

TOWN OF DARIEN
CONNECTICUT



Comprehensive
Annual Financial Report

Fiscal Year Ended June 30, 2015

Comprehensive Annual Financial Report

of the

Town of Darien Connecticut

Fiscal Year Ended June 30, 2015

Prepared by:
Finance Department
Kathleen Clarke Buch
Finance Director

**TOWN OF DARIEN, CONNECTICUT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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 JUNE 30, 2015**

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Introductory Section

TOWN OF DARIEN
FINANCE DEPARTMENT
2 RENSHAW ROAD
DARIEN, CONNECTICUT 06820-5397
TELEPHONE (203) 656-7334
FAX (203) 656-7398



KATHLEEN CLARKE BUCH, CPFO
TOWN ADMINISTRATOR

March 7, 2016

To the Members of the Board of Finance
of the Town of Darien

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Town of Darien, Connecticut for the year ended June 30, 2015. This report was prepared by the Town's Finance Department, which is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. We believe the data, as presented, is accurate in all material aspects and that it is presented in a manner designed to illustrate fairly the financial position and results of operations of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The CAFR is presented in three sections: introductory, financial and statistical. This report follows the format for annual financial reports that the Governmental Accounting Standards Board suggests and the Government Finance Officers Association promotes through its Certificate of Achievement for Excellence in Financial Reporting program. The introductory section includes this transmittal letter, the Town's organizational chart and a list of principal officials. The financial section includes the management's discussion and analysis (MD&A), basic financial statements, required supplementary information, and the combining and individual fund statements and schedules, as well as the auditors' report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The Town is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and the Connecticut Single Audit Act. Information related to these audits, including the schedule of federal awards, state financial assistance, findings and recommendations, and auditors' reports on the internal control over financial reporting and compliance with applicable laws and regulations are issued under separate covers and not included in this report.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. Internal control policies and procedures are recognized as important elements of the Town's accounting system. Such controls are designed to establish reasonable, but not absolute, assurance that assets are protected against loss from unauthorized use or disposition and to provide the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits to be derived; and (2) the valuation of these costs and benefits requires estimates and judgments by management. Management believes that the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The Board of Finance appointed the accounting firm of Blum, Shapiro & Company, P.C., as the Town's independent auditor for the year 2014-2015. In addition to meeting the requirements set forth in State Statutes, the audit as also designed to meet the requirements of the Federal and State Single Audit Acts. The auditors' report on the basic financial statements is in the financial section of this report. The auditors' reports related specifically to the Federal and State Single Audits are issued in separate reports.

Please refer to Management's Discussion and Analysis (MD&A), which follows the independent auditors' report for further information. The MD&A provides an introduction, overview and analysis of the basic financial statements.

ORGANIZATION AND SERVICES

The Town of Darien is located in lower Fairfield County on Long Island Sound. It is situated between Stamford and Norwalk and bordered on the north by New Canaan. Less than one hour from New York City, Darien is on the main line of the Metro North Commuter Railroad, and is served by the Connecticut Turnpike (I-95), the Merritt Parkway (R-15) and the Boston Post Road (US Route 1).

The Town of Darien was founded in 1737. The Town has a Representative Town Meeting (RTM) form of government, with a 5 member Board of Selectmen, 7 member Board of Finance and a 9 member Board of Education. The Town operates under the State of Connecticut General Statutes and the Charter and Code of Ordinances of the Town of Darien. The Charter was originally adopted in 1959 and the Code of Ordinances was adopted in 1972. Both are subject to revision on an ongoing basis. The 100 member RTM is the legislative body for the Town. The First Selectman, elected biennially, is the Chief Executive Officer of the Town. The Board of Finance, elected quadrennially to overlapping terms, serves as the Town's fiscal policy maker. Services provided by the Town to residents and taxpayers include general administrative services, public safety, education, public works, parks and recreation, health, social service, planning and zoning, and sewer services.

ACCOUNTING SYSTEM AND BUDGETARY CONTROLS

The Town and the Board of Education maintain a comprehensive budgetary reporting system to monitor the results of budget operations and ensure budgetary control and compliance with approved budgets.

All annual budgets are recommended by the Board of Selectmen and Board of Education to the Board of Finance, which, following careful review, recommends final budgets for approval by the RTM. The Board of Finance, by charter, has the right to transfer unexpended balances and to establish a transfer approval process. The Board of Education has freedom of transfer within the approved Education budget, according to State law. Necessary and justified additional appropriations are recommended by the Board of Finance for RTM approval.

Purchase orders are encumbered and considered as expenditures for budget reporting purposes to ensure the availability of budget appropriations. Purchase orders are not released unless funding is available. Open encumbrances, reflecting goods and services not received are shown as a reservation of fund balance in the financial statements under generally accepted accounting principles (GAAP).

ECONOMIC CONDITION AND OUTLOOK

Darien is a community with high per capita income and housing values. Unemployment in Darien is lower than the state and national averages, standing at 4.3 percent compared to 5.4 and 5.3 for the state and nation. Darien's unemployment rate has stayed level and continues to trend lower than the state and nation.

Inflation in Darien was slightly less than the national average. There is no predominant industry or employer in Darien. As a suburb of New York City, many residents are executives, professional, technical and managerial people employed in New York City and at industrial and corporate headquarters of nationally known firms located in surrounding Fairfield County communities. Darien is an active retail community, despite its proximity to larger retail centers, with several shopping centers and many specialty shops.

The tax base is primarily residential (approximately 86%) with a limited number of commercial office and retail buildings. The value of local construction decreased to \$120,837,500, down 16.9% from the previous year. A total of 733 building permits were issued. This is lower with the prior year. Growth in Darien will continue to be stable or gradual, due to the limited amount of land available for development.

Property taxes comprise 93% of Town General Fund revenues and the current property tax collection rate remains strong at 99.5%. Delinquent collections were stronger in Fiscal 2015 than in prior years.

Intergovernmental revenues represent a small portion of Town revenues, reflecting only 1.8% in the current year. As a result of the Town's heavy reliance on property taxes and continually increasing student enrollment projections, the Board of Finance is preparing a five year financial plan that assumes property tax increases averaging 3.1% for the period. The property tax mill rate enacted for 2015-2016, 15.35, represented a 2.3% increase.

LONG-TERM FINANCIAL PLANNING

A five year financial forecast is prepared by the Board of Finance and presented to the Representative Town Meeting each year at the State of the Town meeting in December. The plan addresses both operating and capital expenditures as well as revenues. It is based, in part, on the Five & Six Year Capital Projections prepared by the Board of Education and Board of Selectmen. Factors considered in the Five Year Forecast include student population growth, interest rates for investments and planned debt offerings, locally generated revenues, state grants, inflation rates, planned benefit changes, personnel changes and grand list growth. While not a budget, this document is referred to during the budget process.

The Board of Finance has adopted a Fund Balance Policy. This is also a consideration in development of the Five Year Forecast. The Fund Balance Policy calls for the Town to maintain fund balance above an appropriate level, measured as a percentage of revenues. This allows the Town to maintain sufficient fund balance to provide protection in case of unforeseen emergencies, to moderate mill rate increases and to avoid excessive accumulation.

The Town and Board of Education are covered under a fully insured medical insurance plan. The Town and Board of Education dental plans and the Board of Education pharmaceutical coverage are self-insured and are being viewed as a manageable financial risk. The Town is responsible for property losses due to fire and other disasters up to \$10,000, floods and earthquakes up to \$50,000 and auto collision of \$500 per vehicle and is fully insured for claims in excess of those amounts. The Town carries Workers' Compensation insurance as mandated by law.

A safety committee exists to review safety measures and make recommendations for improvement when necessary. These programs combined with periodic OSHA and insurer safety inspections are used by the Town to control accidental injury losses and provide a safe environment for employees and the public.

MAJOR INITIATIVES

In fiscal year 2014-2015 the Town of Darien continued its practice of regular replacement of equipment for the Public Works Department, Parks & Recreation Department, Police Department and Volunteer Fire Departments. The Town funds accounts for such replacements on a regular basis to avoid large swings in the budget. During FY 2014-2015, over \$370,000 was expended in these programs.

School projects continued including heating upgrades, security upgrades and generator installations as well as numerous smaller projects. The combined cost of these projects is over \$586,000.

In FY 2015, the Town purchased a piece of privately owned property that was adjacent to one of the elementary schools. With the Senior Program moved to the Mather Community Center, the building it formerly occupied has been demolished. At present, no plan has been developed for use of that property. The Town upgraded several systems; including the land use/permitting software and the emergency radio system.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Darien for its Comprehensive Annual Financial Report (CAFR) for each of the last twenty-two fiscal years. The Certificate of Achievement is a prestigious national award, which recognizes conformance with the highest standards for preparation of State and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

ACKNOWLEDGEMENTS

The preparation of this report on a timely basis was made possible by the cooperation and dedicated services of the entire staff of the Finance Department. The efforts of all those who contributed to the preparation of this report are sincerely appreciated.

Appreciation is further extended to the Board of Finance for their support in the preparation of this report.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kathleen Clarke Buch".

Kathleen Clarke Buch
Town Administrator



Government Finance Officers Association

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

Presented to

**Town of Darien
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

**TOWN OF DARIEN
PRINCIPAL OFFICIALS
AS OF JUNE 30, 2015**

BOARD OF SELECTMEN:

Jayne Stevenson, First Selectman
Christopher P. (Kip) Hall
Susan J. Marks
Gerald A. Nielsen, Jr
E. Reilly Tierney

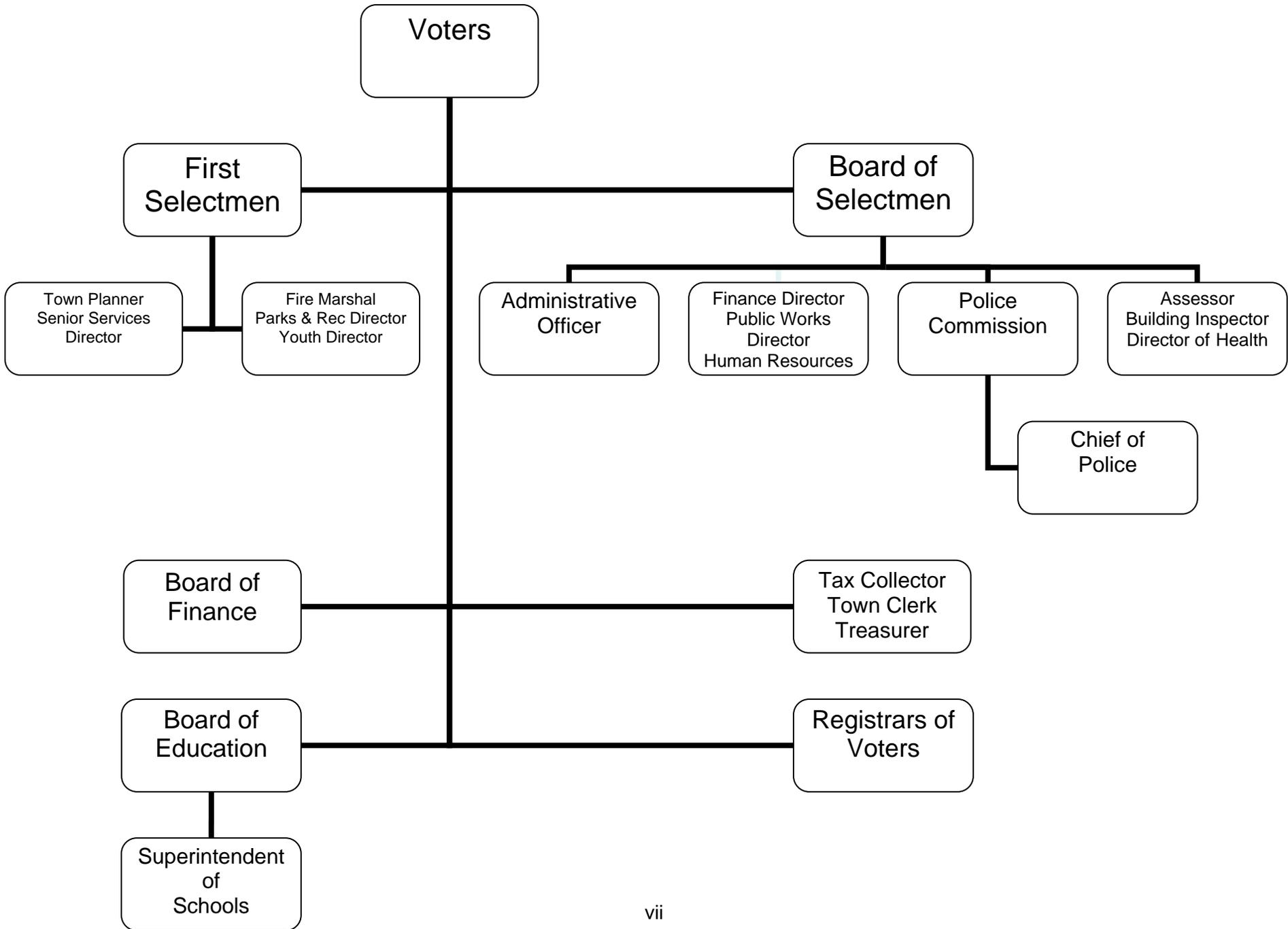
BOARD OF FINANCE:

Elizabeth Smith Mao, Chairman
Jon Zagrodzky, Vice Chairman
Frank Huck
David Lopiano
Diana Maguire
James McLaughlin
Bruce Orr

Administrative Officer
Finance Director
Treasurer
Superintendent of Schools (Interim)
Tax Collector
Assessor
Town Clerk

Karl Kilduff
Kathleen Clarke Buch
Joan Hendrickson
Lynne B. Pierson
Kathleen Larkins
Anthony Homicki
Donna E. Rajczewski

Town of Darien Organization Chart



Financial Section

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Board of Finance
Town of Darien, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Darien, Connecticut, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Darien, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Darien, Connecticut, as of June 30, 2015 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 16 to the financial statements, during the fiscal year ended June 30, 2015, the Town adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The net position of the Town has been restated to recognize the net pension asset required in implementing GASB Statement No. 68. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9, the budgetary comparison information on pages 53 through 59, and the pension schedules on pages 60 through 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2016 on our consideration of the Town of Darien, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Darien, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
March 7, 2016

Town of Darien, Connecticut
Management's Discussion and Analysis - unaudited
June 30, 2015
(In Thousands)

This discussion and analysis of the Town of Darien, Connecticut's (the Town) financial performance is provided by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2015. Please read this MD&A in conjunction with the transmittal letter and the Town's financial statements, Exhibits I to IX. All amounts are expressed in thousands unless otherwise noted.

Financial Highlights

- Net position of our governmental activities increased by \$6,606 or 4.7%.
- During the year, the Town had expenses that were \$6,606 less than the \$152,261 generated in tax and other revenues for governmental programs.
- Total cost of all of the Town's programs was \$144,655 with no new programs added this year.
- The General Fund reported a fund balance this year of \$19,052.
- The resources available for appropriation were \$277 less than budgeted for the General Fund. Expenditures were \$856 less than budgeted.

Overview of the Financial Statements

This annual report consists of a series of financial statements. The statement of net position 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 position 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 position and changes in net position. The Town's net position, the difference between assets and liabilities, is one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other nonfinancial 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 as follows:

- *Governmental Activities* - The Town's basic services are reported here, including general government, community environment, public safety, health and social services, library, parks and recreation, public works, education, sewer and solid waste. 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 of Darien establishes many other funds to help control and manage financial activities for particular purposes (like the Sewer Operations) or to show that it is meeting legal responsibilities for using grants and other money (like grants received from the State of Connecticut). 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 included with the fund financial statements.
- *Proprietary Funds (Exhibits V, VI and VII)* - the Town maintains an Internal Service Fund. The Town uses its internal service fund to account for certain self-funded employee benefit costs. Because the internal service fund benefits governmental functions, they are included within governmental activities in the government-wide financial statements.
- *Fiduciary Funds (Exhibits VIII and IX)* - The Town is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. 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 position increased from a year ago increasing from \$140,282 to \$146,888. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental activities.

	Governmental Activities	
	2015	2014 as Restated
Current assets	\$ 48,333	\$ 53,032
Capital assets, net of accumulated depreciation	183,594	185,769
Total assets	<u>231,927</u>	<u>238,801</u>
Deferred outflows of resources	<u>9,160</u>	<u>2,002</u>
Long-term liabilities outstanding	84,561	93,365
Other liabilities	7,926	7,156
Total liabilities	<u>92,487</u>	<u>100,521</u>
Deferred inflows of resources	<u>1,712</u>	
Net Position:		
Net investment in capital assets	101,619	96,371
Restricted		1,942
Unrestricted	<u>45,269</u>	<u>41,969</u>
Total Net Position	<u>\$ 146,888</u>	<u>\$ 140,282</u>

Net position of the Town's governmental activities increased by 4.7%. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - changed from \$41,969 at June 30, 2014 to \$45,269 at the end of this year.

This change in unrestricted governmental net position resulted primarily due to a reduction in long-term liabilities as the Town's debt is reduced. The Town's long-term liabilities are \$84,561.

	Governmental Activities	
	2015	2014
Revenues:		
Program revenues:		
Charges for services	\$ 12,795	\$ 12,670
Operating grants and contributions	13,657	15,120
Capital grants and contributions	635	1,277
General revenues:		
Property taxes	124,174	116,634
Grants and contributions not restricted to specific purposes	192	177
Unrestricted investment earnings	164	154
Other general revenues	644	489
Total revenues	<u>152,261</u>	<u>146,521</u>
Program expenses:		
General government	4,716	4,493
Community environment	894	873
Public safety	14,775	13,886
Health and social services	1,625	1,971
Library	3,479	3,401
Parks and recreation	2,258	2,188
Public works	7,225	7,194
Board of Education	105,076	104,235
Sewer operations	3,269	3,585
Debt service	2,338	2,836
Total program expenses	<u>145,655</u>	<u>144,662</u>
Change in Net Position	<u>6,606</u>	<u>1,859</u>
Beginning Net Position	140,282	125,319
Restatement		<u>13,104</u>
Ending Net Position	<u>\$ 146,888</u>	<u>\$ 140,282</u>

The Town's total revenues (excluding special items) were \$152,261. The total cost of all programs and services was \$145,655. Our analysis below considers the operations of governmental activities.

Governmental Activities

Property taxes were 81.5% of revenues and charges for services accounted for 8.4%. Capital grants of \$635 were primarily grants from the State of Connecticut for school construction projects and infrastructure. Operating grants and contributions decreased by 9.7%. The 2014-15 property tax collection rate was 99.3%. Charges for Services were virtually level with 2013-14 collections. Intergovernmental revenue decreased primarily due to decreased operating grants. School principal and interest subsidy grants on pre-1996 construction projects continue to decline, which corresponds to the decline in the debt service for older school projects. Investment income increased slightly due to slight increases in interest rate available on certain investments.

On the expense side, public works was relatively level. Though we had major storms during FY 2015, they were on a par with the level experienced in FY 14. Education expenses continue to be the most significant component accounting for 72%. Board of Education increased because of increased enrollment, negotiated wage increases, increased medical expenses and increased Special Education expenses. Debt service increased slightly as a result of payment schedules from prior year debt issuances.

Table 3 presents the cost of each of the Town's five largest programs - general government, public safety, public works, education and the public library - as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
General government	\$ 4,716	\$ 4,493	\$ 2,827	\$ 2,528
Public safety	14,775	13,886	11,396	11,409
Public works	7,225	7,194	5,940	4,436
Education	105,076	104,235	89,417	87,030
Library	3,479	3,401	3,479	3,401

Town Funds Financial Analysis

As the Town completed the year, its governmental funds (as presented in the balance sheet - Exhibit III) reported a combined fund balance of \$27,329, which is a decrease from last year's total of \$27,893. Decreases occurred in two major funds, the Sewer Operating Fund and the Capital Projects Fund, as well as in the Nonmajor Funds. This was due to the results of sewer operations and additional appropriations in the Capital Projects Fund made during the year. Cafeteria revenues were lower than required to support operations and Special Education Grants from the state were decreased. All other funds showed increases, with the largest being in the General Fund, with fund balance increasing by \$586.

In the Sewer Operations Fund, revenue from Sewer Service Charges was higher than anticipated in the budget. This is a result of two factors, rate increases and an increase in water usage, upon which the sewer fees are based. Operating expenditures were higher than budgeted due to higher administrative costs, which was primarily in legal expenses. Transfers out to the Capital Fund were also higher than anticipated. Revenues were as expected in the Sewer Assessment Fund, with advance payments of assessments at normal levels.

The Internal Service Fund deficit fund balance increased due to higher claim activity than anticipated in the premium equivalents. The Town plans to reduce the deficit through increased premium equivalent payments from the General Fund, Sewer Fund and Parking Operations Fund.

General Fund Budgetary Highlights

There were additional appropriations for the fiscal year ended June 30, 2015, in the amount of \$1,254. These were for Capital Projects to purchase land and to demolition two town owned buildings. A contingency of \$720 was included in the original budget. This contingency covered items such as non-union wage increases and other unexpected expenses. The contingency was higher than the prior year due to the number of outstanding union contracts expected to settle.

Actual revenues were lower than budgetary estimates by approximately \$277. The budget assumed that \$2,354 of fund balance would be used to offset expenses; however this amount was not needed. Town Clerk fees were \$258 higher than budget, an indication of increased conveyance tax collections. Prior year tax collection and interest on taxes were higher than budget by \$378 and \$223 respectively. This was due to the efforts of the Tax Collector to track some of the more significantly delinquent taxpayers and settle their outstanding debts. Rental income was \$182 higher than budget due to settlement of outstanding lease payments by a tenant. Miscellaneous income was \$190 higher than budgeted as the Board of Education successfully recovered amounts it had been overcharged on a prior year contract. Actual expenditures were less than budgetary estimates by \$856. The largest single contributor to this was the Employee Benefits budget, a result of changes to employee benefits through contract negotiations.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2015, the Town had \$183,594 invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment, roads, bridges, and water and sewer lines - Table 4. This amount represents a net decrease (including additions and deductions) of \$2,175, or 1.2%, from last year.

	Governmental Activities	
	2015	2014
Land	\$ 13,067	\$ 12,502
Buildings	148,734	147,434
Land improvement	1,857	2,005
Machinery and equipment	7,187	6,107
Infrastructure	11,428	11,904
Construction in progress	<u>1,321</u>	<u>5,817</u>
Totals	<u>\$ 183,594</u>	<u>\$ 185,769</u>

The Town's fiscal-year 2014-15 capital budget calls for it to spend another \$4,916 for capital and/or non-recurring projects, principally for capital equipment and replacement. Land increased due to the Town's acquisition of property during the fiscal year. The decrease in construction in progress is primarily related to completion of renovations at the Mather Community Center. More detailed information about the Town's capital assets is presented in Notes 1 and 4 to the financial statements.

Long-Term Debt

At June 30, 2015, the Town had \$82,583 in bonds and notes outstanding versus \$90,922 last year.

Debt decreased due to \$8,893 in annual principal payments as well as a \$16,804 reduction due to refunded bonds. The Town issued \$16,310 in new general obligation bonds during the year, including the refunding bonds.

The Town's general obligation bonds continue to carry a rating of Aaa, the highest rating possible, a rating that has been assigned by national rating agencies to the Town's debt since 1973. The State limits the amount of general obligation debt that cities can issue based on formula determined under State Statutes based on type of debt and tax base. The Town's outstanding general obligation debt is significantly below this \$872,851 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

The Town's elected and appointed officials considered many factors when setting the fiscal-year 2016 budget tax rates, and fees that will be charged for services. One of those factors is the economy. Unemployment in the Town remains stable at 4.3%, the same level as a year ago. This compares with the State's unemployment rate of 5.4% and the national rate of 5.3%.

The increase in inflation in the Darien area was slightly less than the national Consumer Price Index (CPI).

These indicators were taken into account when adopting the General Fund budget for 2015-16. Amounts available for appropriation in the General Fund budget are \$137,478, an increase of 2.37% over the final 2015 budget of \$134,348. Property taxes (benefiting from the 2015 rate increases and growth in the grand list) are expected to lead this increase. The Town will use these increases in revenues to finance programs currently offered and to off-set the effect that we expect inflation to have on program costs. Increased personnel costs and increased education expenses are the largest areas of expenditure increase. Fund balance will provide \$1,100 to support the budget.

If these estimates are realized, the Town's budgetary General Fund balance is expected to remain stable by June 30, 2016.

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 Darien, 2 Renshaw Road, Darien, Connecticut, 06820.

Basic Financial Statements

**TOWN OF DARIEN, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2015**

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 25,426,697
Investments	7,793,606
Receivables, net	5,581,133
Prepaid expenses	41,842
Net pension asset	9,243,726
Net OPEB asset	245,818
Capital assets not being depreciated	14,388,131
Capital assets being depreciated, net of accumulated depreciation	<u>169,206,103</u>
Total assets	<u>231,927,056</u>
Deferred Outflows of Resources:	
Deferred charges on refunding	2,532,723
Pension net difference between projected and actual investment earnings	990,336
Pension change in assumptions	<u>5,636,730</u>
Total deferred outflows of resources	<u>9,159,789</u>
Liabilities:	
Accounts and other payables	5,828,249
Unearned revenue	172,981
Bond anticipation notes	1,925,000
Noncurrent liabilities:	
Due within one year	10,030,213
Due in more than one year	<u>74,530,373</u>
Total liabilities	<u>92,486,816</u>
Deferred Inflows of Resources:	
Pension differences between expected and actual experience	<u>1,711,878</u>
Net Position:	
Net investment in capital assets	101,618,803
Unrestricted	<u>45,269,348</u>
Total Net Position	<u>\$ 146,888,151</u>

The accompanying notes are an integral part of the financial statements

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

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	\$ 4,715,781	\$ 1,876,386	\$ 12,670	\$	\$ (2,826,725)
Community environment	894,210	109,273			(784,937)
Public safety	14,774,929	3,348,942	30,460		(11,395,527)
Health and social services	1,624,970	165,569	226,699	38,672	(1,194,030)
Library	3,479,389				(3,479,389)
Parks and recreation	2,257,960	562,511		25,000	(1,670,449)
Public works	7,225,304	728,379		556,866	(5,940,059)
Board of Education	105,075,561	2,257,124	13,387,421	14,389	(89,416,627)
Sewer operations	3,268,801	3,746,635			477,834
Interest on long-term debt	2,338,087				(2,338,087)
Total Governmental Activities	\$ 145,654,992	\$ 12,794,819	\$ 13,657,250	\$ 634,927	(118,567,996)
General revenues:					
Property taxes					124,174,152
Grants and contributions not restricted to specific programs					191,725
Unrestricted investment earnings					164,257
Miscellaneous					644,264
Total general revenues					<u>125,174,398</u>
Change in net position					6,606,402
Net Position at Beginning of Year, as Restated					<u>140,281,749</u>
Net Position at End of Year					<u>\$ 146,888,151</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF DARIEN, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2015**

	<u>General</u>	<u>Sewer Operating</u>	<u>Sewer Assessment</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 17,319,051	\$ 3,948,834	\$ 987,306	\$	\$ 3,171,506	\$ 25,426,697
Investments	7,430,040				363,566	7,793,606
Receivables, net	1,995,683	345,976	3,105,156		134,318	5,581,133
Due from other funds	1,513,415	4,156	428,742	4,874,088	36,873	6,857,274
Prepaid expenditures	31,872			9,970		41,842
Total Assets	<u>\$ 28,290,061</u>	<u>\$ 4,298,966</u>	<u>\$ 4,521,204</u>	<u>\$ 4,884,058</u>	<u>\$ 3,706,263</u>	<u>\$ 45,700,552</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts and other payables	\$ 4,181,927	\$ 39,121	\$ 42,844	\$ 391,954	\$ 286,669	\$ 4,942,515
Due to other funds	3,898,315	582,408	550,000	952,413	771,977	6,755,113
Unearned revenue	33,362			14,225	125,394	172,981
Bond anticipation notes payable				1,925,000		1,925,000
Total liabilities	<u>8,113,604</u>	<u>621,529</u>	<u>592,844</u>	<u>3,283,592</u>	<u>1,184,040</u>	<u>13,795,609</u>
Deferred Inflows of Resources:						
Unavailable revenue - property taxes	1,115,984					1,115,984
Unavailable revenue - sewer use		345,975				345,975
Unavailable revenue - sewer assessment			3,105,156			3,105,156
Unavailable revenue - school building grants	8,477					8,477
Total deferred inflows of resources	<u>1,124,461</u>	<u>345,975</u>	<u>3,105,156</u>	<u>-</u>	<u>-</u>	<u>4,575,592</u>
Fund Balances:						
Nonspendable	31,872					31,872
Restricted				1,600,466	400,655	2,001,121
Committed	355,973	3,331,462	823,204		2,159,349	6,669,988
Assigned	1,970,677					1,970,677
Unassigned	16,693,474				(37,781)	16,655,693
Total fund balances	<u>19,051,996</u>	<u>3,331,462</u>	<u>823,204</u>	<u>1,600,466</u>	<u>2,522,223</u>	<u>27,329,351</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 28,290,061</u>	<u>\$ 4,298,966</u>	<u>\$ 4,521,204</u>	<u>\$ 4,884,058</u>	<u>\$ 3,706,263</u>	<u>\$ 45,700,552</u>

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TOWN OF DARIEN, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2015

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

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

Fund balances - total governmental funds (Exhibit III)	\$ 27,329,351
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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	\$ 288,371,305	
Less accumulated depreciation	<u>(104,777,071)</u>	
Net capital assets		183,594,234

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

Property tax receivables greater than 60 days	603,145
Interest receivable on property taxes	512,839
Assessments receivable	3,105,156
Sewer use receivable	345,975
Receivable from the state for school construction projects	8,477
Deferred outflows related to pension changes in assumptions	5,636,730
Deferred outflows related to differences between projected and actual pension investment returns	990,336

Pension and OPEB assets:

Net pension asset	9,243,726
Net OPEB asset	245,818

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

(140,171)

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

Bonds and notes payable	(77,430,020)
Interest payable on bonds and notes	(847,724)
Compensated absences	(1,977,432)
Bond premium	(5,153,134)
Deferred charge on refunding	2,532,723
Deferred inflows related to pension differences between expected and actual experience	<u>(1,711,878)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 146,888,151</u>
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The accompanying notes are an integral part of the financial statements

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

	<u>General</u>	<u>Sewer Operating</u>	<u>Sewer Assessment</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 124,755,330					\$ 124,755,330
Intergovernmental	13,420,590			1,605	961,044	14,383,239
Charges for services	5,351,400	3,543,362	668,165		3,794,039	13,356,966
Income on investments	134,872	13,835		13,225	2,325	164,257
Miscellaneous	702,676			52,511	107,425	862,612
Total revenues	<u>144,364,868</u>	<u>3,557,197</u>	<u>668,165</u>	<u>67,341</u>	<u>4,864,833</u>	<u>153,522,404</u>
Expenditures:						
Current:						
General government	3,284,865				4,304	3,289,169
Community environment	644,535					644,535
Public safety	8,583,729				712,584	9,296,313
Health and social services	1,268,113				52,033	1,320,146
Library	3,479,389					3,479,389
Parks and recreation	1,333,748					1,333,748
Public works	4,739,795				480,573	5,220,368
Board of Education	99,103,639				3,564,513	102,668,152
Sewer operations		3,268,801				3,268,801
General overhead	6,763,733					6,763,733
Capital outlay				5,319,887		5,319,887
Debt service	11,640,656					11,640,656
Total expenditures	<u>140,842,202</u>	<u>3,268,801</u>	<u>-</u>	<u>5,319,887</u>	<u>4,814,007</u>	<u>154,244,897</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,522,666</u>	<u>288,396</u>	<u>668,165</u>	<u>(5,252,546)</u>	<u>50,826</u>	<u>(722,493)</u>
Other Financing Sources (Uses):						
Transfers in	647,595			4,421,493		5,069,088
Transfers out	(3,741,955)	(502,305)	(550,000)		(274,828)	(5,069,088)
Refunding bond premiums	1,709,975					1,709,975
Issuance of refunding bonds	16,310,000					16,310,000
Payment to escrow agent	(17,861,972)					(17,861,972)
Total other financing sources (uses)	<u>(2,936,357)</u>	<u>(502,305)</u>	<u>(550,000)</u>	<u>4,421,493</u>	<u>(274,828)</u>	<u>158,003</u>
Net Change in Fund Balances	586,309	(213,909)	118,165	(831,053)	(224,002)	(564,490)
Fund Balances at Beginning of Year	<u>18,465,687</u>	<u>3,545,371</u>	<u>705,039</u>	<u>2,431,519</u>	<u>2,746,225</u>	<u>27,893,841</u>
Fund Balances at End of Year	<u>\$ 19,051,996</u>	<u>\$ 3,331,462</u>	<u>\$ 823,204</u>	<u>\$ 1,600,466</u>	<u>\$ 2,522,223</u>	<u>\$ 27,329,351</u>

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TOWN OF DARIEN, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

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) \$ (564,490)

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 3,559,283
 Depreciation expense (5,209,542)

The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets. (524,905)

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:

School building grant receipts (196,193)
 Property tax receivable - accrual basis change (581,178)
 Sewer assessment receivable - accrual basis change (519,892)
 Sewer use receivable - accrual basis change 36,253
 Change in deferred outflows related to pension changes in assumptions 5,636,730
 Change in deferred outflows related to differences between projected and actual pension investment returns 990,336

Change in pension and OPEB assets:

Net OPEB expense (7,133)
 Change in net pension asset (3,873,850)

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

Bond and note principal payments 8,892,688
 Refunding bond issuance (16,310,000)
 Payments to escrow agent 17,861,972
 Premium on refunding bond debt issuance (1,709,975)
 Amortization of premiums on debt issuance 566,451

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 37,790
 Claims and judgments 313,641
 Accrued interest 274,769
 Amortization of deferred charge on refunding (431,339)
 Retainage payable 113,505
 Change in deferred inflows related to pension differences between expected and actual experience (1,711,878)

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. (36,641)

Change in Net Position of Governmental Activities (Exhibit II) \$ 6,606,402

The accompanying notes are an integral part of the financial statements

**TOWN OF DARIEN, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUND
JUNE 30, 2015**

	Governmental Activities Internal Service Fund
	<hr/>
Assets:	
Due from other funds	\$ <u>9,034</u>
Liabilities:	
Accounts and other payables	38,010
Due to other funds	<u>111,195</u>
Total liabilities	<u>149,205</u>
Net Position:	
Unrestricted	\$ <u><u>(140,171)</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF DARIEN, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUND
JUNE 30, 2015

	Governmental Activities
	Internal Service Fund
Operating Revenues:	
Charges for services	\$ <u>154,313</u>
Operating Expenses:	
Salaries, benefits and claims	<u>190,954</u>
Operating Loss	(36,641)
Net Position at Beginning of Year	<u>(103,530)</u>
Net Position at End of Year	\$ <u><u>(140,171)</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF DARIEN, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
JUNE 30, 2015

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:	
Receipts from customers	\$ 154,313
Payments to vendors	(154,313)
Net cash provided by operating activities	<u>-</u>
Net increase in cash and cash equivalents	-
Cash and Cash Equivalents at Beginning of Year	<u>-</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>-</u></u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:	
Operating loss	\$ <u>(36,641)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Change in assets and liabilities:	
(Increase) decrease in due from other funds	9,029
Increase (decrease) in accounts payable	<u>27,612</u>
Total adjustments	<u>36,641</u>
Net Cash Provided by Operating Activities	\$ <u><u>-</u></u>

The accompanying notes are an integral part of the financial statements

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

	Pension and OPEB Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ 2,562,153	\$ 492,133
Investments:		
Equity securities	65,326,795	
Equity mutual funds	49,665,116	
Receivables:		
Interest and dividends	<u>142,225</u>	
Total assets	117,696,289	\$ <u><u>492,133</u></u>
Liabilities:		
Accounts and other payables	<u>73,522</u>	\$ <u><u>492,133</u></u>
Net Position:		
Held in Trust for Pension Benefits and Postemployment Benefits	\$ <u><u>117,622,767</u></u>	

The accompanying notes are an integral part of the financial statements

**TOWN OF DARIEN, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	Pension and OPEB Trust Funds
	<u> </u>
Additions:	
Contributions:	
Employer	\$ 3,821,201
Plan members	1,341,318
Total contributions	<u>5,162,519</u>
Investment income:	
Net change in fair value of investments	4,719,205
Interest and dividends	2,187,863
Net investment income	<u>6,907,068</u>
Total additions	<u>12,069,587</u>
Deductions:	
Benefits	5,458,238
Administration	496,796
Total deductions	<u>5,955,034</u>
Change in Net Position	6,114,553
Net Position at Beginning of Year	<u>111,508,214</u>
Net Position at End of Year	<u>\$ 117,622,767</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity of the Town consists of all Town departments, the Board of Education, commissions, boards, authorities and funds.

The Town was founded in 1737. The Town has a Representative Town Meeting (RTM) form of government, with a 5-member Board of Selectmen, 7-member Board of Finance and a 9-member Board of Education. The Town operates under the State of Connecticut General Statutes and the Charter and Code of Ordinances of the Town of Darien. The Charter was originally adopted in 1959 and the Code of Ordinances was adopted in 1972. Both are subject to revision on an ongoing basis. The 100-member RTM is the legislative body for the Town. The First Selectman, elected biennially, is the Chief Executive Officer of the Town. The Board of Finance, elected quadrennially to overlapping terms, serves as the Town's fiscal policy maker. Services provided by the Town to residents and taxpayers include general administrative services, public safety, education, public works, parks and recreation, health, social service, planning and zoning, and sewer services. The Town has no component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements.

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 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 (except for agency funds which have no measurement focus). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year 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.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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 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, pensions, other post-employment benefits, and claims and judgments, are recorded only when payment is due.

Property taxes when levied for, intergovernmental revenues when eligibility requirements are met, 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 primary operating fund of the Town. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for service and interest income.

The *Sewer Operating Fund* is a special revenue fund that accounts for the revenues collected by the Town and expenditures related to the Town's Sanitary Sewer System.

The *Sewer Assessment Fund* is a special revenue fund that is used to account for receipt and assessment functions for sewers.

The *Capital Projects Fund* is used to account for the financial resources for the acquisition and construction of major capital facilities.

Additionally, the Town reports the following proprietary and fiduciary funds:

The *Internal Service Fund* is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town on a cost-reimbursement basis. It is used to account for the activities of the self-insured dental insurance program of the Town.

The *Pension Trust Funds* account for the activities of the Darien Retirement System, which accumulates resources for pension benefit payments to qualified Town employees and Police Officers. The pension trust funds follow the accrual basis of accounting.

The *OPEB Trust Funds* account for the activities of the Town's other post-employment benefit trust, which accumulates resources for pension and other post-employment benefit payments to qualified employees and retirees. The OPEB trust funds follow the accrual basis of accounting.

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The Board of Education Student Activity Fund is the Town's only agency fund.

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.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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.

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 2.

Investments are reported at fair value, except for investments in 2a7-like pools, which are stated at amortized costs.

E. Interfunds

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

F. Property Taxes

The Town's property tax is levied each July 1, on the assessed value listed on the prior October 1, Grand List for all taxable property located in the Town. Although taxes are levied in June, the legal right to attach the property does not exist until July 1. Therefore, taxes are due and payable in equal installments on July 1, and January 1, following the date of the Grand List. Interest of 1½% per month is charged on delinquent taxes. Liens are effective on the attachment date and are continued by filing prior to the following levy date. Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31, and are payable in one installment due January 1. An amount of \$77,340 has been established as an allowance for uncollectible taxes. At June 30, 2015, this represents approximately 5% of all property taxes receivable. All trade and property tax receivables are reported net of an allowance for uncollectibles.

G. Restricted Assets

The restricted assets for the Town are restricted for capital project purposes.

H. 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.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

I. 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 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at 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. Interest incurred during the construction phase of capital assets is not included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	40
Infrastructure	10-40
Vehicles	2-20
Office equipment	5
Computer equipment	3

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

Allowance for Doubtful Accounts

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

J. Compensated Absences

Employees are paid by prescribed formula for absence due to vacation or sickness. Days may be carried forward under the prescribed formula.

The Town and Board of Education liability for vacation pay is based upon the carry forward of unused vacation days up to the number of vacation days earned during the two most recent years of employment for employees other than police, and unused vacation days up to one week for police.

The Town pays one-third of unused accumulated sick leave in excess of 150 days for Town employees and police officers at retirement. The liability reported in the financial statements is based upon one-third of the days accumulated in excess of this limit.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

The Board of Education liability for sick leave payments is incurred only upon retirement of custodians and maintenance workers who have been employed for over ten years. The liability represents the lower of 1.25 times the number of years employed times the employee's daily pay or the employee's accumulated sick leave balance. The Town accrued the amount that is probable for payment.

Compensated absences are accrued when incurred in the government-wide financial statements. No expenditure is reported in the governmental funds for these amounts until the payment is made.

K. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows of resources related to pensions in the government-wide statement of net position. A deferred inflow of resources related to pension results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). The Town reports in its governmental funds unavailable revenues, which arises only under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The governmental funds report unavailable revenues from several sources: property taxes, interest on delinquent property taxes, school building grants, special assessments, sewer use fees and interest in delinquent sewer use fees.

L. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the internal service funds are charges to other funds for services. Operating expenses for internal service funds include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

M. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

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

N. Net Pension Asset

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

O. Other Post-Employment Benefit (OPEB) Asset Accounting

OPEB Trust

Employer contributions are recognized in the period in which the contributions are due, and the Town has made a formal commitment to provide the contributions. Employees began contributing on July 1, 2008.

Governmental Funds and Governmental Activities

In governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. In governmental activities, expense is recognized based on actuarially required contributions. The net OPEB asset, the cumulative difference between annual OPEB cost and the Town's contributions to the plan since July 1, 2008, is calculated on an actuarial basis consistent with the requirements of GASB Statement No. 45. The OPEB asset is recorded as a noncurrent asset in the government-wide financial statements.

Funding Policy

The Town makes annual contributions based on management's decisions, taking into account the latest actuarial valuation.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

P. Accounting Estimates

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

Q. Net Position

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

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position

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

Unrestricted Net Position

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

R. Fund Balance

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). In the governmental fund financial statements, the Town reported the following governmental fund balances:

Nonspendable Fund Balance

These amounts cannot be spent because they are not in spendable form, or because they are legally or contractually required to be maintained intact.

Restricted Fund Balance

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

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of Darien Representative Town Meeting). The Town of Darien Representative Town Meeting is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Assigned Fund Balance

Amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Town of Darien Representative Town Meeting has by resolution authorized the finance director to assign fund balance. The Board of Finance may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or review a commitment.

Unassigned Fund Balance

The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The Town adheres to the following procedures in establishing the annual budget of the General Fund:

- On the first Tuesday in March, the Boards of Selectmen and Education submit their respective budgets to the Board of Finance.
- On the second Tuesday in March, the Board of Finance conducts a public hearing at which taxpayer comments are heard.
- On the third Tuesday in April, the Board of Finance establishes its recommended Budget and the means to finance it including a tax rate for publication and submission to the Representative Town Meeting (RTM).
- On the second Monday in May, the Budget as approved by the Board of Finance is submitted to an RTM at which the budget is legally enacted through passage of a resolution by the RTM. The RTM has authority to either approve the recommended budget or reduce it; it is not permitted to vote an increase. The operating budget includes proposed expenditures and the means of financing them.
- The Board of Finance has the authority to transfer unexpended balances and to establish a process for transfer approval.
- Any subsequent appropriations that alter the total operating budget must be approved by the RTM.
- Formal budgetary integration is employed as a management control device during the year for the General Fund.
- Except for the accounting for encumbrances, budgets are adopted on a modified accrual basis of accounting.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

- The Board of Education, which is not a separate legal entity but a separate department of the Town, is authorized under state law to make any transfers required within its budget at its discretion. Any additional appropriations must have Board of Education, Board of Finance and RTM approval.
- Budgeted amounts shown are as originally adopted, or as amended by the Board of Finance and RTM during the course of the year. Additional appropriations totaling \$1,254,000 were approved during the year.
- Generally, all unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward.
- The audited General Fund Balance at the end of the fiscal year should be no less than 10% of the audited General Fund Revenues for that fiscal year. It is the policy of the Board of Finance to keep the fund balance above the minimum level except under extraordinary events or in unanticipated situations.

The Sewer Operating Fund, a major fund, has an annual legally adopted budget. Other nonmajor funds with annually adopted budgets are the Solid Waste Management Fund, Parking Operations Fund and the Animal Control Fund. Establishment of the budget requires Board of Selectmen, Board of Finance and RTM approval. There were no additional appropriations approved during the year for the Sewer Operating Fund. All budgets are on the modified accrual basis of accounting.

Expenditures of funds for long-term capital improvements are budgeted by project each year. 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 reappropriated and 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.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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.

A. 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’s deposit policy for custodial credit risk requires pre-qualification of institutions with which the Town does business. The pre-qualification requirements include, but are not limited to, proof of creditworthiness, five years or more of operations, evidence of adequate insurance coverage, proof of state registration, and proof of compliance with state and federal capital adequacy guidelines. 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 or up to the FDIC limit in out-of-state banks.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$26,087,145 of the Town’s bank balance of \$28,328,398 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 24,057,791
Collateralized, held by banks	<u>2,029,354</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 26,087,145</u>

Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk based capital ratio.

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2015, the Town’s cash equivalents amounted to \$751,669. 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>	<u>Fitch Ratings</u>
State Short-Term Investment Fund (STIF)	AAAm	

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

B. Investments

Investments as of June 30, 2015 in all funds are as follows:

<u>Investment Type</u>	<u>Fair Value</u>
Common stock	\$ 65,326,795
Governmental funds - Certificates of deposit	7,793,606
Pooled open-end mutual fund accounts:	
Trust Funds	<u>49,665,116</u>
 Total	 <u>\$ 122,785,517</u>

Interest Rate Risk

The Town’s investment policy limits the maximum investment maturity to one year.

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 investment policy does not allow for an investment in any one issuer that is in excess of 5% of the Town’s total investments.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town maintains a listing of financial institutions approved to provide custody based on their creditworthiness in accordance with the Town’s investment policy. The investment policy details the information that must be provided by financial institutions on an annual basis to become or remain qualified for investment transactions. At June 30, 2015, the Town had \$65,326,795 worth of uninsured and unregistered common stock that was held by Wells Fargo or by its trust department or agent that was not in the Town’s name.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

4. RECEIVABLES

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

	<u>General</u>	<u>Sewer Operating</u>	<u>Sewer Assessment</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:					
Interest on delinquent taxes	\$ 512,839	\$	\$	\$	\$ 512,839
Taxes	917,396				917,396
Accounts	406,220	247,468		134,019	787,707
Special assessments			3,105,156		3,105,156
Intergovernmental	230,258			299	230,557
Interest receivable		98,508			98,508
Investment income	6,310			142,225	148,535
Gross receivables	<u>2,073,023</u>	<u>345,976</u>	<u>3,105,156</u>	<u>276,543</u>	<u>5,800,698</u>
Less allowance for property tax uncollectibles	<u>(77,340)</u>				<u>(77,340)</u>
Net Total Receivables	<u>\$ 1,995,683</u>	<u>\$ 345,976</u>	<u>\$ 3,105,156</u>	<u>\$ 276,543</u>	<u>\$ 5,723,358</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 12,501,554	\$ 565,750	\$	\$ 13,067,304
Construction in progress	5,817,456	758,603	5,255,232	1,320,827
Total capital assets not being depreciated	<u>18,319,010</u>	<u>1,324,353</u>	<u>5,255,232</u>	<u>14,388,131</u>
Capital assets being depreciated:				
Buildings	211,818,046	5,535,749	524,905	216,828,890
Land improvements	4,089,674			4,089,674
Machinery and equipment	13,784,160	1,954,413	881,853	14,856,720
Infrastructure	38,207,890			38,207,890
Total capital assets being depreciated	<u>267,899,770</u>	<u>7,490,162</u>	<u>1,406,758</u>	<u>273,983,174</u>
Less accumulated depreciation for:				
Buildings	64,383,570	3,711,236		68,094,806
Land improvements	2,084,299	148,208		2,232,507
Machinery and equipment	7,677,318	874,781	881,853	7,670,246
Infrastructure	26,304,195	475,317		26,779,512
Total accumulated depreciation	<u>100,449,382</u>	<u>5,209,542</u>	<u>881,853</u>	<u>104,777,071</u>
Total capital assets being depreciated, net	<u>167,450,388</u>	<u>2,280,620</u>	<u>524,905</u>	<u>169,206,103</u>
Governmental Activities Capital Assets, Net	<u>\$ 185,769,398</u>	<u>\$ 3,604,973</u>	<u>\$ 5,780,137</u>	<u>\$ 183,594,234</u>

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Depreciation expense was charged to functions/programs as follows:

General government	\$	243,509
Community development		6,691
Public Safety		858,746
Health and social services		159
Parks and recreation		163,303
Public works		721,593
Education		<u>3,215,541</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>5,209,542</u></u>

Construction Commitments

The Town has active construction projects as of June 30, 2015. A summary of capital projects is as follows:

Project	Project Expenditures							Balance
	Additions	Total Project	Prior Year		Current Year	Encumbrances		
Deletions	Authorization	2014-2015	Cumulative	Cumulative				
Clean Water Fund	\$ 1,500,000	\$ 1,500,000	\$	\$ 1,093,433	\$ 1,093,433	\$	\$ 406,567	
Sewer Line Expansion	9,515,000	9,515,000		6,892,772	6,892,772		2,622,228	
Sewer Capital	154,889	445,889	233,486	85,598	319,084	22,169	104,636	
High School Building	75,799,440	75,799,440		74,994,974	74,994,974		804,466	
Capital Non-Recurring Expenditures	15,685,528	19,450,483	5,155,578	13,384,816	18,540,394	753,748	156,341	
Parking Capital	1,096,193	1,327,233	24,017	495,278	519,295	182,345	625,593	
35 Leroy	4,125,000	4,328,807		3,909,979	3,909,979		418,828	
Weed Beach	3,600,000	3,600,000		3,133,542	3,133,542	7,645	458,813	
Police Station Addition	17,680,000	17,680,000		15,917,846	15,917,846		1,762,154	
Tokeneke School Building	23,170,000	23,170,000		22,717,899	22,717,899		452,101	
35 Leroy/Mather Center	6,797,000	6,797,000	216,057	7,525,732	7,741,789	65,086	(1,009,875)	
Weed Beach Tennis Courts	460,000	460,000		459,542	459,542		458	
Intervale Rd Drainage	1,500,000	1,500,000	7,425	23,740	31,165	688	1,468,147	
Short Lane Property	1,925,000	1,925,000	39,968	1,829,546	1,869,514	1,025	54,461	
Paving Projects		190,000					190,000	
Police Boat		285,000					285,000	
35 Leroy Heating		220,000					220,000	

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual fund interfund receivable and payable balances at June 30, 2015 are as follows:

Receivable Fund	Payable Fund	Amount
Sewer Operating	General Fund	\$ 4,156
Sewer Assessment	Capital Projects	428,742
Nonmajor Governmental	Capital Projects	32,496
Nonmajor Governmental	Sewer Operating	1,610
Nonmajor Governmental	General Fund	1,885
Nonmajor Governmental	Internal Service	882
Capital Projects	General Fund	3,892,274
Capital Projects	Sewer Operating	448,498
Capital Projects	Nonmajor Governmental	533,316
General Fund	Nonmajor Governmental	238,661
General Fund	Sewer Assessment	550,000
General Fund	Sewer Operating	123,266
General Fund	Capital Projects	491,175
Internal Service	Sewer Operating	9,034
General Fund	Internal Service	110,313

**TOWN OF DARIEN, CONNECTICUT
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All interfund receivables and payables are the result of regularly recurring transactions and represent temporary balances.

Interfund Transfers:

	<u>Transfers In</u>		
	<u>General Fund</u>	<u>Capital Projects</u>	<u>Total Transfers Out</u>
Transfers out:			
General Fund	\$	\$ 3,741,955	\$ 3,741,955
Sewer Operating Fund	53,807	448,498	502,305
Sewer Assessment Fund	550,000		550,000
Nonmajor governmental Funds	<u>43,788</u>	<u>231,040</u>	<u>274,828</u>
 Total Transfers In	 \$ <u>647,595</u>	 \$ <u>4,421,493</u>	 \$ <u>5,069,088</u>

All transfers represent routine transactions that occur annually to move resources from one fund to another.

7. LEASES

Operating Leases

The Town leases some office equipment under operating leases. Total costs for such leases were \$373,652 for the year ended June 30, 2015. These leases are cancelable at any time before the expiration date of the year 2020. The future minimum lease payments for these leases are as follows:

<u>Year Ending June 30</u>	
2016	\$ 377,040
2017	353,961
2018	42,652
2019	33,448
2020	<u>3,270</u>
 Total	 \$ <u>810,371</u>

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

8. LONG-TERM DEBT

Governmental Activities

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2015 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	\$ 86,585,000	\$ 16,310,000	\$ 25,745,000	\$ 77,150,000	\$ 8,670,000
Clean water notes	327,708		47,688	280,020	48,651
Premiums on bonds	4,009,610	1,709,975	566,451	5,153,134	
Total bonds and notes payable	<u>90,922,318</u>	<u>18,019,975</u>	<u>26,359,139</u>	<u>82,583,154</u>	<u>8,718,651</u>
Compensated absences	2,015,222	1,607,184	1,644,974	1,977,432	1,311,562
Claims and judgements	313,641		313,641	-	
Retainage payable	113,505		113,505	-	
Total Governmental Activities Long-Term Liabilities	<u>\$ 93,364,686</u>	<u>\$ 19,627,159</u>	<u>\$ 28,431,259</u>	<u>\$ 84,560,586</u>	<u>\$ 10,030,213</u>

Bonds and notes outstanding by issue at June 30, 2015 were:

<u>Description</u>	<u>Year of Maturity</u>	<u>Interest Rate (%)</u>	<u>Balance Outstanding June 30, 2015</u>
General Obligation Bonds:			
Refunding 2009	2018	2.00-5.00	\$ 8,215,000
Refunding 2010	2020	2.55	8,350,000
PD/35 Leroy 2011	2024	2.75	2,160,000
PD/35 Leroy 2012	2027	2.52	6,040,000
Refunding 2012	2027	1.7-5.0	27,805,000
General Purpose 2013	2028	2.0-3.125	5,135,000
Refunding 2014	2024	2.0-4.0	14,936,000
Total general obligation bonds			<u>72,641,000</u>
Special Assessment Debt with Town Commitment:			
Refunding 2009	2018	2.00-5.00	490,000
Refunding 2010	2020	2.55	1,640,000
Goodwives River Road 2011	2024	2.75	190,000
Goodwives River Road 2012	2027	2.52	360,000
Refunding 2012	2027	1.7-5.0	710,000
Refunding 2014	2024	2.0-4.0	1,119,000
Total special assessment debt with Town commitment			<u>4,509,000</u>
State Loans:			
Clean Water	2022	2	<u>280,020</u>
Total Outstanding			<u>\$ 77,430,020</u>

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

During fiscal year 2015, principal and interest payments were funded by the General Fund. The Sewer Operating Fund and Sewer Assessment Fund reimbursed the General Fund \$502,305 and \$550,000, respectively, toward these payments. The Sewer Operating Fund is responsible for debt service of the sewer rehabilitation bonds, and the Sewer Assessment Fund is responsible for the majority of debt service for the sewer construction bonds. Payment of the principal and interest on Special Assessment Sewer Bonds is guaranteed by the full faith and credit of the Town.

The following is a summary of long-term debt principal and interest maturities. The State of Connecticut will provide future payments to subsidize the debt cost. Principal debt subsidies of \$8,477 and interest subsidies of \$782 will be received over the life of the outstanding debt.

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 8,718,651	\$ 2,545,827
2017	9,279,633	2,187,133
2018	9,015,635	1,834,592
2019	8,516,657	1,518,770
2020	8,102,699	1,200,947
2021-2025	27,251,745	2,554,340
2026-2029	<u>6,545,000</u>	<u>317,745</u>
Total	<u>\$ 77,430,020</u>	<u>\$ 12,159,354</u>

Authorized Unissued Bonds

At June 30, 2015, the Town had \$2,200,000 of authorized, unissued bonds for sewer line extension projects, \$12,688,273 for the Darien High School Building Project, \$5,045,000 for the Tokeneke Elementary School Project, \$265,000 for the purchase of the 35 Leroy Building, \$1,555,000 for the Police Station Project, \$1,000,000 for the Weed Beach Project, \$79,000 for the 35 Leroy/MCC project, \$705,000 for various paving projects, \$60,000 for Weed Beach Tennis Courts, \$220,000 for Intervale Road Drainage, \$285,000 for the Police Boat and \$220,000 for the 35 Leroy Heating System. The Darien High School and Tokeneke Elementary School projects are partially offset by State of Connecticut grants.

Debt Limit

The Town’s total indebtedness does not exceed the limit of \$876 million allowed by State Statute.

Refundings

On August 12, 2014, the Town issued \$16,310,000 of general obligation refunding bonds with interest rates ranging from 2% to 4% to advance refund the outstanding principal amounts of \$42,600,000 General Obligation Bonds, dated January 15, 2010, \$7,600,000 General Obligation Bonds, dated March 17, 2011, and \$6,700,000 General Obligation Bonds, dated March 28, 2012.

The net proceeds of \$18,019,975 (including a premium of \$1,709,975, additional proceeds of \$4,608, and issuance costs of \$153,395 including underwriter’s fees) will reduce total debt service payments over the next 10 years by \$774,397 and represent an economic gain (difference between present values of the debt service payments on the old and new debt) of \$578,397. As a result, the refunded bonds are considered defeased and all future interest and principal on the defeased bonds will be paid from the proceeds of the refunding issue, which were placed into an irrevocable escrow account until all the defeased bonds have been called.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

In prior years and the current year, the Town defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the Town’s financial statements. The balance in escrow was \$14,832,942 at June 30, 2015. The outstanding balance of the defeased bonds as of June 30, 2015 is \$14,300,000.

Compensated Absences

The liability for compensated absences decreased by \$37,790 this year. These liabilities are paid by the General Fund, Sewer Operating Fund, Parking Operations Fund and Solid Waste Fund.

9. BOND ANTICIPATION NOTES

The following is a schedule of changes in bond anticipation notes for the year ended June 30, 2015:

<u>Project</u>	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rate (%)</u>	<u>Balance July 1, 2014</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2015</u>
4 Short Lane Acquisition	9/10/2014	9/9/2015	1	\$ -	\$ 1,925,000	\$ -	\$ 1,925,000

The notes are reported in the Capital Projects Fund and will be retired or permanently financed.

10. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; or natural disasters. The Town purchases commercial insurance for all risks of loss, except dental claims as discussed below. During the year ended June 30, 2015, deductibles paid by the Town were insignificant. Settled claims for all types of commercial coverage have not exceeded coverage in any of the past three years. There were no significant reductions in insurance coverage from coverage in the prior year.

A. Risk Pooling

The Town is a member of the CIRMA Workers’ Compensation Pool, a risk sharing pool. The Workers’ Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers’ Compensation Act. The premium paid in 2014/15 was \$890,462. The premium is subject to payroll audit at the close of the coverage period. CIRMA’s Workers’ Compensation Pool retains \$1,000,000 per occurrence.

B. Self-Insurance Plans

The Town manages certain of its risks internally and sets aside assets for claim settlements. The General Fund accounts for the Board of Education and Town dental plan and prescription drug plan.

A third party administers the Town’s self-insurance program. There is no stop loss coverage. The Town’s General Fund funds the claims through annual appropriations. The claims liability of \$48,795 reported at June 30, 2015 is based on the requirements of GASB Statements No. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

statements and the amount of the possible loss can be reasonably estimated. The claims liability of \$10,785 and \$38,010 are reported in the General Fund and Internal Service fund, respectively. The amount of claim accrual is based on the ultimate costs of settling the claim which include past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

The analysis of the activity in the claims liability is as follows:

	<u>Claims Payable July 1,</u>		<u>Claims and Changes in Estimates</u>		<u>Claims Paid</u>		<u>Claims Payable June 30,</u>
2013-2014	\$ 37,569	\$	1,549,357	\$	1,555,379	\$	31,547
2014-2015	31,547		1,102,142		1,084,894		48,795

11. FUND BALANCE

The components of fund balance for the governmental funds as of June 30, 2015 are as follows:

	<u>Major Special Revenue Funds</u>				<u>Nonmajor Governmental Funds</u>	<u>Total</u>
	<u>General Fund</u>	<u>Sewer Operating</u>	<u>Sewer Assessment</u>	<u>Capital Projects</u>		
Fund balances:						
Nonspendable:						
Prepaid expenses	\$ 31,872	\$	\$	\$	\$	\$ 31,872
Restricted for:						
Unspent grant balances					290,907	290,907
Capital projects				1,600,466		1,600,466
Park Pals Play area					30,617	30,617
Weed beach					4,289	4,289
Trusts					74,842	74,842
Committed to:						
Sewer operations		3,331,462				3,331,462
Sewer assessment projects			823,204			823,204
Animal control	28,431					28,431
Land purchase	61,421					61,421
Solid waste management	76,270					76,270
Special education	100,000					100,000
Waste disposal	89,851					89,851
Police services					492,012	492,012
Fire services					15,075	15,075
Parking operations					1,071,493	1,071,493
Affordable housing					363,672	363,672
Storm recovery					215,747	215,747
Stadium field					1,350	1,350
Assigned to:						
Purchases on order	870,677					870,677
Future year budgets	1,100,000					1,100,000
Unassigned	16,693,474				(37,781)	16,655,693
Total Fund Balances	\$ 19,051,996	\$ 3,331,462	\$ 823,204	\$ 1,600,466	\$ 2,522,223	\$ 27,329,351

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Significant encumbrances of \$888,285, \$220,315, \$1,468,538 and \$70,544 are included in the above table in the committed and assigned categories of the General Fund, the committed category of the sewer operating fund, the restricted category of the capital projects fund, and the restricted and committed categories of the nonmajor governmental funds, respectively.

Deficits

The Cafeteria fund, a nonmajor special revenue fund, has a fund balance deficit of \$37,781. The deficit will be funded by future grants and charges for services.

12. OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

The Town, in accordance with various collective bargaining agreements and State Statutes, is committed to providing health and other benefits to certain eligible retirees and their spouses. The Town has two post-retirement medical programs, the Police Plan and the Non-Police Plan. The Police Plan covers sworn personnel employed as of July 1, 1999 and hired on or before November 20, 2007. The Non-Police Plan covers all other Town and Board of Education employees, including teachers. Under the Police Plan, the Police Union, retirees and beneficiaries currently receiving benefits are required to contribute specified percentages towards the cost of receiving those benefits. The percentage retirees are required to contribute for these benefits vary and are detailed within the Police Union bargaining agreements. The Town does not issue a separate stand-alone financial statement for this program.

Membership in the plans consisted of the following at June 30, 2013, the date of the latest actuarial valuation:

	Police Post-Retirement Medical Program	Non-Police Post-Retirement Medical Program
Plan membership:		
Retirees and surviving spouses	23	46
Active plan members	44	537
Total Participants	67	583

B. Funding Policy

The Town established a trust fund to irrevocably segregate assets to fund the liability associated with post-employment benefits. The Town plans to continue a funding strategy that provides for normal cost and the amortization of the accrued liability. The Town’s funding strategy for post-employment obligations is based upon characteristics of benefits on several distinct groups of employees established within their respective collective bargaining units or required by the State and includes the following:

- Eligibility for benefits and the level of benefits range from 5 to 25 years of service at time of retirement determined by collective bargaining unit and date of hire.
- Medical benefits funded by the Town range from 72% cost of coverage for the retiree and dependents up until the employee’s death, to retirees paying the full cost of the coverage.
- Some retirees receive a stipend from the State of Connecticut towards the cost of their coverage.

**TOWN OF DARIEN, CONNECTICUT
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C. Annual OPEB Cost and Net OPEB Obligations

The Town of Darien’s annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The 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:

	<u>Police Post-Retirement Medical Program</u>	<u>Non-Police Post-Retirement Medical Program</u>
Annual required contribution (ARC)	\$ 465,340	\$ 566,010
Interest on net OPEB obligation	(18,971)	
Adjustment to annual required contribution	26,104	
Annual OPEB cost	<u>472,473</u>	<u>566,010</u>
Contributions made	<u>465,340</u>	<u>566,010</u>
Change in net OPEB asset	7,133	-
Net OPEB asset at beginning of year	<u>(252,951)</u>	<u>-</u>
Net OPEB Asset at End of Year	<u>\$ (245,818)</u>	<u>\$ -</u>

The Town’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation (asset) for the fiscal years ended June 30, 2015, 2013 and 2012 are presented below.

Police

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
6/30/2015	\$ 472,473	\$ 465,340	98.49%	\$ (245,818)
6/30/2014	453,917	354,733	78.15%	(352,135)
6/30/2013	436,678	329,796	75.52%	(459,017)

Non-Police

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
6/30/2015	\$ 566,010	\$ 566,010	100.00%	\$ -
6/30/2014	367,484	367,484	100.00%	-
6/30/2013	361,200	361,200	100.00%	-

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

Schedule of Funding Progress

Actuarial Valuation	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Police						
6/30/2013	\$ 2,608,118	\$ 5,681,545	\$ 3,073,427	45.91%	\$ 4,187,283	73.40%
6/30/2011	2,133,971	4,780,656	2,646,685	44.64%	3,818,581	69.31%
6/30/2009	1,317,602	4,821,068	3,503,466	27.33%	4,129,118	84.85%
Non-Police						
6/30/2013	\$ 1,834,852	\$ 5,577,342	\$ 3,742,490	32.90%	\$ 45,934,076	8.15%
6/30/2011	1,136,257	3,606,158	2,469,901	31.51%	42,742,437	5.78%
6/30/2009	1,081,222	3,748,552	2,667,330	28.84%	41,611,300	6.41%

Schedule of Employer Contributions

Year Ended June 30,	Police		Non-Police	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2015	\$ 465,340	100.00%	\$ 566,010	100.00%
2014	444,733	79.80%	367,484	100.00%
2013	424,706	77.60%	361,200	100.00%
2012	528,363	81.30%	452,050	100.00%
2011	504,575	80.40%	399,078	76.07%
2010	604,678	295.60%	586,352	184.39%

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.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Additional information as of the latest actuarial valuations follows:

	<u>Police</u>	<u>Non-Police</u>
Valuation date	June 30, 2013	June 30, 2013
Actuarial cost method	Aggregate	Projected Unit Credit
Amortization method	Level Percent	Level Percent
Remaining amortization period	30 years open	Aggregate funding method
Asset valuation method	Market Value	
Actuarial Assumptions:		
Investment rate of return	7.50%	7.50%
Inflation rate	5.00%	5.00%
<u>Health Care Trend</u>	<u>Increase</u>	<u>Increase</u>
2015-2016	8.00%	7.25%-8.00%
2016-2017	7.50%	7.00%-7.50%
2017-2018	7.00%	6.75%-7.00%
2018-2019	6.50%	6.50%
2019-2020	6.00%	6.00%
2020-2021	5.50%	5.50%
2021-2022	5.00%	5.00%
2022-2023 and later	4.50%	4.50%

The aggregate actuarial cost method is used to determine the annual required contributions (ARC) of the Town for the Police Plan. Because the method does not identify or separately amortize unfunded actuarial liabilities, information about funded status is prepared using the projected unit credit cost method.

13. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Pension Plans

A. Plan Description

The Funded Retirement Plan of the Town of Darien

The Town contributes to a single employer, contributory defined benefit pension plan (the Town Plan) covering substantially all Town employees (except police) and noncertified Board of Education employees.

Employees of the Town regularly employed on a permanent full-time basis (excluding police and teachers) or any elective officer are covered by the Town Plan.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

At July 1, 2014 (date of the last valuation), membership in the Town Plan consisted of:

Retirees, disabled members and beneficiaries currently receiving benefits	159
Terminated members entitled to benefits but not yet receiving them	25
Current active members	<u>351</u>
 Total	 <u>535</u>

The Town Plan provides retirement benefits, as well as death and disability benefits. All benefits vest after ten years of employment. If any employee leaves covered employment or dies before ten years of employment, accumulated employee contributions plus related investment earnings are refunded.

Benefit and contribution provisions are subject to collective bargaining. These provisions are established by ordinance and may be amended only by concurrence of the Board of Selectmen, Board of Finance and the RTM for nonbargaining unit employees.

The general administration and management of the Town Pension Plan and the responsibility for carrying out the provision of the plan shall be placed in the Town Pension Board. This board shall be made up of not fewer than three or more than five electors appointed by the Board of Selectmen of the Town. An elector may be, but need not be, an elected official of the Town or a member of any other board or committee of the Town.

Town of Darien Police Pension Fund

The Town contributes to a single employer, contributory defined benefit pension plan covering all Town Police (the Police Plan).

At July 1, 2014, membership in the Police Plan consisted of:

Retirees, disabled members and beneficiaries currently receiving benefits	55
Current active members	<u>50</u>
 Total	 <u>105</u>

The Police Plan provides retirement benefits as well as death and disability benefits. Employees who retire with 20 years or more of credited service are vested and entitled to an annual retirement benefit, payable monthly for life. There is no provision for early retirement. If any employee leaves covered employment or dies before being eligible for a retirement, disability or death benefit, accumulated employee contributions plus 75% of related investment earnings are refunded. Benefit and contribution provisions are subject to collective bargaining.

The general administration and management of the Police Pension Plan and the responsibility for carrying out the provision of the plan shall be placed in the Police Pension Board. This board shall be made up of the members of the police commission, one member from the Town's Board of Finance and one police officer.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The pension trust funds' financial statements are prepared on the accrual basis of accounting. Employee and employer contributions are recognized as revenue in the period in which the employee services are performed. All other revenues are recognized when they are earned and expenses are recognized when they are incurred.

Neither the Town Plan nor the Police Plan issues a stand-alone financial report.

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized as earned.

Plan Description and Benefits Provided

Town employees are required to contribute 5% of their annual salary. Police are required to contribute 6% of their annual salary. The Town is required by ordinance to contribute the remaining amounts necessary to provide the retirement benefits. The Town's contributions are actuarially determined on an annual basis. Administrative costs are financed through investment earnings.

C. Investments

The Town and Police Plans' policy in regard to the allocation of invested assets is established and may be amended.

The following was the Pension Committee's adopted asset allocation policy as of June 30, 2015:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity (large cap)	60.00%
Fixed income	<u>40.00%</u>
Total	<u><u>100.00%</u></u>

Rate of Return

For the year ended June 30, 2015, the annual money-weighted rate of return on pension investments for the Town and Police Plans, net of pension plan investment expense, was 6.42% and 6.28%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net Pension Liability of the Town

The Town's net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

The components of the net pension liability (asset) of the Town at June 30, 2015 were as follows:

	Town Pension Plan	Police Pension Plan
	<u> </u>	<u> </u>
Total pension liability	\$ 61,851,491	\$ 40,688,958
Plan fiduciary net position	<u>(65,992,512)</u>	<u>(45,791,663)</u>
 Town's Net Pension Liability (Asset)	 <u><u>\$ (4,141,021)</u></u>	 <u><u>\$ (5,102,705)</u></u>
 Plan fiduciary net position as a percentage of the total pension liability (asset)	 106.70%	 112.54%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.50%
Investment rate of return	6.50%

Mortality rates were based on the RP-2000 combined mortality table with improvements projected to 2023 with Scale AA.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity (large cap)	8.06%
Fixed income	4.06%

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**TOWN OF DARIEN, CONNECTICUT
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Changes in the Net Pension Liability

	Town Pension Fund		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances as of June 30, 2014	\$ 53,442,793	\$ 62,292,267	\$ (8,849,474)
Changes for the year:			
Service cost	2,187,552		2,187,552
Interest on total pension liability	3,909,003		3,909,003
Differences between expected and actual experience	(989,032)		(989,032)
Changes in assumptions	5,995,377		5,995,377
Employer contributions		1,716,498	(1,716,498)
Member contributions		1,041,347	(1,041,347)
Net investment income		3,925,756	(3,925,756)
Benefit payments, including refund to employee contributions	(2,694,202)	(2,694,202)	-
Administrative expenses		(289,154)	289,154
Net changes	<u>8,408,698</u>	<u>3,700,245</u>	<u>4,708,453</u>
Balances as of June 30, 2015	<u>\$ 61,851,491</u>	<u>\$ 65,992,512</u>	<u>\$ (4,141,021)</u>

	Police Pension Fund		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances as of June 30, 2014	\$ 39,412,926	\$ 43,681,027	\$ (4,268,101)
Changes for the year:			
Service cost	687,778		687,778
Interest on total pension liability	2,889,227		2,889,227
Differences between expected and actual experience	(1,152,181)		(1,152,181)
Changes in assumptions	663,780		663,780
Employer contributions		1,073,353	(1,073,353)
Member contributions		299,971	(299,971)
Net investment income		2,752,388	(2,752,388)
Benefit payments, including refund to employee contributions	(1,812,572)	(1,812,572)	-
Administrative expenses		(202,504)	202,504
Net changes	<u>1,276,032</u>	<u>2,110,636</u>	<u>(834,604)</u>
Balances as of June 30, 2015	<u>\$ 40,688,958</u>	<u>\$ 45,791,663</u>	<u>\$ (5,102,705)</u>

Changes in Assumptions

For the June 30, 2015 disclosures, the following assumptions were changed for the Town Pension Plan. The service retirement age was extended to age 75, and assumes 15% retirement for ages 70-74. The rates of salary increases were reduced for all ages from 4.50% to 3.50%. The assumption of the percent of plan participants that are married was changed from 100% to 75% and the assumption of the age differences between spouses was changed from 4 years to 3 years. The overall interest rate (discount rate) was changed from 7.50% to 6.50%. Finally, the Plan adjusted the mortality assumption tables.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

For the June 30, 2015 disclosures, the following assumptions were changed for the Police Pension Plan. The service retirement rate was adjusted to 10% for all years of eligibility, with 100% retirement at age 65. The rates of salary increases changed to a flat 4.50% for all ages to a service-related scale. The assumption of the percent of plan participants that are married was changed from 100% to 90% and the assumption of the age differences between spouses was changed from 4 years to 3 years. The overall interest rate (discount rate) was changed from 7.50% to 6.50%. Finally, the Plan adjusted the mortality assumption tables.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the Town, calculated using the discount rate of 6.50%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	<u>1% Decrease (5.50%)</u>	<u>Current Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
Town Pension Plan	\$ 3,477,999	\$ (4,141,021)	\$ (10,569,315)
Police Pension Plan	323,836	(5,102,705)	(9,577,937)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the Town recognized pension expense of (\$1,748,514). At June 30, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Town Pension Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in assumptions	\$ 5,138,895	\$
Net difference between projected and actual earning on pension plan investments	590,290	
Difference between expected and actual experience		847,742
Total	<u>\$ 5,729,185</u>	<u>\$ 847,742</u>
	<u>Police Pension Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in assumptions	\$ 497,835	\$
Net difference between projected and actual earning on pension plan investments	400,046	
Difference between expected and actual experience		864,136
Total	<u>\$ 897,881</u>	<u>\$ 864,136</u>

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending June 30

2016	\$	840,676
2017		840,676
2018		840,675
2019		962,774
2020		715,193
2021		715,194

Teachers Retirement

A. Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

B. Benefit Provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

C. Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the State of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>108,078,782</u>
Total	\$	<u><u>108,078,782</u></u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2015, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2015, the Town recognized pension expense and revenue of \$8,108,999 in Exhibit II for on-behalf amounts for the benefits provided by the State.

E. Actuarial Assumptions

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

Inflation	3.00%
Salary increase	3.75-7.00%, including inflation
Investment rate of return	8.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two-year setback for males and females for the period after service retirement and for dependent beneficiaries.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 - June 30, 2010.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Future cost-of-living increases for members who retire on or after September 1, 1992 are assumed to be an annual cost-of-living adjustment of 2%.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. equities	21.0%	5.8%
Developed non-U.S. equities	18.0%	6.6%
Emerging markets (non-U.S.)	9.0%	8.3%
Core fixed income	8.0%	1.3%
Inflation linked bond fund	5.0%	1.0%
Emerging market bond	4.0%	3.7%
High yield bonds	5.0%	3.9%
Real estate	7.0%	5.1%
Private equity	11.0%	7.6%
Alternative investments	8.0%	4.1%
Liquidity fund	4.0%	.4%
Total	<u>100.0%</u>	

F. Discount Rate

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

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The Town's proportionate share of the net pension liability is \$0 and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

H. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Pension and OPEB Fund Financial Statements

	<u>Police Pension Trust Fund</u>	<u>Town Pension Trust Fund</u>	<u>Police Retiree Medical Reserve Trust Fund</u>	<u>Non-Police Retiree Benefit Trust Fund</u>	<u>Total Trust Funds</u>
Assets:					
Cash and cash equivalents	\$ 625,399	\$ 1,171,529	\$ 383,529	\$ 381,696	\$ 2,562,153
Investments:					
Equity securities	26,756,391	38,570,404			65,326,795
Mutual funds	18,381,774	26,210,858	2,921,756	2,150,728	49,665,116
Receivables:					
Interest and dividends	<u>57,885</u>	<u>83,124</u>	<u>873</u>	<u>343</u>	<u>142,225</u>
Total assets	<u>45,821,449</u>	<u>66,035,915</u>	<u>3,306,158</u>	<u>2,532,767</u>	<u>117,696,289</u>
Liabilities:					
Accounts and other payables	<u>29,786</u>	<u>43,403</u>	<u>10</u>	<u>323</u>	<u>73,522</u>
Net Position:					
Held in Trust for Pension Benefits and Postemployment Benefits	<u>\$ 45,791,663</u>	<u>\$ 65,992,512</u>	<u>\$ 3,306,148</u>	<u>\$ 2,532,444</u>	<u>\$ 117,622,767</u>
Additions:					
Contributions:					
Employer	\$ 1,073,353	\$ 1,716,498	\$ 465,340	\$ 566,010	\$ 3,821,201
Plan members	299,971	1,041,347			1,341,318
Total contributions	<u>1,373,324</u>	<u>2,757,845</u>	<u>465,340</u>	<u>566,010</u>	<u>5,162,519</u>
Investment income:					
Net appreciation in fair value of investments	1,880,438	2,680,125	73,913	84,729	4,719,205
Interest and dividends	871,950	1,245,631	36,238	34,044	2,187,863
Net investment income	<u>2,752,388</u>	<u>3,925,756</u>	<u>110,151</u>	<u>118,773</u>	<u>6,907,068</u>
Total additions	<u>4,125,712</u>	<u>6,683,601</u>	<u>575,491</u>	<u>684,783</u>	<u>12,069,587</u>
Deductions:					
Benefits	1,812,572	2,694,202	284,436	667,028	5,458,238
Administration	202,504	289,154	1,432	3,706	496,796
Total deductions	<u>2,015,076</u>	<u>2,983,356</u>	<u>285,868</u>	<u>670,734</u>	<u>5,955,034</u>
Change in Net Position	2,110,636	3,700,245	289,623	14,049	6,114,553
Net Position at Beginning of Year	<u>43,681,027</u>	<u>62,292,267</u>	<u>3,016,525</u>	<u>2,518,395</u>	<u>111,508,214</u>
Net Position at End of Year	<u>\$ 45,791,663</u>	<u>\$ 65,992,512</u>	<u>\$ 3,306,148</u>	<u>\$ 2,532,444</u>	<u>\$ 117,622,767</u>

14. CONTINGENT LIABILITIES

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

The Town is a defendant in various lawsuits and the outcome of these lawsuits is not presently determinable. In the opinion of management and the Town attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

**TOWN OF DARIEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

15. SUBSEQUENT EVENTS

On August 4, 2015, the Town issued \$3,135,000 of General Obligation Bonds that mature serially through August 1, 2025 and bear interest between 2.0% and 3.0%.

16. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT

The following restatements were recorded to the beginning of net position of the governmental activities as a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27:

Net position at June 30, 2014, as previously reported	\$ 127,177,934
Adjustments:	
Eliminate net pension asset reported per GASB No. 27	(13,761)
Record net pension asset per GASB No. 68	<u>13,117,576</u>
Net Position at July 1, 2014, as Restated	<u>\$ 140,281,749</u>

**Required Supplementary
Information**

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

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Property taxes:				
Property taxes current	\$ 122,293,757	\$ 122,293,757	\$ 123,087,198	\$ 793,441
Property taxes prior	600,000	600,000	978,016	378,016
Suspense tax collections	1,000	1,000	6,290	5,290
Telecommunication property tax	70,000	70,000	60,341	(9,659)
Interest and liens	400,000	400,000	623,485	223,485
Total property taxes	<u>123,364,757</u>	<u>123,364,757</u>	<u>124,755,330</u>	<u>1,390,573</u>
Licenses and permits:				
Town Clerk	1,600,000	1,600,000	1,857,771	257,771
Building, plumbing and other	1,389,900	1,389,900	1,358,237	(31,663)
Refuse Disposal Permits	275,000	275,000	293,147	18,147
Food establishment	70,000	70,000	76,132	6,132
Private disposal and water supply	33,000	33,000	22,725	(10,275)
Fire Marshal's revenue	7,500	7,500	9,516	2,016
Other	32,650	32,650	41,077	8,427
Total licenses and permits	<u>3,408,050</u>	<u>3,408,050</u>	<u>3,658,605</u>	<u>250,555</u>
Intergovernmental:				
Capital improvement grant	111,022	111,022	221,781	110,759
Taxes on State-owned land	101,875	101,875	108,594	6,719
Pequot distribution	7,776	7,776	9,582	1,806
Disabled persons	185	185	217	32
Circuit breaker	70,000	70,000	64,449	(5,551)
Veterans' exemption	2,000	2,000	1,920	(80)
Court fines	30,000	30,000	45,039	15,039
Infrastructure - Town aid	334,138	334,138	335,085	947
State school reimbursement	205,207	205,207	208,977	3,770
Education Cost Sharing Grant	1,616,006	1,616,006	1,469,077	(146,929)
Transportation	324	324	365	41
Other	65,000	65,000	6,598	(58,402)
Total intergovernmental	<u>2,543,533</u>	<u>2,543,533</u>	<u>2,471,684</u>	<u>(71,849)</u>

(Continued on next page)

**TOWN OF DARIEN, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Charges for services:				
Sale of codes, regulations, etc.	\$ 1,000	\$ 1,000	\$ 581	\$ (419)
Planning and zoning application	53,000	53,000	80,947	27,947
ZBA application fees	16,610	16,610	13,892	(2,718)
EPC application fees	12,000	12,000	12,484	484
Other planning fees	4,000	4,000	3,422	(578)
Services for Sewer Commission Authority	55,000	55,000	55,000	-
Solid Waste Fees	400,000	400,000	369,443	(30,557)
Services for Parking Fund	85,014	85,014	85,014	-
Parking Fees	204,000	204,000	225,540	21,540
Youth Commission fees	206,470	206,470	196,863	(9,607)
Parks and recreation	201,500	201,500	239,674	38,174
Beach parking permits	255,000	255,000	293,120	38,120
Senior Center Programs	50,337	50,337	51,708	1,371
Other	18,700	18,700	30,231	11,531
Total charges for services	<u>1,562,631</u>	<u>1,562,631</u>	<u>1,657,919</u>	<u>95,288</u>
Fines and forfeits	<u>24,100</u>	<u>24,100</u>	<u>34,876</u>	<u>10,776</u>
Investment income	<u>100,000</u>	<u>100,000</u>	<u>134,870</u>	<u>34,870</u>
Miscellaneous:				
Metro mobile rent	121,000	121,000	148,747	27,747
Coin operated Xerox machine	16,000	16,000	18,034	2,034
Commission on Aging – van	50,763	50,763	38,672	(12,091)
Sale of Recyclables/Metal/Compost	67,000	67,000	66,292	(708)
Other rents	47,300	47,300	229,657	182,357
Insurance recoveries	40,000	40,000	8,569	(31,431)
Other	10,000	10,000	199,713	189,713
Total miscellaneous	<u>352,063</u>	<u>352,063</u>	<u>709,684</u>	<u>357,621</u>
Total revenues	<u>131,355,134</u>	<u>131,355,134</u>	<u>133,422,968</u>	<u>2,067,834</u>

(Continued on next page)

**TOWN OF DARIEN, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Other financing sources:				
Transfers in:				
Sewer Assessment Fund	\$ 550,000	\$ 550,000	\$ 550,000	\$ -
Sewer Operating Fund	53,807	53,807	53,807	-
Other Funds	35,000	35,000	43,788	8,788
Total transfers in	<u>638,807</u>	<u>638,807</u>	<u>647,595</u>	<u>8,788</u>
Appropriation of fund balance	<u>1,100,000</u>	<u>2,354,000</u>		<u>(2,354,000)</u>
Total other financing sources	<u>1,738,807</u>	<u>2,992,807</u>	<u>647,595</u>	<u>(2,345,212)</u>
Total Revenues and Other Financing Sources	<u>\$ 133,093,941</u>	<u>\$ 134,347,941</u>	134,070,563	<u>\$ (277,378)</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.	8,108,999
Under liquidation of prior year encumbrances is recorded as miscellaneous revenue for budgetary reporting. This amount is excluded for financial reporting purposes.	(7,008)
The Town does not budget for refunding bond issuance.	1,709,975
The Town does not budget for premiums on refunding bond issuance.	16,310,000
The Board of Education does not budget for certain intergovernmental grants which are credited against expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for financial reporting purposes.	<u>2,839,907</u>

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

\$ 163,032,436

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

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
General government:				
Selectmen's office	\$ 200,982	\$ 229,069	\$ 200,082	\$ 28,987
Administrative Officer	354,640	365,846	360,379	5,467
Human Resources	151,479	146,126	127,379	18,747
RTM	2,300	2,149	1,385	764
Financial management	431,346	440,518	435,949	4,569
Board of Finance	31,000	77,245	76,725	520
Tax Assessor	292,811	296,881	294,458	2,423
Tax Collector	258,330	260,675	258,315	2,360
Legal services	527,803	793,918	793,917	1
Town Clerk	301,708	303,574	297,881	5,693
Registrar of Voters	120,657	145,007	139,166	5,841
Information services	299,235	305,916	304,189	1,727
Probate court	7,000	7,000	4,532	2,468
Total general government	<u>2,979,291</u>	<u>3,373,924</u>	<u>3,294,357</u>	<u>79,567</u>
Community environment:				
Development Planning	567,465	581,778	580,457	1,321
Planning and Zoning	9,837	8,937	8,319	618
Zoning Appeals	10,260	9,500	9,364	136
Environmental Protection	5,420	3,700	3,351	349
Regional Planning	7,003	7,004	7,004	-
Beautification	26,000	26,005	26,005	-
Celebrations and observances	10,000	9,687	8,201	1,486
Harbor Master	1,500	1,832	1,831	1
Total community environment	<u>637,485</u>	<u>648,443</u>	<u>644,532</u>	<u>3,911</u>
Public safety:				
Building Department	<u>384,166</u>	<u>384,962</u>	<u>363,610</u>	<u>21,352</u>
Police Department:				
Administration	695,940	705,317	704,065	1,252
Criminal Investigation	496,926	503,553	496,322	7,231
Patrol	4,140,215	4,131,444	4,127,982	3,462
Records	324,795	327,213	302,943	24,270
Youth	195,086	195,217	188,406	6,811
Marine Patrol	12,000	12,000	10,355	1,645
Professional Standards	188,736	192,176	185,032	7,144
Traffic and School Crossing	74,499	77,012	75,255	1,757
Fleet Services	128,379	124,168	121,605	2,563
Station maintenance and communication	363,962	369,037	365,987	3,050
Animal Control	74,472	75,640	73,237	2,403
Miscellaneous	1,500	1,500	1,404	96
Total Police Department	<u>6,696,510</u>	<u>6,714,277</u>	<u>6,652,593</u>	<u>61,684</u>

(Continued on next page)

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

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Fire service and emergency medical service:				
Darien Fire Department	\$ 170,129	\$ 170,129	\$ 168,274	\$ 1,855
Noroton Fire Department	185,138	185,138	173,228	11,910
Noroton Heights Fire Department	191,819	191,819	187,281	4,538
Board of Fire Commissioners	110,640	110,640	95,399	15,241
Fire Marshal	328,242	328,242	311,009	17,233
Hydrants and main rental	442,658	442,658	436,385	6,273
Disaster Preparedness	68,685	68,685	67,471	1,214
Emergency medical service	104,263	167,278	167,278	-
Total fire service and emergency medical service	1,601,574	1,664,589	1,606,325	58,264
Total public safety	8,682,250	8,763,828	8,622,528	141,300
Public works:				
Administration	374,589	362,057	350,912	11,145
Roadway and walkway maintenance	2,696,987	2,702,994	2,682,499	20,495
Waste Management	1,190,042	1,266,556	1,255,507	11,049
Public building management	490,932	426,092	399,557	26,535
Parking facility	48,216	51,773	43,886	7,887
Total public works	4,800,766	4,809,472	4,732,361	77,111
Health and social services:				
Social services	224,564	229,603	220,469	9,134
Social service - outside assistance	21,000	21,000	12,836	8,164
Senior Center	375,969	389,419	374,005	15,414
Senior transportation	50,763	50,763	36,287	14,476
Youth programs	337,398	339,416	324,450	14,966
Youth services grants	53,075	53,075	53,075	-
Other outreach services	1,625	1,625	1,612	13
Health Department	269,422	273,127	271,592	1,535
Total health and social services	1,333,816	1,358,028	1,294,326	63,702
Parks and recreation:				
Administration	428,233	462,510	454,014	8,496
Beach and court facilities	195,720	181,976	175,408	6,568
Maintenance and repair	430,179	431,030	418,091	12,939
Organized recreation activities	68,941	68,934	63,620	5,314
Grounds, fields, building	249,459	254,035	235,149	18,886
Total parks and recreation	1,372,532	1,398,485	1,346,282	52,203
Overhead and miscellaneous:				
Employee benefits	5,443,447	5,410,052	5,034,779	375,273
Risk management	1,045,651	1,047,098	1,047,094	4
Retiree medical	487,351	487,351	475,554	11,797
Contingency	720,400	206,308	206,308	-
Total overhead and miscellaneous	7,696,849	7,150,809	6,763,735	387,074

(Continued on next page)

**TOWN OF DARIEN, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Library	\$ 3,483,239	\$ 3,483,239	\$ 3,479,389	\$ 3,850
Board of Education - operations	88,135,967	88,135,967	88,089,400	46,567
Debt service:				
Schools	7,410,832	7,423,036	7,423,035	1
Town	3,365,616	3,352,282	3,351,147	1,135
Sewer	707,343	708,473	708,472	1
Total debt service	11,483,791	11,483,791	11,482,654	1,137
Total expenditures	130,605,986	130,605,986	129,749,564	856,422
Other financing uses:				
Transfers out:				
Capital nonrecurring expenditures	2,487,955	3,741,955	3,741,955	-
Total	\$ 133,093,941	\$ 134,347,941	133,491,519	\$ 856,422
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.			8,108,999	
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.			(14,271)	
The Town does not budget for payments to refunding bond escrow agent.			17,861,972	
The Town does not budget for bond issuance costs.			158,003	
The Board of Education does not budget for certain intergovernmental grants which are credited against expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for financial reporting purposes.			2,839,907	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			\$ 162,446,129	

**TOWN OF DARIEN, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Revenues:				
Licenses and permits	\$ 10,000	\$ 10,000	\$ 13,200	\$ 3,200
Charges for services	3,223,139	3,223,139	3,467,192	244,053
Fines and forfeits	35,000	35,000	62,970	27,970
Investment income	25,000	25,000	13,835	(11,165)
Total revenues	<u>3,293,139</u>	<u>3,293,139</u>	<u>3,557,197</u>	<u>264,058</u>
Expenditures:				
Sewer operations:				
Administration	328,002	328,002	512,356	(184,354)
Collection and pumping	444,577	444,577	414,652	29,925
Treatment service	2,100,000	2,100,000	2,100,000	-
Overhead and miscellaneous	216,753	247,596	248,737	(1,141)
Total expenditures	<u>3,089,332</u>	<u>3,120,175</u>	<u>3,275,745</u>	<u>(155,570)</u>
Deficiency of revenues over expenditures	<u>203,807</u>	<u>172,964</u>	<u>281,452</u>	<u>108,488</u>
Other financing sources (uses):				
Operating transfers in		200,000		(200,000)
Operating transfers out	<u>(203,807)</u>	<u>(502,305)</u>	<u>(502,305)</u>	<u>-</u>
Net other financing uses	<u>(203,807)</u>	<u>(302,305)</u>	<u>(502,305)</u>	<u>(200,000)</u>
Appropriation of fund balance	<u>500,000</u>	<u>500,000</u>		<u>(500,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>\$ 500,000</u>	<u>\$ 370,659</u>	(220,853)	<u>\$ (591,512)</u>
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.			<u>6,944</u>	
GAAP Fund Balance Change, End of Year			<u>\$ (213,909)</u>	

TOWN OF DARIEN, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS
TOWN PENSION PLAN
LAST TWO FISCAL YEARS

	<u>2015</u>	<u>2014</u>
Total pension liability:		
Service cost	\$ 2,187,552	\$ 2,272,712
Interest	3,909,003	3,653,413
Changes of benefit terms		
Differences between expected and actual experience	(989,032)	
Changes of assumptions	5,995,377	
Benefit payments, including refunds of member contributions	<u>(2,694,202)</u>	<u>(2,348,549)</u>
Net change in total pension liability	8,408,698	3,577,576
Total pension liability - beginning	<u>53,442,793</u>	<u>49,865,217</u>
Total pension liability - ending	<u>61,851,491</u>	<u>53,442,793</u>
Plan fiduciary net position:		
Contributions - employer	1,716,498	1,667,416
Contributions - employee	1,041,347	1,000,728
Net investment income	3,925,756	8,969,636
Benefit payments, including refunds of member contributions	(2,694,202)	(2,348,549)
Administrative expense	<u>(289,154)</u>	<u>(265,239)</u>
Net change in plan fiduciary net position	3,700,245	9,023,992
Plan fiduciary net position - beginning	<u>62,292,267</u>	<u>53,268,275</u>
Plan fiduciary net position - ending	<u>65,992,512</u>	<u>62,292,267</u>
Net Pension Asset - Ending	<u>\$ (4,141,021)</u>	<u>\$ (8,849,474)</u>
Plan fiduciary net position as a percentage of the total pension asset	106.70%	116.56%
Covered-employee payroll	\$ 19,045,747	\$ 16,940,293
Net pension asset as a percentage of covered-employee payroll	-21.74%	-52.24%

TOWN OF DARIEN, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS
POLICE PENSION PLAN
LAST TWO FISCAL YEARS

	<u>2015</u>	<u>2014</u>
Total pension liability:		
Service cost	\$ 687,778	\$ 738,659
Interest	2,889,227	2,761,581
Changes of benefit terms		
Differences between expected and actual experience	(1,152,181)	
Changes of assumptions	663,780	
Benefit payments, including refunds of member contributions	<u>(1,812,572)</u>	<u>(1,784,531)</u>
Net change in total pension liability	1,276,032	1,715,709
Total pension liability - beginning	<u>39,412,926</u>	<u>37,697,217</u>
Total pension liability - ending	<u>40,688,958</u>	<u>39,412,926</u>
Plan fiduciary net position:		
Contributions - employer	1,073,353	1,220,507
Contributions - employee	299,971	265,826
Net investment income	2,752,388	6,338,904
Benefit payments, including refunds of member contributions	(1,812,572)	(1,784,531)
Administrative expense	<u>(202,504)</u>	<u>(194,924)</u>
Net change in plan fiduciary net position	2,110,636	5,845,782
Plan fiduciary net position - beginning	<u>43,681,027</u>	<u>37,835,245</u>
Plan fiduciary net position - ending	<u>45,791,663</u>	<u>43,681,027</u>
Net Pension Asset - Ending	\$ <u>(5,102,705)</u>	\$ <u>(4,268,101)</u>
Plan fiduciary net position as a percentage of the total pension asset	112.54%	110.83%
Covered-employee payroll	\$ 4,888,424	\$ 3,710,557
Net pension asset as a percentage of covered-employee payroll	-104.38%	-115.03%

**TOWN OF DARIEN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TOWN PENSION PLAN
LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,127,980	\$ 1,133,022	\$ 1,197,070	\$ 1,231,739	\$ 1,330,023	\$ 1,515,023	\$ 1,671,289	\$ 1,593,296	\$ 1,667,416	\$ 1,716,498
Contributions in relation to the actuarially determined contribution	<u>1,127,980</u>	<u>1,133,022</u>	<u>1,141,561</u>	<u>1,231,739</u>	<u>1,330,023</u>	<u>1,515,023</u>	<u>1,671,289</u>	<u>1,601,430</u>	<u>1,667,416</u>	<u>1,716,498</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>55,509</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(8,134)</u>	\$ <u>-</u>	\$ <u>-</u>
Covered-employee payroll	8,620,339	9,867,956	11,614,481	13,158,898	12,204,738	15,026,004	16,294,428	16,869,398	18,342,993	19,045,747
Contributions as a percentage of covered-employee payroll	13.1%	11.5%	9.8%	9.4%	10.9%	10.1%	10.3%	9.5%	9.1%	9.0%

Notes to Schedule

Valuation date: July 1, 2013
Measurement date: June 30, 2015
Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Aggregate funding method
Asset valuation method	Market value
Inflation	3.0%
Salary increases	3.50%
Investment rate of return	6.5%
Retirement age	Assumptions related to age, and service are used for participants not yet receiving payments
Mortality	RP-2015 for non disabled participants projected with mortality improvement scale MP-2015. RP-2014 for disabled participants projected with mortality improvement scale MP-2015.

**TOWN OF DARIEN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION PLAN
LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Actuarially determined contribution	\$ 585,335	\$ 675,337	\$ 807,655	\$ 800,558	\$ 866,685	\$ 1,027,782	\$ 1,133,728	\$ 1,119,967	\$ 1,220,507	\$ 1,073,353
Contributions in relation to the actuarially determined contribution	<u>585,335</u>	<u>675,337</u>	<u>807,655</u>	<u>800,558</u>	<u>866,685</u>	<u>1,027,782</u>	<u>1,133,728</u>	<u>1,125,594</u>	<u>1,220,507</u>	<u>1,073,353</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(5,627)</u>	\$ <u>-</u>	\$ <u>-</u>					
Covered-employee payroll	3,387,226	3,587,053	4,186,479	4,159,694	4,344,424	4,537,382	4,660,227	4,741,817	4,777,671	4,888,424
Contributions as a percentage of covered-employee payroll	17.3%	18.8%	19.3%	19.2%	19.9%	22.7%	24.3%	23.7%	25.5%	22.0%

Notes to Schedule

Valuation date: July 1, 2013
Measurement date: June 30, 2015
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Aggregate funding method
Asset valuation method	Market value
Inflation	3.0%
Salary increases	3.50%
Investment rate of return	6.5%
Retirement age	Assumptions related to age, and service are used for participants not yet receiving payments
Mortality	RP-2015 for non disabled participants projected with mortality improvement scale MP-2015. RP-2014 for disabled participants projected with mortality improvement scale MP-2015.

**TOWN OF DARIEN, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS - TOWN PENSION PLAN
LAST TWO FISCAL YEARS**

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	6.24%	16.62%

**TOWN OF DARIEN, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS - POLICE PENSION PLAN
LAST TWO FISCAL YEARS**

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	6.28%	16.63%

**TOWN OF DARIEN, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST FISCAL YEAR**

	<u>2015</u>
Town's proportion of the net pension liability	0.00%
Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>108,078,782</u>
Total	<u>\$ 108,078,782</u>
Town's covered-employee payroll	\$ 41,007,425
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%
Plan fiduciary net position as a percentage of the total pension liability	61.51%
Changes in benefit terms	None
Changes of assumptions	During 2011, rates of withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2010.
Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization period	22.4 years
Asset valuation method	4-year smoothed market

Combining and Individual Fund Statements and Schedules

General Fund

GENERAL FUND

The General Fund is the principal operating fund of the Town. It is used to account for activities traditionally associated with government that are not required to be accounted for in another fund.

**TOWN OF DARIEN, CONNECTICUT
COMBINING BALANCE SHEET - GENERAL FUND
JUNE 30, 2015**

	<u>General Fund</u>	<u>Animal Control</u>	<u>Land Purchase Option</u>	<u>Solid Waste Management</u>	<u>Special Education Reserve</u>	<u>Waste Disposal</u>	<u>Eliminations</u>	<u>Total General Fund</u>
ASSETS								
Cash and cash equivalents	\$ 17,052,475	\$ 39,034	\$ 61,421	\$ 76,270	\$	\$ 89,851	\$	\$ 17,319,051
Investments	7,430,040							7,430,040
Receivables, net	1,995,683							1,995,683
Due from other funds	1,513,415				100,000		(100,000)	1,513,415
Other assets	31,872							31,872
Total Assets	<u>\$ 28,023,485</u>	<u>\$ 39,034</u>	<u>\$ 61,421</u>	<u>\$ 76,270</u>	<u>\$ 100,000</u>	<u>\$ 89,851</u>	<u>\$ (100,000)</u>	<u>\$ 28,290,061</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts and other payables	\$ 4,171,324	\$ 10,603	\$	\$	\$	\$	\$	\$ 4,181,927
Due to other funds	3,998,315						(100,000)	3,898,315
Deferred revenue	33,362							33,362
Total liabilities	<u>8,203,001</u>	<u>10,603</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>8,113,604</u>
Deferred Inflows of Resources:								
Unavailable revenue - property taxes	1,115,984							1,115,984
Unavailable revenue - school building grants	8,477							8,477
Total deferred inflows of resources	<u>1,124,461</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,124,461</u>
Fund balance:								
Nonspendable	31,872							31,872
Committed		28,431	61,421	76,270	100,000	89,851		355,973
Assigned	1,970,677							1,970,677
Unassigned	16,693,474							16,693,474
Total fund balance	<u>18,696,023</u>	<u>28,431</u>	<u>61,421</u>	<u>76,270</u>	<u>100,000</u>	<u>89,851</u>	<u>-</u>	<u>19,051,996</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 28,023,485</u>	<u>\$ 39,034</u>	<u>\$ 61,421</u>	<u>\$ 76,270</u>	<u>\$ 100,000</u>	<u>\$ 89,851</u>	<u>\$ (100,000)</u>	<u>\$ 28,290,061</u>

TOWN OF DARIEN, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GENERAL FUND
JUNE 30, 2015

	<u>General Fund</u>	<u>Animal Control</u>	<u>Land Purchase Option</u>	<u>Solid Waste Management</u>	<u>Special Education Reserve</u>	<u>Waste Disposal</u>	<u>Total General Fund</u>
Revenues:							
Property taxes	\$ 124,755,330	\$	\$	\$	\$	\$	\$ 124,755,330
Intergovernmental	13,420,590						13,420,590
Charges for services	5,351,400						5,351,400
Income on investments	134,870		2				134,872
Miscellaneous	702,676						702,676
Total revenues	<u>144,364,866</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,364,868</u>
Expenditures:							
Current:							
General government	3,277,865		7,000				3,284,865
Community environment	644,535						644,535
Public safety	8,583,729						8,583,729
Health and social services	1,268,113						1,268,113
Library	3,479,389						3,479,389
Parks and recreation	1,333,748						1,333,748
Public works	4,739,795						4,739,795
Board of Education	99,103,639						99,103,639
General overhead	6,763,733						6,763,733
Debt service	11,640,656						11,640,656
Total expenditures	<u>140,835,202</u>	<u>-</u>	<u>7,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,842,202</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,529,664</u>	<u>-</u>	<u>(6,998)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,522,666</u>
Other Financing Sources (Uses):							
Transfers in	647,595						647,595
Transfers out	(3,741,955)						(3,741,955)
Refunding bond premiums	1,709,975						1,709,975
Issuance of refunding bonds	16,310,000						16,310,000
Payment to escrow agent	(17,861,972)						(17,861,972)
Total other financing sources (uses)	<u>(2,936,357)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,936,357)</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>593,307</u>	<u>-</u>	<u>(6,998)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>586,309</u>
Fund Balance at Beginning of Year	<u>18,102,716</u>	<u>28,431</u>	<u>68,419</u>	<u>76,270</u>	<u>100,000</u>	<u>89,851</u>	<u>18,465,687</u>
Fund Balance at End of Year	<u>\$ 18,696,023</u>	<u>\$ 28,431</u>	<u>\$ 61,421</u>	<u>\$ 76,270</u>	<u>\$ 100,000</u>	<u>\$ 89,851</u>	<u>\$ 19,051,996</u>

**TOWN OF DARIEN, CONNECTICUT
 REPORT OF PROPERTY TAX COLLECTIONS
 FOR THE YEAR ENDED JUNE 30, 2015**

Grand List Year	Uncollected Taxes June 30, 2014	Current Levy	Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections				Uncollected Taxes June 30, 2015
			Additions	Deductions			Taxes	Interest	Liens	Total	
1999	\$ 6,215	\$	\$	\$	\$	\$ 6,215	\$ 1,114	\$ 1,569	\$ 24	\$ 2,707	\$ 5,101
2000	6,348					6,348	872	1,225	24	2,121	5,476
2001	6,206					6,206	355	281	24	660	5,851
2002	12,763					12,763	6,154	367	24	6,545	6,609
2003	22,159					22,159	16,629	58	24	16,711	5,530
2004	24,172					24,172	18,571	232	24	18,827	5,601
2005	23,720					23,720	18,144	467		18,611	5,576
2006	28,801					28,801	18,780	458		19,238	10,021
2007	40,705					40,705	23,141	2,415	24	25,580	17,564
2008	33,378					33,378	21,760	526	24	22,310	11,618
2009	46,086					46,086	24,343	2,762	24	27,129	21,743
2010	130,941			13	30,170	100,758	62,310	25,551	96	87,957	38,448
2011	277,356		14,866	36,744		255,478	160,282	34,459	240	194,981	95,196
2012	814,616		14,238	74,612		754,242	579,484	129,952	744	710,180	174,758
Total prior years	1,473,466	-	29,104	111,369	30,170	1,361,031	951,939	200,322	1,296	1,153,557	409,092
2013	-	123,088,245	745,893	189,819	-	123,644,319	123,136,015	225,304	-	123,361,319	508,304
Total	\$ 1,473,466	\$ 123,088,245	\$ 774,997	\$ 301,188	\$ 30,170	\$ 125,005,350	\$ 124,087,954	\$ 425,626	\$ 1,296	\$ 124,514,876	\$ 917,396

**Nonmajor Governmental
Funds**

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenue sources that are legally designed to finance a particular function or activity. These funds are as follows:

Fund	Funding Source	Function
Cafeteria	Sale of lunches and state grants	Operations of the school lunch program
Special Education Grants	Federal and state grants	Finance education programs
Police Extra Duty	User fees	Police coverage for private purposes
False Police Alarm	Receipt of fines for false alarms	Improve police services
Fire Alarm	Receipt of fines for false alarms	Improve fire services
State and Federal Grants	State and federal grants	Various grant programs
Parking Operations	Parking fees	Provide and maintain parking facilities
Affordable Housing Trust	Fees	Accounts for fees received from developers in lieu of building affordable units in multi-unit housing projects and other sources as may be available. Funds are to be used to provide affordable housing in Darien.
Storm Recovery Fund	Federal and state grants	Accounts for expenses and reimbursement and grants related to Storm Sandy
Park Pals Play Area Trust	Contributions	Provide and maintain parks
Weed Beach Donations	Contributions	Provide amenities
Miscellaneous Trusts	Contributions	Various trust activities

CAPITAL PROJECT FUNDS

Stadium Field	Contributions	Fundraising for an artificial playing surface
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**TOWN OF DARIEN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2015**

	Special Revenue						
	<u>Cafeteria</u>	<u>Special Education Grants</u>	<u>Police Extra Duty</u>	<u>False Police Alarm</u>	<u>Fire Alarm</u>	<u>State and Federal Grants</u>	<u>Parking Operations</u>
ASSETS							
Cash and cash equivalents	\$ 299,455	\$ 63,031	\$ 373,121	\$ 48,024	\$ 19,631	\$ 235,399	\$ 1,649,643
Investments							
Receivables:							
Other			93,538	24,556	2,063		13,770
Intergovernmental						299	
Due from other funds		885	28,737				7,251
Total Assets	<u>\$ 299,455</u>	<u>\$ 63,916</u>	<u>\$ 495,396</u>	<u>\$ 72,580</u>	<u>\$ 21,694</u>	<u>\$ 235,698</u>	<u>\$ 1,670,664</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts and other payables	\$ 211,842	\$ 5,200	\$ 34,615	\$ 5,996	\$ 6,619	\$ 172	\$ 18,795
Due to other funds			35,353			3,335	580,376
Deferred revenue	125,394						
Total liabilities	<u>337,236</u>	<u>5,200</u>	<u>69,968</u>	<u>5,996</u>	<u>6,619</u>	<u>3,507</u>	<u>599,171</u>
Fund balances:							
Restricted		58,716				232,191	
Committed			425,428	66,584	15,075		1,071,493
Unassigned	(37,781)						
Total fund balances	<u>(37,781)</u>	<u>58,716</u>	<u>425,428</u>	<u>66,584</u>	<u>15,075</u>	<u>232,191</u>	<u>1,071,493</u>
Total Liabilities and Fund Balances	<u>\$ 299,455</u>	<u>\$ 63,916</u>	<u>\$ 495,396</u>	<u>\$ 72,580</u>	<u>\$ 21,694</u>	<u>\$ 235,698</u>	<u>\$ 1,670,664</u>

(Continued on next page)

**TOWN OF DARIEN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2015**

	<u>Special Revenue</u>					<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Affordable Housing Trust</u>	<u>Storm Recovery Fund</u>	<u>Park Pals Play Area Trust</u>	<u>Weed Beach Donations</u>	<u>Miscellaneous Trusts</u>	<u>Stadium Field</u>	
ASSETS							
Cash and cash equivalents	\$ 14	\$ 368,660	\$ 30,617	\$ 4,289	\$ 78,272	\$ 1,350	\$ 3,171,506
Investments	363,566						363,566
Receivables:							
Other	92						134,019
Intergovernmental							299
Due from other funds							36,873
Total Assets	\$ 363,672	\$ 368,660	\$ 30,617	\$ 4,289	\$ 78,272	\$ 1,350	\$ 3,706,263
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts and other payables	\$	\$	\$	\$	\$ 3,430	\$	\$ 286,669
Due to other funds		152,913					771,977
Deferred revenue							125,394
Total liabilities	<u>-</u>	<u>152,913</u>	<u>-</u>	<u>-</u>	<u>3,430</u>	<u>-</u>	<u>1,184,040</u>
Fund balances:							
Restricted			30,617	4,289	74,842		400,655
Committed	363,672	215,747				1,350	2,159,349
Unassigned							(37,781)
Total fund balances	<u>363,672</u>	<u>215,747</u>	<u>30,617</u>	<u>4,289</u>	<u>74,842</u>	<u>1,350</u>	<u>2,522,223</u>
Total Liabilities and Fund Balances	\$ 363,672	\$ 368,660	\$ 30,617	\$ 4,289	\$ 78,272	\$ 1,350	\$ 3,706,263

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

	<u>Special Revenue</u>						
	<u>Cafeteria</u>	<u>Special Education Grants</u>	<u>Police Extra Duty</u>	<u>False Police Alarm</u>	<u>Fire Alarm</u>	<u>State and Federal Grants</u>	<u>Parking Operations</u>
Revenues:							
Intergovernmental	\$	\$ 915,894	\$	\$	\$	\$ 45,150	\$
Licenses and permits							655,605
Charges for services	2,236,416		720,803				
Fines and forfeits				76,157	23,809		81,249
Investment income	1,803						
Contributions		53,544					
Miscellaneous	20,708						17,070
Total revenues	<u>2,258,927</u>	<u>969,438</u>	<u>720,803</u>	<u>76,157</u>	<u>23,809</u>	<u>45,150</u>	<u>753,924</u>
Expenditures:							
Current:							
General government						4,304	
Public safety			617,957	62,730	31,614		
Public health						37,036	
Public works							480,573
Board of Education	2,294,119	1,268,394					
Total expenditures	<u>2,294,119</u>	<u>1,268,394</u>	<u>617,957</u>	<u>62,730</u>	<u>31,614</u>	<u>41,340</u>	<u>480,573</u>
Excess (Deficiency) of Revenues over Expenditures	(35,192)	(298,956)	102,846	13,427	(7,805)	3,810	273,351
Other Financing Sources (Uses):							
Transfers out			(43,788)				(231,040)
Excess (Deficiency) of Revenues over Expenditures and Other Financing Uses	(35,192)	(298,956)	59,058	13,427	(7,805)	3,810	42,311
Fund Balance at Beginning of Year	<u>(2,589)</u>	<u>357,672</u>	<u>366,370</u>	<u>53,157</u>	<u>22,880</u>	<u>228,381</u>	<u>1,029,182</u>
Fund Balance at End of Year	<u>\$ (37,781)</u>	<u>\$ 58,716</u>	<u>\$ 425,428</u>	<u>\$ 66,584</u>	<u>\$ 15,075</u>	<u>\$ 232,191</u>	<u>\$ 1,071,493</u>

(Continued on next page)

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

	Special Revenue					Capital Projects	Total Nonmajor Governmental Funds
	Affordable Housing Trust	Storm Recovery Fund	Park Pals Play Area Trust	Weed Beach Donations	Miscellaneous Trusts	Stadium Field	
Revenues:							
Intergovernmental	\$	\$	\$	\$	\$	\$	\$ 961,044
Licenses and permits							655,605
Charges for services							2,957,219
Fines and forfeits							181,215
Investment income	501				21		2,325
Contributions					16,103		69,647
Miscellaneous							37,778
Total revenues	<u>501</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,124</u>	<u>-</u>	<u>4,864,833</u>
Expenditures:							
Current:							
General government							4,304
Public safety					283		712,584
Public health					14,997		52,033
Public works							480,573
Board of Education					2,000		3,564,513
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,280</u>	<u>-</u>	<u>4,814,007</u>
Excess (Deficiency) of Revenues over Expenditures	501	-	-	-	(1,156)	-	50,826
Other Financing Sources (Uses):							
Transfers out							(274,828)
Excess (Deficiency) of Revenues over Expenditures and Other Financing Uses	501	-	-	-	(1,156)	-	(224,002)
Fund Balance at Beginning of Year	<u>363,171</u>	<u>215,747</u>	<u>30,617</u>	<u>4,289</u>	<u>75,998</u>	<u>1,350</u>	<u>2,746,225</u>
Fund Balance at End of Year	<u>\$ 363,672</u>	<u>\$ 215,747</u>	<u>\$ 30,617</u>	<u>\$ 4,289</u>	<u>\$ 74,842</u>	<u>\$ 1,350</u>	<u>\$ 2,522,223</u>

**TOWN OF DARIEN, CONNECTICUT
PARKING OPERATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Revenues:				
Licenses and permits	\$ 680,000	\$ 680,000	\$ 655,605	\$ (24,395)
Fines and forfeits	80,000	80,000	81,249	1,249
Investment income	1,000	1,000		(1,000)
Miscellaneous income	18,000	18,000	17,070	(930)
Total revenues	<u>779,000</u>	<u>779,000</u>	<u>753,924</u>	<u>(25,076)</u>
Expenditures:				
Parking operations	<u>779,000</u>	<u>779,000</u>	<u>482,437</u>	<u>296,563</u>
Excess of Revenues over Expenditures	-	-	271,487	271,487
Other Financing Uses:				
Transfers out			<u>(231,040)</u>	<u>(231,040)</u>
Excess of Revenues over Expenditures and Other Financing Uses	\$ <u>-</u>	\$ <u>-</u>	40,447	\$ <u>40,447</u>
Fund Balance at Beginning of Year			<u>1,029,182</u>	
Fund Balance at End of Year			1,069,629	
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			<u>1,864</u>	
GAAP Fund Balance at End of Year			\$ <u>1,071,493</u>	

Fiduciary Funds

FIDUCIARY FUNDS

TRUST FUNDS

The Police Pension Trust Fund accounts for the activities of the Darien Retirement System, which accumulates resources for pension benefit payments to qualified Town employees.

The Town Pension Trust Fund accounts for the activities of the Darien Retirement System, which accumulates resources for pension benefit payments to qualified police officers.

The Police Retiree Medical Reserve Trust Fund accounts for the activities of the Town's other post-employment benefit trust, which accumulates resources for other post-employment benefits payments to qualified police officers and retirees.

The Non-Police Retiree Benefit Trust Fund accounts for the activities of the Town's other post-employment benefit trust, which accumulates resources for other post-employment benefits payments to qualified town employees and retirees.

AGENCY FUND

Student Activities Fund - established to account for various student activities and clubs in the Town's schools.

TOWN OF DARIEN, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY NET POSITION - TRUST FUNDS
JUNE 30, 2015

	Police Pension Trust Fund	Town Pension Trust Fund	Police Retiree Medical Reserve Trust Fund	Non-Police Retiree Benefit Trust Fund	Total Trust Funds
Assets:					
Cash and cash equivalents	\$ 625,399	\$ 1,171,529	\$ 383,529	\$ 381,696	\$ 2,562,153
Investments:					
Equity securities	26,756,391	38,570,404			65,326,795
Mutual funds	18,381,774	26,210,858	2,921,756	2,150,728	49,665,116
Receivables:					
Interest and dividends	<u>57,885</u>	<u>83,124</u>	<u>873</u>	<u>343</u>	<u>142,225</u>
Total assets	<u>45,821,449</u>	<u>66,035,915</u>	<u>3,306,158</u>	<u>2,532,767</u>	<u>117,696,289</u>
Liabilities:					
Accounts and other payables	<u>29,786</u>	<u>43,403</u>	<u>10</u>	<u>323</u>	<u>73,522</u>
Net Position:					
Held in Trust for Pension Benefits and Postemployment Benefits	<u>\$ 45,791,663</u>	<u>\$ 65,992,512</u>	<u>\$ 3,306,148</u>	<u>\$ 2,532,444</u>	<u>\$ 117,622,767</u>

TOWN OF DARIEN, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Police Pension Trust Fund	Town Pension Trust Fund	Police Retiree Medical Reserve Trust Fund	Non-Police Retiree Benefit Trust Fund	Total Trust Funds
Additions:					
Contributions:					
Employer	\$ 1,073,353	\$ 1,716,498	\$ 465,340	\$ 566,010	\$ 3,821,201
Plan members	299,971	1,041,347			1,341,318
Total contributions	<u>1,373,324</u>	<u>2,757,845</u>	<u>465,340</u>	<u>566,010</u>	<u>5,162,519</u>
Investment income:					
Net appreciation in fair value of investments	1,880,438	2,680,125	73,913	84,729	4,719,205
Interest and dividends	871,950	1,245,631	36,238	34,044	2,187,863
Net investment income	<u>2,752,388</u>	<u>3,925,756</u>	<u>110,151</u>	<u>118,773</u>	<u>6,907,068</u>
Total additions	<u>4,125,712</u>	<u>6,683,601</u>	<u>575,491</u>	<u>684,783</u>	<u>12,069,587</u>
Deductions:					
Benefits	1,812,572	2,694,202	284,436	667,028	5,458,238
Administration	202,504	289,154	1,432	3,706	496,796
Total deductions	<u>2,015,076</u>	<u>2,983,356</u>	<u>285,868</u>	<u>670,734</u>	<u>5,955,034</u>
Change in Net Position	2,110,636	3,700,245	289,623	14,049	6,114,553
Net Position at Beginning of Year	<u>43,681,027</u>	<u>62,292,267</u>	<u>3,016,525</u>	<u>2,518,395</u>	<u>111,508,214</u>
Net Position at End of Year	<u>\$ 45,791,663</u>	<u>\$ 65,992,512</u>	<u>\$ 3,306,148</u>	<u>\$ 2,532,444</u>	<u>\$ 117,622,767</u>

**TOWN OF DARIEN, CONNECTICUT
 AGENCY FUND
 STUDENT ACTIVITIES
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash and cash equivalents	\$ <u>408,474</u>	\$ <u>1,401,512</u>	\$ <u>1,317,853</u>	\$ <u>492,133</u>
LIABILITIES				
Accounts and other payables	\$ <u>408,474</u>	\$ <u>1,401,512</u>	\$ <u>1,317,853</u>	\$ <u>492,133</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.

TOWN OF DARIEN, CONNECTICUT
NET POSITION BY COMPONENT (UNAUDITED)
LAST TEN FISCAL YEARS
(In Thousands)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities:										
Net investment in capital assets	\$ 101,619	\$ 96,371	\$ 97,749	\$ 89,762	\$ 88,823	\$ 89,614	\$ 93,214	\$ 84,591	\$ 80,136	\$ 67,136
Restricted	-	1,942	1,469	5,616	1,102	-	-	-	-	-
Unrestricted	45,269	41,969	26,101	23,629	28,719	27,522	24,183	32,028	36,389	30,178
Total Governmental Activities										
Net Position	\$ <u>146,888</u>	\$ <u>140,282</u>	\$ <u>125,319</u>	\$ <u>119,007</u>	\$ <u>118,644</u>	\$ <u>117,136</u>	\$ <u>117,397</u>	\$ <u>116,619</u>	\$ <u>116,525</u>	\$ <u>97,314</u>

Notes:

-Schedule prepared on the accrual basis of accounting.

TOWN OF DARIEN, CONNECTICUT
CHANGES IN NET POSITION (UNAUDITED)
LAST TEN FISCAL YEARS
(In Thousands)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
Governmental activities:										
General government	\$ 4,716	\$ 4,493	\$ 4,329	\$ 4,116	\$ 4,117	\$ 3,715	\$ 3,989	\$ 3,977	\$ 3,478	\$ 3,546
Community environment	894	873	846	838	841	910	939	902	863	643
Public safety	14,775	13,886	12,695	12,026	12,059	11,339	11,410	11,433	9,682	9,344
Health and social services	1,625	1,971	2,373	1,652	1,447	1,395	1,341	1,354	1,416	1,252
Library	3,479	3,401	3,264	3,186	3,131	3,061	2,944	2,516	2,388	2,300
Parks and recreation	2,258	2,188	1,715	2,901	1,715	1,522	1,811	1,776	1,571	1,500
Public works	7,225	7,194	6,444	7,143	5,872	6,904	5,290	5,489	7,494	3,526
Board of Education	105,076	104,235	97,796	94,266	88,077	85,558	84,964	96,894	71,884	70,118
Sewer operations	3,269	3,585	3,065	2,739	3,312	3,656	3,044	4,315	2,061	2,114
Solid waste	-	-	-	-	1,207	1,223	1,293	1,198	1,318	1,580
Interest on long-term debt	2,338	2,836	2,765	4,118	3,703	4,193	1,731	4,329	3,523	2,947
Total governmental activities expenses	<u>145,655</u>	<u>144,662</u>	<u>135,292</u>	<u>132,985</u>	<u>125,481</u>	<u>123,476</u>	<u>118,756</u>	<u>134,183</u>	<u>105,678</u>	<u>98,870</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	1,876	1,762	1,779	1,392	1,448	1,361	782	1,779	1,906	2,051
Community environment	109	104	98	87	70	57	56	80	70	75
Public safety	3,349	2,476	2,517	1,793	1,678	1,830	2,755	3,695	2,952	-
Health and social services	166	295	665	325	291	207	94	118	103	93
Parks and recreation	563	479	480	516	416	388	320	321	326	320
Public works	728	1,628	1,636	2,019	1,135	1,115	254	504	209	925
Board of Education	2,257	2,304	2,208	2,176	2,050	2,131	1,940	1,835	1,873	1,785
Sewer operations	3,747	3,621	5,335	3,088	2,592	2,485	2,824	3,436	3,596	3,201
Solid waste	-	-	-	-	767	999	940	972	1,187	1,405
Operating grants and contributions:										
General government	13	56	32	-	-	-	22	25	29	17
Public safety	30	-	-	42	42	27	69	62	47	2,102
Health and social services	227	163	149	68	74	203	384	229	323	201
Parks and recreation	-	-	-	-	-	-	-	6	-	45
Public works	-	-	-	-	-	-	-	-	-	23
Board of Education	13,387	14,901	13,443	13,260	11,909	10,964	10,992	29,883	8,096	3,703
Interest on long-term debt	-	-	-	-	-	-	77	77	86	92
Capital grants and contributions:										
General government	-	146	324	110	109	-	-	-	-	-
Public safety	-	-	-	34	278	345	5	93	-	76
Health and social services	39	-	-	-	2	10	35	35	32	32
Parks and recreation	25	-	-	4	10	67	165	-	-	-
Public works	557	1,130	83	167	393	604	297	2,098	1,580	3,007
Board of Education	14	-	-	1	34	191	26	2,270	2,999	2,010
Sewer operations	-	-	-	-	-	-	-	-	-	1,433
Total governmental activities program revenues	<u>27,087</u>	<u>29,065</u>	<u>28,749</u>	<u>25,082</u>	<u>23,298</u>	<u>22,984</u>	<u>22,037</u>	<u>47,518</u>	<u>25,414</u>	<u>22,596</u>
Net (expense) revenue -										
Governmental activities	<u>(118,568)</u>	<u>(115,597)</u>	<u>(106,543)</u>	<u>(107,903)</u>	<u>(102,183)</u>	<u>(100,492)</u>	<u>(96,719)</u>	<u>(86,665)</u>	<u>(80,264)</u>	<u>(76,274)</u>
Total primary government net expense	<u>(118,568)</u>	<u>(115,597)</u>	<u>(106,543)</u>	<u>(107,903)</u>	<u>(102,183)</u>	<u>(100,492)</u>	<u>(96,719)</u>	<u>(86,665)</u>	<u>(80,264)</u>	<u>(76,274)</u>

**TOWN OF DARIEN, CONNECTICUT
CHANGES IN NET POSITION (UNAUDITED) (CONTINUED)
LAST TEN FISCAL YEARS
(In Thousands)**

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General revenues and other changes in net expenses										
Governmental activities:										
Property taxes	\$ 124,174	\$ 116,634	\$ 111,719	\$ 106,666	\$ 102,220	\$ 99,221	\$ 96,462	\$ 90,508	\$ 85,996	\$ 82,426
Grants and contributions not restricted to specific purposes	192	177	241	332	341	214	162	227	255	276
Unrestricted investment earnings	164	154	211	848	655	218	585	1,924	2,855	1,709
Other general revenues	644	489	685	420	475	578	288	252	610	387
Total governmental activities	<u>125,174</u>	<u>117,454</u>	<u>112,856</u>	<u>108,266</u>	<u>103,691</u>	<u>100,231</u>	<u>97,497</u>	<u>92,911</u>	<u>89,716</u>	<u>84,798</u>
Special items	-	-	-	-	-	-	-	(6,207)	-	-
Changes in Net Position - Governmental Activities	<u>\$ 6,606</u>	<u>\$ 1,857</u>	<u>\$ 6,313</u>	<u>\$ 363</u>	<u>\$ 1,508</u>	<u>\$ (261)</u>	<u>\$ 778</u>	<u>\$ 39</u>	<u>\$ 9,452</u>	<u>\$ 8,524</u>

Notes:

-Schedule prepared on the accrual basis of accounting.

-On-behalf payments from the State of Connecticut for Darien teachers decreased by \$19.2 million in 2009. These amounts are reflected in Board of Education expenses and Operating Grants and Contributions.

**TOWN OF DARIEN, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS (UNAUDITED)
LAST TEN FISCAL YEARS
(In Thousands)**

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General fund:										
Nonspendable	\$ 32	\$ 575	\$ 659	\$ 598	\$ 47	\$	\$	\$	\$	\$
Restricted										
Committed	356									
Assigned	1,971	1,409	1,410	930	522					
Unassigned	16,693	16,482	17,404	17,008	17,160					
Reserved						130	81	178	267	229
Unreserved						16,645	15,999	17,410	16,780	13,636
Total General Fund	\$ 19,052	\$ 18,466	\$ 19,473	\$ 18,536	\$ 17,729	\$ 16,775	\$ 16,080	\$ 17,588	\$ 17,047	\$ 13,865
All other governmental funds:										
Nonspendable	\$	\$ 10	\$ 10	\$ 10	\$ 22	\$	\$	\$	\$	\$
Restricted	2,001	4,148	4,609	5,594	5,435					
Committed	6,314	5,273	5,566	7,205	6,765					
Assigned										
Unassigned	(38)	(3)	(709)							
Reserved						1,848	2,895	7,636	4,030	2,308
Unreserved, reported in:										
Special revenue funds						5,974	7,416	8,482	7,687	7,445
Capital project funds						(2,561)	(6,535)	(8,365)	(11,583)	(323)
Total All Other Governmental Funds	\$ 8,277	\$ 9,428	\$ 9,476	\$ 12,809	\$ 12,222	\$ 5,261	\$ 3,776	\$ 7,753	\$ 134	\$ 9,430

Notes:

- Schedule prepared on the modified accrual basis of accounting.

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

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues:										
Property taxes	\$ 124,755	\$ 116,638	\$ 112,058	\$ 106,518	\$ 102,076	\$ 98,968	\$ 96,223	\$ 90,533	\$ 85,837	\$ 82,435
Intergovernmental revenues	14,383	16,796	14,859	14,415	13,258	12,852	11,893	32,803	11,135	9,351
Charges for services	13,357	13,230	13,216	11,827	11,096	10,966	8,530	9,072	8,690	12,289
Income on investments	164	154	211	240	258	218	585	1,924	2,855	1,709
Miscellaneous	863	489	685	420	475	578	2,543	4,245	5,257	1,114
Total revenues	<u>153,522</u>	<u>147,307</u>	<u>141,029</u>	<u>133,420</u>	<u>127,163</u>	<u>123,582</u>	<u>119,774</u>	<u>138,577</u>	<u>113,774</u>	<u>106,898</u>
Expenditures:										
General government	3,289	3,400	2,951	3,071	3,014	3,924	2,796	2,887	2,614	2,554
Community environment	645	627	598	591	595	658	650	637	560	457
Public safety	9,296	9,561	8,953	8,259	8,098	9,332	8,139	8,293	7,119	6,686
Health and social services	1,320	1,379	1,217	1,232	1,098	1,088	1,086	1,086	1,056	954
Library	3,479	3,401	3,264	3,186	3,132	3,061	2,944	2,516	2,388	2,300
Parks and recreation	1,334	1,226	1,337	1,127	1,099	1,100	1,091	1,011	940	936
Public works	5,220	5,522	5,087	4,547	3,538	3,084	3,340	3,085	2,684	2,494
Schools	102,668	100,977	93,369	89,696	84,091	80,551	77,693	92,358	67,071	64,797
Sewer operations	3,269	3,585	3,065	2,739	3,312	3,656	3,044	4,315	2,061	2,114
Solid waste					5,701	5,126	1,293	1,198	1,318	1,580
General overhead	6,764	6,449	5,897	5,719	1,207	1,222	4,417	4,426	4,170	3,947
Capital outlay	5,320	6,670	6,984	15,906	7,321	2,572	8,212	18,299	18,973	13,961
Debt service:										
Principal	8,893	8,022	7,954	7,145	6,264	6,838	7,112	6,112	5,501	5,851
Interest	2,748	3,043	2,925	2,950	3,177	3,337	3,552	3,869	3,433	3,293
Total expenditures	<u>154,245</u>	<u>153,862</u>	<u>143,601</u>	<u>146,168</u>	<u>131,647</u>	<u>125,549</u>	<u>125,369</u>	<u>150,092</u>	<u>119,888</u>	<u>111,924</u>
Excess of Revenues over (Under) Expenditures	<u>(723)</u>	<u>(6,555)</u>	<u>(2,572)</u>	<u>(12,748)</u>	<u>(4,484)</u>	<u>(1,967)</u>	<u>(5,595)</u>	<u>(11,515)</u>	<u>(6,114)</u>	<u>(5,026)</u>
Other Financing Sources (Uses):										
Transfers in	5,069	3,894	3,907	2,400	3,044	4,405	6,977	8,240	5,446	3,501
Transfers out	(5,069)	(3,894)	(3,907)	(2,400)	(3,044)	(4,405)	(6,977)	(8,240)	(5,446)	(3,501)
Issuance of debt	16,310	5,500	33,610	14,000	12,000	11,305	30,344	19,500		40,215
Payment to escrow agent	(17,862)		(36,512)			(12,308)	(30,234)			(29,894)
Bond premium	1,710		3,078	608	398	1,151	175			
Issuance of BAN						4,000				
Total other financing sources (uses)	<u>158</u>	<u>5,500</u>	<u>176</u>	<u>14,608</u>	<u>12,398</u>	<u>4,148</u>	<u>110</u>	<u>19,675</u>	<u>-</u>	<u>10,321</u>
Net Change in Fund Balances	<u>\$ (565)</u>	<u>\$ (1,055)</u>	<u>\$ (2,396)</u>	<u>\$ 1,860</u>	<u>\$ 7,914</u>	<u>\$ 2,181</u>	<u>\$ (5,485)</u>	<u>\$ 8,160</u>	<u>\$ (6,114)</u>	<u>\$ 5,295</u>
Debt Service as a Percentage of Noncapital Expenditures	7.73%	7.49%	7.91%	8.40%	7.59%	8.26%	8.10%	7.55%	8.80%	9.04%

Notes:

-Schedule prepared on the modified accrual basis of accounting.

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

Fiscal Year	Real Property			Personal Property	Motor Vehicle	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
	Residential	Commercial	Other							
2015	\$ 7,047,408	\$ 646,124	\$ 158,818	\$ 166,468	\$ 232,985	\$ 1,158	\$ 8,250,645	1501.00%	\$ 11,786,636	70.00%
2014	7,661,274	645,553	199,516	163,002	228,337	1,224	8,896,458	13.17%	12,709,226	70.00%
2013	7,617,128	660,314	192,464	160,293	233,014	1,188	8,862,025	12.68%	12,660,036	70.00%
2012	7,564,758	666,677	192,373	156,415	216,654	1,474	8,795,403	12.20%	12,651,744	69.52%
2011	7,553,873	686,405	149,514	150,120	201,218	1,547	8,739,583	11.74%	12,485,120	70.00%
2010	7,553,526	711,520	150,714	122,305	204,330	1,493	8,740,902	11.37%	12,487,003	70.00%
2009	5,738,476	414,230	153,584	78,793	218,603	1,448	6,602,238	14.55%	9,431,769	70.00%
2008	5,668,729	402,720	148,978	75,743	209,534	1,540	6,504,164	13.87%	9,291,663	70.00%
2007	5,573,420	405,913	146,438	71,788	209,838	1,823	6,405,574	13.40%	9,150,820	70.00%
2006	5,513,834	398,601	141,646	63,740	209,890	1,720	6,325,991	13.02%	9,037,130	70.00%

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

TABLE 6

**TOWN OF DARIEN, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS (UNAUDITED)
OCTOBER 1, 2013 AND OCTOBER 1, 2004
(In Thousands)**

Taxpayer	October 1, 2013 ⁽¹⁾			October 1, 2004		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Connecticut Light & Power Company	\$ 87,222,806	1	0.98%	\$ 19,999,200	4	0.32%
Steinkraus Estate	53,571,687	2	0.60%	16,936,080	7	0.27%
Wee Burn Country Club	39,149,912	3	0.44%	23,200,460	1	0.47%
Darien Financing LLC	38,365,180	4	0.43%	19,985,760	5	0.32%
Country Club of Darien	32,339,341	5	0.36%	23,200,460	2	0.37%
Woodway Country Club	25,918,517	6	0.29%	19,924,493	6	0.31%
Walsh, Kevin, et al	21,544,180	7	0.24%	-		0.00%
Zotos International	18,108,222	8	0.20%	11,345,950	10	0.18%
U.B. Darien Inc.	17,876,390	9	0.20%	11,608,560	9	0.18%
John Suhler	15,526,770	10	0.18%			
William Ziegler III TR et al	-			13,167,980	8	0.21%
Goodwives Center	-					
Helen Rivoire Estate	-			20,108,060	3	0.32%
Darien Green Associates	-					
The Nielsen Company	-					
Total Taxable Grand List	\$ 349,623,005		3.94%	\$ 179,477,003		2.95%

Source: Town of Darien, Office of Tax Assessor

⁽¹⁾ Fiscal year is July 1, 2014-June 30, 2015

**TOWN OF DARIEN, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS (UNAUDITED)
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		Tax Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2015	15.01	\$ 123,644	\$ 123,136	99.59%	\$	\$	
2014	13.17	116,477	115,663	99.30%	580	710	0.61%
2013	12.68	111,676	111,114	99.50%	378	195	0.17%
2012	12.20	106,578	106,074	99.53%	343	88	0.08%
2011	11.74	102,098	101,469	99.38%	153	27	0.03%
2010	11.37	98,640	97,917	99.27%	102	22	0.02%
2009	14.55	96,006	95,204	99.16%	731	26	0.03%
2008	13.87	90,030	89,494	99.40%	454	19	0.02%
2007	13.04	85,538	85,015	99.39%	479	19	0.02%
2006	13.02	82,211	81,786	99.48%	438	19	0.02%

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

TOWN OF DARIEN, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE (UNAUDITED)
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year	Governmental Activities General Obligation Bonds	Ratio of Debt to Taxable Assessed Value	Debt Per Capita	Estimated Personal Income (in thousands)	Debt as Percent of Estimated Personal Income
2015	\$ 77,430	0.94%	\$ 3.57	\$ 2,056,551	3.77%
2014	89,434	1.01%	4.19	2,011,440	4.45%
2013	91,499	1.03%	4.33	1,992,655	4.59%
2012	99,877	1.13%	4.77	2,001,574	4.99%
2011	92,150	1.05%	4.44	2,011,978	4.58%
2010	86,414	1.00%	4.30	1,969,278	4.43%
2009	89,722	0.95%	4.43	1,964,814	4.57%
2008	97,940	1.51%	4.84	1,569,450	6.24%
2007	84,551	1.32%	4.14	1,583,791	5.34%
2006	90,052	1.44%	4.43	1,592,783	5.65%

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

TOWN OF DARIEN, CONNECTICUT
COMPUTATION OF LEGAL DEBT MARGIN (UNAUDITED)
JUNE 30, 2015
(In Thousands)

Total tax collections (including interest and lien fees):

For the year ended June 30, 2015

Town of Darien	\$ 124,515
Taxing districts	605

Reimbursement for revenue loss:

Tax relief for elderly freeze	<u>2</u>
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Base for establishing debt limit	<u>\$ 125,118</u>
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	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Funding</u>	<u>Total</u>
Debt Limitation						
2 1/4 times base	\$ 281,516					\$ 281,516
4 1/2 times base		563,031				563,031
3 3/4 times base			469,193			469,193
3 1/4 times base				406,634		406,634
3 times base					375,354	375,354
Total debt limitation	<u>281,516</u>	<u>563,031</u>	<u>469,193</u>	<u>406,634</u>	<u>375,354</u>	<u>2,095,728</u>
Debt, as defined by Statute:						
Bonds payable (1)	26,585	46,056	4,789			77,430
Bonds authorized but unissued	3,976	17,951	2,200			24,127
Less: School building grants receivable		(8)				(8)
Total indebtedness	<u>30,561</u>	<u>64,015</u>	<u>6,989</u>	<u>-</u>	<u>-</u>	<u>101,565</u>
Debt Limitation in Excess of Indebtedness	<u>\$ 250,955</u>	<u>\$ 499,016</u>	<u>\$ 462,204</u>	<u>\$ 406,634</u>	<u>\$ 375,354</u>	<u>\$ 1,994,163</u>

Note 1: Total net indebtedness above amounts of \$101,565 but in no event shall total indebtedness exceed \$875,826 (seven times the base for debt limitation).

Note 2: There is no overlapping debt.

Note 3: School building grants receivable include \$8 of bond principal grants from the State of Connecticut.

TOWN OF DARIEN, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION (UNAUDITED)
LAST TEN FISCAL YEARS
(In Thousands)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt limitation	\$ 872,851	\$ 816,165	\$ 784,105	\$ 749,266	\$ 719,201	\$ 696,444	\$ 675,052	\$ 632,758	\$ 603,463	\$ 579,026
Total net debt applicable to limit	<u>101,560</u>	<u>110,451</u>	<u>117,617</u>	<u>124,678</u>	<u>124,982</u>	<u>128,739</u>	<u>138,234</u>	<u>149,470</u>	<u>137,833</u>	<u>127,066</u>
Legal Debt Margin	<u>\$ 771,291</u>	<u>\$ 705,714</u>	<u>\$ 666,488</u>	<u>\$ 624,588</u>	<u>\$ 594,219</u>	<u>\$ 567,705</u>	<u>\$ 536,818</u>	<u>\$ 483,288</u>	<u>\$ 465,630</u>	<u>\$ 451,960</u>
Total net debt applicable to the limit as percentage of debt limit	11.64%	13.53%	15.00%	16.64%	17.38%	18.49%	20.48%	23.62%	22.84%	21.94%

Source: Comprehensive annual financial report - Computation of Legal Debt Margin.

Note: See Table 9 for calculation of current year debt limitation.

**TOWN OF DARIEN, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED)
LAST TEN CALENDAR YEARS**

Calendar Year	Population⁽¹⁾	Estimated Personal Income (In Thousands)	Per Capita Income⁽²⁾	Median Age⁽²⁾	School Enrollment⁽³⁾	Unemployment Rate⁽⁴⁾
2015	21,689	\$ 2,056,551	\$ 94,820	39.1	4,899	4.3%
2014	21,330	2,011,440	94,301	39.1	4,895	4.3%
2013	21,114	1,992,655	94,376	39.1	4,846	5.7%
2012	20,942	2,001,574	95,577	39.0	4,817	6.4%
2011	20,732	2,011,978	97,047	38.0	4,841	6.0%
2010	20,292	1,969,278	97,047	38.0	4,778	5.9%
2009	20,246	1,964,814	97,047	38.0	4,727	6.2%
2008	20,246	1,569,450	77,519	38.0	4,653	4.0%
2007	20,431	1,583,791	77,519	38.0	4,587	3.2%
2006	20,547	1,592,783	77,519	38.0	4,468	3.0%

⁽¹⁾ U.S. Department of Commerce, Bureau of Census, State of CT Health Department.

⁽²⁾ U.S. Department of Commerce, Bureau of Census.

⁽³⁾ Darien Board of Education.

⁽⁴⁾ State of CT Department of Labor.

TABLE 12

**TOWN OF DARIEN, CONNECTICUT
PRINCIPAL EMPLOYERS (UNAUDITED)
2015 AND 2006**

<u>Employer</u>	<u>Nature of Business</u>	<u>2015</u>			<u>2006</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>
Town of Darien	Municipality	933	1	10.23%	814	1	9.76%
Zoto's International	Hair Care Products	240	2	2.63%	125	5	1.50%
Colangelo Synergy Marketing	Marketing	160	3	1.75%	-	-	-
Ring's End, Inc.	Building Supplies	124	4	1.36%	139	4	1.67%
BMW of Darien	Automotive Sales	94	5	1.03%	60	8	0.72%
CRA Rogers Casey	Investment Consulting	80	6	0.88%	80	6	0.96%
Miller Automotive	Automotive Sales	70	7	0.77%	-	-	-
Sterling Glen	Assisted Living Center	68	8	0.75%	-	-	-
U.S. Postal Service	Mail Delivery	30	9	0.33%	65	7	0.78%
Darien Health Care Center	Nursing Home	-	-	-	140	3	1.68%
DHL	Air Freight Traffic	-	-	-	300	2	3.60%
Life Study Fellowship Foundation	Publisher of Religious Materials	-	-	-	43	9	0.52%
Cantor Fitzgerald	Financial Services	-	-	-	40	10	0.48%
		<u>1,799</u>		<u>19.7%</u>	<u>1,806</u>		<u>21.6%</u>

Source: Town of Darien survey.
U.S. Department of Commerce, Bureau of Census, 2000.
State of CT Department of Labor

**TOWN OF DARIEN, CONNECTICUT
 FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM (UNAUDITED)
 LAST TEN FISCAL YEARS**

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government	40	42	42	43	42	44	44	41	41	41
Police	58	58	58	58	57	57	57	57	57	57
Public Works	25	26	26	26	26	28	28	26	25	26
Sewer Authority	3	3	3	3	2	4	4	4	4	4
Parks and Recreation	10	9	9	9	9	9	9	8	8	8
Education	797	790	760	760	785	791	790	751	717	697
Total	933	928	898	899	921	933	932	887	852	833

TABLE 14

**TOWN OF DARIEN, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government:										
Building permits issued	733	811	806	607	700	619	555	820	876	901
Building inspections conducted	3,932	4,155	3,435	2,533	2,859	2,692	2,903	3,871	3,702	4,266
Police:										
Calls Answered	16,809	17,546	18,288	19,621	19,156	20,261	16,309	21,076	21,591	21,069
Criminal Arrests	169	136	205	261	287	295	287	375	246	206
Motor Vehicle Arrests	1,414	2,129	2,355	3,280	3,081	3,903	3,168	3,463	3,451	2,062
DWI Arrests	21	60	73	56	51	76	84	101	71	-
Morning Vehicle Warnings	372	500	525	759	634	755	265	910	834	1,139
Accidents	603	519	551	589	550	558	585	606	652	683
Fire:										
Emergency responses	1,199	1,262	1,259	1,454	1,295	1,248	1,245	1,189	1,495	1,375
Fires extinguished	31	32	42	85	67	35	63	67	57	75
Inspections	254	192	189	319	371	367	386	677	397	410
Other Public Works:										
Street resurfacing (miles)	3.70	3.20	3.10	3.10	3.00	1.90	2.89	3.30	3.00	2.20
Parks and Recreation:										
Facility permits issued	1,675	1,565	489	496	484	697	784	770	666	722
Beach permits issued	7,939	7,846	7,365	7,137	7,129	6,769	6,605	6,660	6,646	6,671
Boat permits issued	140	153	168	171	195	183	191	188	202	-
Program registrations	3,512	3,370	4,355	3,930	4,052	3,787	2,730	2,895	3,125	2,619
Youth Programs:										
Summer camp registrations	411	297	344	371	330	400	430	489	645	-
Teen program registrations	1,093	1,142	1,147	1,121	1,054	1,226	1,231	1,343	1,354	-

TABLE 15

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

Function/Program	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire stations	3	3	3	3	3	3	3	3	3	3
	3	3								
Other public works:										
Streets (miles)	81	81	81	81	81	81	81	81	81	81
Streetlights	834	834	834	828	828	828	828	827	827	827
Traffic signals	12	12	12	12	12	12	11	11	10	10
Parks and recreation:										
Acreage	207.6	207	207	207	207	207	207	207	207	207
Parks	13	13	13	13	13	13	13	13	13	13
Tennis courts	10	10	10	10	10	10	10	10	10	10
Paddle tennis courts	5	5	5	5	5	5	5	5	5	0
Water:										
Fire hydrants	608	605	560	550	545	512	512	512	512	534
Wastewater:										
Sanitary sewers (miles)	81.2	81.2	81.2	81.2	79.2	79.2	79.2	79.2	79.2	79
Pump stations	14	14	14	14	14	14	14	14	14	14