\$ -	\$ 154,776

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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

Governmental activities:

General government	\$ 100,356
Public safety	258,698
Public works	316,878
Health and sanitation	2,764
Culture and recreation	306,718
Education	4,401,139
Total depreciation expense – governmental activities	<u><u>\$ 5,386,553</u></u>

Business-type activities:

Water supply system	\$ 5,845
Self-funded recreation programs	239
Recycling and transfer station	4,284
Total depreciation expense – business-type activities	<u><u>\$ 10,368</u></u>

Note 7. Long-Term Obligations

A summary of changes in outstanding long-term debt during the year ended June 30, 2012 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 60,395,000	\$ 2,795,000	\$ 6,770,000	\$ 56,420,000	\$ 4,295,000
Deferred refunding amounts, net	2,595,276	69,999	224,126	2,441,149	224,126
Capital leases	463,311	-	150,894	312,417	150,894
Compensated absences	1,076,104	299,934	320,694	1,055,344	320,000
Early retirement incentive	16,788	-	10,888	5,900	5,900
Governmental activity long-term liabilities	<u><u>\$ 64,546,479</u></u>	<u><u>\$ 3,164,933</u></u>	<u><u>\$ 7,476,602</u></u>	<u><u>\$ 60,234,810</u></u>	<u><u>\$ 4,995,920</u></u>

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

General obligation bonds

As of June 30, 2012, the outstanding general obligation bonded indebtedness of the Town, payable from its governmental activities, was as follows:

	<u>Outstanding Amount</u>
\$12,000,000 General Obligation Bond; 4.15%; issue of August 2002; interest payable at rates from 4% to 5%; due in principal amounts ranging from \$525,000 to \$775,000 annually through August 2012	\$ 650,000
\$21,000,000 General Obligation Bond; 4.65%; issue of November 2004; interest payable at rates from 5% to 5.25%; due in principal amounts ranging from \$1,100,000 to \$1,600,000 annually through July 2015	5,000,000
\$5,800,000 General Obligation Bond; 3.19% issue of April 2010; interest payable at rates from 3.0% to 4.0%, due in principal amounts ranging from \$400,000 to \$500,000 annually through August 2024	5,800,000
\$44,250,000 General Obligation Bond; 3.00% issue of April 2010; interest payable at rates from 3.0% to 5.0%, due in principal amounts ranging from \$105,000 to \$4,410,000 annually through August 2023	42,175,000
\$2,795,000 General Obligation Bond; 2.25% issue of April 2012; interest payable at rates from 2.125% to 2.375%, due in principal amounts ranging from \$335,000 to \$365,000 annually from May 2020 through May 2027	<u>2,795,000</u>
	<u><u>\$ 56,420,000</u></u>

The Town has pledged its full faith and credit as collateral for its bonded indebtedness. General obligation bonds will be paid from taxes levied on taxable property in the Town.

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

The following is a summary of general obligation bond debt and installment note payable maturities:

	Debt Service Requirement		
	Principal	Interest	Total
2013	\$ 4,295,000	\$ 2,521,900	\$ 6,816,900
2014	4,260,000	2,341,019	6,601,019
2015	4,390,000	2,144,256	6,534,256
2016	4,510,000	1,927,350	6,437,350
2017	4,640,000	1,715,225	6,355,225
2018	4,780,000	1,503,600	6,283,600
2019	4,840,000	1,284,975	6,124,975
2020	4,990,000	1,062,600	6,022,600
2021	5,000,000	822,100	5,797,100
2022	5,035,000	580,225	5,600,225
2023	5,245,000	331,975	5,566,975
2024	2,875,000	138,225	3,008,225
2025	850,000	53,725	903,725
2026	345,000	29,550	379,550
2027	365,000	15,375	390,375
Total	<u>\$ 56,420,000</u>	<u>\$ 16,472,100</u>	<u>\$ 72,892,100</u>

2012 General Obligation Bond – In-substance Defeasance

In April 2012, the Town issued \$2,795,000 of general obligation bonds with interest rates ranging from 2.25% to 2.375% of which was used to advance refund portions of the outstanding principal amounts of the general obligation bonds of the Town dated May 15, 2007 (the "Refunding Bonds"). Of the net proceeds of \$2,880,923 (after payment of \$95,422 in underwriters fees and other costs), \$2,785,501 was placed in an irrevocable trust fund under an Escrow Agreement dated April 2012 between the Town and the Escrow Holder. The Escrow Holder used the proceeds to purchase a portfolio of non-callable direct obligations of the United States of America ("Government Obligations"). The Government Obligations will have maturities and interest rates sufficient to pay principal and interest payments and redemption premiums on the Refunding Bonds on the date the payments are due.

The Town advance refunded the above bonds which resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$.4 million, and a gain of approximately \$.5 million between the old debt payments and the new debt payments.

The balance in the escrow was approximately \$2.8 million at June 30, 2012. The balance of the defeased bonds was approximately \$2.8 million at June 30, 2012. As a result, the refunded bonds are considered defeased and the liability has been removed from the basic financial statements.

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Overlapping indebtedness

Other than the Town, the Georgetown Fire District has the power to issue debt or cause taxes to be levied on taxable property in the Town. The Georgetown Fire District is made up of Weston, Wilton and Redding and provides fire protection services. Annually, funds from the Town budget are paid to the Georgetown Fire District for the Town's share of operating expenses. As of June 30, 2012, the Georgetown Fire District has approximately \$1,068,916 of outstanding indebtedness and the Town's share is estimated to be \$78,527.

Capital leases

The Town has a capital lease in which they acquired a capital asset. Original cost of capital assets under such lease agreements are as follows:

Machinery and equipment	\$ 625,000
Accumulated depreciation	<u>(347,222)</u>
Net book value	<u>\$ 277,778</u>

Future minimum lease payments under capital leases as of June 30, 2012 are as follows:

Year Ending June 30,	
2013	\$ 161,689
2014	161,689
Less amount representing interest	<u>(10,961)</u>
	<u>\$ 312,417</u>

Bonds authorized but unissued

Total authorized but unissued debt at June 30, 2012 consists of the following:

General purpose	\$ 6,000
Schools	<u>802,040</u>
Total	<u>\$ 808,040</u>

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Debt limitation

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

<u>Category</u>	<u>Debt Limit</u>	<u>Indebtedness</u>	<u>Balance</u>
General purpose	\$ 142,297,727	\$ 6,258,494	\$ 136,039,233
Schools	284,595,453	51,048,073	233,547,380
Sewers	237,162,878	-	237,162,878
Urban renewal	205,541,161	-	205,541,161
Pension deficit	189,730,302	-	189,730,302

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$442,622,902. All long-term debt obligations are retired through General Fund appropriations.

Note 8. Retirement Plans

Connecticut Municipal Employee's Retirement System

A. Plan Description

All Town employees participate in the Municipal Employees' Retirement System (MERS). MERS is the administrator of a cost-sharing, multiple employer public employee retirement system (PERS) established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating municipalities. MERS is considered to be a part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. The Municipal Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the State of Connecticut Retirement and Benefit Services Division, Office of the State Controller, 55 Elm Street, Hartford, CT 06106.

B. Plan Provisions

Plan provisions are set by Statute of the State of Connecticut. MERS provides retirement benefits, as well as death and disability benefits. Annual cost of living increases are applied to disabled and non-disabled retirement benefits and vary based upon member age and date of retirement. For members that retired prior to January 1, 2002, increases between 3% and 5% are paid to those who have reached age 65 and effective January 1, 2002, increases of 2.5% are paid to those who have not yet reached age 65. For those retiring after December 31, 2001, increases between 2.5% and 6.0% are paid regardless of age. All benefits vest after 5 years of continuous service or 15 years of active aggregate service. Vested members who retire after age 55 or after 25 years of service, irrespective of age, are entitled to an annual retirement benefit, payable monthly for life, in an amount for each year of service equal to:

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

- If not covered by Social Security: 2% of the average of earnings for the three highest paid years of service.
- If covered by Social Security: 1-1/2% of the average of earnings for the three highest paid years of service not in excess of the year's breakpoint, plus 2% of the average of earnings for the three highest paid years of service in excess of the year's breakpoint. The year's breakpoint for 2012 is \$61,600.

C. Funding Policy

Covered employees are required by State Statute to contribute 2-1/4% of earnings upon which Social Security tax is paid, plus 5% earnings on which no Social Security tax is paid. Each participating municipality is required to contribute the amounts necessary to finance the remaining costs of the plan. Employees not covered by Social Security are required to contribute 5% of all earnings.

The required and actual contribution for the past three years were as follows:

2010	\$	1,004,282
2011	\$	1,269,166
2012	\$	1,497,007

Connecticut State Teachers Retirement System

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age sixty and has accumulated twenty years of credited service in the public schools of Connecticut or has attained any age and has accumulated thirty-five years of credited service, at least twenty-five of which are service in the public schools of Connecticut. The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut Retirement and Benefit Services Division, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

Certain part-time and full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not, and is not legally responsible to, contribute to the plan.

The State of Connecticut contributes based on actuarially determined amounts. The funding level was determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual city/town basis.

In addition, the Town has recognized revenues and expenses/expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were approximately \$4,298,000 for the year ended June 30, 2012.

Other post retirement benefits (OPEB)

The Town provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer plan. An annual actuarial valuation is made to

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2011. The post-retirement plan does not issue stand-alone financial reports.

From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 as of July 1, 2008, the Town recognizes the cost of post-employment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 12 years, commencing with the 2009 liability.

The contribution requirements of plan members and the Town are established and may be amended by the Town. The Town determines the required contribution using the Projected Unit Credit Method.

Membership in the plan consisted of the following at July 1, 2011, the date of the last actuarial valuation.

Retirees and beneficiaries receiving benefits	110
Active plan members	<u>472</u>
Total	<u><u>582</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB asset was as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB (Asset)
6/30/12	\$ 2,044,833	\$ 1,916,000	93.70%	\$ (627,837)
6/30/11	\$ 1,955,244	\$ 1,959,011	100.19%	\$ (756,670)
6/30/10	\$ 1,883,747	\$ 1,820,750	96.66%	\$ (752,903)

OPEB (Asset)

Annual required contribution	\$ 1,975,000
Interest on net pension obligation	(60,534)
Adjustment to ARC	<u>130,367</u>
Annual OPEB cost	2,044,833
Contributions made	<u>(1,916,000)</u>
Decrease in net OPEB asset	128,833
Net OPEB asset, beginning of year	<u>(756,670)</u>
Net OPEB asset, end of year	<u><u>\$ (627,837)</u></u>

The Town's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The actuarial accrued liability as of July 1, 2011 is estimated to be \$10,436,000.

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

(000's)						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (b)	Unfunded Accrued Liability (UAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2011	\$ 3,297	\$ 10,436	\$ 7,139	32%	\$ 28,888	25%

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

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

The information presented was determined as part of the actuarial valuation. Additional information as of the last actuarial valuations follows:

Valuation Date:	July 1, 2011
Actuarial Cost Method:	Projected Unit Credit
Asset Valuation Method:	Market Value
Amortization Method:	Level Percent
Remaining Amortization Period:	9 Years
Actuarial Assumptions:	
Investment rate of return	7.25%
Inflation rate	N/A
Salary Increases	4%
Medical trend rate	5.8% graded to 4.4% over 44 years
Dental cost trend rate	4% graded to 3% at a rate of 0.50% per year over 2 years

Teachers Retirement Incentive

Professional staff members who retire under the contract between the Weston Board of Education and the Weston Teachers' Association for the period July 1, 1994 through June 30, 2006, whose age and years of teaching total 75, who are at the top step of the Weston teacher salary schedule, and who will be at least 55 years old as of the date of retirement are eligible to retire early. "Years of teaching" shall be that service recognized by the Connecticut Retirement System. The maximum number of professional staff who may elect to retire early for any school year shall be 7.5% of the professional staff employed for the preceding school year, rounded down to the next lower whole number. Compensation is at an annual

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

rate as set forth in the agreements by and between the Weston Board of Education and the Weston Teacher's Association.

Any administrator who becomes eligible for normal retirement under the Teacher Retirement Act, Section 10-183a, of the Connecticut General Statutes and who has fifteen (15) years of service as a Weston administrator, whichever occurs last (or at the option of the administrator, first), is eligible for early retirement benefits. A maximum of two administrators may elect to retire early for any school year. Compensation is based upon a percentage of last salary. The percentage of years of payment are determined by the year following eligibility that retirement is elected.

The total number of retirees participating in the above program at June 30, 2012 is 1, with an amount owed of \$5,900. The liability is reported in the government-wide statements, and is liquidated by the general fund.

Note 9. Risk Management

Town

The Town is a member in Connecticut Interlocal Risk Management Agency (CIRMA), a public entity risk management program pursuant to the provisions of Section 7-479a et. seq. of the Connecticut General Statutes, for liability-automobile, property pool (of which 37 are municipalities) and workers compensation. The Town pays annual premiums for its coverage. CIRMA is to be self-sustaining through members' premiums but reinsures in excess of \$1,000,000 for each insured occurrence. The Town has retained various self-insured deductibles ranging from \$500 to \$50,000. Members may be subject to supplemental assessment in the event of deficiencies; however, potential assessments are limited pursuant to the by-laws. Coverage has not been reduced, nor have settled claims exceeded commercial coverage in any of the past three years.

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; employee health or acts of God. The Town purchases commercial insurance for all risks of loss. Neither the Town nor its insurers have settled any claims which exceeded the Town's insurance coverage in the past three years. There has been no reduction in any insurance coverage from coverage in the prior year.

Board of Education

The Board of Education is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employee health and medical; and natural disasters. Effective July 1, 2011, the Board of Education purchases commercial insurance for all risks other than employee medical, dental and prescription claims. The Plan is funded monthly by Board of Education budget appropriations and employee contributions as required.

Note 10. Contingent Liabilities

The Town is currently involved in several litigation matters. In the estimation of the Town's management and legal counsel, the final settlement of these matters will not have a material adverse effect on the financial condition of the Town.

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 11. Fund Balance

Below is a table of fund balance categories and classifications at June 30, 2012 for the Town governmental funds:

	General Fund	Capital Improvements	Nonmajor Governmental Funds
Fund balances:			
Non-spendable:			
Inventory and prepaids	\$ 174,659	\$ -	\$ 7,097
Capital outlay	582,550	-	-
Total Non-spendable	<u>757,209</u>	<u>-</u>	<u>7,097</u>
Restricted:			
General government	-	-	188,515
Culture and recreation	-	-	189,970
Education	-	-	162,772
Capital outlay	-	2,598,643	-
Total Restricted	<u>-</u>	<u>2,598,643</u>	<u>541,257</u>
Committed:			
General government	775,424	-	375,468
Health and welfare	-	-	97,234
Education	-	-	17,764
Capital outlay	-	-	1,911,299
Total Committed	<u>775,424</u>	<u>-</u>	<u>2,401,765</u>
Assigned:			
General government	10,500	-	-
Public works	75,960	-	-
Culture and recreation	6,174	-	-
Education	368,250	-	-
Total Assigned	<u>460,884</u>	<u>-</u>	<u>-</u>
Unassigned:			
General government	8,884,971	-	(50)
Total Unassigned	<u>8,884,971</u>	<u>-</u>	<u>(50)</u>
Total fund balance	<u>\$ 10,878,488</u>	<u>\$ 2,598,643</u>	<u>\$ 2,950,069</u>

Note 12. Pronouncements Issued, Not Yet Effective

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

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the Town.

- **GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements**, issued November 2010, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. Specifically, this Statement improves financial reporting by establishing

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

recognition, measurement, and disclosure requirements SCAs for both transferors and governmental operators, requiring governments to account for and report SCAs in the same manner, which improves the comparability of financial statements. This Statement also improves the decision usefulness of financial reporting by requiring that specific relevant disclosures be made by transferors and governmental operators about SCAs.

- **GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34***, issued November 2010, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting for a governmental financial reporting entity by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The amendments to the criteria for including component units allow users of financial statements to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. The amendments to the criteria for blending also improve the focus of a financial reporting entity on the primary government by ensuring that the primary government includes only those component units that are so intertwined with the primary government that they are essentially the same as the primary government, and by clarifying which component units have that characteristic.
- **GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements***, issued January 2011, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to enhance the usefulness of the Codification of Governmental Accounting and Financial Reporting Standards by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. This Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989: FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. By incorporating and maintaining this guidance in a single source, the GASB believes that GASB 62 reduces the complexity of locating and using authoritative literature needed to prepare state and local government financial reports.
- **GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position***, issued July 2011, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by providing citizens and other users of state and local government financial reports with information about how past transactions will continue to impact a government's financial statements in the future. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets.
- **GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities***, clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. GASB Concepts Statement (CON) No. 4, *Elements of Financial Statements*, specifies that recognition of deferred outflows and deferred inflows should be limited to those instances specifically identified in authoritative GASB pronouncements. Consequently, guidance was needed to determine which balances being reported as assets and liabilities should actually be reported as deferred outflows of resources or deferred inflows of

TOWN OF WESTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

resources, according to the definitions in CON 4. Based on those definitions, GASB 65 reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, GASB 65 recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources. The provisions of this Statement are effective for the Town, with its year ending June 30, 2014, and would be applied on a prospective basis. Early adoption is encouraged.

- **GASB Statement No. 66, *Technical Corrections - 2012***, enhances the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting. GASB 66 amends GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of a state or local government's risk financing activities to the general fund and the internal service fund types. As a result, governments would base their decisions about governmental fund type usage for risk financing activities on the definitions in GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The Statement also amends GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, by modifying the specific guidance on accounting for: (a) operating lease payments that vary from a straight-line basis; (b) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans; and (c) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes would eliminate any uncertainty regarding the application of GASB Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, and result in guidance that is consistent with the requirements in GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, respectively. The provisions of this Statement are effective for the Town, with its year ending June 30, 2014, and would be applied on a prospective basis. Early adoption is encouraged.
- **GASB Statement 67, *Financial Reporting for Pension Plans***. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to define contribution plans that provide postemployment benefits other than pensions. The provisions of this Statement will be effective for the Town beginning with year ending June 30, 2014.
- **GASB Statement 68, *Accounting and Financial Reporting for Pensions***. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. The provisions of this Statement will be effective for the Town beginning with year ending June 30, 2015.

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**Required Supplementary
Information**

TOWN OF WESTON, CONNECTICUT

**REQUIRED SUPPLEMENTARY INFORMATION – OPEB
June 30, 2012**

SCHEDULE OF FUNDING PROGRESS - OPEB (000's)

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded/ (Overfunded) AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2011	\$ 3,297	\$ 10,436	\$ 7,139	32.00%	\$ 28,888	25.00%
July 1, 2009	1,518	11,900	10,382	13.00%	N/A	N/A
July 1, 2007	-	11,063	11,063	0.00%	N/A	N/A

SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2009	\$ 1,760,000	146.3%
2010	1,835,700	99.2%
2011	1,900,000	103.1%
2012	1,975,000	97.0%

TOWN OF WESTON, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
BUDGETARY BASIS - GENERAL FUND

For the Year Ended June 30, 2012

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual Budgetary Basis	
	Original	Final		
REVENUES				
Property taxes, interest and lien fees	\$ 62,164,303	\$ 62,164,303	\$ 63,176,813	\$ 1,012,510
Intergovernmental	1,095,880	1,095,880	1,381,954	286,074
Income from investments	200,000	200,000	323,721	123,721
Charges for services	665,600	665,600	918,819	253,219
Total revenues	64,125,783	64,125,783	65,801,307	1,675,524
EXPENDITURES				
General government	5,708,173	5,794,993	5,794,993	-
Public safety and protection	2,262,423	2,317,401	2,317,401	-
Public works	1,775,176	1,740,182	1,740,182	-
Health and sanitation	401,646	403,591	403,591	-
Parks and recreation	917,029	901,801	901,801	-
Education	45,166,337	45,166,337	45,162,362	3,975
Debt service	6,748,200	6,748,200	6,748,200	-
Total expenditures	62,978,984	63,072,505	63,068,530	3,975
Revenues over (under) expenditures	1,146,799	1,053,278	2,732,777	1,679,499
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	19,098	19,098
Transfers out	(1,146,799)	(1,569,966)	(1,569,966)	-
Total other financing sources (uses)	(1,146,799)	(1,569,966)	(1,550,868)	19,098
Revenues and other financing sources over (under) expenditures and other financing (uses)	\$ -	\$ (516,688)	1,181,909	\$ 1,698,597
BUDGETARY FUND BALANCE, beginning			8,442,218	
Change in GAAP expenditures not recognized for budget purposes, reserves for advances, inventories and prepaids			36,268	
BUDGETARY FUND BALANCE, ending			\$ 9,660,395	

See note to required supplementary information.

TOWN OF WESTON, CONNECTICUT

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2012**

Note 1. Budgets and Budgetary Accounting

The Town adheres to the following procedures in establishing the budgetary data included in the general fund financial statements. The Board of Finance submits a proposed General Fund operating budget for the fiscal year commencing July 1, to the annual Town budget meeting, at which taxpayer comments are obtained. The General Fund operating budget includes proposed expenditures and the means of financing them.

- Prior to July 1, the budget is legally adopted.
- Additional appropriations for \$5,000 or less must be approved by the Board of Selectmen.
- All transfers within or between departments and additional appropriations of over \$5,000 must be made by the Board of Selectmen with the approval of the Board of Finance.
- Additional appropriations by the Board of Selectmen cannot exceed \$50,000.
- Supplemental appropriations beyond those approved under additional appropriations, shall not exceed 2% of the current tax levy.
- Formal budgetary integration is employed as a management control device during the year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.
- Budgeted amounts shown are as originally adopted, or as amended by the Board of Selectmen and Board of Finance during the course of the year.
- Supplemental and additional appropriations of \$574,667 were approved during the year by the Board of Selectmen, Board of Finance and Town Meeting.

A reconciliation of General Fund budgetary basis is as follows:

	General Fund	
	Revenues and Transfers in	Expenditures and Transfers Out
Budgetary basis	\$ 65,820,405	\$ 64,638,496
On-behalf payments for state teachers retirement	4,298,000	4,298,000
ARRA highway reimbursed grant	14,655	14,655
Transfer from Communications Tower Fund	107,000	107,000
Changes in reserves for encumbrances and liquidation of encumbrances	-	(159,364)
Reclassification to General Fund, as funds were previously reported as Special Revenue Funds, and no longer meet the definition in accordance with GASB 54	878,023	1,130,259
Bond issue costs	-	40,560
GAAP Basis	\$ 71,118,083	\$ 70,069,606

TOWN OF WESTON, CONNECTICUT

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION, Continued
June 30, 2012

Special revenue funds

The Town has legally adopted budgets for the youth services, senior center, capital non-recurring, and dog registration funds, but not for any of the other special revenue funds. Budgets for the various special revenue funds which are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies. Such budgets are non-lapsing and may comprise more than one fiscal year.

Capital project funds

Legal authorization for expenditures of the capital project funds is provided by the related bond ordinances. Capital appropriations do not lapse until completion of the applicable projects.

**Supplemental and Combining Individual
Nonmajor Fund Statements and Schedules**

General Fund

TOWN OF WESTON, CONNECTICUT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGETARY BASIS -
 BUDGET AND ACTUAL - GENERAL FUND
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
TAXES, INTEREST AND LIEN FEES:				
Property taxes	\$ 61,934,303	\$ 61,934,303	\$ 62,812,180	\$ 877,877
Interest and lien fees	230,000	230,000	364,633	134,633
Total	62,164,303	62,164,303	63,176,813	1,012,510
INTERGOVERNMENTAL:				
Capital Improvement Grants	52,994	52,994	65,134	12,140
Education	813,236	813,236	951,512	138,276
School construction	40,000	40,000	5,199	(34,801)
Highway maintenance	100,870	100,870	125,997	25,127
Property tax relief	18,700	18,700	19,917	1,217
Telecommunications personal property tax	50,000	50,000	40,098	(9,902)
Boat registration refund	3,280	3,280	-	(3,280)
Mashantucket Pequot grant	-	-	7,023	7,023
Other	16,800	16,800	167,074	150,274
Total	1,095,880	1,095,880	1,381,954	286,074
INCOME FROM INVESTMENTS:				
Income from investments	200,000	200,000	323,721	123,721
CHARGES FOR SERVICES:				
Building inspections	200,000	200,000	141,886	(58,114)
ZBA hearing fees	1,000	1,000	1,670	670
Town Clerk fees	400,000	400,000	305,526	(94,474)
Planning and Zoning Commission fees	13,000	13,000	14,621	1,621
Conservation Commission fees	12,000	12,000	25,530	13,530
Police report fees and fines	4,000	4,000	3,454	(546)
Selectman's Office fees	2,000	2,000	520	(1,480)
Public library receipts	8,500	8,500	7,809	(691)
Miscellaneous Town and BOE receipts	20,000	20,000	408,755	388,755
Assessor's copier receipts	1,100	1,100	892	(208)
Meals on Wheels	4,000	4,000	8,156	4,156
Total	665,600	665,600	918,819	253,219
Total revenues	64,125,783	64,125,783	65,801,307	1,675,524
OTHER FINANCING SOURCES:				
Transfers in:				
Dog registration	-	-	19,098	19,098
Total revenues and other financing sources	\$ 64,125,783	\$ 64,125,783	\$ 65,820,405	\$ 1,694,622

TOWN OF WESTON, CONNECTICUT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGETARY BASIS -
 BUDGET AND ACTUAL - GENERAL FUND
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
GENERAL GOVERNMENT:				
Administration	\$ 616,253	\$ 636,354	\$ 636,354	\$ -
General administration	3,922,000	3,892,029	3,892,029	-
Information systems	216,900	229,957	229,957	-
Probate Court	4,000	1,978	1,978	-
Elections / registrars	44,042	39,276	39,276	-
Board of Finance	51,400	52,500	52,500	-
Assessor	121,540	119,910	119,910	-
Tax Collector	114,660	115,522	115,522	-
Board of Assessment Appeals	295	-	-	-
Legal counsel	239,600	342,879	342,879	-
Town Clerk	127,379	125,607	125,607	-
Planning and Zoning Commission	93,353	93,071	93,071	-
Historic District Commission	300	-	-	-
Zoning Board of Appeals	2,500	1,969	1,969	-
Building Inspector	98,469	91,310	91,310	-
Building Committee	600	-	-	-
Conservation Commission	54,882	52,631	52,631	-
Total	5,708,173	5,794,993	5,794,993	-
PUBLIC SAFETY AND PROTECTION:				
Police services	1,676,969	1,718,641	1,718,641	-
Fire Marshal	43,544	45,474	45,474	-
Weston Volunteer Fire Department	212,178	212,178	212,178	-
Communications Center:				
Expenditures	374,164	390,621	390,621	-
Transfer from Communications Tower Fund	(107,000)	(107,000)	(107,000)	-
	267,164	283,621	283,621	-
Dog Registration	62,568	57,487	57,487	-
Total	2,262,423	2,317,401	2,317,401	-
PUBLIC WORKS:				
Highway	1,738,546	1,712,041	1,712,041	-
Water System Schools	36,630	28,141	28,141	-
Total	1,775,176	1,740,182	1,740,182	-
HEALTH AND WELFARE:				
Westport / Weston Health District	178,400	178,396	178,396	-
Southwestern Connecticut Emergency	1,300	-	-	-
Medical Services	12,269	11,458	11,458	-
Regional Paramedic	133,647	133,647	133,647	-
Human Services	76,030	80,090	80,090	-
Total	401,646	403,591	403,591	-

(Continued)

TOWN OF WESTON, CONNECTICUT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGETARY BASIS -
 BUDGET AND ACTUAL - GENERAL FUND, Continued
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
RECREATION:				
Weston Public Library	389,529	384,129	384,129	-
Commission on Aging	79,421	81,201	81,201	-
Recreation Department programs	190,389	188,266	188,266	-
Park and school field maintenance	167,441	151,489	151,489	-
Middle School pool	90,249	96,716	96,716	-
Total	917,029	901,801	901,801	-
DEBT SERVICE				
Interest	2,703,200	2,703,200	2,703,200	-
Principal	4,045,000	4,045,000	4,045,000	-
	6,748,200	6,748,200	6,748,200	-
BOARD OF EDUCATION	45,166,337	45,166,337	45,162,362	3,975
Total expenditures	62,978,984	63,072,505	63,068,530	3,975
OTHER FINANCING USES				
Transfers out:				
Recycling and Transfer Station	92,093	140,933	140,933	-
Reserve fund for capital and nonrecurring expenditures	1,027,030	1,395,357	1,395,357	-
Water supply system	15,320	21,320	21,320	-
Senior Citizens Center	12,356	12,356	12,356	-
Total other financing uses	1,146,799	1,569,966	1,569,966	-
Total expenditures and other financing uses	\$ 64,125,783	\$ 64,642,471	\$ 64,638,496	\$ 3,975

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Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for a specific purpose.

School Lunch Fund - is used to account for the operations of the schools' cafeterias, including the receipt and expenditure of related state funding.

Board of Education Grants - is used to account for revenue from federal and state grants for education.

Youth Service Bureau - is used to account for the operations of the Youth Service Bureau.

Library Board Fund – is used to account for the operations of the Town's library that are not funded through the annual Town operating budget.

Senior Citizens Center – is used to account for the operations of the Senior Citizens Center.

Communications Tower – is used to account for rental fees from various cellular phone companies.

Weston High School Fund – is used to account for revenues from other sources for the Weston High School.

Horace B. Hurlbutt Memorial Trust – is used to account for revenue from the Horace B. Hurlbutt Memorial Trust.

Morehouse Elderly Assistance – is used to account for programs specific to elderly assistance.

Social Services Fund – is used to account for programs for individuals and families residing in Weston that meet income criteria.

Gifts and Grants – is used to account for various Town initiatives and programs.

Greyledge Fund – is used to account for planting and maintenance of trees, shrubs, and plants alongside Weston's public roadways.

CAPITAL PROJECTS FUNDS

Capital Project Funds are used to account for the acquisition of major capital facilities or improvements other than those financed by proprietary funds.

Reserve Fund for Capital and Nonrecurring Expenditures - is used to account for projects to be funded from bond proceeds.

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TOWN OF WESTON, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2012

	Special Revenue Funds			
	School Lunch	Board of Education Grants	Youth Service Bureau	Library Board Fund
ASSETS				
Cash and cash equivalents	\$ 173,848	\$ 188,350	\$ -	\$ 189,970
Other receivables	12,959	305,296	1,098	-
Inventories	7,097	-	-	-
Due from other funds	-	106,519	66,167	-
Total assets	\$ 193,904	\$ 600,165	\$ 67,265	\$ 189,970
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 46,322	\$ 273,058	\$ -	\$ -
Unearned revenues	-	-	-	-
Due to other funds	-	314,732	-	-
Total liabilities	46,322	587,790	-	-
Fund Balances (Deficits)				
Nonspendable	7,097	-	-	-
Restricted	140,485	12,375	-	189,970
Committed	-	-	67,265	-
Unassigned	-	-	-	-
Total fund balances (deficits)	147,582	12,375	67,265	189,970
Total liabilities and fund balances	\$ 193,904	\$ 600,165	\$ 67,265	\$ 189,970

Special Revenue Funds						
Senior Citizens Center	Communications Tower	Weston High School Fund	Horace B. Hurlbutt Memorial Trust	Morehouse Elderly Assistance	Social Services Fund	Gifts and Grants
\$ 11,205	\$ -	\$ 17,764	\$ 9,912	\$ 152,055	\$ 34,049	\$ -
200	-	-	-	-	-	-
-	-	-	-	-	-	-
2,985	361,078	-	-	-	-	79,586
<u>\$ 14,390</u>	<u>\$ 361,078</u>	<u>\$ 17,764</u>	<u>\$ 9,912</u>	<u>\$ 152,055</u>	<u>\$ 34,049</u>	<u>\$ 79,586</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 629	\$ -
-	-	-	-	-	-	79,636
-	-	-	-	12,829	3,451	-
-	-	-	-	12,829	4,080	79,636
-	-	-	-	-	-	-
-	-	-	9,912	139,226	-	-
14,390	361,078	17,764	-	-	29,969	-
-	-	-	-	-	-	(50)
<u>14,390</u>	<u>361,078</u>	<u>17,764</u>	<u>9,912</u>	<u>139,226</u>	<u>29,969</u>	<u>(50)</u>
<u>\$ 14,390</u>	<u>\$ 361,078</u>	<u>\$ 17,764</u>	<u>\$ 9,912</u>	<u>\$ 152,055</u>	<u>\$ 34,049</u>	<u>\$ 79,586</u>

(Continued)

TOWN OF WESTON, CONNECTICUT

COMBINING BALANCE SHEET, Continued
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2012

	Capital Projects Fund	Permanent Fund	
	Reserve Fund for Capital and Nonrecurring Expenditures	Greyledge Fund	Totals
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ 777,153
Other receivables	-	-	319,553
Inventories	-	-	7,097
Due from other funds	1,911,299	49,289	2,576,923
Total assets	<u>\$ 1,911,299</u>	<u>\$ 49,289</u>	<u>\$ 3,680,726</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ -	\$ 320,009
Unearned revenues	-	-	79,636
Due to other funds	-	-	331,012
Total liabilities	<u>-</u>	<u>-</u>	<u>730,657</u>
Fund Balances (Deficits)			
Nonspendable	-	-	7,097
Restricted	-	49,289	541,257
Committed	1,911,299	-	2,401,765
Unassigned	-	-	(50)
Total fund balances (deficits)	<u>1,911,299</u>	<u>49,289</u>	<u>2,950,069</u>
Total liabilities and fund balances	<u>\$ 1,911,299</u>	<u>\$ 49,289</u>	<u>\$ 3,680,726</u>

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TOWN OF WESTON, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2012

	Special Revenue Funds			
	School Lunch	Board of Education Grants	Youth Service Bureau	Library Board Fund
REVENUES				
Intergovernmental	\$ -	\$ 672,109	\$ 19,000	\$ -
Income from investments	-	-	-	-
Charges for services	1,307,209	-	157,270	6,480
Other revenues	-	-	-	-
Total revenues	1,307,209	672,109	176,270	6,480
EXPENDITURES				
General government	-	-	222,880	4,360
Education	1,282,265	672,109	-	-
Capital outlay	-	-	-	-
Total expenditures	1,282,265	672,109	222,880	4,360
Revenues over (under) expenditures	24,944	-	(46,610)	2,120
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance (deficits)	24,944	-	(46,610)	2,120
FUND BALANCES (DEFICITS), beginning	122,638	12,375	113,875	187,850
FUND BALANCES (DEFICITS), ending	\$ 147,582	\$ 12,375	\$ 67,265	\$ 189,970

Special Revenue Funds						
Senior Citizens Center	Communications Tower	Weston High School Fund	Horace B. Hurlbutt Memorial Trust	Morehouse Elderly Assistance	Social Services Fund	Gifts and Grants
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	332	-	-
-	154,787	-	1,254	-	-	-
28,279	-	5,512	-	-	43,119	46,113
28,279	154,787	5,512	1,254	332	43,119	46,113
38,502	80,447	-	1,915	3,247	22,655	46,113
-	-	3,000	-	-	-	-
-	-	-	-	-	-	-
38,502	80,447	3,000	1,915	3,247	22,655	46,113
(10,223)	74,340	2,512	(661)	(2,915)	20,464	-
12,356	-	-	-	-	-	-
-	(107,000)	-	-	-	-	-
12,356	(107,000)	-	-	-	-	-
2,133	(32,660)	2,512	(661)	(2,915)	20,464	-
12,257	393,738	15,252	10,573	142,141	9,505	(50)
\$ 14,390	\$ 361,078	\$ 17,764	\$ 9,912	\$ 139,226	\$ 29,969	\$ (50)

(Continued)

TOWN OF WESTON, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICITS), Continued
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2012

	Capital Projects Fund	Permanent Fund	Totals
	Reserve Fund for Capital and Nonrecurring Expenditures	Greyledge Fund	
REVENUES			
Intergovernmental	\$ 54,672	\$ -	\$ 745,781
Income from investments	-	-	332
Charges for services	-	-	1,627,000
Other revenues	-	21,341	144,364
Total revenues	54,672	21,341	2,517,477
EXPENDITURES			
General government	-	14,229	434,348
Education	-	-	1,957,374
Capital outlay	945,593	-	945,593
Total expenditures	945,593	14,229	3,337,315
Revenues over (under) expenditures	(890,921)	7,112	(819,838)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,395,357	-	1,407,713
Transfers out	-	-	(107,000)
Total other financing sources (uses)	1,395,357	-	1,300,713
Net change in fund balance (deficits)	504,436	7,112	480,875
FUND BALANCES (DEFICITS), beginning	1,406,863	42,177	2,469,194
FUND BALANCES (DEFICITS) ending	\$ 1,911,299	\$ 49,289	\$ 2,950,069

Nonmajor Enterprise Funds

ENTERPRISE FUNDS

Enterprise Funds are used to account for ongoing organizations and activities which are similar to those found in the private sector.

Water Supply System - is used to account for revenues and expenditures related to the Town's portion of the water supply system.

Self-Funded Recreation Program - is used to account for revenues and expenditures related to the Town's Park and Recreation programs.

Recycling and Transfer Station - is used to account for revenues and expenditures related to the Town's recycling and transfer station.

TOWN OF WESTON, CONNECTICUT

COMBINING STATEMENT OF NET ASSETS - NONMAJOR ENTERPRISE FUNDS

June 30, 2012

	Business-Type Activities - Enterprise Funds			Total
	Water Supply System	Self-Funded Recreation Programs	Recycling and Transfer Station	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 41,060	\$ 38,917	\$ -	\$ 79,977
Accounts receivable	8,883	1,930	32,714	43,527
Due from other funds	-	210,865	-	210,865
Total current assets	49,943	251,712	32,714	334,369
Noncurrent assets:				
Capital assets, net of accumulated depreciation	76,192	1,533	77,051	154,776
Total noncurrent assets	76,192	1,533	77,051	154,776
Total assets	126,135	253,245	109,765	489,145
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	-	103,202	-	103,202
Due to other funds	89,048	-	50,022	139,070
Total current liabilities	89,048	103,202	50,022	242,272
NET ASSETS				
Invested in capital assets	76,192	1,533	77,051	154,776
Unrestricted (deficit)	(39,105)	148,510	(17,308)	92,097
Total net assets	\$ 37,087	\$ 150,043	\$ 59,743	\$ 246,873

TOWN OF WESTON, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS - NONMAJOR ENTERPRISE FUNDS

For the Year Ended June 30, 2012

	Business-Type Activities - Enterprise Funds			Total
	Water Supply System	Self-Funded Recreation Programs	Recycling and Transfer Station	
OPERATING REVENUES				
Charges for services	\$ 18,610	\$ 525,758	\$ 285,074	\$ 829,442
Total operating revenues	18,610	525,758	285,074	829,442
OPERATING EXPENSES				
Costs of services	41,826	464,432	414,161	920,419
Depreciation	5,845	239	4,284	10,368
Total operating expenses	47,671	464,671	418,445	930,787
Operating (loss) income	(29,061)	61,087	(133,371)	(101,345)
NONOPERATING REVENUES				
Interest income	17	177	-	194
Total nonoperating revenues	17	177	-	194
Net (loss) income before transfers	(29,044)	61,264	(133,371)	(101,151)
TRANSFERS				
Transfers in	21,320	-	140,933	162,253
Change in net assets	(7,724)	61,264	7,562	61,102
FUND NET ASSETS, beginning	44,811	88,779	52,181	185,771
FUND NET ASSETS, ending	\$ 37,087	\$ 150,043	\$ 59,743	\$ 246,873

TOWN OF WESTON, CONNECTICUT

COMBINING STATEMENT OF CASH FLOWS - NONMAJOR ENTERPRISE FUNDS

For the Year Ended June 30, 2012

	Business-Type Activities - Enterprise Funds			Total
	Water Supply System	Self-Funded Recreation Programs	Recycling and Transfer Station	
Cash Flows From Operating Activities				
Receipts from customers and users	\$ 27,068	\$ 525,998	\$ 290,709	\$ 843,775
Payments to suppliers and personnel	(31,645)	(536,548)	(387,102)	(955,295)
Net cash used in operating activities	(4,577)	(10,550)	(96,393)	(111,520)
Cash Flows From Investing Activities				
Interest income	17	177	-	194
Cash Flows From Non-Capital Financing Activities:				
Transfers:				
From other funds	21,320	-	140,933	162,253
Cash Flows From Capital and Related Financing Activities:				
Acquisition of capital assets	-	-	(44,540)	(44,540)
Net increase (decrease) in cash and cash equivalents	16,760	(10,373)	-	6,387
Cash and Cash Equivalents				
Beginning	24,300	49,290	-	73,590
Ending	\$ 41,060	\$ 38,917	\$ -	\$ 79,977
Reconciliation of Operating (Loss) Income to Net Cash Used in Operating Activities				
Operating (loss) income	\$ (29,061)	\$ 61,087	\$ (133,371)	\$ (101,345)
Adjustments to reconcile operating (loss) income to net cash used in operating activities:				
Depreciation	5,845	239	4,284	10,368
Changes in assets and liabilities:				
Increase in other receivables	(1,750)	(1,930)	(15,818)	(19,498)
Decrease (increase) in due from other funds	4,362	(17,020)	17,169	4,511
Decrease in accounts payable	-	(52,926)	-	(52,926)
Increase in due to other funds	16,027	-	31,343	47,370
Net cash used in operating activities	(4,577)	(10,550)	(96,393)	(111,520)

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Fiduciary Funds

FIDUCIARY FUNDS

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

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

Mariana L. Clark

Agency Funds - are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or funds.

The Town's agency funds are as follows:

Student Activity Fund
Police Survivors
School Athletic

TOWN OF WESTON, CONNECTICUT

STATEMENT OF PRIVATE PURPOSE TRUST FUNDS NET ASSETS - FIDUCIARY FUNDS
June 30, 2012

	<u>Private Purpose Trust Fund Mariana L. Clark</u>
ASSETS	
Cash and cash equivalents	\$ 127,119
Total assets	<u>127,119</u>
Net Assets Held in Trust	
For donors' intentions	127,119
Total net assets	<u>\$ 127,119</u>

TOWN OF WESTON, CONNECTICUT

STATEMENT OF CHANGES IN NET ASSETS - PRIVATE PURPOSE TRUST FUND
For the Year Ended June 30, 2012

	Private Purpose Trust Fund Mariana L. Clark
Additions	
Investment Income:	
Interest and dividends	\$ 2,570
Total additions	<u>2,570</u>
Net change in net assets	2,570
Net Assets Held in Trust	
Beginning of year	<u>124,549</u>
End of year	<u><u>\$ 127,119</u></u>

TOWN OF WESTON, CONNECTICUT

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS
 For the Year Ended June 30, 2012

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
STUDENT ACTIVITY FUND				
Assets				
Cash and cash equivalents	\$ 357,377	\$ 584,730	\$ (577,565)	\$ 364,542
Liabilities				
Other liabilities	\$ 357,377	\$ 584,730	\$ (577,565)	\$ 364,542
POLICE SURVIVOR				
Assets				
Cash and cash equivalents	\$ 5,203	\$ -	\$ (30)	\$ 5,173
Liabilities				
Other liabilities	\$ 5,203	\$ -	\$ (30)	\$ 5,173
SCHOOL ATHLETIC				
Assets				
Cash and cash equivalents	\$ 30,068	\$ 155,799	\$ (148,390)	\$ 37,477
Liabilities				
Other liabilities	\$ 30,068	\$ 155,799	\$ (148,390)	\$ 37,477
TOTALS				
Assets				
Cash and cash equivalents	\$ 392,648	\$ 740,529	\$ (725,985)	\$ 407,192
Liabilities				
Other liabilities	\$ 392,648	\$ 740,529	\$ (725,985)	\$ 407,192

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**Capital Assets Used in the Operation
of Governmental Funds**

TOWN OF WESTON, CONNECTICUT

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
SCHEDULE BY CATEGORY - HISTORICAL COST

June 30, 2012

Governmental funds capital assets:

Land	\$	10,148,899
Buildings and improvements		112,012,151
Land Improvements		4,963,989
Machinery, equipment and vehicle		12,863,683
Infrastructure		17,309,751
Construction in progress		1,002,598
Total	\$	158,301,071

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Other Schedules

TOWN OF WESTON, CONNECTICUT

BALANCE SHEET - BY ACCOUNT - GENERAL FUND

June 30, 2012

	General Fund	Dog Registration	BOE Miscellaneous	Elimination 1	Elimination 2	General Fund Combined
Assets						
Cash and cash equivalents	\$ 9,241,286	\$ -	\$ 251,309	\$ -	\$ -	\$ 9,492,595
Investments	12,207,431	-	-	-	-	12,207,431
Receivables, net of allowances for collection losses:						
Property taxes	1,708,649	-	-	-	-	1,708,649
Intergovernmental and other	453,614	-	-	-	-	453,614
Inventories and prepaids	174,659	-	-	-	-	174,659
Due from other funds	685,543	-	-	(201,918)	-	483,625
Advances to other funds	582,550	-	-	-	-	582,550
Total assets	\$ 25,053,732	\$ -	\$ 251,309	\$ (201,918)	\$ -	\$ 25,103,123
Liabilities						
Accounts payable and accruals	2,396,182	-	-	-	-	2,396,182
Due to other funds	9,491,275	-	201,918	(201,918)	-	9,491,275
Deferred revenue	1,532,124	-	-	-	-	1,532,124
Unearned revenue	97,100	-	-	-	-	97,100
Taxes collected in advance	707,954	-	-	-	-	707,954
Total liabilities	14,224,635	-	201,918	(201,918)	-	14,224,635
Fund balances:						
Nonspendable	757,209	-	-	-	-	757,209
Committed	775,424	-	-	-	-	775,424
Assigned	411,493	-	49,391	-	-	460,884
Unassigned	8,884,971	-	-	-	-	8,884,971
Total fund balances	10,829,097	-	49,391	-	-	10,878,488
Total liabilities and fund balances	\$ 25,053,732	\$ -	\$ 251,309	\$ (201,918)	\$ -	\$ 25,103,123

TOWN OF WESTON, CONNECTICUT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BY ACCOUNT - GENERAL FUND
 For the Year Ended June 30, 2012

	General Fund	Dog Registration	BOE Miscellaneous	Elimination	General Fund Combined
REVENUES					
Property taxes	\$ 63,176,813	\$ -	\$ -	\$ -	\$ 63,176,813
Intergovernmental	5,694,609	-	-	-	5,694,609
Income from investments	323,721	-	-	-	323,721
Charges for services	519,804	-	897,121	-	1,416,925
Other revenues	399,015	-	-	-	399,015
Total revenues	70,113,962	-	897,121	-	71,011,083
EXPENDITURES					
Current:					
General government	5,713,917	-	-	-	5,713,917
Public safety	2,424,400	-	-	-	2,424,400
Public works	1,628,262	-	-	-	1,628,262
Health and welfare	402,562	-	-	-	402,562
Culture and recreation	957,077	-	-	-	957,077
Education	49,439,748	-	1,130,259	-	50,570,007
Debt service:					
Principal retirements	4,045,000	-	-	-	4,045,000
Interest and other charges	2,703,200	-	-	-	2,703,200
Capital outlay	14,655	-	-	-	14,655
Bond issuance costs	40,560	-	-	-	40,560
Total expenditures	67,369,381	-	1,130,259	-	68,499,640
Revenues over (under) expenditures	2,744,581	-	(233,138)	-	2,511,443
OTHER FINANCING SOURCES (USES)					
Transfers in	126,098	-	-	(19,098)	107,000
Transfers out	(1,569,966)	(19,098)	-	19,098	(1,569,966)
Bond premium	31,061	-	-	-	31,061
Payment to escrow agent	(2,785,501)	-	-	-	(2,785,501)
Refunding bond proceeds	2,795,000	-	-	-	2,795,000
Total other financing sources (uses)	(1,403,308)	(19,098)	-	-	(1,422,406)
Net change in fund balance	1,341,273	(19,098)	(233,138)	-	1,089,037
FUND BALANCES, beginning	9,487,824	19,098	282,529	-	9,789,451
FUND BALANCES, ending	\$ 10,829,097	\$ -	\$ 49,391	\$ -	\$ 10,878,488

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TOWN OF WESTON, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND
OUTSTANDING - GENERAL FUND
For the Year Ended June 30, 2012

Grand List Year	Taxes Receivable July 1, 2011	Current Levy	Lawful Corrections		Transfers to Suspense	Balance To Be Collected
			Additions	Deletions		
2010	\$ -	\$ 62,875,997	\$ 66,970	\$ 96,617	-	\$ 62,846,350
2009	908,380	-	1,779	21,503	-	888,656
2008	306,661	-	-	19,070	1,026	286,565
2007	212,997	-	547	14,349	26,830	172,365
2006	108,240	-	845	20,502	13,931	74,652
2005	53,504	-	704	7,510	15,497	31,201
2004	11,910	-	-	7,748	249	3,913
2003	23,580	-	-	3,243	652	19,685
2002	6,490	-	-	-	841	5,649
2001	-	-	-	-	-	-
2000	-	-	-	-	-	-
1999	-	-	-	-	-	-
1998	4,520	-	-	-	-	4,520
1997	888	-	-	-	888	-
	<u>\$ 1,637,170</u>	<u>\$ 62,875,997</u>	<u>\$ 70,845</u>	<u>\$ 190,542</u>	<u>\$ 59,914</u>	<u>\$ 64,333,556</u>

Refund Adjustments	Collections				Balance Uncollected June 30, 2012	Refund Balance June 30, 2012	Taxes Receivable June 30, 2012
	Taxes	Interest	Fees	Total			
\$ 90,527	\$ 62,228,086	\$ 177,107	\$ 1,931	\$ 62,407,124	\$ 708,791	\$ 70,838	\$ 779,629
(46,187)	522,632	104,727	3,074	630,433	319,837	45,594	365,431
(50,547)	64,337	43,956	7,655	115,948	171,681	38,600	210,281
(35,414)	32,741	12,544	384	45,669	104,210	31,236	135,446
(30,745)	3,408	12,178	210	15,796	40,499	30,745	71,244
(10,293)	320	789	-	1,109	20,588	9,846	30,434
-	-	-	-	-	3,913	-	3,913
-	-	-	-	-	19,685	-	19,685
-	5,649	1,789	-	7,438	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	4,520	-	4,520
-	-	-	-	-	-	-	-
\$ (82,659)	\$ 62,857,173	\$ 353,090	\$ 13,254	\$ 63,223,517	\$ 1,393,724	\$ 226,859	\$ 1,620,583

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