

Town of Newington Connecticut



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2010

Comprehensive Annual Financial Report

of the

Town of Newington Connecticut

Fiscal Year Ended June 30, 2010

Prepared by:
Finance Department
Ann J. Harter
Director of Finance

TOWN OF NEWINGTON, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT

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Introductory Section

TOWN OF NEWINGTON, CONNECTICUT

PRINCIPAL OFFICIALS

Town Council

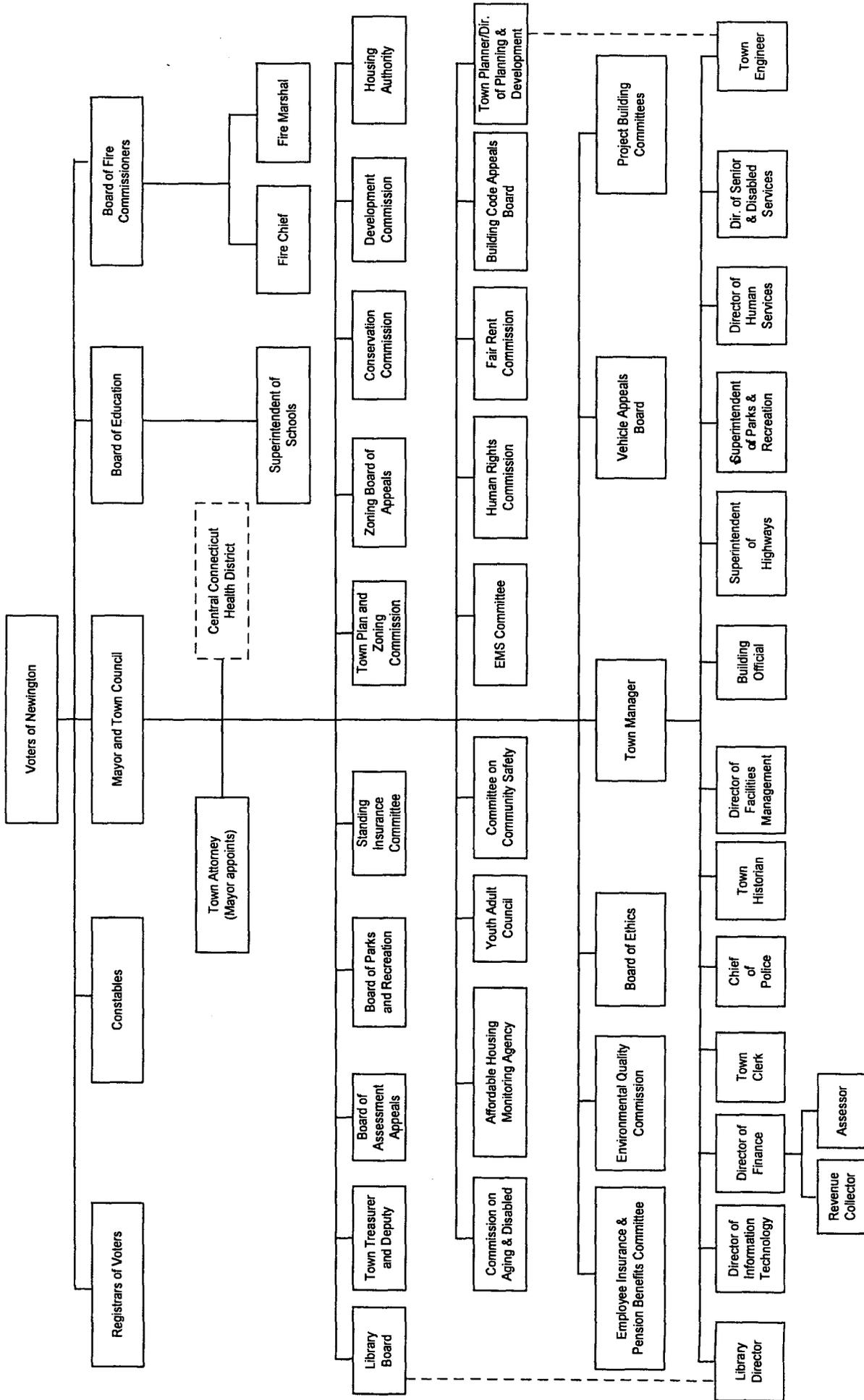
Jeffrey A. Wright, Mayor
Christopher M. Banach
Meg Casasanta
Myra Cohen
Maureen Klett
Mike A. Lenares
Scott McBride
David Nagel
Kristine K. Nasinnyk

Board of Education

Stephen R. Woods, Sr. Chairperson
Sharon Braverman
R. Clarke Castelle
Daniel W. Carson
Beth A. Delbuono
Marc B. Finkelstein
Mary Puba Niro
Nancy Petronio
Pamela Raynock

Appointed Officials

John L. Salomone, Town Manager
William C. Collins, Superintendent of Schools
Ann J. Harter, Director of Finance





John Salomone
Town Manager

TOWN OF NEWINGTON

131 Cedar Street Newington, Connecticut 06111

Finance Department

Ann J. Harter
Director of Finance

December 15, 2010

John L. Salomone, Town Manager
Town of Newington
Newington, Connecticut

Dear Mr. Salomone:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2010.

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

Blum, Shapiro & Company, Certified Public Accountants, have issued an unqualified ("clean") opinion on the Town of Newington's financial statements for the year ended June 30, 2010. The independent auditors' report is located at the front of the financial section of this report.

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

Profile of the Town

The Town of Newington covers approximately 13.2 square miles and is located six miles southwest of Hartford. Newington is surrounded by West Hartford, Farmington, New Britain, Berlin, Rocky Hill, Wethersfield and Hartford. Newington is primarily a residential community; however, there is substantial industry scattered throughout the Town. The Berlin Turnpike (State Routes 5 and 15) is commercialized

along its total length in Newington of 4.5 miles. The Town's population as of the 2000 Census was 29,306. The Town, originally part of the Town of Wethersfield, was settled in 1678 and incorporated in 1871. The Town functions under the Council-Manager form of government, adopted in 1966. The Town Charter was last revised in January 1992.

The Town Council is the budget-making authority and the legislative body of the Town. The Town Council consists of eight councilors and a mayor who is the presiding officer of the Council. The councilors and the mayor each are elected at-large for two year terms. The Town Council appoints the Town Manager who is the chief administrative officer of the Town. The Town Manager is responsible to the Council for the supervision and administration of Town departments and boards and commissions of the Town, except those elected by the people, or appointed by the Council, Mayor or a regional or state authority. The Council appoints the Town Treasurer and the Deputy Treasurer for a two year term and the Town's Auditor annually. The Board of Education consists of nine members who each are elected at-large for two year terms.

The financial administrator of the Town is the Director of Finance whom the Town Manager appoints. The Director of Finance oversees the Accounting division, the Assessor's office, and the Revenue Collector's office. The Administration and Accounting office administers and accounts for all Town funds. The Assessor's office discovers, lists and prices real estate, personal property, and motor vehicles for the purposes of taxation. The Revenue Collector's office bills, collects, processes, and deposits taxes, interest and fees on all taxable property in the town. The Town Treasurer oversees the Town's bank deposits and trust funds and countersigns all checks for payment with Town funds.

The Town provides the following municipal services as authorized in its charter: public safety (police, fire and emergency medical services); library and parks and recreation; sanitation; street construction and maintenance; health and social services; community development; education; public improvements; and general administrative services.

Economic Condition and Outlook

Newington's October 1, 2008 grand list increased by .4% over the prior year. This increase was primarily attributed to growth in real estate property which increased 1.2%. New condominiums at Newington Ridge and Woodlands, and new commercial properties provided the majority of the increase in this category. The categories of personal property and motor vehicle decreased by 5.4% and 3.8%, respectively. The Town continues to maintain a balanced mix of retail, manufacturing and light industry and its top ten taxpayers represented only about 6.2% of the total assessed value on the October 1, 2008 grand list. The Town's tax collection rate as of June 30, 2010 was 99%, a slight increase from the rate of 2009.

A review of key economic indicators shows that per capita income of Newington's residents is \$26,881, slightly below the statewide average of \$28,766; its median household income of \$72,249 exceeds the statewide average by \$4,194. Approximately 2.0% of the Town's families fall below poverty levels. According to the State Department of Labor, the Town's 2010 average unemployment rate of 8% compared favorably to the Hartford Labor Market of 8.9% and the statewide average of 8.8%.

For fiscal year-end 2010, building permit activity generated \$26.6 million in construction value, down from the prior year. The strategic location of the Berlin Turnpike continues to be developed with such businesses as Sam's Club, Savers Store and Stop & Shop grocery store. New residential housing construction continues at the 154 unit Woodland Estates and the 71 unit Newington Ridge at the old Hartford Drive-in site.

Long-term Financial Planning

Economic Development over the long term will enhance the Town financially. An important focus during the year was the adoption of the ten year Conservation and Development Plan. The 2020 Plan emphasizes the preservation of Newington's environmental resources, wetlands, flood plains and steep slopes along Cedar Mountain for open space protection. The Plan recommends strategies for the reuse of commercial and industrial sites to grow the Town's grand list. Other initiatives during the year include the redesign of the municipal parking lot, "Constitution Square" and the Newington Town Center Phase IV project on Market Square. Through a State of Connecticut Urban Action Grant, Small Towns Economic Assistance Act Program (STEAP) and Town capital funds, these projects will improve the area to promote revitalization in the downtown business area. During the fiscal year a Brownfield Remediation grant for \$1.3 million was submitted to State Department of Economic and Community Development to demolish the National Welding property and clean-up the site for redevelopment. Additionally, negotiations began with the State of Connecticut and Hayes Associates (the two adjacent property owners to the former National Welding site) to cooperatively work toward the development of a public road, shared utility corridor and storm water management system. This location is an excellent transit-oriented development site in conjunction with the proposed Hartford/New Britain Busway project. These improvements will enhance the Town's ability to market, remediate and reuse this abandoned site.

Newington has a successful Capital Improvement Program through which its goal is to maintain the Town's infrastructure and make improvements to and/or add community facilities to enhance the Town's overall image and services it provides to Town residents. To address the capital needs of the Town in a comprehensive fashion, the Town Council in November 2006 established a Capital Improvement Program Committee to provide a framework for the planning, scheduling and financing for the Town's multi-year capital improvement plan. Composed of Town Council (3) and Board of Education (2) members, with the assistance of Town and Board staff, this Committee's recommendations are advisory in nature, with policy decision making power left with the full Town Council. The Town's capital planning process includes 1) the evaluation of project priorities within the Town's ability to pay, public health and safety needs of its residents and legal mandates, 2) the integration of Town and Board of Education projects 3) financing plans for capital projects and 4) coordination of the capital plan with the annual operating budget. The Town's recommended funding level for capital improvements considers two components. First, the Town's Debt Management Policy advocates that the Town's total outstanding debt should not exceed \$30.0 million. Therefore, the maximum the Town will pay for future debt service payments is \$3.8 million. Secondly, recognizing the merits of the Town's Equipment Replacement Reserve Fund for vehicles, this concept was duplicated to all Town fixed assets (infrastructure and buildings). Therefore, \$2.5 million meets the objective to fund at a constant level equal to straight-line depreciation. The Town consistently budgets the base figure of \$6.3 million by which it is reduced by the amount required for principal and interest payments and the excess is used for "pay-as-you-go" projects.

Relevant Financial Policies

The Town has implemented key financial policies and management uses these as a guideline to maintain the financial stability and strength of the Town.

- Budgetary Control - Expenditures may not legally exceed budgeted appropriations at the department level. The Town Manager may transfer appropriations from one classification to another within the same department, except within the Board of Education, when the Manager deems it necessary for the proper administration of the Town. During the last six months of the fiscal year, the Town Council may transfer any unencumbered appropriation, except within the Board of Education, provided that the resolution making the transfer includes the certification of the Director of Finance

that the balance of the appropriation is free of encumbrances. The Town Council may make a special appropriation provided that the resolution is \$125,000 or less and that the Director of Finance certifies that the amount to be appropriated is unencumbered and unappropriated in the Town's treasury. Special appropriations between \$125,000 and \$325,000 require a Town ordinance. Special appropriations of more than \$325,000 require approval of the voters. Budgetary control is maintained by an encumbrance system. All purchases, except certain services as outlined in the Town's Purchasing Manual, require a purchase requisition and a purchase order. In addition, purchases over \$5,000 require evidence that written quotations were received and that the lowest quote, consistent with quality, was selected. Town Charter requires formal competitive bids for expenditures over \$10,000. Funds are recorded as encumbered when the purchase order is issued and expenditures are recorded when the Town issues a check or incurs a liability.

- Debt Policy - In accordance with the Newington Town Council's Debt Capacity Study completed in June 2002, the Town's total outstanding debt should not exceed \$30.0 million. Additionally, Debt Service as a percent of total General Fund expenditures should not exceed 6%; outstanding bonded debt as a percent of assessed value should not exceed 2.0%; and outstanding bonded debt against the population on a per capita basis should not exceed \$1,000 per year. Applicable data with regard to debt at the end of the 2010 fiscal year is represented as follows:

	Amount	Ratio of Net Debt Service to Budget	Ratio of Bonded Debt to Grand List	Debt Per Capita
Total direct debt outstanding - bonds	15,145,000	2.59%	0.57%	\$517

- Cash Management - Connecticut law restricts investments of municipal funds to direct and indirect securities of the U.S. Government and deposits at qualified banks. Any uninsured and uncollateralized deposits were in institutions considered to be "qualified public depositories" covered under Connecticut General Statutes. State law requires that each financial institution accepting public deposits be responsible for pledging collateral for its own public deposits, based on each bank's risk-based capital ratio. In addition, by Connecticut Statute, a public depository may not accept deposits from any one municipality which would exceed 75 percent of the capital of the depository. Cash temporarily idle during the fiscal year was invested principally in Cutwater Asset Management's Cooperative Liquid Assets Security System (CLASS) accounts, TD Bank, and the State of Connecticut Treasurer's Short-term Investment Fund (STIF). Short term interest rates decreased as a result of several actions by the Federal Reserve throughout the year. By way of example, STIF, where the largest portion of the Town's idle cash is invested, yielded .48% in July 2009 and by year-end 2010 had decreased to .26%.
- Risk Management - The Town has a self-insurance, Administered Services Only account with the employee health insurance carrier, Anthem Blue Cross/Blue Shield, which is accounted for in the Health Benefits Fund. The Town and Board of Education contribute funds to cover costs associated with providing medical benefits to current full-time employees and eligible former employees. The Town covers claims up to \$150,000 per participant per year with an individual stop loss policy covering amounts exceeding that limit. In addition, there is an aggregate stop loss policy that would cover claims exceeding 120% of total estimated claims for the year. The Town seeks to maintain a reserve of at least 25% of expected claims in the Health Benefits Fund plus a reserve for claims incurred but not reported. This reserve is intended to cover the Town's claims exposure; that is, the difference between the expected or estimated claims for the plan year, which the Town budgets

annually, and the 120% aggregate stop loss level. The Employee Insurance and Pension Benefits Committee reviews the Town's various benefit programs with the assistance of its Agent of Record.

The Town has insurance coverage for workers compensation, general liability, automobile liability, physical damage, and professional liability. The Town has a Standing Insurance Committee that determines the Town's insurance needs, reviews insurance proposals, reviews loss data and other information, and makes recommendations to the Town Manager and the Town Council. Further, the Town Council appointed Insurance Agent of Record works with the committee and the Town Manager to review and monitor the Town's insurance program and experience.

Major Initiatives

In preparation of New Samaritan Corporation constructing senior housing at New Meadow Phase II, the Town assisted the non-profit developer by remediating and demolishing the former Board of Education building that housed Newington Community TV and the Art League. These tenants were relocated to newly renovated offices in the lower level of the Town Hall. The Town successfully obtained a Public, Educational and Governmental Programming and Educational Technology Investment Account (PEGPETIA) grant from the State of Connecticut Department of Public Utility Control for the purchase and installation of new broadcasting equipment within the new studio space at Town Hall. Renovations included two new telecommunication rooms. Other capital improvements included the completion of several infrastructure projects such as improvements to twenty roads and drainage issues at Brentwood Road and Connecticut Avenue. The Town was awarded a federal assistance of \$921,200 from the State Department of Transportation to rehabilitate portions of Kelsey Street and Church Street.

To increase productivity and/or cost savings several initiatives were made that include the installation of a Regional Online Permitting System, an internal telephone audit which lowered telecommunications expenses, converting pension benefit payments to an in-house system, implementing a "Positive Pay" banking service which allows the Town to efficiently manage check payment activity and reduce check fraud. Additionally, the Town converted to an automated curb-side collection method for single-stream recycling. This method allows residents to increase the amount of recyclable items and in turn decrease the amount of trash which is costly to dispose. To implement this transition, the Town acquired \$525,000 of roll-away containers through a tax-exempt lease purchase arrangement. An overall savings in interest payments of \$229,404 was achieved when the Town conducted a negotiated \$3,640,000 bond refunding with Roosevelt & Cross for the 1999 and 2000 school improvement issues. The Town's high credit rating of AA by Standard & Poor's was reaffirmed and during a global recalibration of ratings Moody's Investor Services increased the Town's rating to Aa2.

Awards and Acknowledgements

This report has been prepared following the guidelines of the Government Finance Officers Association (GFOA) of the United States and Canada and the Governmental Accounting Standards Board. The GFOA awards a Certificate of Achievement for Excellence in Financial Reporting to governmental units that publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement, which is valid for one year only, is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment for a government unit and its management. The Town was awarded the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2009 for the eighteenth consecutive year. The Town intends to submit this report to GFOA for review under this program.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. My appreciation extends to all members of the Department who assisted and contributed to its preparation, in particular to Deputy Finance Director Lisa Rydecki. I would like to recognize Library Director Marian Amodeo who retired from the Town in June 2010 after 33 years of service. She began her career at the library as a children's librarian and was promoted to Library Director in 1998. Her devotion was an integral part of the success of the nationally recognized Lucy Robbins Welles Library. This department looks to continue to provide the support and advice you will need in carrying out the policies of the Newington Town Council and addressing the many challenging issues confronting the Town in the years ahead.

Respectfully submitted,

A handwritten signature in black ink that reads "Ann J. Harter". The signature is written in a cursive style with a large initial "A" and a long, sweeping underline.

Ann J. Harter
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Newington
Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emswiler".

Executive Director

Financial Section



Accounting | Tax | Business Consulting

Independent Auditors' Report

Members of the Town Council
Town of Newington, Connecticut

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Newington, Connecticut, as of and for the year ended June 30, 2010, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of 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 financial statements, assessing the accounting principles used and the 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, each major fund and the aggregate remaining fund information of the Town of Newington, Connecticut, as of June 30, 2010 and the respective changes in financial position and cash flows, where applicable, 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 15, 2010 on our consideration of the Town'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 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.

Management's discussion and analysis on pages 3 through 12 and budgetary comparison information on pages 48 through 53 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Blum, Shapiro & Company, P.C.

December 15, 2010

TOWN OF NEWINGTON, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2010

This discussion and analysis of the Town of Newington, Connecticut's (Town) financial performance is provided by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2010. Please read this MD&A in conjunction with the transmittal letter and the Town's financial statements, Exhibits I to IX.

FINANCIAL HIGHLIGHTS

- Net assets of our governmental activities increased by \$10.35 million, or 12.7 percent.
- Total cost of all of the Town's programs was \$101.9 million with no new programs added this year.
- During the year, the Town had expenses that were \$3.8 million less than the \$108.4 million generated in tax and other revenues for governmental programs.
- The resources available for appropriation were \$1.7 million more than budgeted for the General Fund. Expenditures were \$1.4 million less than appropriations.
- The General Fund reported a fund balance this year of \$17.6 million. On a budgetary basis, \$16 million represents the Town's unreserved fund balance; of this, \$2 million is designated for 2010-11 budget.
- The tax collection rate was 99%, a slight increase of .2% from 2009.
- The Town of Newington's outstanding bonded debt at June 30, 2010 was \$15.1 million, a decrease of \$1.8 million or 10%, from the prior year. The Town refinanced \$3.6 million in bonds by issuing \$3.64 million in Refunding bonds at lower interest rates. No bonds were authorized at referendum during the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The statement of net assets and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements are presented in Exhibits III to IX. For governmental activities, these statements tell how these services were financed in the short term, as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The analysis of the Town as a whole begins on Exhibits I and II. The statement of net assets and the statement of activities report information about the Town as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net assets and changes in them. The Town's net assets, the difference between assets and liabilities, are one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net assets are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall health of the Town.

In the statement of net assets and the statement of activities, the Town reports its activities:

- *Governmental activities* - The Town's basic services are reported here, including education, public safety, highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by Charter. However, the Town Council establishes many other funds to help control and manage financial activities for particular purposes (like the Recreation Programs, Health Benefits Fund and the Employee Leave Liability Fund) or to show that it is meeting legal responsibilities for using grants, and other money (like grants received for education from the State and Federal governments and accounted for in the Special Revenue Fund). The Town's funds are divided into three categories; governmental, proprietary and fiduciary.

- *Governmental funds (Exhibits III and IV)* - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.
- *Proprietary funds (Exhibits V, VI and VII)* - When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net assets and the statement of activities. Internal service funds (the component of proprietary funds) are used to report activities that provide supplies and services for the Town's other programs and activities - such as the Town's Health Benefits Fund and Insurance Reserve Fund.
- *Fiduciary funds (Exhibits VIII and IX)* - The Town is the trustee, or fiduciary, for its employees' pension plans. All of the Town's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Town's combined net assets increased from \$81.8 million to \$92.2 million. The analysis below focuses on the net assets (Table 1).

TABLE 1
NET ASSETS
(In Thousands)

	Governmental Activities	
	2010	2009
Current and other assets	\$ 45,306	\$ 42,828
Capital assets	77,994	73,554
Total assets	<u>123,300</u>	<u>116,382</u>
Long-term debt outstanding	20,947	21,809
Other liabilities	10,180	12,751
Total liabilities	<u>31,127</u>	<u>34,560</u>
Net Assets:		
Invested in capital assets, net of debt	62,260	56,392
Restricted	673	612
Unrestricted	<u>29,240</u>	<u>24,818</u>
Total Net Assets	<u>\$ 92,173</u>	<u>\$ 81,822</u>

Net assets of the Town's governmental activities increased by \$10.35 million or 12.7% (\$92.2 million compared to \$81.8 million). Unrestricted net assets - the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - changed from \$24.8 million at June 30, 2009 to \$29.2 million at the end of this year. The largest portion of the Town's net assets \$62.3 million or 68% reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding.

Governmental Activities

Change in net assets (Table 2) of the Town's governmental activities increased by \$10.35 million. Approximately 67% of the revenues were derived from property taxes, followed by 21% from operating grants, 8% from both charges for services and capital grants and contributions. The remaining 4% of revenues were derived from other grants that were not restricted for specific purposes and other revenue. Key elements of the increase are as follows:

- Property taxes increased by \$3.1 million or 4.3% during the year. Most of the increase is to support the program expenses of the Town.
- Capital grants and contributions significantly increased by \$3.7 million due to recognizing intangible assets and the value of land associated with a former foundry.
- Education expenses and operating grants increased due significantly due to additional federal funding from the American Recovery and Reinvestment Act (ARRA) and Individuals with Disabilities Education Act (IDEA).
- The total cost of all programs and services was \$102 million.

TABLE 2
CHANGE IN NET ASSETS
(In Thousands)

	Governmental Activities	
	2010	2009
Revenues:		
Program revenues:		
Charges for services	\$ 3,192	\$ 3,308
Operating grants and contributions	23,262	20,574
Capital grants and contributions	5,874	2,210
General revenues:		
Property taxes	75,542	72,453
Grants and contributions not restricted to specific purposes	3,393	3,411
Unrestricted investment earnings	203	642
Other general revenues	773	439
Total revenues	<u>112,239</u>	<u>103,037</u>
Program expenses:		
General government	5,609	7,931
Public safety	10,600	11,323
Public works	9,585	9,109
Community planning and development	780	697
Health and community services	1,498	1,416
Library	2,104	2,016
Parks and recreation	2,941	2,716
Education	68,084	65,598
Interest on long-term debt	687	780
Total program expenses	<u>101,888</u>	<u>101,586</u>
Increase in Net Assets	<u>\$ 10,351</u>	<u>\$ 1,451</u>

The following analysis separately considers the operations of governmental activities. Table 3 presents the cost of each of the Town's five largest programs - police, fire, public works, education, and parks and recreation - as well as each program's net cost (total cost less revenues generated by the activities). The net cost, which shows the financial burden that was placed on the Town's taxpayers by each of these functions, decreased by \$5.9 million (\$69.6 million compared to \$75.5 million). The reason for the decrease is as follows:

- The results of the Health Benefits Fund are incorporated into governmental activities. Significant fluctuations from the previous year of \$1.8 million (\$1.3 million loss compared to \$.5 million gain) created a decrease in the cost for General government programs.
- By recognizing intangible assets and the value of land associated with obtaining ownership of a former foundry, capital grants and contributions increased significantly thereby further reducing the cost of General Government by \$3.5 million.
- The total cost of Education increased due to salary increases for existing personnel (the largest portion), and the high expense of daily operations such as utilities, maintenance, healthcare, insurance and transportation. The considerable increase in federal aid for education absorbed the rising costs.

TABLE 3
Governmental Activities
(In Thousands)

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
General government	\$ 5,609	\$ 7,931	\$ 1,389	\$ 7,192
Public safety	10,600	11,323	10,256	11,040
Public works	9,585	9,109	8,425	8,615
Education	68,084	65,598	43,732	43,035
Parks, recreation and facilities	2,941	2,716	1,409	1,503
All others	5,069	4,909	4,349	4,109
Totals	<u>\$ 101,888</u>	<u>\$ 101,586</u>	<u>\$ 69,560</u>	<u>\$ 75,494</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

As the Town completed the year, its governmental funds (as presented in the balance sheet - Exhibit III) reported a combined fund balance of \$28.2 million, which is an increase from last year's total of \$24.4 million. This increase is primarily due to an increase in the General Fund from \$16.7 million to \$17.6 million or an increase of \$.9 million. Approximately 91 percent of the fund balance amount or \$15.9 million constitutes unreserved fund balance which is available for unforeseen contingencies and to offset future budgets over the long term. The balance of \$1.7 million is primarily reserved because it has been committed to liquidate purchase orders. The Town had positive fund balances in all categories of net assets both for the governmental as a whole as well as for its separate governmental activities.

Included in this year's total change in fund balance is an increase of \$1 million in the Town's General Fund due to an excess of revenue and highlighted in Exhibit IV. In addition, other changes in fund balance should be noted: 1) an increase of \$1 million in Capital Projects funds from excess revenues over expenditures and 2) in the Other Governmental funds an increase of \$1.7 million is primarily due to an increase in federal education grants and state economic development grants which will be spent in the upcoming fiscal year. Expenditures totaled \$6.6 million against revenue and other financing sources of \$8.3 million.

Proprietary Funds

The Town accounts for two funds in its proprietary funds: the Town's Health Benefits Fund and its Insurance Reserve Fund, both of which are self-funded programs and the Town's only business-type activities. Unrestricted net assets of both funds totaled \$4.7 million, an increase of \$1.3 million from the prior year. This increase is due to the performance of the Health Benefits Fund which had an increase in charges for services (revenue) of \$.8 million over benefit payments (expenses). The increase in revenue was based on projected claims. The Insurance Reserve Fund is to pay for losses incurred through insurance deductibles and uninsured property and casualty losses. The ordinance establishing the fund and the maximum fund balance was updated to recognize the Town's change in the funding level to be based on an actuarial-based level. The fund balance cap of \$225 thousand was increased to maintain a reserve level of 5% above this obligation. With the elimination of the cap, the fund retained the excess of revenue from return premiums over claims (expenses) of \$.5 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's 2009-10 original budget of \$94.7 million was not increased during the year. Appropriations were successfully controlled resulting in actual final expenditure (including encumbrances) of \$93.3 million leaving unexpended departmental appropriations totaling \$1.4 million at June 30, 2010. This year-end balance was a result of curtailing most non-mandated costs from a multitude of departments coupled with a savings in the contingency account. There were personnel savings in the Town Manager's Office, Information Systems & Technology, Planning & Development and Police departments. The cost of solid waste services were less than anticipated due to a reduction in the tip fee assessed by the Town's trash authority. Favorable weather conditions attributed to a surplus in the Public Works division. Additionally, energy and fuel costs did not rise as anticipated. Education, which is the largest category of spending for the Town comprising approximately 60 percent of the total, had \$31 thousand remaining at year-end.

On the revenue side, final actual revenues exceeded the original budget by \$1.7 million. This year-end balance was primarily due to a higher collection rate than anticipated on the current levy of property taxes. The Town also benefitted from taxes on supplementary real estate and effective enforcement on prior year taxes and delinquent interest.

The Town's General Fund balance of \$17.6 million reported on Exhibit III differs from the General Fund's budgetary fund balance of \$15.9 million reported in the budgetary comparison in the required supplementary information. This is principally because the budgetary fund balance includes \$1.7 million of outstanding encumbrances at year end of which are primarily attributable to the Board of Education. Encumbrances are reported as expenditures for budgetary purposes.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2010, the Town had \$78 million invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment, roads, bridges, and storm water lines - Table 4. This amount represents a net increase (including additions and deductions) of \$4.440 million or 6.0%, over last year.

TABLE 4
CAPITAL ASSETS (Net of Depreciation)
(In Thousands)

	Governmental Activities	
	2010	2009
Land	\$ 3,479	\$ 2,679
Intangible assets	2,770	
Buildings and improvements	38,190	39,424
Equipment	8,379	8,620
Infrastructure	22,215	22,075
Construction in progress	2,961	756
Total	<u>\$ 77,994</u>	<u>\$ 73,554</u>

This year's major additions included (thousands):

Land - Additions of \$800 were due to the takeover of the National Welding Property at 690 Cedar Street.

Intangible Assets - Additions in the amount of \$2,770 were due to the recognition of the Eddy Farm Easement.

Buildings - Additions in the amount \$297 were due to Police Weapon Firing House, Carpeting at Senior & Disabled Center, entrance doors at Town Hall and renovations at the Parks Garage as well as the historic properties. Improvements to Newington High School included installation of air conditioning, renovations to the Science Lab, Code Compliance and installation of a new gymnasium floor.

Land Improvements - Additions in the amount of \$2 were due to the addition of an irrigation well at Young Farm. A transfer of \$40 was made out of Land Improvements into Buildings for Carpeting at Senior & Disabled Center, which was classified incorrectly in a prior year.

Furniture, Fixtures and Equipment - was added in the amount of \$1,056. General Government increased by \$90 for the purchase of a regional online permitting system, network and web software and computer equipment. Public Safety increased by \$212 for the purchase of six vehicles, a License Plate Reader and two cameras, and a Rescue Cutter. Public works increased by \$242 due to the purchase of three trucks and four salt spreader controls. Parks and Recreation increased by \$62 for the purchase of

one tractor and playground equipment. Board of Education increased by \$434 for school busses, standby generator, kitchen equipment for various schools, intercom system for Martin Kellogg School and autoclave, portable pool lift and pool scoreboard for Newington High School. Miscellaneous increased by \$17 for the purchase of equipment for NCTV.

Infrastructure - Additions in the amount \$780 were due to overlay of Kelsey/Church Streets and drainage improvements for Garfield Bridge and Mountain View Drive.

Construction in Progress - Additions in the amount of \$2,205 were due to major renovations at Town Hall and improvements to Constitution Square Municipal Parking Lot.

Total Net Additions \$ 7,870

The Town’s fiscal-year 2010-11 budget calls for it to spend \$5.0 million for capital projects, of which \$400 thousand is financed from the State and the balance from local funds. It is primarily to finance Newington High School code compliance, major equipment replacement, road reconstruction and resurfacing, improvements to Fenn Road, Newington High School gym floor replacement, Senior & Disabled HVAC replacement, lease payment for Single Stream Recycling containers, Constitution Square Downtown Development, Market Square Development, John Wallace Middle School roof replacement and Clem Lemire Synthetic Athletic Field.

More detailed information about the Town’s capital assets is presented in Note 1 and Note 6 to the financial statements.

Long-Term Debt

At June 30, 2010, the Town had \$15.145 million in bonds outstanding versus \$16.855 million last year - a decrease of 10% - as shown in Table 5.

**TABLE 5
OUTSTANDING DEBT
(In Thousands)**

	Governmental Activities	
	<u>2010</u>	<u>2009</u>
General obligation bonds (backed by the Town)	\$ <u>15,145</u>	\$ <u>16,855</u>

- The decrease in the Town’s indebtedness is due to the Town refinancing \$3.6 million in bonds by issuing \$3.64 million in Refunding bonds at lower interest rates. In addition, the Town made principal payments during the year totaling \$1.75 million. The Town had no bonds authorized but unissued at June 30, 2010.
- As part of its bond issue in April 2010, the Town’s credit rating of AA by Standard & Poor’s was reaffirmed. During a global recalibration of ratings, Moody’s Investor Services increased the Town’s rating to Aa2.

- The State limits the amount of general obligation debt that towns can issue based on a formula determined under State Statutes based on type of debt and tax base. When the Town's outstanding general obligation debt is calculated in accordance with this formula it is significantly below this \$528 million state-imposed limit.

Other obligations include accrued vacation pay and sick leave. More detailed information about the Town's long-term liabilities is presented in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

From a financial perspective as detailed in this annual financial report, Newington successfully managed the 2009-10 budget through prudent, conservative fiscal management. This is evidenced from the fact that the final actual expenditures are \$1.4 million under the original budget while the revenue side generated an additional \$1.7 million beyond the original estimates.

The significant challenges in the development of the 2010-11 Town budget were: 1) the economic conditions in the region and nationally; 2) fixed costs to meet the high level of service to which Town residents are accustomed; and 3) the ability of citizens to absorb any increases in taxes or other fees creating a clear directive by the electorate to limit a tax increase to three percent (3%). The Town's adopted fiscal year 2010-2011 General Fund appropriations totaled \$97.1 million, an increase of 2.5% over the final 2010 budget of \$94.7 million. The most significant factors driving the overall budget increase include education and pension contributions. These increases were offset by a wage freeze for IBPO personnel, attrition and a decrease in the Town's interest portion of the debt service due to refunding the Town's debt.

On the revenue side, the October 1, 2009 taxable list increased slightly by .85% from the 2008 Grand List. While the personal property and motor vehicle components remained relatively flat, the real estate component increased by .8%. This increase was due in large part to the completion of the retail warehouse, Sam's Club, and the development of Woodlands and Newington Ridge, two separate townhouse communities. Estimated State Aid to the Town, which comprises approximately 18% of total revenues, decreased by \$294 thousand. The economy affected other revenue sources such as building permits, real estate conveyance fees and interest income which were expected to decrease by \$95 thousand.

With regard to the unreserved, undesignated General Fund balance, after the designation of \$2 million to assist in financing the 2010-11 budget, on a budgetary basis, the unreserved, undesignated balance at June 30, 2010 is increased by \$1.2 million to a level of \$13.9 million or 14% of the fiscal year 2010-11 budget. This increase is due to additional revenue in 2010 from the property tax and savings on the expenditures side. The Town has consistently maintained a ratio of unreserved, undesignated fund balance at a level of 10% or higher of subsequent year's appropriation which is consistent with the parameters as set forth by the credit industry.

The result was a tax increase of 2.75% without compromising the delivery of services to the community. Similar to other communities, Newington has had to address the difficult budgetary and economic times through strong management, well-managed fund balances and an active economic development program.

At this point in time, a review of key economic indicators shows that Newington has seen the effects of the national and state economic downturn. Per capita income of Newington's residents is \$27 thousand, below the statewide average of \$29 thousand, but its median family income of \$67 thousand exceeds the statewide average by \$1,564. Of note is the Town's large senior population with 23.8% of its residents

60 years of age or more. The consumer price index for the United States City Average at September 2010 was at a level of 218. The Northeast Region of the United States was at a level of 234 at the same time. As of September 2010, the unemployment rate for Newington was 7.9%, up from 7.3% in the prior year and compares favorably to the State's unemployment rate of 8.8% during the same period. Building permit activity has declined with the value of permits in September of 2010 equal to \$3.5 million compared to \$5.5 million a year ago. On a positive note, Newington housing values increased by 1% from September 2009 to September 2010.

While the national economy slowly recovers and State of Connecticut budget continues to be in a deficit situation, the Town of Newington is well positioned to deal with the present economic situation. With an overwhelming reliance on property taxes, Newington's income stream is rather stable, even during a period of fiscal stress. The Town's diverse tax base lends stability to the Town's revenue. The Town's Berlin Turnpike, central location in the State and proximity to Hartford continue to attract and retain housing and commercial development. This increased development will lend itself to expand the tax base. Newington will continue to take steps to exercise fiscal discipline and manage revenue shortfalls through diligent cost control and enhanced operating efficiencies.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, Town of Newington, Connecticut, 131 Cedar Street, Newington, Connecticut 06111.

Basic Financial Statements

TOWN OF NEWINGTON, CONNECTICUT

STATEMENT OF NET ASSETS

JUNE 30, 2010

(In Thousands)

	<u>Governmental Activities</u>
Assets:	
Cash and cash equivalents	\$ 40,480
Investments	1,402
Receivables, net	3,200
Inventory	30
Net pension asset	194
Capital assets not being depreciated	9,210
Capital assets being depreciated, net	68,784
Total assets	<u>123,300</u>
Liabilities:	
Accounts and other payables	6,227
Accrued interest payable	59
Unearned revenue	3,894
Noncurrent liabilities:	
Due within one year	2,836
Due in more than one year	18,111
Total liabilities	<u>31,127</u>
Net Assets:	
Invested in capital assets, net of related debt	62,260
Restricted for:	
Trust purposes:	
Expendable	636
Nonexpendable	37
Unrestricted	29,240
Total Net Assets	<u>\$ 92,173</u>

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
General government	\$ 5,609	\$ 703	\$	\$ 3,517	\$ (1,389)
Public safety	10,600	82	260	2	(10,256)
Public works	9,585	45	248	867	(8,425)
Community planning and development	780	309	21	146	(304)
Health and community services	1,498	69	71		(1,358)
Library	2,104	29	75		(2,000)
Parks and recreation	2,941	903	31	598	(1,409)
Education	68,084	1,052	22,556	744	(43,732)
Interest on long-term debt	687				(687)
Total	<u>\$ 101,888</u>	<u>\$ 3,192</u>	<u>\$ 23,262</u>	<u>\$ 5,874</u>	<u>(69,560)</u>
General revenues:					
Property taxes					75,542
Grants and contributions not restricted to specific programs					3,393
Unrestricted investment earnings					203
Miscellaneous					773
Total general revenues					<u>79,911</u>
Change in net assets					10,351
Net Assets at Beginning of Year					<u>81,822</u>
Net Assets at End of Year					<u>\$ 92,173</u>

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2010

(In Thousands)

	<u>General</u>	<u>Capital Projects</u>	<u>Small Cities</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 25,277	\$ 4,651	\$ 53	\$ 5,035	\$ 35,016
Investments				1,402	1,402
Receivables, net	1,160		881	749	2,790
Due from other funds	56				56
Inventories				30	30
Total Assets	<u>\$ 26,493</u>	<u>\$ 4,651</u>	<u>\$ 934</u>	<u>\$ 7,216</u>	<u>\$ 39,294</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and other payables	\$ 4,578	\$ 156	\$ 2	\$ 720	\$ 5,456
Due to other funds				56	56
Deferred revenue	4,272		881	470	5,623
Total liabilities	<u>8,850</u>	<u>156</u>	<u>883</u>	<u>1,246</u>	<u>11,135</u>
Fund balances:					
Reserved:					
Encumbrances	1,745	957		124	2,826
Inventory				30	30
Endowments				37	37
Unreserved, reported in:					
General Fund	15,898				15,898
Special Revenue Funds			51	5,779	5,830
Capital Project Funds		3,538			3,538
Total fund balances	<u>17,643</u>	<u>4,495</u>	<u>51</u>	<u>5,970</u>	<u>28,159</u>
Total Liabilities and Fund Balances	<u>\$ 26,493</u>	<u>\$ 4,651</u>	<u>\$ 934</u>	<u>\$ 7,216</u>	<u>\$ 39,294</u>

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TOWN OF NEWINGTON, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2010

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

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

Fund balances - total governmental funds	\$ 28,159
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 137,917	
Less accumulated depreciation	<u>(59,923)</u>	
Net capital assets		77,994

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

Net pension asset	194
Housing loan receivables	881
Property tax receivables greater than 60 days	848
Interest receivable on property taxes	410

Internal service funds are used by management to charge the costs of
risk management to individual funds. The assets and liabilities of
the internal service funds are reported with governmental activities
in the statement of net assets.

4,693

Long-term liabilities, including bonds payable, are not due and payable
in the current period and, therefore, are not reported in the funds:

Bonds payable	(15,145)
Deferred amount in refunding	40
Interest payable on bonds	(59)
Net OPEB obligation	(2,104)
Compensated absences	(3,109)
Capital lease	<u>(629)</u>

Net Assets of Governmental Activities (Exhibit I)	<u>\$ 92,173</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDSFOR THE YEAR ENDED JUNE 30, 2010
(In Thousands)

	<u>General</u>	<u>Capital Projects</u>	<u>Small Cities</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes	\$ 75,594	\$	\$	\$	\$ 75,594
Payment in lieu of taxes	3,050				3,050
Licenses, fees and permits	300			16	316
Intergovernmental	19,882	7	21	5,850	25,760
Contributions				209	209
Rental	130	33			163
Income on investments	172	1		18	191
Fines	64				64
Charges for services	605	84		1,956	2,645
Other	51	12	78	244	385
Total revenues	<u>99,848</u>	<u>137</u>	<u>99</u>	<u>8,293</u>	<u>108,377</u>
Expenditures:					
Current:					
General government	3,823		85	352	4,260
Public safety	7,054			243	7,297
Public works	4,532			3	4,535
Community planning and development	479				479
Health and human services	1,117				1,117
Library	1,646			60	1,706
Parks and recreation	1,429			792	2,221
Education	63,212			3,434	66,646
Miscellaneous	8,928				8,928
Capital outlay		3,232		1,748	4,980
Debt service	2,523	212			2,735
Total expenditures	<u>94,743</u>	<u>3,444</u>	<u>85</u>	<u>6,632</u>	<u>104,904</u>
Excess (Deficiency) of Revenues over Expenditures	<u>5,105</u>	<u>(3,307)</u>	<u>14</u>	<u>1,661</u>	<u>3,473</u>
Other Financing Sources (Uses):					
Transfers in	99	3,846		184	4,129
Transfers out	(4,321)			(99)	(4,420)
Capital lease issued		525			525
Bond refunding issued	3,640				3,640
Payment to escrow agent	(3,571)				(3,571)
Total other financing sources (uses)	<u>(4,153)</u>	<u>4,371</u>	<u>-</u>	<u>85</u>	<u>303</u>
Net Change in Fund Balances	952	1,064	14	1,746	3,776
Fund Balances at Beginning of Year	<u>16,691</u>	<u>3,431</u>	<u>37</u>	<u>4,224</u>	<u>24,383</u>
Fund Balances at End of Year	<u>\$ 17,643</u>	<u>\$ 4,495</u>	<u>\$ 51</u>	<u>\$ 5,970</u>	<u>\$ 28,159</u>

(Continued on next page)

TOWN OF NEWINGTON, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2010

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

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$	3,776
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	7,870
Depreciation expense	(3,430)

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

Property tax interest and lien revenue - accrual basis change	(5)
Property tax receivable - accrual basis change	(47)
Housing loan receivable - accrual basis change	(25)

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

Issuance of refunding bonds	(3,640)
Payment to bond escrow agent	3,571
Issuance of capital leases	(525)
Bond principal payments	1,750
Capital lease payments	203

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

Compensated absences	457
Accrued interest	26
Net OPEB expense	(1,023)
Refunding bond issuance cost	69

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.

1,324

Change in Net Assets of Governmental Activities (Exhibit II)

\$	<u>10,351</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

JUNE 30, 2010
(In Thousands)

	Governmental Activities <hr style="border: 0.5px solid black;"/> Internal Service Funds <hr style="border: 0.5px solid black;"/>
Assets:	
Cash and cash equivalents	\$ <u>5,464</u>
Liabilities:	
Accounts and other payables	<u>771</u>
Net Assets:	
Unrestricted	\$ <u><u>4,693</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET ASSETS - PROPRIETARY FUNDSFOR THE YEAR ENDED JUNE 30, 2010
(In Thousands)

	Governmental Activities
	Internal Service Funds
Operating Revenues:	
Charges for services	\$ 10,952
Miscellaneous	422
Total operating revenues	<u>11,374</u>
Operating Expenses:	
Benefit payments	9,128
Administration	452
Insurance	534
Casualty loss	238
Total operating expenses	<u>10,352</u>
Operating Income	1,022
Nonoperating Revenue:	
Interest on investments	<u>11</u>
Income before Transfers	1,033
Transfers In	<u>291</u>
Change in Net Assets	1,324
Net Assets at Beginning of Year	<u>3,369</u>
Net Assets at End of Year	<u>\$ 4,693</u>

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

	<u>Governmental Activities</u> <u>Internal Service Funds</u>
Cash Flows from Operating Activities:	
Cash received from charges for services and other	\$ 11,374
Cash paid to vendors	<u>(10,471)</u>
Net cash provided by operating activities	903
Cash Flows from Noncapital Financial Activities:	
Transfers in	291
Cash Flows from Investing Activities:	
Interest on investments	<u>11</u>
Net Increase in Cash and Cash Equivalents	1,205
Cash and Cash Equivalents at Beginning of Year	<u>4,259</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 5,464</u></u>
Reconciliation of Operating Income to Net	
Cash Provided by Operating Activities:	
Operating income	\$ 1,022
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts and other payables	<u>(119)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 903</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

JUNE 30, 2010
(In Thousands)

	Pension Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ 1,554	\$ 469
Investments - mutual funds	<u>43,871</u>	<u> </u>
Total Assets	45,425	<u><u>\$ 469</u></u>
Liabilities:		
Accounts payable	<u>447</u>	<u><u>\$ 469</u></u>
Net Assets:		
Held in Trust for Pension Benefits	<u><u>\$ 44,978</u></u>	

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT

STATEMENT OF CHANGES IN PLAN NET ASSETS - FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

	<u>Pension Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 2,826
Plan members	814
Total contributions	<u>3,640</u>
Investment income:	
Net appreciation in fair value of investments	4,700
Interest and dividends	34
Total investment income	<u>4,734</u>
Less investment expense	309
Net investment income	<u>4,425</u>
Total income	<u>8,065</u>
Deductions:	
Benefits	5,382
Administration	84
Total deductions	<u>5,466</u>
Net Increase	2,599
Net Assets Held in Trust for Pension Benefits at Beginning of Year	<u>42,379</u>
Net Assets Held in Trust for Pension Benefits at End of Year	<u>\$ 44,978</u>

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

(In Thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town was incorporated on July 10, 1871. The Town operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

B. 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 nonfiduciary 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.

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.

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

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

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

Property taxes, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The Town reports the following major governmental funds:

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

The Capital Projects Fund accounts for the construction and acquisition of major capital assets.

The Small Cities Fund accounts for Federal grants for community development and a housing loan program.

Additionally, the Town reports the following fund types:

The Internal Service Fund accounts for the Town's health benefits program.

The Pension Trust Funds account for the activities of the Town retirement system, which accumulates resources for pension benefit payments to qualified Town employees.

The Agency Funds account for monies held by the Town as a custodian for outside student and municipal groups.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between certain Town functions because the 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 property taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's internal service fund are charges to customers for services. Operating expenses for the internal service fund include the cost of health benefits and administrative expenses. 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.

D. Deposits and Investments

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

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the Town are reported at fair value.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for collectibles. The property tax receivable allowance of \$94 is equal to 8.2% of outstanding property taxes at June 30, 2010.

The Town's property tax is levied each May on the assessed value listed on the prior October 1 Grand List for all taxable property located in the Town. Although taxes are levied in May, the legal right to attach property does not exist until July 1 and, as such, taxes are due and payable in two installments on July 1 and January 1 following the date of the Grand List. Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31 and are payable in one installment due January 1. It is the policy of the Town to record deferred revenue for property taxes receivable at June 30. Property taxes collected prior to June 30 that are applicable to the subsequent year's assessment are reported as deferred revenue. Taxes become overdue one month after the installment due date. Interest at the rate of 1.5% per month accrues on all overdue taxes. The Town files liens against property if taxes that are due July 1 remain unpaid on the following June 30.

F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of 5 years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20
Public domain infrastructure	40
System infrastructure	60
Vehicles	8
Office equipment	5
Computer equipment	5

H. Compensated Absences

Employees are paid by a prescribed formula for absence due to vacation or sickness. For eligible Town employees and Board of Education noncertified employees, sick time may be accumulated and paid upon death, retirement or termination, up to certain limits. The Town does not recognize sick pay liability for Board of Education certified staff. The Town does not accrue vacation pay liability because employees are generally not allowed to carry vacation time over to the following year.

A special revenue fund, the Employee Leave Liability Fund, has been established to offset the Town's future liability for unused, accrued sick pay earned by Town employees in accordance with official personnel policies. The fund is used to pay employees who are entitled to cash payments for unused sick leave. The General Fund generally provides for the payment of compensated absences for active employees.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities 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 effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount. Significant bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

J. Equity

Equity in the government-wide financial statements is defined as “net assets” and is classified in the following categories:

Invested in Capital Assets, Net of Related Debt - This component of net assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Assets - Net asset restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets - This component consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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

Reserved Fund Balance - A portion of fund balance that is not available for appropriation or is legally restricted by outside parties for use for a specific purpose.

Designated Fund Balance - Represents tentative management plans that are subject to change.

Unreserved Fund Balance - Serves as a measure of current available financial resources.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The Town adheres to the following procedures in establishing the budgetary data reported in the financial statements for the General Fund. Prior to March 16, the Town Manager submits to the Town Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

Two public hearings are held by the Town Council, at which taxpayer comments are obtained, and then the Town Council legally adopts the budget by a majority vote of all its members. If the Town Council fails to adopt a budget within ten days after holding its second public hearing, the Town Manager’s budget becomes the Town budget.

- The Town Manager is authorized to transfer budgeted amounts within departments within any fund, except within the Board of Education. The Town Council, during the last six months of the year, may transfer any unencumbered appropriations between departments, except for the Board of Education. The Board of Education is responsible for establishing its own system of budgetary control and certification of the sufficiency of unexpended and unencumbered balance of appropriation. The Town Council may authorize additional appropriations from unappropriated and unencumbered General Fund balance up to \$125,000 (amount not rounded). Special appropriations between \$125,000 and \$325,000 (amount not rounded) require a Town ordinance. Special appropriations over \$325,000 (amount not rounded) require voter approval.

- Formal budgetary integration is employed as a management control device during the year for the General Fund legally adopted budget.
- Except for encumbrance accounting, the budget is prepared on the modified accrual basis of accounting.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level for the General Fund.
- Budgeted amounts shown are as amended. There were no additional appropriations from fund balance during 2009-10.

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

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

Deposits

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$26,522 of the Town's bank balance of \$27,553 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$	23,808
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name		<u>2,714</u>
Total Amount Subject to Custodial Credit Risk	\$	<u><u>26,522</u></u>

Cash Equivalents

At June 30, 2010, the Town's cash equivalents amounted to \$17,396. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard and Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm
Cutwater Asset Management. - Cooperative Liquid Assets Securities System (CLASS)	AAAm

Investments

As of June 30, 2010, the Town had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1 - 10</u>	<u>More Than 10</u>
Interest-bearing investments:					
Certificates of deposit	*	\$ <u>1,402</u>	\$ _____	\$ <u>1,402</u>	\$ _____
Total		1,402	<u> -</u>	<u>1,402</u>	<u> -</u>
Other investments:					
Pooled open-end mutual funds		<u>43,871</u>			
Total Investments		\$ <u><u>45,273</u></u>			

*Subject to coverage by Federal Depository Insurance and collateralization.

Interest Rate Risk - The Town limits their maximum final stated maturities to fifteen years, unless specific authority is given to exceed. To the extent possible, the Town will attempt to match its investments with anticipated cash flow requirements.

Credit Risk - Investments - As indicated above, State Statutes limit the investment options of cities and towns. The Town has an investment policy that allows the same type of investments as State Statutes.

Concentration of Credit Risk - The Town's investments are maintained in open-end mutual funds and are therefore not subject to concentration of credit risk market conditions.

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2010, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

4. RECEIVABLES

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

	<u>General</u>	<u>Small Cities</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:				
Taxes	\$ 1,153	\$	\$	\$ 1,153
Accounts	101		15	116
Housing loans		881		881
Intergovernmental			734	734
Gross receivables	<u>1,254</u>	<u>881</u>	<u>749</u>	<u>2,884</u>
Less allowance for uncollectibles	<u>94</u>			<u>94</u>
Net Total Receivables	<u>\$ 1,160</u>	<u>\$ 881</u>	<u>\$ 749</u>	<u>\$ 2,790</u>

Note: Does not include accrued interest on property taxes of \$410.

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

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable	\$ 848	\$
Taxes collected in advance		3,424
Grant drawdowns prior to meeting all eligibility requirements		51
Housing loans	881	
Program fees collected in advance		419
	<u> </u>	<u> </u>
Total Deferred/Unearned Revenue for Governmental Funds	<u>\$ 1,729</u>	<u>\$ 3,894</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases and Adjustments</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,679	\$ 800	\$	\$ 3,479
Construction in progress	756	2,205		2,961
Intangible assets		2,770		2,770
Total capital assets not being depreciated	<u>3,435</u>	<u>5,775</u>	<u>-</u>	<u>9,210</u>
Capital assets being depreciated:				
Buildings	58,923	297		59,220
Improvements other than buildings	3,828		(38)	3,790
Furniture, fixtures and equipment	18,536	1,056	(22)	19,570
Infrastructure	45,347	780		46,127
Total capital assets being depreciated	<u>126,634</u>	<u>2,133</u>	<u>(60)</u>	<u>128,707</u>
Less accumulated depreciation for:				
Buildings	(21,792)	(1,325)		(23,117)
Improvements other than buildings	(1,535)	(168)		(1,703)
Furniture, fixtures and equipment	(9,916)	(1,297)	22	(11,191)
Infrastructure	(23,272)	(640)		(23,912)
Total accumulated depreciation	<u>(56,515)</u>	<u>(3,430)</u>	<u>22</u>	<u>(59,923)</u>
Total capital assets being depreciated, net	<u>70,119</u>	<u>(1,297)</u>	<u>(38)</u>	<u>68,784</u>
Governmental Activities Capital Assets, Net	<u>\$ 73,554</u>	<u>\$ 4,478</u>	<u>\$ (38)</u>	<u>\$ 77,994</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:		
General government	\$	207
Public safety		666
Public works		825
Community planning and development		131
Library		55
Parks and recreation		155
Education		<u>1,391</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>3,430</u></u>

Construction Commitments

The Town has 36 active construction projects as of June 30, 2010. The projects include major school project authorizations. At year end the Town's commitments with contractors are as follows:

	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Public building projects	\$ 26,750	\$ 108
School capital improvements	1,110	268
Capital and nonrecurring	9,505	2,390
DECD municipal parking lot	992	8
Cemetery	<u>495</u>	<u>30</u>
Total	<u><u>\$ 38,852</u></u>	<u><u>\$ 2,804</u></u>

Major commitments are being financed primarily by State grants for school construction.

6. INTERFUND ACCOUNTS

During the course of operations, transactions are processed through the General Fund on behalf of other funds. A summary of General Fund interfund balances as of June 30, 2010 is presented below:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 56

All interfund receivables and payables represent routine recurring transactions that are temporary in nature.

Interfund transfers:

	Transfer In		
	General	Nonmajor Governmental	Total
Transfers out:			
General Fund	\$	\$ 99	\$ 99
Capital Projects	3,846		3,846
Nonmajor Governmental	184		184
Internal Service Funds	291		291
	<hr/>	<hr/>	<hr/>
Total Transfers Out	\$ 4,321	\$ 99	\$ 4,420
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Transfers are for regularly recurring operational transfers.

7. LEASES

Capital Leases

The Town entered into lease agreements for financing the acquisition of fire apparatus and for the recycling containers. The following is a schedule of the future minimum lease payments under the capital lease, and the present value of the net minimum lease payments at June 30, 2010:

<u>Fiscal Year Ending June 30</u>	
2011	\$ 218
2012	112
2013	112
2014	112
2015	111
	<hr/>
Total future minimum lease payments	665
Interest on future lease payments	36
	<hr/>
Principal Balance of Future Minimum Payments	\$ 629
	<hr/> <hr/>

The initial value of apparatus and recycling containers acquired amounted to \$975 and \$525, respectively. The net book value of the assets approximate the principal balance of the lease at June 30, 2010.

8. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 16,855	\$ 3,640	\$ 5,350	\$ 15,145	\$ 1,630
Deferred amount in refunding		(40)		(40)	
Total bonds payable	<u>16,855</u>	<u>3,600</u>	<u>5,350</u>	<u>15,105</u>	<u>1,630</u>
Compensated absences	3,566	1,117	1,574	3,109	1,000
Net OPEB Obligation	1,081	2,601	1,578	2,104	
Capital leases	<u>307</u>	<u>525</u>	<u>203</u>	<u>629</u>	<u>206</u>
Total Governmental Activity Long-Term Liabilities	<u>\$ 21,809</u>	<u>\$ 7,843</u>	<u>\$ 8,705</u>	<u>\$ 20,947</u>	<u>\$ 2,836</u>

A schedule of bonds and serial notes outstanding at June 30, 2010 is presented below:

<u>Description</u>	<u>Date of Issue</u>	<u>Amount of Interest Rate (%)</u>	<u>Balance Original Issue</u>	<u>Outstanding June 30, 2010</u>
General purpose bonds:				
Police station	06/05	4.25-5.0	3,700	\$ 2,775
Police station	05/04	3.2-4.6	3,750	2,625
School:				
School Improvements	04/10	1.5-4.0	3,640	3,640
School improvements	05/04	3.2-4.6	4,950	3,465
School improvements	06/03	2.0-5.0	4,950	<u>2,640</u>
Total				<u>\$ 15,145</u>

The following is a schedule of bond maturities as of June 30, 2010:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 1,630	\$ 532	\$ 2,162
2012	1,825	487	2,312
2013	1,800	436	2,236
2014	1,780	385	2,165
2015	1,355	332	1,687
2016-2020	4,090	1,055	5,145
2021-2025	<u>2,665</u>	<u>317</u>	<u>2,982</u>
Total	<u>\$ 15,145</u>	<u>\$ 3,544</u>	<u>\$ 18,689</u>

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 169,709	\$ 5,400	\$ 164,309
Schools	339,417	9,745	329,672
Sewers	282,848	17,529	265,319
Urban renewal	245,135		245,135
Pension deficit	226,278		226,278

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$528 million. All long-term debt obligations are retired through General Fund appropriations.

Indebtedness, in accordance with State Statutes, includes long-term debt outstanding in addition to the amount of bonds authorized and unissued against which bonds have been issued to partially finance the project or bond anticipation notes issued and outstanding. Sewer indebtedness includes overlapping debt of the Metropolitan District. As a member of the Metropolitan District (a quasi-municipal corporation that provides water supply and sewerage collection and disposal facilities for members), the Town is contingently liable for \$17.53 million or 8.49% of the debt of the District.

General Obligation Bonds Refunding

On April 8, 2010, the Town issued \$3,640 of general obligation refunding bonds with interest rates ranging from 1.5% to 4% to currently refund the outstanding principal amounts of \$1,600 General Obligation Bonds, Series of 1999, dated May 15, 1999 and \$2,000 General Obligation Bonds, Series 2000, dated April 1, 2000.

The net proceeds of \$3,737 (including a premium of \$97 and issuance costs of \$68, including underwriter's fees) will reduce total debt service payments over the next 5 years by approximately \$229 and represents an economic gain (difference between present values of the debt service payments on the old and new debt) of \$229. As a result, the refunded bonds are considered partially defeased, and all future interest and principal on the partially defeased bonds will be paid from the proceeds of the refunding issue, which were placed into an irrevocable escrow account until all the partially defeased bonds have been called. The outstanding balance of the defeased bonds as of June 30, 2010 is \$3,640.

9. RISK MANAGEMENT

The Town is exposed to various risks of loss including torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town generally obtains commercial insurance for these risks, but has chosen to retain the risks for employee health and medical claims. The Health Insurance Internal Service Fund is utilized to report the self-insurance activity. Anthem Blue Cross/Blue Shield administers the plan, for which the Town pays a fee. The General Fund (Town and Board of Education) and Cafeteria Fund (Special Revenue Fund) contribute based on Anthem Blue Cross/Blue Shield estimates made using the Town's historical data. The Town covers all claims up to \$150,000 (amount not rounded) per participant per year with an individual stop-loss policy covering amounts exceeding the limit. In addition, the Town has an aggregate stop-loss policy that would cover claims exceeding 120% of the total estimated claims for the plan year. Settled

claims, for all types of commercial coverage, have not exceeded coverage in any of the past three years.

The claims liability of \$766 reported in the Health Benefits Internal Service Fund at June 30, 2010 is based on Governmental Accounting Standards Board Statement No. 10, which requires that a liability for estimated claims incurred but not reported be recorded. Changes in the claims liability were:

	<u>Liability</u> <u>July 1,</u>		<u>Current Year</u> <u>Claims and</u> <u>Changes in Estimates</u>		<u>Claim</u> <u>Payments</u>		<u>Liability</u> <u>June 30,</u>
2008-2009	\$ 726	\$	9,533	\$	9,404	\$	855
2009-2010	855		9,039		9,128		766

10. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

The Town provides post-employment benefits for Police Department, Teachers and certain other retirees. This benefit is provided per various bargaining agreements. The Town pays for 100% of retiree and spouse costs for Police and 75% of retiree costs for Town and Board of Education administrators. The Town is required to provide medical, dental and life insurance to certain retired police officers. The Town is also required to provide medical and dental insurance to certain other retirees until the retirees reach the age of 65 or unless covered elsewhere. The post-employment benefits plan is a single-employer defined benefit healthcare plan administered by the Town of Newington. The Town does not issue a separate stand alone financial statement for this program.

For the fiscal year 2010 the General Fund appropriation payments totaled \$580 as follows:

	<u>Retirees</u>	<u>Amount</u>
Police	22	\$ 339
Board of Education	130	175
Other	45	66
Total	<u>197</u>	<u>\$ 580</u>

B. Funding Policy

The Town funding and payment of postemployment benefits are accounted for in the General Fund on a pay-as-you-go basis. The Town has not established a trust fund to irrevocably segregate assets to fund the liability associated with postemployment benefits in accordance with GASB guidelines. The Town is currently in the process of establishing a trust, which will be in place by the end of fiscal year 2011. The trust will be established with initial allocations of 60% common stocks and 40% bonds. The annual required contribution (ARC) payment will be transferred into this account annually from the General Fund and budgeted as part of the budgeting process, which is approved by the Town Council.

The Town's funding strategy for postemployment obligations are based upon characteristics of benefits on three distinct groups of employees established within their respective collective bargaining units and/or contracts and include the following:

- AFSCME Board of Education and Town employees as well as Police officers are eligible for retiree health care coverage until age 65 upon attainment of normal or early retirement. Normal retirement is the earlier of age 63 or completion of 25 years of service. Early retirement is age 55, and 5 years of continuous service or 15 years of aggregate service. Coverage is pre-65 only. Post-65 non-Medicare eligible retirees can continue coverage at their own expense.
- Teachers and School Administrators are eligible for retiree health care coverage for lifetime at the earlier of age 55 with 20 years of service or 25 years of service.
- Surviving spouses of retired teachers and nonteachers at the school are allowed to remain on the plan.
- Surviving spouses of retirees and actives eligible to retire are allowed to remain on the plan.

C. Annual OPEB Cost and Net OPEB Obligations

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

	Post- Employment Medical Program
Annual required contribution (ARC)	\$ 2,598
Interest on net OPEB obligation	43
Adjustment to annual required contribution	(39)
Annual OPEB cost	<u>2,602</u>
Contributions made	<u>1,579</u>
Increase in net OPEB obligation	1,023
Net OPEB obligation, beginning of year	<u>1,081</u>
Net OPEB Obligation, End of Year	<u>\$ 2,104</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the last two fiscal years is presented below. Data is only presented for only two fiscal years due to the year ended June 30, 2010 being the second year of transition.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/09	\$ 2,455	\$ 1,374	55.97%	\$ 1,081
6/30/10	2,602	1,579	60.68	2,104

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) (b)	Funded (Unfunded) AAL (UAAL) (a-b)	Percentage Funded (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/07	\$ -	\$ 29,546	\$ (29,546)	0.0%	\$ N/A	N/A
7/1/09	-	20,275	(20,275)	0.0	N/A	N/A

Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2009	\$ 2,455	55.97%
2010	2,598	60.77

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future. Projections for benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2009 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.0% investment rate of return, which is the rate of the expected long-term investment returns of plan assets calculated based on the funding policy of the plan at the valuation date. The actuarial value of assets was determined using an open group. The UAAL is being amortized on a level percentage of pay over 30 years. The annual healthcare cost trend rate is 9% initially with an ultimate rate of 4%.

11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Defined Benefit Plans

A. Plan Description and Provisions

The Town maintains four single employer, contributory (except for Volunteer Firefighters' Plan), defined benefit pension plans. The Plans cover substantially all full time employees except certified personnel at the Board of Education. The four Pension Plans are part of the Town's financial reporting entity and are accounted for in the Pension Trust Funds: Municipal Employees', Police Officers', Administrative Employees' and Volunteer Firefighters' Plans. Each Plan provides retirement, disability, death benefits and cost of living adjustments to plan members and beneficiaries. The

Charter provides the authority to establish and amend benefit provisions to the Town Council. Stand alone financial statements are not issued.

Municipal Employees' Plan

All bargaining unit employees are eligible to participate in the Plan except elected officials, police officers and certified professional employees of the Newington Board of Education. Effective January 1, 2007, the Plan was closed to all new hires. Benefits vest after 5 years of continuous service or 15 years of aggregate service. The normal retirement is the earlier of age 63 or completion of 25 years of service.

Pension benefits for normal retirement under the Municipal Employees' Plan are based on the average rate of earnings during the 3 years for which the participants' earnings were at their highest level (final earnings). The participants' yearly pension amount will be equal to 1.7% of the final earnings multiplied by the number of years of aggregate service through July 1, 1990 plus 2% of final earnings times years of aggregate service since July 1, 1990. The Plan permits early retirement for participants at age 55 with 5 years of continuous service or 15 years of aggregate service.

Police Officers' Plan

All Police Officers, Canine Control officers and Public Safety Dispatchers of the Newington Police Department are eligible to participate in the Plan. Benefits vest after 10 years of full time service. Normal retirement is the earlier of age 50 or 20 years of service.

Pension benefits for normal retirement under the Police Officers' Plan are based on the average rate of earnings during the 3 years of which the participants' earnings were at their highest level (final earnings). The participants' yearly pension benefit will be equal to 2.5% of the final earnings multiplied by the years of service. For employees hired after January 1, 2007, the benefit is capped at 70% of base compensation in the year prior to retirement. The Plan permits early retirement for participants at age 45 with 10 years of service with benefits reduced by the appropriate early retirement adjustment.

Administrative Employees Plan

All administrative or technical employees not covered under the Municipal Employees' Plan or Police Officers' Plan are eligible under the Administrative Employees' Plan. Effective January 1, 1997, the Plan was closed to all new hires. Benefits vest after 5 years of continuous service or 15 years of aggregate service. Normal retirement is the earlier of age 65 or 30 years of service.

Pension benefits for normal retirement under the Administrative Employees' Plan are based on the rate of earnings for the highest average earnings received in any 3 consecutive years. The participants' yearly pension amount will be equal to 1.75% of final earnings up to \$10,000 plus 2% of final earnings in excess of \$10,000 multiplied by the number of years of aggregate service. The Plan permits early retirement for participants at age 55 who have 10 years of continuous service or 15 years of aggregate service. Benefits for early retirement are computed based on the normal retirement benefit and adjusted by the appropriate early retirement adjustment factor.

Volunteer Firefighters’ Plan

Effective July 1, 1994, accrued benefits for eligible members of the Newington Volunteer Fire Department are frozen for all but 17 participants. Ongoing benefits are provided through a new Volunteer Firefighters’ Defined Contribution Plan. Benefits vest after 10 years of service. Normal retirement age is 60.

The seventeen continuing participants receive benefit enhancements which will be phased in over a five-year period. Monthly pension benefit amount for normal retirement for those who continue in this Volunteer Firefighters’ Plan is equal to \$120 based on the completion of ten years of credited service plus \$7.50 for each additional year of service effective July 1, 1999 (increasing \$.50 each July 1, maximum to \$12.00). There are also percentage increases in the benefits if the participant is an officer of the Volunteer Fire Department for at least five years.

At July 1, 2008 (July 1, 2009 for Firefighters plan) the Plan membership of defined benefit plans consisted of the following:

	<u>Municipal</u>	<u>Police</u>	<u>Administrative</u>	<u>Firefighters</u>
Retirees and beneficiaries	167	59	28	32
Terminated participants	11		7	46
Active participants	167	56	15	32
Total	<u>345</u>	<u>115</u>	<u>50</u>	<u>110</u>

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: The four Pension Trust Funds are accounted for using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments: Investments are reported at fair value. Investment income is recognized when earned and gains and losses on sales or exchanges of investments are recognized on the transaction date. Unrealized gains and losses due to appreciation and depreciation of Plan assets are also recognized at fiscal year end.

C. Funding Policy

The contribution requirements of plan members, with the exception of Firefighters’ Plan which is noncontributory, are established and may be amended by the Town Council, subject to union contract negotiation. If an employee leaves covered employment or participation or dies before meeting the vesting requirements, accumulated employee contributions and interest thereon are refunded. The Town is required, by Charter, to contribute the amount necessary to finance the benefits for its employees, net of employee contributions, as determined by its actuaries. Investment services and actuarial valuations are paid by the individual plans. Other costs of administering the plans are paid by the Town. The employees’ required contribution rates and the Town’s current rate of annual covered payroll is presented in the following table:

	<u>Municipal</u>	<u>Police</u>	<u>Administrative</u>
Employee required contribution	4.5	7.0	4.5
Town current rate	11.0	31.85	17.3

D. Annual Pension Cost and Net Pension Obligations (Assets)

The Town's annual pension cost and net pension obligation (asset) to the Town's Retirement System for the current year were as follows:

	<u>Municipal</u>	<u>Police</u>	<u>Administrative</u>	<u>Firefighters</u>
Annual required contribution	\$ 969	\$ 1,525	\$ 196	\$ 64
Interest in net pension obligation	(1)	(14)		
Adjustment to annual required contribution		15		
Annual pension cost	968	1,526	196	64
Contributions made	969	1,525	196	64
(Increase) decrease in net pension asset	(1)	1	-	-
Net pension asset, July 1, 2009	(8)	(181)	(5)	-
Net Pension Asset, June 30, 2010	\$ (9)	\$ (180)	\$ (5)	\$ -

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

	<u>Municipal</u>	<u>Police</u>	<u>Administrative</u>	<u>Firefighters</u>
Actuarial valuation date	7-1-08	7-1-08	7-1-08	7-1-09
Actuarial cost method	Projected Unit Cost	Projected Unit Cost	Projected Unit Cost	Frozen Entry Age Cost
Amortization method	Level Dollar Open	Level Dollar Open	Level Dollar Open	Level Dollar Open
Remaining amortization period	27 years	17 years	27 years	20 years
Asset valuation method	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing
Actuarial assumptions:				
Investment rate of return	7.75%	7.75%	7.75%	6.4%
Projected salary increases	4.0%	4.0%	4.0%	N/A
Cost of living adjustments	None	2.0%	None	None
Inflation rate	3.0%	3.0%	3.0%	2.5%

E. Trend Information

	Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
<u>Municipal</u>				
	6/30/08	\$ 837	100%	\$ (8)
	6/30/09	853	100	(8)
	6/30/10	968	100	(9)
<u>Police</u>				
	6/30/08	1,277	100	(181)
	6/30/09	1,336	100	(181)
	6/30/10	1,526	100	(180)
<u>Administrative</u>				
	6/30/08	180	100	(5)
	6/30/09	173	100	(5)
	6/30/10	196	100	(5)
<u>Firefighters</u>				
	6/30/08	82	100	-
	6/30/09	72	100	-
	6/30/10	64	100	-

F. Pension Plan Required Supplementary Information

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
<u>Municipal</u>						
7/1/03	\$ 18,349	\$ 21,727	\$ 3,378	84.5	\$ 7,868	42.9
7/1/04	18,188	23,270	5,082	78.2	8,210	61.9
7/1/05	18,197	24,488	6,291	74.3	8,529	73.8
7/1/06	18,703	26,270	7,567	71.2	8,828	85.7
7/1/07	20,254	27,691	7,437	72.4	8,665	88.1
7/1/08	21,122	29,653	8,531	71.2	8,823	96.7
<u>Police</u>						
7/1/03	23,514	30,939	7,426	76.0	3,866	192.1
7/1/04	23,436	32,807	9,371	71.4	4,045	231.7
7/1/05	23,773	35,085	11,312	67.8	4,205	269.0
7/1/06	24,743	36,042	11,299	68.7	4,375	258.3
7/1/07	26,546	38,205	11,659	69.5	4,500	259.1
7/1/08	28,005	41,215	13,210	68.0	4,789	275.9
<u>Administrative</u>						
7/1/03	6,312	7,337	1,026	86.0	1,525	67.3
7/1/04	6,374	7,872	1,498	81.0	1,297	115.6
7/1/05	6,470	8,380	1,910	77.2	1,253	152.5
7/1/06	6,718	8,513	1,794	78.9	1,133	158.4
7/1/07	7,065	8,655	1,590	81.6	1,112	142.9
7/1/08	7,368	9,393	2,025	78.4	1,131	179.0
<u>Firefighters</u>						
7/1/03	654	1,383	729	47.3	N/A	N/A
7/1/05	690	1,384	694	49.9	N/A	N/A
7/1/07	747	1,361	614	54.9	N/A	N/A
7/1/09	758	1,169	411	64.8	N/A	N/A

Schedule of Employer Contributions

Fiscal Year Ended	(thousands)			
	Municipal		Police	
	Required Contribution	Annual Percentage Contributed	Required Contribution	Annual Percentage Contribution
6/30/05	\$ 442	100	\$ 806	100%
6/30/06	539	100	1,166	100
6/30/07	622	100	1,354	100
6/30/08	837	100	1,277	100
6/30/09	853	100	1,336	100
6/30/10	969	100	1,525	100

Schedule of Employer Contributions

Fiscal Year Ended	(thousands)			
	Administrative		Firefighters	
	Required Contribution	Annual Percentage Contributed	Required Contribution	Annual Percentage Contribution
6/30/05	\$ 160	100%	\$ 88	100%
6/30/06	189	100	88	100
6/30/07	204	100	82	100
6/30/08	180	100	82	100
6/30/09	173	100	72	100
6/30/10	196	100	64	100

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is presented in Section D above.

Teachers' Retirement

All Town of Newington teachers participate in the State of Connecticut Teachers' Retirement System under Section 10.183 of the General Statutes of the State of Connecticut. A teacher is eligible to receive a normal retirement benefit if he or she has: (1) attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or (2) attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Teacher payroll subject to retirement amounted to \$27.9 million or 72% of the total Board of Education payroll of \$38.7 million.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of the actuarially computed unfunded liability. These obligations are established under the authority of the Connecticut General Statutes. For the year ended June 30, 2010 the Town has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$4,323 as payments made by the State of Connecticut on behalf of the Town. The Town does not have any liability for teacher pensions.

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, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

Volunteer Firefighters' - Defined Contribution Plan

In addition to the defined benefit plan described above, the Town provides a defined contribution plan to certain volunteer firefighters. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Most current active and all new and future members of volunteer firefighters can only participate in this plan. Members are 100% vested after 10 years of service. Contributions range from \$385 per year for members with less than 5 years of service to \$805.25 per year for members with more than 35 years of service. The firefighters do not contribute to

the Plan. Plan provisions and contribution requirements are established and may be amended by the Town Council.

The Town's contribution for 2009-2010, computed in accordance with plan requirements, amounted to \$68,842 (not rounded). At June 30, 2010, there were 160 members of the plan.

Pension Trust Funds

The Town maintains various pension trust funds to account for its fiduciary responsibility. The following schedules present the net assets held in trust for pension benefits at June 30, 2010 and the changes in net assets for the year then ended.

	Schedule of Plan Net Assets					Total
	Police Officers' Plan	Municipal Employees' Plan	Administrative Employees' Plan	Volunteer Defined Benefit	Firefighters' Plans Defined Contribution	
Assets:						
Cash and cash equivalents	\$ 235	\$ 169	\$ 70	\$ 585	\$ 495	\$ 1,554
Investments	21,986	16,295	5,262		328	43,871
Total assets	<u>22,221</u>	<u>16,464</u>	<u>5,332</u>	585	823	45,425
Liabilities:						
Accounts payable	<u>217</u>	<u>162</u>	<u>68</u>			<u>447</u>
Net Assets Held in Trust for Pension Benefits	<u>\$ 22,004</u>	<u>\$ 16,302</u>	<u>\$ 5,264</u>	<u>\$ 585</u>	<u>\$ 823</u>	<u>\$ 44,978</u>

Schedule of Plan Net Assets

	Police Officers' Plan	Municipal Employees' Plan	Administrative Employees' Plan	Volunteer Defined Benefit	Firefighters' Plans Defined Contribution	Total Pension Trust Funds
Additions:						
Contributions:						
Employer	\$ 1,525	\$ 969	\$ 196	\$ 72	\$ 64	\$ 2,826
Plan members	400	363	41		10	814
Total contributions	<u>1,925</u>	<u>1,332</u>	<u>237</u>	<u>72</u>	<u>74</u>	<u>3,640</u>
Investment income:						
Net appreciation in fair value of investments	2,342	1,766	592			4,700
Interest and dividends				2	32	34
Total investment income	<u>2,342</u>	<u>1,766</u>	<u>592</u>	<u>2</u>	<u>32</u>	<u>4,734</u>
Less investment expenses	<u>155</u>	<u>116</u>	<u>38</u>			<u>309</u>
Net investment income	<u>2,187</u>	<u>1,650</u>	<u>554</u>	<u>2</u>	<u>32</u>	<u>4,425</u>
Total additions	<u>4,112</u>	<u>2,982</u>	<u>791</u>	<u>74</u>	<u>106</u>	<u>8,065</u>
Deductions:						
Benefits	2,517	1,998	760	91	16	5,382
Administration	28	23	18	6	9	84
Total deductions	<u>2,545</u>	<u>2,021</u>	<u>778</u>	<u>97</u>	<u>25</u>	<u>5,466</u>
Net increase (decrease)	1,567	961	13	(23)	81	2,599
Net Assets Held in Trust for Pension Benefits, Beginning of Year						
	<u>20,437</u>	<u>15,341</u>	<u>5,251</u>	<u>608</u>	<u>742</u>	<u>42,379</u>
Net Assets Held in Trust for Pension Benefits, End of Year						
	<u>\$ 22,004</u>	<u>\$ 16,302</u>	<u>\$ 5,264</u>	<u>\$ 585</u>	<u>\$ 823</u>	<u>\$ 44,978</u>

**Required Supplementary
Information**

TOWN OF NEWINGTON, CONNECTICUT

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Property taxes:				
Current levy	\$ 73,070	\$ 73,070	\$ 74,133	\$ 1,063
Prorated motor vehicles	595	595	514	(81)
Prorated real estate	50	50	82	32
Prior year tax levies	375	375	494	119
Interest and liens	250	250	371	121
Total	<u>74,340</u>	<u>74,340</u>	<u>75,594</u>	<u>1,254</u>
Payments in lieu of taxes:				
State-Owned PILOT	690	690	691	1
New Manufacturers Inventory	800	800	890	90
Elderly Freeze Exemption	15	15	12	(3)
Disabled exemption	4	4	5	1
Elderly Circuit Breaker	272	272	268	(4)
Additional Veteran's Exemption	28	28	29	1
Tax Exempt Colleges and Hospital	1,133	1,133	1,152	19
Boats	5	5	3	(2)
Total	<u>2,947</u>	<u>2,947</u>	<u>3,050</u>	<u>103</u>
Licenses and permits:				
Building permits	184	184	284	100
Vendor's permits	1	1	1	-
Gun permits	2	2	5	3
Work Within Rights of Way	6	6	8	2
Refuse handling licenses	2	2	2	-
Total	<u>195</u>	<u>195</u>	<u>300</u>	<u>105</u>
Rentals:				
Town Hall rental	4	4	4	-
Indian Hill Country Club	84	84	83	(1)
Other town property	40	40	43	3
Total	<u>128</u>	<u>128</u>	<u>130</u>	<u>2</u>
Investment income	<u>375</u>	<u>375</u>	<u>172</u>	<u>(203)</u>
Fines:				
Parking tickets	20	20	24	4
False alarms	20	20	18	(2)
Ambulance Response Overages			22	22
Total	<u>40</u>	<u>40</u>	<u>64</u>	<u>24</u>

(Continued on next page)

TOWN OF NEWINGTON, CONNECTICUT

GENERAL FUND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Charges for services:				
Conservation Commission	\$ 4	\$ 4	\$ 4	\$ -
Zoning Board of Appeals	2	2		(2)
Town Planning and Zoning	8	8	11	3
Town Clerk Fees	200	200	495	295
Police	8	8	7	(1)
Human Services - counseling fee	20	20	25	5
Library - overdue fines	33	33	29	(4)
Dial-A-Ride Tickets	5	5	5	-
Scrap Metal Curbside	15	15	27	12
Senior and Disabled Center fees	2	2	-	(2)
Engineering fees	1	1	2	1
Total	<u>298</u>	<u>298</u>	<u>605</u>	<u>307</u>
State of Connecticut:				
Public Library	3	3	3	-
Mashantucket Pequot Fund	297	297	219	(78)
Youth Services Bureau	23	23	23	-
Alcohol and Drug Abuse			4	4
Telecommunications Tax	150	150	122	(28)
Emergency Management Grant	5	5	4	(1)
Transportation - Non-public	11	11	30	19
Transportation - Public	480	480	252	(228)
Adult Education	29	29	30	1
Special Education Excess Cost			163	163
School Building Grants	566	566	684	118
Health Services	17	17	17	-
Services for the Blind	9	9	-	(9)
Local Bridge Program			129	129
Town Aid Road	15	15	15	-
Education Cost Sharing Grant	12,633	12,633	10,846	(1,787)
Total	<u>14,238</u>	<u>14,238</u>	<u>12,541</u>	<u>(1,697)</u>

(Continued on next page)

TOWN OF NEWINGTON, CONNECTICUT

GENERAL FUND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2010
(In Thousands)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Federal government:				
Senior Citizen Trans Aid	\$ 4	\$ 4	\$ 10	\$ 6
ARRA Stabilization Grant			1,802	1,802
Total	<u>4</u>	<u>4</u>	<u>1,812</u>	<u>1,808</u>
Miscellaneous:				
Other - miscellaneous	31	31	48	17
Cancelled PY encumbrances	10	10	36	26
United Way (Human Services)	4	4	3	(1)
Total	<u>45</u>	<u>45</u>	<u>87</u>	<u>42</u>
Total revenues	92,610	92,610	94,355	1,745
Other financing sources:				
Transfers in	<u>99</u>	<u>99</u>	<u>99</u>	<u>-</u>
Total	<u>\$ 92,709</u>	<u>\$ 92,709</u>	94,454	<u>\$ 1,745</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			4,323	
Cancellation of prior year encumbrances are recognized as budgetary revenue			(36)	
The Board of Education does not budget for certain intergovernmental grants which are credited against education expenditures for budgetary reporting; these amounts are recorded as revenues and expenditures for financial reporting purposes			1,206	
Refunding bonds issued			<u>3,640</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Exhibit IV			<u>\$ 103,587</u>	

TOWN OF NEWINGTON, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)FOR THE YEAR ENDED JUNE 30, 2010
(In Thousands)

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
General Government:				
Town Council	\$ 26	\$ 28	\$ 28	\$ -
Town Manager	377	377	353	24
Courts	37	37	32	5
Elections	109	109	95	14
Finance	1,083	1,083	1,038	45
Town Attorney	135	135	135	-
Town Clerk	170	170	163	7
Personnel	58	58	43	15
General services	2,295	2,295	1,947	348
Total general government	<u>4,290</u>	<u>4,292</u>	<u>3,834</u>	<u>458</u>
Public Safety:				
Police Department	6,146	6,146	5,975	171
Fire Department	709	718	676	42
Street lighting	371	339	318	21
Emergency Medical Service	25	25	21	4
Hydrants	64	64	62	2
Total public safety	<u>7,315</u>	<u>7,292</u>	<u>7,052</u>	<u>240</u>
Public Works:				
Engineering	269	269	258	11
Highway Department	2,318	2,318	2,182	136
Solid Waste Services	2,232	2,232	2,087	145
Total public works	<u>4,819</u>	<u>4,819</u>	<u>4,527</u>	<u>292</u>
Community Planning and Development:				
Planning and Development	238	238	228	10
Town Planning and Zoning	21	21	19	2
Zoning Board of Appeals	6	6	3	3
Building Department	223	223	223	-
Conservation Commission	5	5	3	2
Economic Development	5	5	3	2
Total community planning and development	<u>498</u>	<u>498</u>	<u>479</u>	<u>19</u>

(Continued on next page)

TOWN OF NEWINGTON, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2010
(In Thousands)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Health and Community Services:				
Public Health:				
Health Services	\$ 122	\$ 122	\$ 121	\$ 1
Community Services:				
Human Services	456	456	449	7
Senior and Disabled Center	560	560	536	24
Boards and Commissions	11	11	9	2
Total health and community services	<u>1,149</u>	<u>1,149</u>	<u>1,115</u>	<u>34</u>
Library:				
Library operations	<u>1,651</u>	<u>1,661</u>	<u>1,646</u>	<u>15</u>
Parks and Recreation:				
Parks and Recreation Administration	320	320	316	4
Grounds Maintenance	<u>1,163</u>	<u>1,163</u>	<u>1,111</u>	<u>52</u>
Total parks and recreation	<u>1,483</u>	<u>1,483</u>	<u>1,427</u>	<u>56</u>
Board of Education:				
Art	630	658	658	-
Career/Vocational	1,241	1,203	1,203	-
Computers	1,180	1,804	1,804	-
Language Arts	3,498	3,582	3,582	-
Foreign Language	1,141	1,125	1,125	-
Health/Safety	139	135	135	-
Math	3,361	3,267	3,267	-
Music	1,011	1,137	1,137	-
Physical Education	1,089	1,103	1,103	-
Reading	3,487	3,245	3,245	-
Science	3,223	3,149	3,149	-
Social Studies	3,248	3,164	3,164	-
Other Salaries	1,025	633	633	-
Special Education	5,720	5,812	5,812	-
Homebound	37	58	58	-
Adult Education	82	83	83	-
Guidance	1,049	1,085	1,085	-
Health/Nurses	614	499	499	-
Psychological Services	713	669	669	-
Speech and Hearing	519	450	450	-
Curriculum Development	59	80	80	-
Media	997	996	996	-
Board of Education	128	147	147	-
Central Direction	1,157	1,179	1,179	-
Building Direction	2,840	3,206	3,206	-
Supplies	190	270	270	-

(Continued on next page)

TOWN OF NEWINGTON, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Board of Education (continued):				
Maintenance	\$ 1,422	\$ 2,160	\$ 2,160	\$ -
Plant operation	4,645	4,078	4,047	31
Transportation	2,298	2,308	2,308	-
Evaluation, planning and development	105	81	81	-
Insurance	762	535	535	-
Employee benefits	9,233	8,932	8,932	-
Non Athletics	121	129	129	-
Athletics	465	513	513	-
Community service	119	73	73	-
Total Board of Education	<u>57,548</u>	<u>57,548</u>	<u>57,517</u>	<u>31</u>
Miscellaneous:				
Metropolitan District Assessment	2,592	2,591	2,588	3
Municipal insurance	681	615	615	-
Greater Hartford Transit District	3	3	3	-
Employee benefits	5,704	5,704	5,670	34
Donations and contributions	25	25	25	-
Contingency	254	254	27	227
Total miscellaneous	<u>9,259</u>	<u>9,192</u>	<u>8,928</u>	<u>264</u>
Debt service:				
Principal payments	1,750	1,750	1,750	-
Interest expense	704	704	704	-
Total debt service	<u>2,454</u>	<u>2,454</u>	<u>2,454</u>	<u>-</u>
Total expenditures	90,466	90,388	88,979	1,409
Other financing uses:				
Transfers out	<u>4,243</u>	<u>4,321</u>	<u>4,321</u>	<u>-</u>
Total	<u>\$ 94,709</u>	<u>\$ 94,709</u>	93,300	<u>\$ 1,409</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments to the Connecticut State Teachers'

Retirement System for Town teachers are not budgeted

4,323

The Board of Education does not budget for certain intergovernmental grants which are credited against education expenditures for budgetary reporting; these amounts are recorded as revenues and expenditures for financial reporting purposes

1,206

Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes

166

Payment to escrow agent

3,571

Refunding bond issuance cost

69

Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV

\$ 102,635

**Combining and Individual
Fund Statements and Schedules**

General Fund

GENERAL FUND

The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

TOWN OF NEWINGTON, CONNECTICUT

GENERAL FUND

COMPARATIVE BALANCE SHEET

JUNE 30, 2010 AND 2009
(In Thousands)

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 25,277	\$ 26,391
Receivables:		
Property taxes	1,059	1,135
Other receivable	101	123
Due from other funds	<u>56</u>	<u>11</u>
Total Assets	<u>\$ 26,493</u>	<u>\$ 27,660</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable and other liabilities	\$ 4,578	\$ 4,292
Deferred revenues	<u>4,272</u>	<u>6,677</u>
Total liabilities	<u>8,850</u>	<u>10,969</u>
Fund balance:		
Reserved for encumbrances	1,745	1,947
Unreserved:		
Designated for subsequent year's budget	2,000	2,000
Undesignated	<u>13,898</u>	<u>12,744</u>
Total fund balance	<u>17,643</u>	<u>16,691</u>
Total Liabilities and Fund Balance	<u>\$ 26,493</u>	<u>\$ 27,660</u>

TOWN OF NEWINGTON, CONNECTICUT

GENERAL FUND

REPORT OF TAX COLLECTOR

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

Grand List	Mill Rate	Uncollected Taxes July 1, 2009	Lawful Corrections		Suspense	Adjusted Taxes Collectible	Taxes	Interest	Liens	Total	Uncollected Taxes June 30, 2010
			Additions	Deductions							
2008	28.40	\$ 75,121	\$ 164	\$ 194	\$	\$ 75,091	\$ 74,378	\$ 182	\$ 3	\$ 74,563	\$ 713
2007	27.68	797	6	32	75	696	546	116	4	666	150
2006	26.91	183	2	3		182	119	40	1	160	63
2005	25.76	51	1	2		50	10	4		14	40
2004	36.43	52	2	1		53	4	3		7	49
2003	34.24	42		1		41				-	41
2002	32.29	40		1		39				-	39
2001	30.44	10				10				-	10
2000	28.58	9				9				-	9
1999	27.75	9				9				-	9
1998	27.17	9				9				-	9
1997	27.17	8				8		3		3	8
1996	25.25	7				7		1		1	7
1995	25.25	6				6				-	6
1994	24.54	6			6	-				-	-
		<u>\$ 76,350</u>	<u>\$ 175</u>	<u>\$ 234</u>	<u>\$ 81</u>	<u>\$ 76,210</u>	<u>\$ 75,057</u>	<u>\$ 349</u>	<u>\$ 8</u>	<u>\$ 75,414</u>	<u>\$ 1,153</u>

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**Nonmajor
Governmental Funds**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of special revenues sources (except major capital projects) that are legally restricted to expenditure for specific purposes. The Special Revenue Funds are as follows:

Fund	Funding Source	Function
Cafeteria	Sale of food, State and Federal grants	Food service operations
Road Aid Maintenance	State funds	Improvement of the Town's roads
State and Federal Grants	Federal or State grants	Education programs
Cemetery	Charges for services	Maintaining the Town's cemeteries
Dog Licenses	License fees	Canine control program
LOCIP Reserve	State funds	Infrastructure improvements
Recreation Programs	User fees	Recreation
Employee Leave Liability	Local	Pay employees for accumulated sick leave upon termination
Balf	The Balf Company	The use of these funds is to be determined in the future by the Town's governing body
Miscellaneous Grants	State and federal grants	Special programs administered by Town departments
Volunteer Ambulance	Local	Money purchase plan established
Volunteer Firefighters'	Local	Volunteer firefighters, who are vested but no longer active, which provides a one-time payment based on length of service
Scholarship Trust	Donations	Scholarship endowments/gifts
DECD	Department of Economic and Community Development grants	Improvement of downtown

Permanent Funds

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

Cemetery Trust Fund - consists of individual endowments, the interest of which is used to offset maintenance costs of individual graves.

Library Book Fund - records interest earned on endowment (Hubbard) which is used to purchase library books.

Tri-Centennial Fund - records contributions from local banks to be held in trust until the country's tri-centennial.

TOWN OF NEWINGTON, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

JUNE 30, 2010

(In Thousands)

	<u>Special Revenue Funds</u>									
	<u>Cafeteria</u>	<u>Road Aid Maintenance</u>	<u>State and Federal Grants</u>	<u>Cemetery</u>	<u>Dog Licenses</u>	<u>LOCIP Reserve</u>	<u>Recreation Programs</u>	<u>Employee Leave Liability</u>	<u>Balf</u>	<u>Miscellaneous Grants</u>
ASSETS										
Cash and cash equivalents	\$ 462	\$ 129	\$ 1,575	\$ 881	\$ 13	\$ 86	\$ 583	\$	\$ 29	\$ 604
Investments								1,402		
Receivables:										
Accounts and other	8				3			4		
State and Federal governments	70		11			85				328
Inventory	30									
Total Assets	<u>\$ 570</u>	<u>\$ 129</u>	<u>\$ 1,586</u>	<u>\$ 881</u>	<u>\$ 16</u>	<u>\$ 171</u>	<u>\$ 583</u>	<u>\$ 1,406</u>	<u>\$ 29</u>	<u>\$ 932</u>
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts and other payables	\$ 95	\$	\$ 5	\$	\$ 10	\$ 69	\$ 63	\$ 142	\$	\$ 96
Due to other funds	56									
Deferred revenue	25		34				394			17
Total liabilities	<u>176</u>	<u>-</u>	<u>39</u>	<u>-</u>	<u>10</u>	<u>69</u>	<u>457</u>	<u>142</u>	<u>-</u>	<u>113</u>
Fund Balance:										
Reserved:										
Encumbrances				23						92
Inventory	30									
Endowments										
Unreserved:										
Undesignated	364	129	1,547	858	6	102	126	1,264	29	727
Total fund balance	<u>394</u>	<u>129</u>	<u>1,547</u>	<u>881</u>	<u>6</u>	<u>102</u>	<u>126</u>	<u>1,264</u>	<u>29</u>	<u>819</u>
Total Liabilities and Fund Balance	<u>\$ 570</u>	<u>\$ 129</u>	<u>\$ 1,586</u>	<u>\$ 881</u>	<u>\$ 16</u>	<u>\$ 171</u>	<u>\$ 583</u>	<u>\$ 1,406</u>	<u>\$ 29</u>	<u>\$ 932</u>

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TOWN OF NEWINGTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2010
(In Thousands)

	Special Revenue Funds				Permanent Funds				Total Nonmajor Governmental Funds	
	Volunteer Ambulance	Volunteer Firefighters'	Scholarship Trust	DECD	Total	Cemetery Trust	Hubbard Book	Tri-Centennial		Total
ASSETS										
Cash and cash equivalents	\$ 241	\$ 150	\$ 245	\$	\$ 4,998	\$ 25	\$ 11	\$ 1	\$ 37	\$ 5,035
Investments					1,402					1,402
Receivables:										
Accounts and other					15					15
State and Federal governments				240	734					734
Inventory					30					30
Total Assets	<u>\$ 241</u>	<u>\$ 150</u>	<u>\$ 245</u>	<u>\$ 240</u>	<u>\$ 7,179</u>	<u>\$ 25</u>	<u>\$ 11</u>	<u>\$ 1</u>	<u>\$ 37</u>	<u>\$ 7,216</u>
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts and other payables	\$	\$	\$	\$ 240	\$ 720	\$	\$	\$	\$	\$ 720
Due to other funds					56					56
Deferred revenue					470					470
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>240</u>	<u>1,246</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,246</u>
Fund Balance:										
Reserved:										
Encumbrances				9	124					124
Inventory					30					30
Endowments						25	11	1	37	37
Unreserved:										
Undesignated	241	150	245	(9)	5,779					5,779
Total fund balance	<u>241</u>	<u>150</u>	<u>245</u>	<u>-</u>	<u>5,933</u>	<u>25</u>	<u>11</u>	<u>1</u>	<u>37</u>	<u>5,970</u>
Total Liabilities and Fund Balance	<u>\$ 241</u>	<u>\$ 150</u>	<u>\$ 245</u>	<u>\$ 240</u>	<u>\$ 7,179</u>	<u>\$ 25</u>	<u>\$ 11</u>	<u>\$ 1</u>	<u>\$ 37</u>	<u>\$ 7,216</u>

TOWN OF NEWINGTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2010
(In Thousands)

	Special Revenue Funds									
	<u>Cafeteria</u>	<u>Road Aid Maintenance</u>	<u>State and Federal Grants</u>	<u>Cemetery</u>	<u>Dog Licenses</u>	<u>LOCIP Reserve</u>	<u>Recreation Programs</u>	<u>Employee Leave Liability</u>	<u>Balf</u>	<u>Miscellaneous Grants</u>
Revenues:										
Licenses, fees and permits	\$	\$	\$	\$	\$ 16	\$	\$	\$	\$	\$
Intergovernmental Contributions	472	192	3,385			139				1,064
Charges for services	934			137		17	822			46
Investment income				4			1	11		
Miscellaneous	57			3						114
Total revenues	<u>1,463</u>	<u>192</u>	<u>3,385</u>	<u>144</u>	<u>16</u>	<u>156</u>	<u>823</u>	<u>11</u>	<u>-</u>	<u>1,433</u>
Expenditures:										
Current:										
General government				2				198		152
Public safety					16					227
Public works										3
Library										60
Parks and recreation							772			20
Education	1,573		1,728					108		
Capital outlay		76		109		139				787
Total expenditures	<u>1,573</u>	<u>76</u>	<u>1,728</u>	<u>111</u>	<u>16</u>	<u>139</u>	<u>772</u>	<u>306</u>	<u>-</u>	<u>1,249</u>
Other financing sources (uses):										
Transfers in							75	84		11
Transfers out				(99)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(99)</u>	<u>-</u>	<u>-</u>	<u>75</u>	<u>84</u>	<u>-</u>	<u>11</u>
Net change in fund balances	(110)	116	1,657	(66)	-	17	126	(211)	-	195
Fund balance at beginning of year	504	13	(110)	947	6	85	-	1,475	29	624
Fund Balance at End of Year	<u>\$ 394</u>	<u>\$ 129</u>	<u>\$ 1,547</u>	<u>\$ 881</u>	<u>\$ 6</u>	<u>\$ 102</u>	<u>\$ 126</u>	<u>\$ 1,264</u>	<u>\$ 29</u>	<u>\$ 819</u>

(Continued on next page)

TOWN OF NEWINGTON, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

	Special Revenue Funds					Permanent Funds				Total Nonmajor Governmental Funds
	Volunteer Ambulance	Volunteer Firefighters'	Scholarship Trust	DECD	Total	Cemetery Trust	Hubbard Book	Tri-Centennial	Total	
Revenues:										
Licenses, fees and permits	\$	\$	\$	\$	\$ 16	\$	\$	\$	\$	\$ 16
Intergovernmental				598	5,850					5,850
Contributions					209					209
Charges for services					1,956					1,956
Investment income	1		1		18					18
Miscellaneous			70		244					244
Total revenues	<u>1</u>	<u>-</u>	<u>71</u>	<u>598</u>	<u>8,293</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,293</u>
Expenditures:										
Current:										
General government					352					352
Public safety					243					243
Public works					3					3
Library					60					60
Parks and recreation					792					792
Education			25		3,434					3,434
Capital outlay				637	1,748					1,748
Total expenditures	<u>-</u>	<u>-</u>	<u>25</u>	<u>637</u>	<u>6,632</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,632</u>
Other financing sources (uses):										
Transfers in	14				184					184
Transfers out					(99)					(99)
Total other financing sources (uses)	<u>14</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85</u>
Net change in fund balances	15	-	46	(39)	1,746	-	-	-	-	1,746
Fund balance at beginning of year	<u>226</u>	<u>150</u>	<u>199</u>	<u>39</u>	<u>4,187</u>	<u>25</u>	<u>11</u>	<u>1</u>	<u>37</u>	<u>4,224</u>
Fund Balance at End of Year	<u>\$ 241</u>	<u>\$ 150</u>	<u>\$ 245</u>	<u>\$ -</u>	<u>\$ 5,933</u>	<u>\$ 25</u>	<u>\$ 11</u>	<u>\$ 1</u>	<u>\$ 37</u>	<u>\$ 5,970</u>

Internal Service Funds

INTERNAL SERVICE FUNDS

Internal Service funds are used for the financing of goods or services provided by one department or agency to other departments or agencies of the Town, or to other governments, on a cost reimbursement basis. The Town has two such funds.

Health Benefits Fund: This fund is used to account for funds received from various Town funds and departments for health benefits. The fund pays for cost associated with providing medical benefits to current and past employees.

Insurance Reserve Fund: This fund was established by ordinance to meet any substantial premium adjustments due to retrospective ratings.

TOWN OF NEWINGTON, CONNECTICUT

INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 2010

(In Thousands)

	<u>Health Benefits</u>	<u>Insurance Reserve</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ <u>4,759</u>	\$ <u>705</u>	\$ <u>5,464</u>
Liabilities:			
Accounts and other payable	<u>766</u>	<u>5</u>	<u>771</u>
Net Assets:			
Unrestricted	<u>\$ 3,993</u>	<u>\$ 700</u>	<u>\$ 4,693</u>

TOWN OF NEWINGTON, CONNECTICUT

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

	<u>Health Benefits</u>	<u>Insurance Reserve</u>	<u>Total</u>
Operating Revenues:			
Charges for services	\$ 10,952	\$	\$ 10,952
Miscellaneous		422	422
Total operating revenue	<u>10,952</u>	<u>422</u>	<u>11,374</u>
Operating Expenses:			
Benefit payments	9,128		9,128
Administration	452		452
Insurance	534		534
Casualty loss		238	238
Total operating expenses	<u>10,114</u>	<u>238</u>	<u>10,352</u>
Operating Income	838	184	1,022
Nonoperating Revenue:			
Interest on investments	<u>11</u>		<u>11</u>
Income before Transfers	849	184	1,033
Transfers In		<u>291</u>	<u>291</u>
Change in Net Assets	849	475	1,324
Total Net Assets at Beginning of Year	<u>3,144</u>	<u>225</u>	<u>3,369</u>
Total Net Assets at End of Year	<u>\$ 3,993</u>	<u>\$ 700</u>	<u>\$ 4,693</u>

TOWN OF NEWINGTON, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010
(In Thousands)

	<u>Health Benefits</u>	<u>Insurance Reserve</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Cash received from charges for services and other	\$ 10,952	\$ 422	\$ 11,374
Cash paid to vendors	<u>(10,201)</u>	<u>(270)</u>	<u>(10,471)</u>
Net cash provided by operating activities	751	152	903
Cash Flows from Noncapital Financial Activities:			
Transfers in		291	291
Cash Flows from Investing Activities:			
Interest on investments	<u>11</u>		<u>11</u>
Net Increase in Cash and Cash Equivalents	762	443	1,205
Cash and Cash Equivalents at Beginning of Year	<u>3,997</u>	<u>262</u>	<u>4,259</u>
Cash and Cash Equivalents at End of Year	<u>\$ 4,759</u>	<u>\$ 705</u>	<u>\$ 5,464</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	\$ 838	\$ 184	\$ 1,022
Adjustments to reconcile operating income to net cash provided by operating activities:			
Decrease in accounts and other payables	<u>(87)</u>	<u>(32)</u>	<u>(119)</u>
Net Cash Provided by Operating Activities	<u>\$ 751</u>	<u>\$ 152</u>	<u>\$ 903</u>

Fiduciary Funds

FIDUCIARY FUNDS

Agency Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations or other. The Town's Agency Funds are:

- Youth Activities - to account for various programs benefiting the Town's youth.
- Student Activities - to account for the various student activities and clubs in the Town's schools.

TOWN OF NEWINGTON, CONNECTICUT

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

	<u>Balance</u> <u>July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2010</u>
Youth Activities Fund				
Assets:				
Cash and cash equivalents	\$ <u>6</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>6</u>
Liabilities:				
Deposits held for others	\$ <u>6</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>6</u>
Student Activities Fund				
Assets:				
Cash and cash equivalents	\$ <u>458</u>	\$ <u>688</u>	\$ <u>683</u>	\$ <u>463</u>
Liabilities:				
Deposits held for others	\$ <u>458</u>	\$ <u>688</u>	\$ <u>683</u>	\$ <u>463</u>
Total All Funds				
Assets:				
Cash and cash equivalents	\$ <u><u>464</u></u>	\$ <u><u>688</u></u>	\$ <u><u>683</u></u>	\$ <u><u>469</u></u>
Liabilities:				
Deposits held for others	\$ <u><u>464</u></u>	\$ <u><u>688</u></u>	\$ <u><u>683</u></u>	\$ <u><u>469</u></u>

Statistical Section

Statistical Section Information

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

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

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

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

TOWN OF NEWINGTON, CONNECTICUT

NET ASSETS BY COMPONENT

LAST EIGHT FISCAL YEARS

(In Thousands)

	FISCAL YEAR							
	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities:								
Invested in capital assets, net of related debt	\$ 62,260	\$ 56,392	\$ 52,163	\$ 48,689	\$ 45,677	\$ 36,835	\$ 26,722	\$ 25,455
Restricted	673	612	582	527	479	452	443	443
Unrestricted	<u>29,240</u>	<u>24,818</u>	<u>27,626</u>	<u>24,232</u>	<u>22,930</u>	<u>20,722</u>	<u>21,215</u>	<u>19,203</u>
Total Governmental Activities Net Assets	<u>\$ 92,173</u>	<u>\$ 81,822</u>	<u>\$ 80,371</u>	<u>\$ 73,448</u>	<u>\$ 69,086</u>	<u>\$ 58,009</u>	<u>\$ 48,380</u>	<u>\$ 45,101</u>

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NOTES:

- (1) Schedule prepared on the accrual basis of accounting.
- (2) The Town began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

TOWN OF NEWINGTON, CONNECTICUT

CHANGES IN NET ASSETS

LAST EIGHT FISCAL YEARS

(In Thousands)

	FISCAL YEAR							
	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:								
General government	\$ 5,609	\$ 7,931	\$ 5,857	\$ 4,599	\$ 4,681	\$ 2,786	\$ 3,020	\$ 3,326
Public safety	10,600	11,323	9,859	6,788	6,520	6,385	6,363	6,081
Public works	9,585	9,109	8,747	5,724	5,226	4,950	5,384	4,529
Community planning and development	780	697	806	590	515	540	480	509
Health and community services	1,498	1,416	1,535	1,122	1,160	1,187	1,161	1,143
Library	2,104	2,016	2,244	1,821	1,792	1,733	1,710	1,582
Parks and recreation	2,941	2,716	3,138	2,398	2,333	2,181	2,333	2,066
Education	68,084	65,598	76,236	56,881	52,058	49,902	46,400	45,268
Miscellaneous				8,647	8,199	7,792	7,155	6,521
Interest on long-term debt	687	780	855	946	1,137	1,000	913	686
Total governmental activities expenses	<u>101,888</u>	<u>101,586</u>	<u>109,277</u>	<u>89,516</u>	<u>83,621</u>	<u>78,456</u>	<u>74,919</u>	<u>71,711</u>
Program Revenues:								
Charges for services								
General government	703	719	907	1,741	1,464	1,582	1,729	1,307
Public safety	82	106	54	90	81	79	86	90
Public works	45	48	58	47	36	20	9	8
Community planning and development	309	415	735					
Health and community services	69	72	52	33	192	160	52	200
Library	29	30	33	38	36	34	35	33
Parks and recreation	903	801	791	702	839	390	683	595
Education	1,052	1,117	1,047	1,305	1,079	1,073	937	889
Operating grants and contributions	23,262	20,574	34,588	17,490	16,646	14,374	13,088	12,448
Capital grants and contributions	5,874	2,210	1,105	389	4,180	6,200	5,264	80
Total governmental activities program revenues	<u>32,328</u>	<u>26,092</u>	<u>39,370</u>	<u>21,835</u>	<u>24,553</u>	<u>23,912</u>	<u>21,883</u>	<u>15,650</u>
Net expense:								
Governmental activities	<u>(69,560)</u>	<u>(75,494)</u>	<u>(69,907)</u>	<u>(67,681)</u>	<u>(59,068)</u>	<u>(54,544)</u>	<u>(53,036)</u>	<u>(56,061)</u>
General revenues and other changes in net assets:								
Governmental activities:								
Property taxes	75,542	72,453	70,617	66,335	65,312	60,008	56,070	53,345
Grants and contributions not restricted to specific purposes	3,393	3,411	2,904	3,232	2,981	2,810	2,840	3,251
Unrestricted investment earnings	203	642	1,773	2,285	1,829	988	427	543
Gain on sale of capital assets						291	16	212
Miscellaneous	773	439	1,536	191	23	76	59	31
Total governmental activities	<u>79,911</u>	<u>76,945</u>	<u>76,830</u>	<u>72,043</u>	<u>70,145</u>	<u>64,173</u>	<u>59,412</u>	<u>57,382</u>
Changes in net assets:								
Governmental activities	<u>\$ 10,351</u>	<u>\$ 1,451</u>	<u>\$ 6,923</u>	<u>\$ 4,362</u>	<u>\$ 11,077</u>	<u>\$ 9,629</u>	<u>\$ 6,376</u>	<u>\$ 1,321</u>

Notes:

- (1) Schedule prepared on the accrual basis of accounting.
- (2) The Town began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

TOWN OF NEWINGTON, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
General Fund:										
Reserved	\$ 1,745	\$ 1,947	\$ 1,572	\$ 1,763	\$ 1,721	\$ 1,286	\$ 1,423	\$ 1,523	\$ 1,204	\$ 993
Unreserved	<u>15,898</u>	<u>14,744</u>	<u>14,072</u>	<u>12,943</u>	<u>11,687</u>	<u>10,474</u>	<u>9,140</u>	<u>9,449</u>	<u>9,128</u>	<u>9,137</u>
Total General Fund	<u>\$ 17,643</u>	<u>\$ 16,691</u>	<u>\$ 15,644</u>	<u>\$ 14,706</u>	<u>\$ 13,408</u>	<u>\$ 11,760</u>	<u>\$ 10,563</u>	<u>\$ 10,972</u>	<u>\$ 10,332</u>	<u>\$ 10,130</u>
All other governmental funds:										
Reserved	\$ 1,148	\$ 577	\$ 786	\$ 532	\$ 1,615	\$ 5,448	\$ 17,340	\$ 1,043	\$ 502	\$ 767
Unreserved, reported in:										
Special revenue funds	5,830	4,015	4,596	4,295	3,797	3,770	4,008	4,056	3,539	3,826
Capital projects funds	<u>3,538</u>	<u>3,100</u>	<u>2,980</u>	<u>2,715</u>	<u>2,247</u>	<u>(793)</u>	<u>(295)</u>	<u>7,538</u>	<u>4,235</u>	<u>3,758</u>
⌘ Total All Other Governmental Funds	<u>\$ 10,516</u>	<u>\$ 7,692</u>	<u>\$ 8,362</u>	<u>\$ 7,542</u>	<u>\$ 7,659</u>	<u>\$ 8,425</u>	<u>\$ 21,053</u>	<u>\$ 12,637</u>	<u>\$ 8,276</u>	<u>\$ 8,351</u>

Note 1: Schedule prepared on the modified accrual basis of accounting.

Note 2: Data presented for years prior to the implementation of GASB #34 (2003) has not been restated to conform with current governmental funds structure.

TOWN OF NEWINGTON, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenues:										
Property taxes	\$ 75,594	\$ 73,276	\$ 70,359	\$ 66,863	\$ 64,813	\$ 60,047	\$ 55,901	\$ 53,202	\$ 48,956	\$ 47,028
Payment in lieu of taxes	3,050	2,936	2,481	2,339	2,526	2,256	2,151	2,284	2,595	2,494
Licenses, fees and permits	316	425	740	765	525	527	555	1,029	1,009	1,567
Intergovernmental	25,760	23,165	36,016	18,358	21,090	21,128	15,344	13,731	14,128	14,364
Contributions	209	91	99							
Rental	163	214	138	145	202	163	163	156	151	128
Investment income	191	591	1,608	2,120	1,715	936	410	515	843	1,951
Fines	64	96	41	64	51	52	59	67	57	50
Charges for services	2,645	2,567	2,758	2,813	2,797	2,515	2,574	1,626	1,471	1,293
Refunds and reimbursements			23	185	14	38	51	30	65	111
Sale of Town property	385				32	322	26	212	23	29
Other		430	1,432	664	467	320	305	264	226	369
Total revenues	<u>108,377</u>	<u>103,791</u>	<u>115,695</u>	<u>94,316</u>	<u>94,232</u>	<u>88,304</u>	<u>77,539</u>	<u>73,116</u>	<u>69,524</u>	<u>69,384</u>
Expenditures:										
General government	4,260	4,376	3,803	5,501	6,033	4,148	4,335	4,101	4,330	4,153
Public safety	7,297	7,042	6,965	8,949	8,677	7,960	8,000	7,657	7,086	7,019
Public works	4,535	4,766	4,669	8,117	7,595	7,179	6,861	5,928	5,663	5,760
Community planning and development	479	513	503	727	670	683	671	649	604	609
Health and community services	1,117	1,108	1,149	1,473	1,537	1,465	1,491	1,413	1,386	1,379
Library	1,706	1,656	1,785	2,177	2,114	1,992	1,934	1,817	1,646	1,689
Parks and recreation	2,221	2,258	2,416	2,786	2,690	2,514	2,502	2,353	2,216	2,183
Education	66,646	63,667	76,544	56,817	52,728	49,069	46,755	44,070	41,565	39,044
Miscellaneous	8,928	8,741	8,829							
Capital outlay	4,980	6,243	4,165	2,885	8,527	24,910	2,847	3,282	2,145	5,806
Debt service										
Principal	1,750	1,946	1,940	2,538	2,260	2,030	1,692	1,798	1,716	1,345
Interest	985	790	864	1,067	1,017	769	708	806	884	657
Total expenditures	<u>104,904</u>	<u>103,106</u>	<u>113,632</u>	<u>89,432</u>	<u>94,182</u>	<u>103,203</u>	<u>78,200</u>	<u>71,270</u>	<u>69,248</u>	<u>70,248</u>
Excess of Revenue Over (Under) Expenditures	<u>3,473</u>	<u>685</u>	<u>2,063</u>	<u>4,884</u>	<u>50</u>	<u>(14,899)</u>	<u>(661)</u>	<u>(559)</u>	<u>276</u>	<u>(864)</u>
Other Financing Sources (Uses):										
Bonds issued						3,700	8,700	4,950		
Bond refunding issued	3,737									
Payment to escrow agent	(3,668)									
Capitalized lease	525				975					
Transfers in	4,129	4,346	4,206	2,875	3,239	1,647	1,531	2,154	2,427	2,657
Transfers out	(4,420)	(4,654)	(4,512)	(3,215)	(3,382)	(1,879)	(1,563)	(1,972)	(2,569)	(2,749)
Total other financing sources (uses)	<u>303</u>	<u>(308)</u>	<u>(306)</u>	<u>(340)</u>	<u>832</u>	<u>3,468</u>	<u>8,668</u>	<u>5,132</u>	<u>(142)</u>	<u>(92)</u>
Net Change in Fund Balance	<u>\$ 3,776</u>	<u>\$ 377</u>	<u>\$ 1,757</u>	<u>\$ 4,544</u>	<u>\$ 882</u>	<u>\$ (11,431)</u>	<u>\$ 8,007</u>	<u>\$ 4,573</u>	<u>\$ 134</u>	<u>\$ (956)</u>
Debt Service as a Percentage of Noncapital Expenditures	2.81%	2.91%	2.63%	3.73%	4.21%	4.19%	3.71%	3.41%	3.88%	4.03%

Note 1: Schedule prepared on the modified accrual basis of accounting.

Note 2: Data presented for years prior to the implementation of GASB #34 (2003) has not been restated to conform with current governmental funds structure.

TOWN OF NEWINGTON, CONNECTICUT
GENERAL GOVERNMENTAL REVENUES AND OTHER FINANCING SOURCES, BY SOURCE

LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year Ended June 30,	Taxes and Special Assessments	Licenses and Permits	Intergovernmental Revenue(1)	Charges for Services	Investment Earnings	Miscellaneous Revenues(2)	Other Financing Sources(3)	Total
2010	\$ 75,594	\$ 302	\$ 17,406	\$ 607	\$ 172	\$ 275	\$ 98	\$ 94,454
2009	73,276	409	16,880	597	509	429	284	92,384
2008	70,359	724	15,596	995	1,426	1,035	94	90,229
2007	66,863	749	14,667	885	1,825	426	82	85,497
2006	64,813	509	13,980	808	1,512	228	95	81,945
2005	60,047	511	13,432	974	842	536	77	76,419
2004	55,901	540	12,957	889	366	252	75	70,980
2003	53,202	419	12,934	655	452	253	222	68,137
2002	48,956	451	13,240	479	730	269	73	64,198
2001	47,028	531	12,075	377	1,706	272	72	62,061

Includes General Fund revenues, reported on a budgetary basis.

(1) Includes federal grants, State of Connecticut grants including education grants, and state payments-in-lieu of taxes.

(2) Includes rentals, refunds & reimbursements, sale of Town property, fines, other receipts and cancellation of prior year encumbrances.

(3) Includes transfers from other funds.

TOWN OF NEWINGTON, CONNECTICUT

GENERAL GOVERNMENTAL EXPENDITURES AND OTHER FINANCING USES, BY FUNCTION

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year Ended June 30,	General Government	Public Safety	Public Works and Community Development	Health and Community Services	Parks, Recreation and Library	Debt Service; Metropolitan District Commission Miscellaneous(1)	Board of Education(2)	Other Financing Uses (3)	Total
2010	\$ 3,835	\$ 7,052	\$ 5,006	\$ 1,114	\$ 3,073	\$ 11,383	\$ 57,517	\$ 4,320	\$ 93,300
2009	3,982	6,827	5,237	1,111	3,082	11,265	55,837	4,370	91,711
2008	3,282	6,851	5,106	1,151	3,330	11,421	53,540	4,418	89,099
2007	2,516	6,483	5,405	1,112	3,191	11,781	50,620	3,133	84,241
2006	2,357	6,188	5,140	1,193	3,122	11,768	47,677	3,287	80,732
2005	2,196	5,913	4,923	1,163	3,060	10,948	45,409	1,474	75,086
2004	2,100	5,809	4,641	1,182	3,019	10,054	43,121	1,362	71,288
2003	2,269	5,810	3,885	1,156	2,878	8,791	41,294	1,740	67,823
2002	2,301	5,657	3,700	1,182	2,733	7,993	38,414	2,229	64,209
2001	2,201	5,232	3,609	1,139	2,668	8,844	35,900	2,481	62,074

Note: Includes General Fund revenues, reported on a budgetary basis.

- (1) Includes Debt Service payments, the Metropolitan District Commission sewer levy on Newington and Miscellaneous (the Town's liability insurance, employee benefits, settlements, contingency, Greater Hartford Transit District contribution and special community activities).
- (2) Represents appropriation for Board of Education budget. Additional funding for Board of Education purposes is included in other functions such as Debt Service, Capital Improvements, and Other Financing Uses (transfers to other funds).
- (3) Includes funding for ongoing capital projects and transfers to other funds.

TOWN OF NEWINGTON, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year	Real Property			Personal Property	Motor Vehicle (2)	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value (3)
	Residential	Commercial	Industrial							
2010	\$ 1,751,988	\$ 438,390	\$ 140,898	\$ 172,810	\$ 196,035	\$ (55,440)	\$ 2,644,681	28.4	\$ 3,955,308	66.36%
2009	1,733,094	481,617	90,397	174,869	203,608	(50,268)	2,633,317	27.68	4,076,961	64.59%
2008	1,716,024	461,306	91,646	166,225	197,879	(42,831)	2,590,249	26.91	4,219,375	61.39%
2007 (1)	1,697,198	463,573	91,729	160,198	222,248	(46,376)	2,588,570	25.76	3,714,044	69.70%
2006	1,054,697	331,208	87,730	150,176	214,688	(40,733)	1,797,766	36.43	4,051,824	44.37%
2005	1,047,054	338,320	88,152	138,594	202,503	(44,453)	1,770,170	34.24	3,505,059	50.50%
2004	1,041,228	333,229	89,114	138,201	210,134	(49,398)	1,762,508	32.29	3,286,386	53.63%
2003	1,028,144	331,449	89,338	149,436	210,199	(54,040)	1,754,526	30.44	2,868,380	61.17%
2002 (4)	1,018,456	311,668	87,943	133,767	208,437	(42,069)	1,718,202	28.58	2,467,004	69.65%
2001	1,018,036	307,989	95,779	131,874	200,153	(42,210)	1,711,621	27.75	2,395,230	71.46%

Source: Town of Newington Office of Tax Assessor

Notes: Assessment rate is 70% of market value.

- (1) Real property revalued as of October 1, 2005 Grand List.
(2) Includes net supplemental motor vehicle assessments.
(3) Sales ratios from Connecticut Office of Policy and Management.
(4) Real property revalued as of October 1, 2000 Grand List.

TOWN OF NEWINGTON, CONNECTICUT

PRINCIPAL PROPERTY TAX PAYERS

CURRENT YEAR AND TEN YEARS AGO

(In Thousands)

Taxpayer	October 1, 2008			October 1, 1998		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Connecticut Light and Power	\$ 27,809	1	1.052%	\$ 19,501	2	1.196%
Newington VF, LLC	20,392	2	0.771%	9,101	8	0.558%
Galileo Turnpike Plaza LLC	19,704	3	0.745%	7,972	9	0.489%
TLG Newington LLC	18,826	4	0.712%	11,493	5	0.705%
Newington Gross LLC	18,778	5	0.710%	NA		
Hayes Kaufmann Associates	12,952	6	0.490%	4,931	19	0.302%
Tilcon Connecticut Inc	11,938	7	0.451%	13,779	3	0.845%
Target Corporation	11,640	8	0.440%	NA		
Lowes Home Centers Inc	11,516	9	0.435%	5,496	16	0.337%
Newington-Berlin Retail, LLC	11,423	10	0.432%	NA		
Hartford Hospital	11,269	11	0.426%	6,607	11	0.405%
Mandell Properties	10,823	12	0.409%	NA		
Furniture Executives No 4 LP	10,729	13	0.406%	5,310	17	0.326%
Spx Corp (Fenn Tech)	10,722	14	0.405%	10,898	6	0.668%
MTU Aero Engines North America Inc	10,269	15	0.388%	11,855	4	0.727%
TOTAL	\$ 218,790		8.273%	\$ 106,943		6.560%

TOWN OF NEWINGTON, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year of Levy		Collections In Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2010	28.40	\$ 75,091	\$ 74,378	99.05	N/A	\$ 74,378	98.91
2009	27.68	72,939	72,143	98.91	546	72,689	99.66
2008	26.91	69,973	69,338	99.09	387	69,725	99.65
2007	25.76	66,004	65,487	99.20	387	65,874	99.80
2006	36.43	64,878	63,970	98.60	737	64,707	99.74
2005	34.24	59,729	59,063	98.89	506	59,569	99.73
2004	32.29	56,122	55,498	98.89	457	55,955	99.70
2003	30.44	53,045	52,420	98.82	212	52,632	99.22
2002	28.58	48,707	48,132	98.82	424	48,556	99.69
2001	27.75	46,895	46,316	98.76	399	46,715	99.62

Source: Tax Collector's Report; Comprehensive annual financial report

TOWN OF NEWINGTON, CONNECTICUT

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(In Thousands, Except Per Capita)**

Fiscal Year	Governmental Activities		Total Primary Government	Ratio of Debt to Taxable Assessed Value	Debt as a Percentage of Personal Income	Debt Per Capita
	General Obligation Bonds	Capital Leases				
2010	\$ 15,145	\$ 620	\$ 15,765	0.60%	1.85%	\$ 538
2009	16,855	307	17,162	0.65	2.02%	586
2008	18,605	504	19,109	0.74	2.25%	652
2007	20,355	693	21,048	0.79	2.48%	718
2006	22,560	877	23,437	1.32	2.76%	800
2005	25,000		25,000	1.43	2.94%	853
2004	23,560		23,560	1.36	2.77%	804
2003	16,770		16,770	0.97	1.97%	572
2002	13,400		13,400	0.79	1.58%	457
2001	14,980		14,980	0.89	1.76%	511

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

TOWN OF NEWINGTON, CONNECTICUT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2010
(In Thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Shares of Direct and Overlapping Debt</u>
Debt repaid with property taxes - Metropolitan District Commission	\$ 206,461	8.49 %	\$ 17,529
Subtotal, overlapping debt			17,529
Town direct debt	\$ 15,145	100.00 %	<u>15,145</u>
Total direct and overlapping debt			<u><u>\$ 32,674</u></u>

Source: Metropolitan District Commission

TOWN OF NEWINGTON, CONNECTICUT

STATEMENT OF DEBT LIMITATION

JUNE 30, 2010

(In Thousands)

Total tax collections (including fire district)					\$ 75,414
Property tax relief elderly					<u>12</u>
Base					<u>\$ 75,426</u>
	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2-1/4 times base	\$ 169,709	\$	\$	\$	\$
4-1/2 times base		339,417			
3-3/4 times base			282,848		
3-1/4 times base				245,135	
3 times base					<u>226,278</u>
Total debt limitation	<u>169,709</u>	<u>339,417</u>	<u>282,848</u>	<u>245,135</u>	<u>226,278</u>
Indebtedness:					
Bonds payable	5,400	9,745			
Town's share of Metropolitan District debt			17,529		
Total Indebtedness	<u>5,400</u>	<u>9,745</u>	<u>17,529</u>		
Debt Limitation in Excess of Net Debt	<u>\$ 164,309</u>	<u>\$ 329,672</u>	<u>\$ 265,319</u>	<u>\$ 245,135</u>	<u>\$ 226,278</u>

Note: In no event shall total indebtedness exceed seven times annual receipts from taxation or \$528 million.

TOWN OF NEWINGTON, CONNECTICUT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt limitation	\$ 527,982	\$ 509,964	\$ 491,141	\$ 466,886	\$ 452,970	\$ 420,035	\$ 391,048	\$ 372,715	\$ 342,972	\$ 329,567
Total net debt applicable to limit	<u>32,674</u>	<u>28,597</u>	<u>27,567</u>	<u>26,651</u>	<u>29,401</u>	<u>32,316</u>	<u>34,388</u>	<u>28,721</u>	<u>20,741</u>	<u>19,995</u>
Legal debt margin	<u>\$ 495,308</u>	<u>\$ 481,367</u>	<u>\$ 463,574</u>	<u>\$ 440,235</u>	<u>\$ 423,569</u>	<u>\$ 387,719</u>	<u>\$ 356,660</u>	<u>\$ 343,994</u>	<u>\$ 322,231</u>	<u>\$ 309,572</u>
Total net debt applicable to the limit as a percentage of debt limit	6.19%	5.61%	5.61%	5.71%	6.49%	7.69%	8.79%	7.71%	6.05%	6.07%

Source: Comprehensive annual financial report - Schedule of Debt Limitation

Note: See Table 12 for calculation of current year debt limitation

TOWN OF NEWINGTON, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar Year	Population(1)	Personal Income in thousands (2)	Per Capita Income(1)	Median Age(1)	School Enrollment(3)	Unemployment Rate(4)
2010	29,306	\$ 850,000	\$ 26,881	42.0	4,489	8.1%
2009	29,306	850,000	26,881	42.0	4,495	6.9%
2008	29,306	850,000	26,881	42.0	4,569	4.7%
2007	29,306	850,000	26,881	42.0	4,557	3.9%
2006	29,306	850,000	26,881	42.0	4,614	4.1%
2005	29,306	850,000	26,881	42.0	4,616	4.3%
2004	29,306	850,000	26,881	42.0	4,612	4.4%
2003	29,306	850,000	26,881	42.0	4,598	4.0%
2002	29,306	850,000	26,881	42.0	4,456	3.0%
2001	29,306	850,000	26,881	42.0	4,387	1.9%

(1) Source: Bureau of Census, 2000 Census and 1990 Census

(2) Source: Connecticut Economic Resource Center

(3) Source: Annual Town Budget

(4) Source: Connecticut Labor Department

TABLE 15

TOWN OF NEWINGTON, CONNECTICUT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>Nature of Business</u>	<u>2010 (1)</u>			<u>2001 (2)</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
Connecticut Department of Transportation	Government	3,100	1	18.1%	1,200	1	7.3%
Town of Newington	Government	656	2	3.8%	626	2	3.8%
Data-Mail, Inc.	Direct Mail Service	651	3	3.8%			
Stew Leonards	Grocery	350	4	2.0%			
Stop & Shop	Retail Grocers	288	5	1.7%			
Hartford Hospital-Newington Campus	Health Services	275	6	1.6%			
USA Security Services Corporation	Security & Patrol Services	275	7	1.6%			
Veterans Administration Hospital	Health Services	250	8	1.5%	235	6	1.4%
Newington Health Care Center	Health Services	243	9	1.4%			
Sam's Club	Wholesale Clubs	168	10	1.0%			
Keeney Manufacturing	Manufacturer	158	11	0.9%	274	4	1.7%
Price Chopper	Retail Grocers	151	12	0.9%			
Connecticut Light and Power	Public Utility	150	13	0.9%	200	9	1.2%
Target	Retail Trade	139	14	0.8%			
Tilcon, Inc.	Manufacturer	136	15	0.8%			
TOTAL		<u>6,990</u>		<u>40.90%</u>	<u>2,535</u>		<u>15.50%</u>

(1) Source: Connecticut Labor Department

(2) Source: Town of Newington, Bond Official Statements

TOWN OF NEWINGTON, CONNECTICUT

FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>FISCAL YEAR</u>									
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
General government	44	45	46	43	46	47	46	51	49	49
Police	64	64	61	60	57	57	56	57	57	56
79 Fire	2	2	2	2	2	2	2	2	2	2
Refuse collection	0	0	0	0	0	0	0	0	0	0
Public works	26	26	26	29	27	27	27	24	26	26
Parks and recreation	19	21	21	21	21	21	21	21	21	19
Library	14	14	14	14	14	14	14	14	14	14
Education	<u>487</u>	<u>487</u>	<u>508</u>	<u>503</u>	<u>498</u>	<u>497</u>	<u>498</u>	<u>495</u>	<u>487</u>	<u>473</u>
Total	<u>656</u>	<u>659</u>	<u>678</u>	<u>672</u>	<u>665</u>	<u>665</u>	<u>664</u>	<u>664</u>	<u>656</u>	<u>639</u>

Source: Annual Town Budgets and Bond Official Statements

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

Function/Program	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General government:										
Building permits issued	1,697	1,806	2,008	1,978	2,121	1,895	1,846	1,853	1,899	1,900
Value of permits (000's)	26,596	44,294	58,294	63,901	36,894	41,940	52,996	26,340	26,282	34,102
Health:										
Food Inspections	484	348	508	299	233	409	429	358	433	425
Complaint Investigations	183	112	324	205	93	204	140	83	116	116
Police:										
Larcenies	724	687	736	618	527	540	515	535	541	519
Calls for service	28,658	30,481	27,422	26,177	24,230	24,320	27,401	28,670	29,863	27,539
Traffic violations	8,848	9,211	6,613	3,277	3,151	2,906	3,690	4,302	4,551	3,451
Fire:										
Emergency responses	745	795	709	832	786	699	711	757	782	835
Residential responses	240	258	212	247	213	207	275	322	232	319
Inspections	780	908	766	801	994	1,195	912	1,423	1,049	913
Refuse collection:										
Refuse collected (annual tonnage)	9,231	10,600	10,840	9,550	10,419	10,426	10,006	9,674	9,642	9,715
Recyclables collected (annual tonnage)	2,182	2,200	2,100	2,322	2,332	2,298	2,469	2,332	2,597	2,604
Other public works:										
Street Reconstruction (linear feet)	280	582	2,600	1,690	2,050	2,605	3,450	3,790	2,275	1,200
Street Resurfacing (linear feet)	23,760	26,400	20,000	10,140	10,770	8,800	11,200	8,160	18,440	17,760
Library:										
Total volumes borrowed (000's)	421	412	410	428	441	442	447	446	436	444

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TOWN OF NEWINGTON, CONNECTICUT

TABLE 18

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<u>Public Safety</u>										
Police stations	1	1	1	1	1	1	0	0	0	0
Fire stations	4	4	4	4	4	4	4	4	4	4
Police vehicles	42	38	37	33	34	35	35	37	38	32
Fire vehicles	21	20	20	20	21	20	21	20	20	20
<u>Public Works</u>										
Miles of town roads	100	100	100	100	97	95	95	95	95	95
Traffic signals	15	15	15	15	15	15	15	15	15	15
Public works vehicles and equipment	53	53	55	55	49	51	51	48	42	39
<u>Parks and Recreation</u>										
Acreage	370	370	370	370	370	370	370	370	370	370
Parks and greens	13	13	13	13	13	13	13	13	13	13
Athletic fields	7	7	7	7	7	7	7	7	7	7
Playgrounds	5	5	5	5	5	5	5	5	5	5
<u>Public Libraries</u>										
Libraries	1	1	1	1	1	1	1	1	1	1
<u>Senior Citizens</u>										
Community center	1	1	1	1	1	1	1	1	1	1
Senior mini-buses	4	5	5	5	3	5	5	5	5	4
<u>Education</u>										
Schools	7	7	7	7	7	7	7	7	7	7

Source(s): Various Town Departments

TOWN OF NEWINGTON, CONNECTICUT

MISCELLANEOUS STATISTICS
JUNE 30,2010

GENERAL INFORMATION

Incorporated:	1871
Settled:	1678
Form of Government:	Council-Manager
Chief Elected Official:	Mayor
Chief Administrative Officer:	Town Manager
Area of Town:	13.2 square miles
2000 Estimated Population:	29,306

ELECTIONS

Town Elections:	Odd years	
Board of Education (members):		9
Town Council (members + Mayor)		9
Board of Fire Commissioners:		3
Registrars of Voters:		2
Registered Voters (Active) as of 11/09:		18,790
Republicans	3,202	
Democrats	8,202	
Unaffiliated	7,386	

TAX STRUCTURE 2009-10

10/1/08 Net Grand List:	\$2,625,108,977
10/1/08 Net Supplemental List:	\$19,571,525
Mill Rate:	28.4
Assessment Ratio:	70%
Last Revaluation:	10/1/2005

EDUCATION

Total Classroom Teachers	217
Public School Enrollment (10/09):	4,489
Teacher/Pupil ratio:	20.7
2009-10 Appropriation per Pupil:	\$12,820

PUBLIC SAFETY - POLICE

# of Police Stations:		1
# of Police Districts:		5
# of Police Officers:		
Police Chief	1	
Dispatchers	7	
Police Officers	50	
Dog Warden	1	
# of Vehicles:		42

Elementary Schools (PK-4):	4
Students (10/09)	1635
Middle Schools (5-8):	2
Students (10/09)	1373
High School (9-12):	1
Students (10/09)	1481

PUBLIC SAFETY - FIRE PROTECTION

# of Fire Companies:	4
# of Volunteer Firefighters:	135
# of Vehicles:	21

PUBLIC SAFETY - EMERGENCY MEDICAL SERVICES

# of Volunteers (average):	48
# of Ambulances:	5

FULL-TIME EMPLOYEES (2009-10)

Town General Government:		168.7
Board of Education (Full-Time Equivalents):		
Classroom Teachers	217	
Other Professional Staff	144	
Administration	19	
Classified Personnel (clerical,custodial,transp.)	<u>107</u>	
	487	
Total		<u>655.7</u>