Annual Financial Report

of the

Town of Griswold, Connecticut

Year Ended June 30, 2015

Town of Griswold, Connecticut

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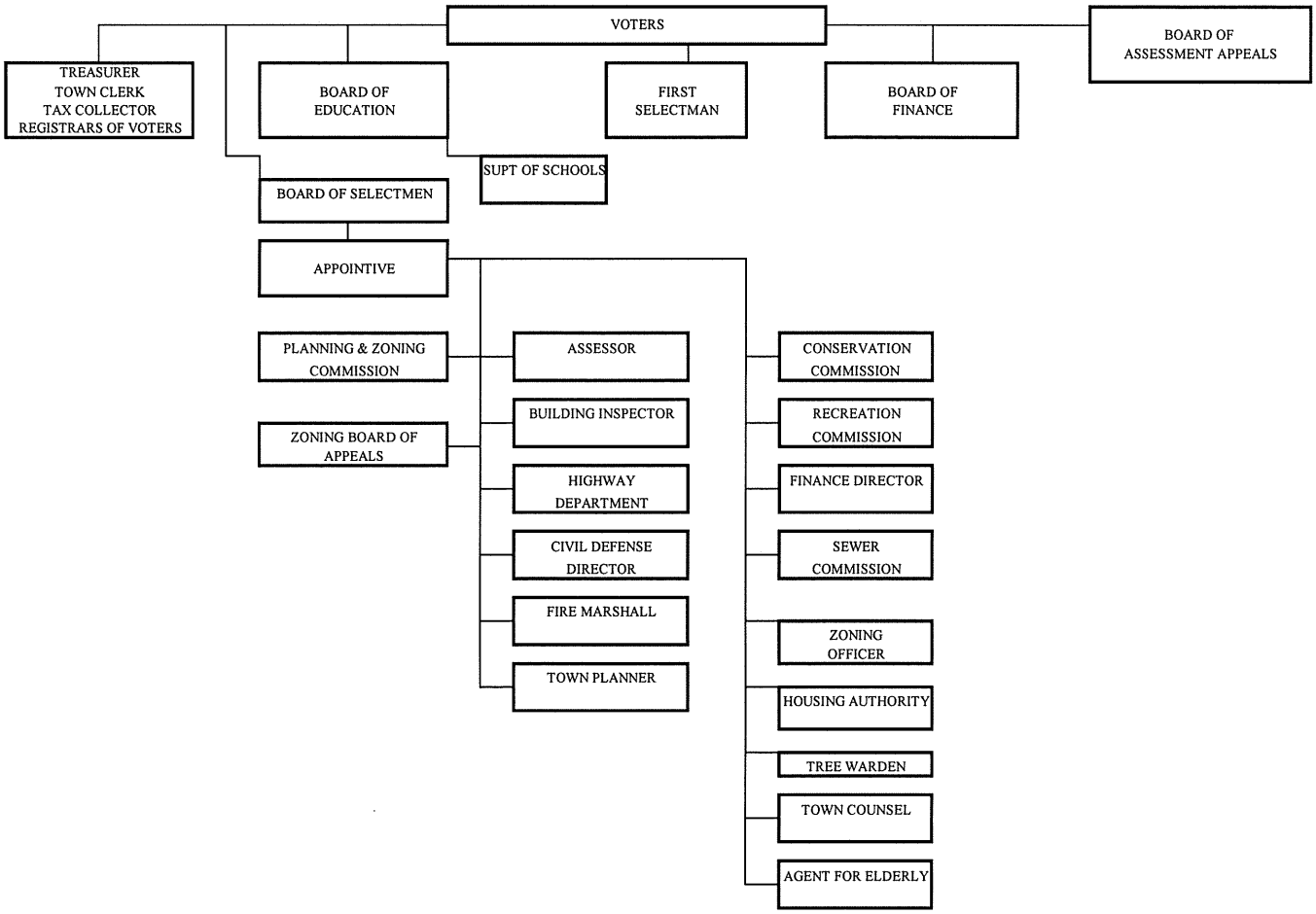
Introductory Section

Town of Griswold, Connecticut

Organizational Chart



Financial Section

Independent Auditor's Report

Board of Finance
Town of Griswold, 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 Griswold, Connecticut, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town'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.

Auditor's 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 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 from 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 auditor's 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 auditor considers 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 Griswold, Connecticut, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the pension and other post-employment benefit plan schedules on pages 5 to 11 and pages 55 to 60, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Griswold, Connecticut's basic financial statements. The introductory section, supplemental schedules and the trend information section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of Federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of expenditures of state financial assistance, as required by the State Single Audit Act, are presented for purposes of additional analysis and are also not a required part of the basic financial statements.

The supplemental schedules, the schedule of expenditures of Federal awards and the schedule of expenditures of state financial assistance 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 supplemental schedules, the schedule of expenditures of Federal awards and the schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 7, 2015, on our consideration of the Town of Griswold, 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 Griswold, Connecticut's internal control over financial reporting and compliance.

CohnReznick LLP

Hartford, Connecticut
December 7, 2015

Town of Griswold

Finance Department
28 Main Street
Griswold, CT 06351
Phone: 860-376-7060, Fax: 860-376-7109

Management's Discussion and Analysis
For the Year Ended June 30, 2015

Management of the Town of Griswold, Connecticut, offers readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2015.

Financial Highlights

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by $86,732,662 (*net position*).
- The Town's total net position increased by $2,315,567.
- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund deficit of $2,025,582, a decrease of $200,206 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was $3,646,888, or 11.4% of total general fund budgetary expenditures and transfers out.
- The Town's total bonded debt decreased by $885,000 (5.1%) during the current fiscal year. The decrease is due to principal payments made during the year.
- During the fiscal year, the Town implemented GASB 68 related to pensions. GASB 68 required that the net pension liability be recorded on the government-wide financial statements. The result of implementing GASB 68 was a prior period adjustment as of July 1, 2014 to record the deferred outflow related to pensions of $582,540 and the net pension liability of $2,992,993. The current year pension expense was $386,478 and the net pension liability at June 30, 2015 was $2,140,037.

Overview of the Basic Financial Statements

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

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business. All of the resources the Town has at its disposal are shown, including major assets such as buildings and infrastructure. They provide both long-term and short-term information about the Town's overall financial status.

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

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The government-wide financial statements present only governmental activities whose functions are principally supported by taxes and intergovernmental revenues since the Town does not operate any business-type activities. The governmental activities of the Town include general government, public safety, public works, human services, civic and cultural, development and planning and education.

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

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

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

The Town maintains 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Capital Projects Fund, which are considered to be major funds. Data from the other 21 governmental funds are combined into a single, aggregated presentation under the caption nonmajor governmental funds. Individual fund data for each of these nonmajor governmental funds is provided on Schedules 4 and 5 of this report.

The Town adopts an annual budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds. The Town maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses internal service funds to account for its self-insured medical benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

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

Notes to Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position. In the case of the Town, assets exceeded liabilities by $86,732,662 at the close of the most recent fiscal year.

By far, the largest portion of the Town's net position, 98.8%, reflects its investment in capital assets (e.g. land, construction in progress, buildings and improvements, machinery and equipment and infrastructure) less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Town of Griswold, Connecticut
Net Position

	2015	2014 (as restated)
Current and other assets	$ 5,774,390	$ 8,065,056
Capital assets (net)	107,986,050	106,902,205
Total assets	113,760,440	114,967,261
Deferred outflows of resources	610,674	582,540
Other liabilities	7,943,679	10,441,751
Noncurrent liabilities	19,009,562	20,690,955
Total liabilities	26,953,241	31,132,706
Deferred inflows of resources	685,211	-
Net position:		
Net investment in capital assets	85,711,583	83,343,269
Restricted	554,322	570,423
Unrestricted	466,757	503,403
Total net position	$ 86,732,662	$ 84,417,095

A portion of the Town's net position, 0.6 %, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, 0.6 %, may be used to meet the Town's ongoing obligations to citizens and creditors.

Governmental Activities. Governmental activities increased the Town's net position by $2,315,567.

Town of Griswold, Connecticut

Changes in Net Position

	2015	2014
Revenues:		
Program revenues:		
Charges for services	$ 2,763,988	$ 3,203,947
Operating grants and contributions	15,762,154	16,303,478
Capital grants and contributions	2,634,823	939,752
General revenues:		
Property taxes	18,596,974	18,279,147
Grants and contributions not restricted to specific programs	269,600	265,698
Investment income	7,889	5,696
Total revenues	40,035,428	38,997,718
Expenses:		
General government	1,651,807	1,556,835
Public safety	493,373	552,985
Public works	2,216,089	2,402,094
Human services	372,631	341,380
Civic and cultural	274,267	294,614
Development and planning	116,796	100,719
Education	31,957,563	32,152,915
Interest expense	637,335	668,408
Total expenses	37,719,861	38,069,950
Change in net position	2,315,567	927,768
Net position - July 1 (as restated)	84,417,095	85,899,780
Restatement for net pension liability	-	(2,410,453)
Net position - June 30	$ 86,732,662	$ 84,417,095

Major revenue factors included:

- Capital grants and contributions increased by $1,695,071 primarily due to an increase in grants received for bridge projects as well as grants received for the high school roof project.
- Property taxes increased $317,827 as a result of an increase in the mill rate to account for decreases from other funding sources.

In some cases, increases in expenses closely paralleled inflation and growth in the demand for services. However, there were exceptions as noted below:

- Public works expenses decreased $186,005 primarily due to a reduction of public works projects.

- Education expenses decreased $195,352 primarily due to a decrease in the State's on-behalf contribution into the State Teachers' Retirement System.

Financial Analysis of the Town's Funds

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

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

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund deficit balance of $2,025,582, a decrease of $200,206 in comparison with the prior year.

General Fund

The general fund is the operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was $3,646,888, while total fund balance reached $3,932,295. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers out. Unassigned fund balance represents 11.4% of total general fund budgetary expenditures and transfers out, while total fund balance represents 12.3% of that same amount.

The fund balance of the Town's general fund decreased by $32,694 during the current fiscal year. The increase was primarily due to budgeted fund transfers for capital projects.

Capital Projects Fund

Capital project revenues and other financing sources exceeded expenditures by $189,566. This is primarily attributable to transfers in to the fund.

General Fund Budgetary Highlights

During the year, there were $16,317 of additional appropriations from fund balance. Revenues exceeded budgetary estimates by $44,920. Expenditures were $155,917 less than budgetary estimates. The combination of these variances led to a budgetary fund balance increase of $184,520.

Capital Assets and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental activities as of June 30, 2015 amounts to $107,986,050 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure.

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

- Infrastructure (roads and bridges) additions of $2,765,985.
- Building and improvement additions of $1,912,822

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

Town of Griswold, Connecticut

Capital Assets - Net

	2015	2014
Land	$ 1,169,815	$ 1,169,815
Construction in progress	344,759	1,431,708
Buildings and improvements	83,204,155	83,360,668
Machinery and equipment	1,946,358	1,957,715
Infrastructure	21,320,963	18,982,299
Total	$ 107,986,050	$ 106,902,205

Long-Term Debt. At the end of the current fiscal year, the Town had $16,570,000 of long-term debt outstanding. All outstanding debt of the Town is general obligation debt and is backed by the full faith and credit of the Town.

Town of Griswold Outstanding Debt
General Obligation Bonds

	2015	**2014**
School bonds	$16,570,000	$17,455,000

The Town maintains an "A1" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7 times total tax collections including interest and lien fees and the tax relief for elderly freeze grant. The current debt limitation for the Town is $132,098,232, which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note III.F.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for the Town as of June 2015 was 6.6%, which is an increase from a rate of 6.4% a year ago. In comparison, as of June 2015, the state's unemployment rate was 5.5% and the national average rate was 5.2%.

- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the Town's budget for the 2015/2016 fiscal year.

During the current fiscal year, budgetary fund balance in the general fund increased to $3,763,198. The Town has assigned $151,000 of fund balance for spending in the 2015/2016 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Office, Town of Griswold, 28 Main Street, Griswold, CT 06351.

Basic Financial Statements

Town of Griswold, Connecticut

Statement of Net Position
June 30, 2015

	Governmental Activities
Assets	
Current assets:	
Cash	$ 1,638,182
Investments	1,908,926
Receivables:	
Property taxes	443,078
Intergovernmental	353,114
Other	495,416
Other	28,186
Total current assets	4,866,902
Noncurrent assets:	
Restricted assets:	
Temporarily restricted:	
Cash	2,942
Permanently restricted:	
Cash	18,000
Total restricted assets	20,942
Receivables (net):	
Property taxes	886,546
Capital assets (net of accumulated depreciation):	
Land	1,169,815
Construction in progress	344,759
Buildings and improvements	83,204,155
Machinery and equipment	1,946,358
Infrastructure	21,320,963
Total capital assets (net of accumulated depreciation)	107,986,050
Total noncurrent assets	108,893,538
Total assets	113,760,440
Deferred Outflows of Resources	
Deferred outflows related to pensions	610,674

(Continued)

Town of Griswold, Connecticut

Statement of Net Position
June 30, 2015

	Governmental Activities
Liabilities	
Current liabilities:	
Accounts payable	$ 682,385
Accrued liabilities	154,072
Accrued interest payable	237,586
Unearned revenue	42,834
Performance bonds	161,736
Bond anticipation notes	5,550,000
Bonds and notes payable	910,000
Capital lease payable	154,467
Compensated absences	50,599
Total current liabilities	7,943,679
Noncurrent liabilities:	
Bonds and notes payable	15,660,000
Net pension liability	2,140,037
Net OPEB obligation	1,007,131
Compensated absences	202,394
Total noncurrent liabilities	19,009,562
Total liabilities	26,953,241
Deferred Inflows of Resources	
Deferred inflows related to pensions	685,211
Net Position	
Net investment in capital assets	85,711,583
Restricted for:	
Endowments:	
Nonexpendable	18,000
Expendable	2,942
Public works	437,399
Education	80,717
Other	15,264
Unrestricted	466,757
Total net position	$ 86,732,662

(Concluded)

See Notes to Financial Statements.

Exhibit B

Town of Griswold, Connecticut

Statement of Activities
Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position: Total Governmental Activities
Governmental activities:					
General government	$ 1,651,807	$ 259,996	$ 317,714	$ 1,319,258	$ 245,161
Public safety	493,373	822	952	-	(491,599)
Public works	2,216,089	368,088	477,626	-	(1,370,375)
Human services	372,631	-	-	-	(372,631)
Civic and cultural	274,267	79,337	54,271	-	(140,659)
Development and planning	116,796	9,075	-	-	(107,721)
Education	31,957,563	2,046,670	14,911,591	1,315,565	(13,683,737)
Interest expense	637,335	-	-	-	(637,335)
Total	$ 37,719,861	$ 2,763,988	$ 15,762,154	$ 2,634,823	$ (16,558,896)

General revenues:	
Property taxes	$ 18,596,974
Grants and contributions not restricted to specific programs	269,600
Income from investments	7,889
Total general revenues	18,874,463
Change in net position	2,315,567
Net position - July 1, 2014 (as restated)	84,417,095
Net position - June 30, 2015	$ 86,732,662

See Notes to Financial Statements.

Town of Griswold, Connecticut

Balance Sheet
Governmental Funds
June 30, 2015

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets				
Cash	$ 1,562,351	$ 20,323	$ 76,450	$ 1,659,124
Investments	1,908,926	-	-	1,908,926
Receivables:				
Property taxes	1,032,005	-	-	1,032,005
Intergovernmental	94,345	170,064	88,705	353,114
Other	484,986	-	10,430	495,416
Due from other funds	2,199,377	353,521	1,250,671	3,803,569
Other	16,722	-	11,464	28,186
Total assets	$ 7,298,712	$ 543,908	$ 1,437,720	$ 9,280,340
Liabilities				
Liabilities:				
Accounts payable	$ 542,414	$ 84,598	$ 55,373	$ 682,385
Accrued liabilities	142,208	-	11,864	154,072
Due to other funds	1,604,192	2,065,099	134,278	3,803,569
Unearned revenue	4,541	-	38,293	42,834
Bond anticipation notes	-	5,550,000	-	5,550,000
Performance bonds	161,736	-	-	161,736
Total liabilities	2,455,091	7,699,697	239,808	10,394,596
Deferred Inflows of Resources				
Unavailable revenue - property taxes	911,326	-	-	911,326
Fund Balances				
Nonspendable	16,722	-	18,000	34,722
Restricted	-	-	481,219	481,219
Committed	-	-	667,917	667,917
Assigned	268,685	-	162,455	431,140
Unassigned	3,646,888	(7,155,789)	(131,679)	(3,640,580)
Total fund balances	3,932,295	(7,155,789)	1,197,912	(2,025,582)
Total liabilities, deferred inflows of resources and fund balances	$ 7,298,712	$ 543,908	$ 1,437,720	$ 9,280,340

(Continued)

Town of Griswold, Connecticut

**Reconciliation of Fund Balance
to Net Position of Governmental Funds
June 30, 2015**

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different from the governmental fund balance sheet. The details of this difference are as follows:	
Total fund balance (Exhibit C, Page 1)	$ (2,025,582)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Beginning net capital assets	106,902,205
Current capital asset additions	3,813,927
Depreciation expense	(2,730,082)
Other long-term assets are not available resources and, therefore, are not reported in the funds:	
Property tax interest and lien accrual	452,619
Allowance for doubtful accounts	(155,000)
Other long-term assets and deferred outflows are not available to pay for current period expenditures and, therefore, are unavailable in the funds:	
Property tax receivable - accrual basis change	911,326
Deferred outflows related to pensions	610,674
Some liabilities and deferred inflows, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and notes payable	(16,570,000)
Capital lease payable	(154,467)
Net pension liability	(2,140,037)
Net OPEB obligation	(1,007,131)
Compensated absences	(252,993)
Accrued interest payable	(237,586)
Deferred inflows related to pensions	(685,211)
Net position of governmental activities	$ 86,732,662

(Concluded)

See Notes to Financial Statements.

Exhibit D

Town of Griswold, Connecticut

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2015

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	$ 18,493,876	$ -	$ -	$ 18,493,876
Intergovernmental	13,849,501	2,698,576	2,082,447	18,630,524
Charges for services	2,126,797	1,025	636,166	2,763,988
Income from investments	7,597	-	292	7,889
Contributions	26,239	-	9,814	36,053
Total revenues	34,504,010	2,699,601	2,728,719	39,932,330
Expenditures:				
Current:				
General government	1,554,333	-	298,716	1,853,049
Public safety	432,336	-	140,890	573,226
Public works	1,351,257	-	296,201	1,647,458
Human services	360,984	-	22,696	383,680
Civic and cultural	157,633	-	134,251	291,884
Development and planning	116,796	-	-	116,796
Sundry	42,237	-	-	42,237
Education	27,669,568	-	2,087,331	29,756,899
Capital outlay	33,215	3,329,241	-	3,362,456
Debt service	1,689,880	85,171	-	1,775,051
Total expenditures	33,408,239	3,414,412	2,980,085	39,802,736
Excess (deficiency) of revenues over expenditures	1,095,771	(714,811)	(251,366)	129,594
Other financing sources (uses):				
Transfers in	-	833,765	294,700	1,128,465
Transfers out	(1,128,465)	-	-	(1,128,465)
BAN premium	-	70,612	-	70,612
Net other financing sources (uses)	(1,128,465)	904,377	294,700	70,612
Net change in fund balances	(32,694)	189,566	43,334	200,206
Fund balances - July 1, 2014	3,964,989	(7,345,355)	1,154,578	(2,225,788)
Fund balances - June 30, 2015	$ 3,932,295	$ (7,155,789)	$ 1,197,912	$ (2,025,582)

See Notes to Financial Statements.

Exhibit E

Town of Griswold, Connecticut

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities
Year Ended June 30, 2015

Amounts reported for governmental activities in the statement of activities (Exhibit B) are due to:	
Net change in fund balances - total governmental funds (Exhibit D)	$ 200,206
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:	
Capital outlay	3,813,927
Depreciation expense	(2,730,082)
Total	1,083,845
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:	
Change in property tax receivable - accrual basis change	50,976
Change in property tax interest and lien revenue	52,122
Total	103,098
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:	
Principal repayments:	
General obligation bonds	885,000
Capital lease payable	149,469
Total	1,034,469
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Accrued interest payable	32,635
Net OPEB obligation	(217,858)
Pension expense	195,879
Compensated absences	(22,716)
Total	(12,060)
Internal service funds are used by management to charge costs of medical insurance premiums to individual departments	(93,991)
Change in net position of governmental activities (Exhibit B)	$ 2,315,567

See Notes to Financial Statements.

Exhibit F

Town of Griswold, Connecticut

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes, interest and lien fees	$ 18,413,970	$ 18,413,970	$ 18,493,876	$ 79,906
Intergovernmental	11,439,207	11,439,207	11,456,874	17,667
Charges for services	2,177,047	2,177,047	2,126,797	(50,250)
Use of Town money	10,000	10,000	7,597	(2,403)
Total revenues	32,040,224	32,040,224	32,085,144	44,920
Expenditures:				
Current:				
General government	1,507,671	1,588,699	1,536,851	51,848
Public safety	431,060	434,610	432,336	2,274
Public works	1,389,348	1,401,087	1,351,257	49,830
Human services	388,795	388,795	360,984	27,811
Civic and cultural	135,796	135,796	135,341	455
Development and planning	121,828	121,828	116,796	5,032
Sundry	123,880	43,880	42,237	1,643
Education	25,147,266	25,147,266	25,137,027	10,239
Capital outlay	40,000	40,000	33,215	6,785
Debt service	1,689,880	1,689,880	1,689,880	-
Total expenditures	30,975,524	30,991,841	30,835,924	155,917
Excess (deficiency) of revenues over expenditures	1,064,700	1,048,383	1,249,220	200,837
Other financing sources (uses):				
Appropriation of fund balance	-	16,317	-	(16,317)
Transfers out	(1,064,700)	(1,064,700)	(1,064,700)	-
Net other financing sources (uses)	(1,064,700)	(1,048,383)	(1,064,700)	(16,317)
Net change in fund balance	$ -	$ -	184,520	$ 184,520
Fund balance - July 1, 2014			3,578,678	
Fund balance - June 30, 2015			$ 3,763,198	

See Notes to Financial Statements.

Exhibit G

Town of Griswold, Connecticut

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
Year Ended June 30, 2015

	Governmental Activities
	Internal Service Fund
Operating revenues:	
Charges for services	$ 148,964
Operating expenses:	
Claims and premiums incurred	242,318
Administration	637
Total operating expenses	242,955
Operating income (loss)	(93,991)
Net position - July 1, 2014	93,991
Net position - July 30, 2015	$ -

See Notes to Financial Statements.

Exhibit H

Town of Griswold, Connecticut

Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2015

	Governmental Activities	
	Internal Service Fund	
Cash flows from operating activities:		
Receipts from customers	$	242,955
Claims paid		(242,318)
Payments to vendors		(637)
Net cash used in operating activities		-
Net increase in cash and cash equivalents		-
Cash and cash equivalents - July 1, 2014		-
Cash and cash equivalents - June 30, 2015	$	-
Reconciliation of operating income (loss) to net cash used in operating activities:		
Operating income (loss)	$	(93,991)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:		
(Increase) decrease in:		
Accounts receivable		94,628
Increase (decrease) in:		
Due to other funds		(637)
Net cash used in operating activities	$	-

See Notes to Financial Statements.

Exhibit I

Town of Griswold, Connecticut

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

	Private-Purpose Trust Funds	Agency Funds
Asset		
Cash	$ 155,943	$ 265,676
Liability		
Accounts payable	-	265,676
Net Position		
Net position held in trust	$ 155,943	$ -

See Notes to Financial Statements.

Exhibit J

Town of Griswold, Connecticut

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2015

	Private-Purpose Trust Funds
Additions:	
Contributions:	
Private contributions	$ 14,700
Investment income:	
Interest and dividends	123
Total additions	14,823
Deductions:	
Scholarships awarded	21,204
Change in net position	(6,381)
Net position - July 1, 2014	162,324
Net position - June 30, 2015	$ 155,943

See Notes to Financial Statements.

Town of Griswold, Connecticut

Notes to Financial Statements
June 30, 2015

History, organization and reporting entity

The Town of Griswold, Connecticut (the "Town"), was incorporated in 1815. The Town covers 37 square miles located in Southeastern Connecticut.

The Town operates under a Town Meeting form of government; the First Selectman serves as the Chief Executive Officer. The Town provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning and general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies used by the Town.

I. Summary of significant accounting policies

A. 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. *Governmental activities* are supported by taxes and intergovernmental revenues.

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

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

B. 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. Agency funds do not have a measurement focus but are accounted for on the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, 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 by the Town.

The Town reports the following major governmental funds:

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

The *Capital Projects Fund* accounts for the financial revenues to be used for major capital asset construction and/or purchases funded substantially by grants and general fund appropriations.

Additionally, the Town reports the following fund types:

The *Internal Service Fund* is used to account for self-insured health benefits for Town employees.

The *Private-Purpose Trust Funds* are used to account for resources legally held in trust for the benefit of individuals, private organizations or other governments. All resources of the fund, including any earnings on invested resources, may not be used to support the Town's activities. There is no requirement that any portion of these resources be preserved as capital.

The *Agency Funds* account for monies held on behalf of students and performance bonds.

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

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

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

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position and additions to/deductions from fiduciary net position of the Connecticut Municipal Employees Retirement System (CMERS) and the Connecticut State Teachers' Retirement System (TRS) have been determined on the same basis as they are reported by CMERS and TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity

1. Deposits and investments

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

Investments - In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. Investment income is recorded in the fund in which it was earned.

Investments for the Town are reported at fair value. State Treasurers Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c - 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares. The balance of the pooled fixed income investments was invested in a 2a-7 like pool which operates under State Statutes. The fair value of the position in the pool is the same as the value of the pool shares.

2. Receivables and payables

a. 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 non-current portion of interfund loans).

b. Property taxes and other receivables

In the government-wide financial statements, all trade and property tax receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 9% to 14% of outstanding balances, and are calculated based upon prior collection history.

In the fund financial statements, all property taxes receivable which have not been collected within 60 days of June 30, have been recorded as deferred inflow of resources, since they are not considered to be available to finance expenditures of the current fiscal year. Taxes collected during the 60 day period have been recorded as revenue.

Property taxes are assessed on property as of October 1 and are billed the following July 1. Real estate and personal property taxes are payable in two installments, July 1 and January 1. Motor vehicle taxes are payable on July 1, and supplemental motor vehicle taxes are payable on January 1. Certificates of continuing lien are filed against delinquent real estate taxes within the first year after the first installment of the tax.

3. 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 columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Assets	Years
Buildings	40-50
Building improvements	20
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-20

4. Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred outflows of resources related to pensions for contributions made by the Town after the measurement date.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows of resources related to pensions for the net difference between projected and actual earnings of the pension plan investments. This deferred inflow will be amortized over a five year period.

For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds' balance sheet. The governmental funds report unavailable revenues from one source: property taxes (including advance collections, if any). These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

5. Compensated absences

Town employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement.

Sick leave and vacation leave expenditures are recognized in the governmental funds in the current year to the extent they are paid during the year or the vested amount is expected to be paid with available resources. The vesting method, using historical data, was used to calculate the liability.

6. 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 the applicable bond premium or discount. 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, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. Fund equity and net position

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

Net Investment in Capital Assets

This category presents the net position that reflects capital assets net of only the debt applicable to the acquisition or construction of these assets. Debt issued for non-capital purposes, and unspent bond proceeds, are excluded.

Restricted Net Position

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

Unrestricted Net Position

This category presents the net position of the Town, which is not restricted.

In the fund financial statements, fund balances are classified into the following categories:

Nonspendable

This category presents amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted
This category presents amounts that can be spent only for specific purposes because of enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed
This category presents amounts that can be used only for specific purposes determined by a formal action at the highest level of decision-making authority for the Town. Commitments may be established, modified or rescinded only through ordinances or resolutions approved by the Board of Finance and Town Meeting, if necessary.

Assigned
This category presents amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent is expressed by the passage of a resolution by the Board or by a properly approved purchase order.

Unassigned
This category presents amounts that do not meet the criteria above and are available for any purpose. This category is only reported in the general fund for positive amounts and in any other fund that has a fund balance deficit.

The Town will sometimes fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted – net position to have been depleted before unrestricted - net position is applied.

The Town will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Finance has provided otherwise in its commitment or assignment actions.

8. Use of estimates

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

9. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

II. Stewardship, compliance and accountability

A. Budgets and budgetary accounting

The Town establishes its general fund budget in accordance with provisions of the Connecticut General Statutes.

- A budget for the general fund is authorized annually by the Board of Finance. The Board of Finance follows these procedures in establishing the budgetary data reflected in the financial statements:

  -- Department heads submit to the Board of Finance detailed estimates of expenditures.
  -- The Board of Finance acts upon the department requests and approves the departmental budgets to be forwarded to the Town Meeting.
  -- The citizens of the Town vote on the recommended budget.
  -- The Board of Finance sets the tax rate for the fiscal year.

- During the year, additional appropriation requests are submitted by the department heads to the Board of Finance. The Board of Finance acts on the requests.

- The legal level of control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The education department per State Statutes is appropriated as one department.

- All budget transfers must be approved by the Board of Finance. The Board of Finance may transfer unexpended balances between departments.

- The Board of Education may transfer unexpended balances between accounts within its total line appropriation.

- There were additional appropriations of $16,317 from fund balance during the year.

- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in budgetary reports (Exhibit F) as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the capital projects funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

B. Budget - GAAP reconciliation

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

	Revenues	Expenditures	Other Financing Uses	Fund Balance
Balance, budgetary basis, (Exhibit F)	$ 32,085,144	$30,835,924	$ 1,064,700	$ 3,763,198
Encumbrances outstanding at June 30, 2014 liquidated during the year ended June 30, 2015	-	256,190	-	-
Encumbrances outstanding at June 30, 2015 charged to budgetary expenditures	-	(117,685)	-	117,685
Other reconciling items	31,176	46,120	63,765	51,412
State Teachers' Retirement on-behalf payment	2,387,690	2,387,690	-	-
Balance, GAAP basis, (Exhibit D)	$ 34,504,010	$33,408,239	$ 1,128,465	$ 3,932,295

The revenues and expenditures noted as other reconciling items above were combined into the general fund for GAAP reporting purposes in order to comply with the requirements of GASB 54. The "other reconciling item" fund balance adjustment above is the cumulative effect of the GASB 54 reconciling items since GASB 54 was adopted in fiscal year 2011-12.

C. Donor-restricted endowments

The Town has received certain endowments to provide aid to local families in need. The amount is reflected in net position as restricted for endowments. Investment income is approved for disbursement by the applicable Trustee and is included in restricted fund balance. There is no appreciation available for appropriation.

D. Deficit fund balances

At June 30, 2015, the Town had a deficit fund balance in the following funds:

Nonmajor Governmental Funds	
Sheldon Road Park	$ 91,225
Board of Education Miscellaneous	22,451
Municipal Energy & Conservation	18,003

The deficits will be eliminated by future grant proceeds.

III. Detailed notes

A. Cash and investments

Deposits - Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2015, $2,361,665 of the Town's bank balance of $4,781,776 (including certificates of deposit and money market accounts classified as investments) was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 2,100,499
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	261,167
Total amount subject to custodial credit risk	$ 2,361,665

Financial instruments that potentially subject the Town to significant concentrations of credit risk consist primarily of cash. From time to time, the Town's cash account balances exceed the Federal Deposit Insurance Corporation limit. The Town reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.

At June 30, 2015, the Town's investments consisted of the following types and maturities. Specific identification was used to determine the maturities.

Type of Investment	Fair Value	Investment Maturities (in years) Less Than 1	1-5 Years
Certificates of deposit	$ 1,771,133	$ 199,956	$ 1,571,177
Pooled fixed Income	137,793	137,793	-
Total	$ 1,908,926	$ 337,749	$ 1,571,177

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

Credit risk - The Town has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations of any State or political subdivision or in obligations of the State of Connecticut or political subdivision.

The Town's investments subject to credit risk had average ratings by Standard & Poor's as follows:

Average Rating	Pooled Fixed Income
AAA	$ 137,793

Custodial credit risk - The Town has no formal policy regarding custodial credit risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

Certain investments are covered by the Securities Investor Protection Corporation ("SIPC") up to $500,000, including $100,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, bonds, debentures, certificates of deposit and money funds.

B. Receivables

Receivable balances have been disaggregated by type and presented separately in the financial statements. Only receivables for the Town's government-wide financial statements with allowances for uncollectible accounts as of June 30, 2015, including the applicable allowances for uncollectible accounts, are presented below.

	Property Taxes		
	Taxes	Interest & Lien Fees	Total
Current portion	$ 357,582	$ 85,496	$ 443,078
Long-term portion	$ 674,423	$ 367,123	$ 1,041,546
Less allowance for uncollectibles	(91,000)	(64,000)	(155,000)
Net long-term portion	$ 583,423	$ 303,123	$ 886,546

Town of Griswold, Connecticut

Notes to Financial Statements
June 30, 2015

C. Capital assets

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

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
Governmental activities:				
Capital Assets, not being depreciated:				
Land	$ 1,169,815	$ -	$ -	$ 1,169,815
Construction in progress	1,431,708	344,759	(1,431,708)	344,759
Total capital assets, not being depreciated	2,601,523	344,759	(1,431,708)	1,514,574
Capital Assets, being depreciated:				
Buildings and improvements	102,741,459	1,912,822	-	104,654,281
Machinery and equipment	4,796,220	222,069	-	5,018,289
Infrastructure	27,951,370	2,765,985	(132,863)	30,584,492
Total capital assets, being depreciated	135,489,049	4,900,876	(132,863)	140,257,062
Total capital assets	138,090,572	5,245,635	(1,564,571)	141,771,636
Less accumulated depreciation for:				
Buildings and improvements	19,380,791	2,069,335	-	21,450,126
Machinery and equipment	2,838,505	233,426	-	3,071,931
Infrastructure	8,969,071	427,321	(132,863)	9,263,529
Total accumulated depreciation	31,188,367	2,730,082	(132,863)	33,785,586
Total capital assets, being depreciated, net	104,300,682	2,170,794	-	106,471,476
Governmental activities capital assets, net	$ 106,902,205	$ 2,515,553	$ (1,431,708)	$ 107,986,050

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

Governmental Activities:	
General government	$ 46,504
Public safety	69,657
Public works	512,063
Human services	11,247
Civic and cultural	6,188
Education	2,084,423
Total depreciation expense - governmental activities	$ 2,730,082

Town of Griswold, Connecticut

Notes to Financial Statements
June 30, 2015

D. Interfund accounts

1. Interfund payables and receivables

During the course of operations, transactions are processed through a fund on behalf of another fund. Additionally, revenues received in one fund are transferred to another fund. A summary of interfund balances at June 30, 2015, is presented below:

	Corresponding Fund	Due From	Due To
Due From/To Other Funds:			
Major funds:			
General fund:			
Capital projects	N/A	$ 2,065,099	$ 353,521
Town aid road fund	N/A	-	380,828
School cafeteria fund	N/A	-	12,795
Special education grant fund	N/A	-	54,700
Board of education child care	N/A	-	50,786
Sewer authority fund	N/A	818	-
Miscellaneous grants and donations	N/A	-	3,788
Records preservation fund	N/A	-	9,361
Sheldon road park	N/A	91,225	-
Open space	N/A	-	56,566
Dog fund	N/A	-	22,976
Board of education miscellaneous	N/A	21,219	-
Paw to Paw	N/A	-	1,330
Recreation fund	N/A	-	32,826
Plan of conservation and development	N/A	-	7,840
Municipal energy and conservation	N/A	18,003	-
Senior center expansion	N/A	-	3,913
Anthony trust fund	N/A	3,013	-
Capital nonrecurring fund	N/A	-	612,962
Total general fund		2,199,377	1,604,192

Town of Griswold, Connecticut

Notes to Financial Statements
June 30, 2015

	Corresponding Fund	Due From	Due To
Capital projects	General fund	$ 353,521	$ 2,065,099
Nonmajor funds:			
Special revenue:			
Town aid road fund	General fund	380,828	-
School cafeteria fund	General fund	12,795	-
Special education grant fund	General fund	54,700	-
Board of education child care	General fund	50,786	-
Sewer authority fund	General fund	-	818
Miscellaneous grants and donations	General fund	3,788	-
Records preservation fund	General fund	9,361	-
Sheldon road park	General fund	-	91,225
Open space	General fund	56,566	-
Dog fund	General fund	22,976	-
Board of education miscellaneous	General fund	-	21,219
Paw to Paw	General fund	1,330	-
Recreation fund	General fund	32,826	-
Plan of conservation and development	General fund	7,840	-
Municipal energy and conservation	General fund	-	18,003
Senior center expansion	General fund	3,913	-
Total special revenue		637,709	131,265
Capital projects:			
Capital nonrecurring fund	General fund	612,962	-
Permanent:			
Anthony trust fund	General fund	-	3,013
Total nonmajor funds		1,250,671	134,278
Grand total		$ 3,803,569	$ 3,803,569

All interfund balances resulted from the time lag between the dates payments occurred between funds for short-term internal financing.

2. Interfund Transfers

A summary of interfund transfers for the year ended June 30, 2015 is as follows:

	Corresponding Fund	Transfers In	Transfers Out
General fund:			
Capital projects	N/A	$ -	$ 833,765
Recreation fund	N/A	-	12,700
Capital nonrecurring fund	N/A	-	282,000
Total general fund		-	1,128,465
Major fund:			
Capital projects	General Fund	833,765	-
Nonmajor funds:			
Recreation fund	General fund	12,700	-
Capital nonrecurring fund	General fund	282,000	-
Total nonmajor funds		294,700	-
Grand total		$ 1,128,465	$ 1,128,465

Transfers are used to account for the financing by the general fund of various program and activities in other funds.

E. Short-term obligations - bond anticipation notes

The Town uses bond anticipation notes to fund construction costs prior to issuance of bonds.

Short-term obligation activity for the year ended June 30, 2015 was as follows:

Type of Obligation	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015
General purpose	$5,800,000	$11,350,000	$11,600,000	$5,550,000

The bond anticipation notes carry an interest rate of 1.50% and mature in February 2016.

Town of Griswold, Connecticut

Notes to Financial Statements
June 30, 2015

F. Changes in long-term obligations

1. Summary of changes

The following is a summary of changes in long-term obligations during the fiscal year:

Description	Original Principal	Date of Issue	Final Maturity	Interest Rates	Balance July 1, 2014 (as restated)	Additions	Deductions	Balance June 30, 2015	Current Portion
Bonds/Notes									
Schools:									
Improvement bond	$ 350,000	01/29/01	01/15/16	4.90% - 4.90%	$ 40,000	$ -	$ 20,000	$ 20,000	$ 20,000
Improvement bond	10,000,000	09/15/08	09/15/28	3.00% - 4.25%	8,120,000	-	410,000	7,710,000	425,000
Improvement bond	11,000,000	02/01/10	02/01/30	2.00% - 4.00%	9,295,000	-	455,000	8,840,000	465,000
Total bonds					17,455,000	-	885,000	16,570,000	910,000
Net pension liability					2,992,993	-	852,956	2,140,037	-
Net OPEB obligation					789,273	329,310	111,452	1,007,131	-
Capital lease					303,936	-	149,469	154,467	154,467
Compensated absences					230,277	115,158	92,442	252,993	50,599
Total long-term obligations					$ 21,771,479	$ 444,468	$ 2,091,319	$ 20,124,628	$ 1,115,066

All long-term liabilities are generally liquidated by the General Fund.

The following is a summary of bond maturities:

Fiscal Year-Ended	Principal	Interest
2016	$ 910,000	$ 617,986
2017	915,000	589,732
2018	945,000	559,465
2019	975,000	525,337
2020	1,020,000	484,416
2021	1,055,000	448,837
2022	1,090,000	410,326
2023	1,135,000	369,725
2024	1,175,000	326,826
2025	1,220,000	282,325
2026	1,270,000	235,351
2027	1,315,000	185,256
2028	1,370,000	130,906
2029	1,425,000	73,781
2030	750,000	30,000
Totals	$ 16,570,000	$ 5,270,269

2. Statutory debt limitation

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

Category	Debt Limit	Net Indebtedness	Balance
General purpose	$ 42,460,146	$ -	$ 42,460,146
Schools	84,920,292	22,120,000	62,800,292
Sewers	70,766,910	-	70,766,910
Urban renewal	61,331,322	-	61,331,322
Pension deficit	56,613,528	-	56,613,528

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, $132,098,232.

The indebtedness reflected above includes bonds outstanding and Borough of Jewett City debt, in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding (if any).

3. Capital leases

At June 30, 2015, the Town is committed under capital leases for equipment. These lease agreements qualify as capital leases for accounting purposes (title transfers at the end of the lease term) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

Equipment totaling $561,900 and accumulated amortization of $54,317 are recorded under capital leases as of June 30, 2015.

Amortization of leased equipment under capital assets is included with depreciation expense.

The following is a schedule of the future minimum lease payments under this capital lease, and the present value of the net minimum lease payments as of June 30, 2015:

Year ending June 30,	
2016	$ 159,632
Less amount representing interest	(5,165)
Present value of minimum lease payments	$ 154,467

4. Authorized/unissued bonds

At June 30, 2015, the Town had the following authorized, unissued bonds:

Project Name	Amount Unissued
School improvements	$ 49,000,000

G. Restricted net position

The amount of restricted net position, which was restricted by enabling legislation, totaled $554,322 at June 30, 2015.

H. Fund balance classifications

As of June 30, 2015, fund balances are composed of the following:

Fund Balance Component	General Fund	Capital Projects	Nonmajor Funds	Total
Nonspendable:				
Permanent fund principal	$ -	$ -	$ 18,000	$ 18,000
Inventory/prepaid items	16,722	-	-	16,722
Total Nonspendable	16,722	-	18,000	34,722
Restricted:				
General government	-	-	9,737	9,737
Public safety	-	-	-	-
Public works	-	-	382,296	382,296
Human services	-	-	2,942	2,942
Civic and cultural	-	-	5,527	5,527
Education	-	-	80,717	80,717
Total Restricted	-	-	481,219	481,219
Committed:				
Public safety	-	-	22,148	22,148
Civic and cultural	-	-	32,726	32,726
Approved projects	-	-	613,043	613,043
Total Committed	-	-	667,917	667,917
Assigned:				
Subsequent years budget	151,000	-	-	151,000
General government	8,940	-	-	8,940
Public Works	-	-	55,103	55,103
Civic and cultural	-	-	56,566	56,566
Education	108,745	-	50,786	159,531
Total Assigned	268,685	-	162,455	431,140
Unassigned	3,646,888	(7,155,789)	(131,679)	(3,640,580)
Total	$ 3,932,295	$ (7,155,789)	$ 1,197,912	$ (2,025,582)

Town of Griswold, Connecticut

Notes to Financial Statements
June 30, 2015

IV. Other Information

A. Risk management

The Town is exposed to various risks of loss related to public official liability, police professional liability, theft or impairment of assets, errors and omissions, injury to employees, natural disasters and owners' and contractors' protective liability.

The Town obtains commercial insurance for these risks. In the prior year, the Town chose to retain the risk for the Town and Board of Education employees' medical claims. The funds were reported as internal service funds. There was some residual activity in the current fiscal year as noted below. During the year, deductibles paid by the Town were insignificant. Settled claims have not exceeded insurance in any of the past three years. There were no significant reductions in insurance coverage from amounts held the prior year.

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

	Claims Payable July 1	Current Year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2014-2015	$ -	$ 242,318	$ 242,318	$ -
2013-2014	265,296	10,419	275,715	-

B. Commitments and litigation

The Town has been named as defendant in several claims and legal actions. The Town's management estimates that the potential claims against the Town, which are not covered by insurance, would not materially affect the financial condition of the Town.

The Town has received Federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditures disallowed under terms of the grant. Based upon prior experience, Town management believes such disallowances, if any, will not be material.

C. Pension plans - MERS

1. Plan description

Municipalities may designate which departments (including elective officers if so specified) are to be covered under the Connecticut Municipal Employees Retirement System (CMERS). This designation may be the result of collective bargaining. Only employees covered under the State Teachers' Retirement System may not be included. There are no minimum age or service requirements. Membership is mandatory for all regular full time employees of participating departments except Police and Fire hired after age 60.

The plan has four sub plans as follows:

- General employees with social security
- General employees without by social security
- Policemen and firemen with social security
- Policemen and firemen without social security

2. Benefit provisions

The plan provides retirement, disability and death benefits.

General Employees

Employees are eligible to retire at age 55 with 5 years of continuous service, or 15 years of active aggregate service, or 25 years of aggregate service.

Policemen and Firemen

Compulsory retirement age for police and fire members is age 65.

Normal Retirement: For members not covered by social security, the benefit is 2% of average final compensation times years of service.

For members covered by social security, the benefit is 1 ½% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, times years of service.

The maximum benefit is 100% of average final compensation and the minimum benefit is $1,000 annually. Both the minimum and the maximum include workers' compensation and social security benefits.

If any member covered by social security retires before age 62, the benefit until age 62 is reached or a social security disability award is received, is computed as if the member is not under social security.

Early Retirement: Employees are eligible after 5 years of continuous service or 15 years of active aggregate service. The benefit is calculated on the basis of average final compensation and service to date of termination. Deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Disability Retirement: Employees are eligible for service-related disability benefits from being permanently or totally disabled from engaging in the service of the municipality provided such disability has arisen out of and in the course of employment with the municipality. Disability due to hypertension or heart disease, in the case of firemen and policemen, is presumed to have been suffered in the line of duty. Disability benefits are calculated based on compensation and service to the date of the disability with a minimum benefit (including workers' compensation benefits) of 50% of compensation at the time of disability.

Employees are eligible for nonservice-related disability benefits with 10 years of service and being permanently or totally disabled from engaging in gainful employment in the service of the municipality. Disability benefits are calculated based on compensation and service to the date of the disability.

3. Contributions

Employer

Participating municipalities make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment which covers the liabilities of the system not met by member contributions.

Employees:

For employees not covered by social security, each person is required to contribute 5% of compensation.

For employees covered by social security, each person is required to contribute 2 ¼% of compensation up to the social security taxable wage base plus 5% of compensation, if any, in excess of such base.

4. Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2015, the Town reported $2,140,037 for its proportionate share of the net pension liability. 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. The Town's proportionate share of the net pension liability was based upon the Town's 2014 actuarial (expected) payroll relative to the payroll of all the participating employers as of that date. At June 30, 2014 the Town's proportional share was 2.0804%. This being the first year of implementation, there was no change in the proportional share as compared to the prior year.

Subsequent to the measurement date, there were no changes in benefit terms or any expected changes that will have an impact on the measurement of net pension liability.

For the year ended June 30, 2015, the Town recognized pension expense of $386,478. At June 30, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description of outflows/inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Changes in assumptions	-	-
Changes in proportional share of employer	-	-
Net difference between projected and actual earnings on pension plan investments	-	685,211
Town contributions subsequent to measurement date	610,674	-
Total	$ 610,674	$ 685,211
Net amount of deferred inflow and outflow excluding Town contributions subsequent to measurement date		$ 685,211

The $610,674 amount reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. The other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2015	$171,303
2016	171,303
2017	171,303
2018	171,302
Total	$685,211

5. 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	3.25%
Salary increases	4.25-11.00%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for annuitants and non-annuitants (set forward one year for males and set back one year for females).

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.

Future Cost-of-Living adjustments for members who retire on or after January 1, 2002 are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%, the maximum is 6%.

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large cap U.S. equities	16.0%	5.8%
Developed non-U.S. equities	14.0%	6.6%
Emerging markets (non-U.S.)	7.0%	8.3%
Core fixed income	8.0%	1.3%
Inflation linked bond fund	5.0%	1.0%
Emerging market bond	8.0%	3.7%
High yield bonds	14.0%	3.9%
Real estate	7.0%	5.1%
Private equity	10.0%	7.6%
Alternative investments	8.0%	4.1%
Liquidity fund	3.0%	0.4%
Total	100.0%	

6. Discount rate

The discount rate used to measure the total pension liability was 8.00%. 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 employer 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.

7. Sensitivity of the net pension liability to changes in the discount rate

The following presents the Town's proportional share of the net pension liability of the CMERS, calculated using the discount rate of 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	1% Decrease (7.00%)	Current Discount (8.00%)	1% Increase (9.00%)
Town's proportional share of the net pension liability	$ 4,345,771	$2,140,037	$272,696

8. Plan fiduciary net position

Detailed information about the Connecticut Municipal Employees Retirement System plan's fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2014. The audited amounts as presented in the State of Connecticut Comprehensive Annual Financial Report have been adjusted by the Auditors of Public Accounts to be in accordance with the requirements of GASB Statements No. 67 and 68. The adjustment to contribution receivable increased the net position as previous reported from $2,175,433,000 to $2,262,724,000. The net pension liability at June 30, 2014 has been calculated using the adjusted amounts.

9. Payable to the pension plan

The Town had $12,077 of accounts payable to the Connecticut Municipal Employees Retirement System plan outstanding at June 30, 2015. The payable represents the Town's legally required contribution and related withheld employee contributions.

D. Pension Plan - Connecticut State Teachers' Retirement System

1. Plan description

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

2. 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 the 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. Benefit amounts are reduced by 6% per year for the first 5 years preceding normal retirement age and 4% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

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. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of social security benefits and workers' compensation cannot exceed 75% of average annual salary.

3. 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 amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The contributions are actuarially determined as an amount that, when combined with employee contributions and investment earnings, 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.

Employer (School Districts)
School District employers are not required to make contributions to the plan.

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

4. 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 amounts 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	31,823,730
Total	$31,823,730

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 $2,387,690 for on-behalf amounts for the benefits provided by the State.

5. 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.

Future cost-of living increases - For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%. For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large cap U.S. equities	21.0%	7.3%
Developed non-U.S. equities	18.0%	7.5%
Emerging markets (non-U.S.)	9.0%	8.6%
Core fixed income	7.0%	1.7%
Inflation linked bond fund	3.0%	1.3%
Emerging market fund	5.0%	4.8%
High yield bonds	5.0%	3.7%
Real estate	7.0%	5.9%
Private equity	11.0%	10.9%
Alternative investments	8.0%	0.7%
Liquidity fund	6.0%	0.4%
Total	100.0%	

6. **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 employer 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.

7. **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.

8. **Plan fiduciary net position**
Detailed information about the Connecticut State Teachers' Retirement Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2014.

E. Other post-employment benefits plan

1. Plan description

The Town administers one single-employer, post retirement healthcare plan for the Town and Board of Education, the Town of Griswold Other Post-Employment Benefits Plan ("OPEB"). The plan provides medical, dental benefits and life insurance to eligible retirees and their spouses. The plan does not issue a stand-alone financial report.

2. Classes of employees covered

As of July 1, 2014 for Town and Board of Education, the plan's membership consisted of:

	Town	Board of Education
Retirees and beneficiaries currently receiving benefits	5	33
Active plan members	27	290
Total	32	323

3. Benefit provisions and contributions

a. Benefit provisions

The Town plan provides for medical, dental and life insurance benefits for all eligible Town and Board of Education retirees. Benefits and contributions are established by contract and may be amended by union negotiations. Administration costs are financed from current operations.

b. Employer contributions

The Town's contributions are actuarially determined on an annual basis using the projected unit credit method. The Town and Board of Education's total plan contribution was $111,452.

c. Employee contributions

There are no employee contributions to the plan.

4. Funded status and funding progress

The funded status of the plan as of July 1, 2014 was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Under Funded AAL	Funded AAL Ratio	Covered Payroll	Underfunded AAL as a Percentage of Covered Payroll
Town						
July 1, 2014	$ -	$2,804,649	$2,804,649	0.0%	$16,676,522	16.8%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time, relative to the actuarial accrued liability for benefits.

5. Actuarial methods and assumptions

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

The data presented in the schedule of funding progress and schedule of contributions were determined as part of the actuarial valuation at the date indicated. Additional information for all plans as of the latest valuation date is as follows:

Valuation date	July 1, 2014
Actuarial cost method	Projected Unit Credit
Amortization method	Level Dollar
Remaining amortization period	24 years closed
Asset valuation method	Fair Value
Actuarial Assumptions:	
Investment rate of return	4.0%
Inflation rate	2.5%
Annual compensation increases	3.0%
Healthcare cost trend rate – medical	5.0%
Healthcare cost tend rate – dental	5.0%

6. Annual OPEB cost and net OPEB obligation (NOO)
The changes in the NOO were as follows:

	Town
Annual required contribution	$ 354,887
Interest on net OPEB obligation	31,569
Adjustment to annual required contribution	(57,146)
Annual OPEB cost	329,310
Contributions made	(111,452)
Change in net OPEB obligation	217,858
Net OPEB obligation - July 1, 2014	789,273
Net OPEB obligation - June 30, 2015	$ 1,007,131

7. Three year trend information

Year Ending June 30	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation
Town			
2015	$ 329,310	33.8%	$ 1,007,131
2014	140,798	82.3	789,273
2013	135,165	74.7	764,300

F. Prior period adjustment
The government-wide net position was restated as follows:

Net position as previously reported at June 30, 2014	$ 86,827,548
To record beginning deferred outflows related to pensions	582,540
To record beginning net pension liability (NPL)	(2,992,993)
Net position as restated as of July 1, 2014	$ 84,417,095

Required Supplementary Information

Town of Griswold, Connecticut

Required Supplementary Information

Griswold OPEB Plan

Schedule of Funding Progress

Town Plan

	A	B	(A-B)	(A/B)	C	[(B-A)/C]
Actuarial Valuation Date July 1	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded AAL Ratio	Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll
2008	$ -	$ 3,451,338	$ 3,451,338	0.0%	$ 15,213,934	22.7%
2009	-	3,698,582	3,698,582	0.0%	15,518,213	23.8%
2010	-	2,034,080	2,034,080	0.0%	16,571,794	12.3%
2012	-	1,900,625	1,900,625	0.0%	16,616,215	11.4%
2014	-	2,804,649	2,804,649	0.0%	16,676,522	16.8%

Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contributions	Actual Contributions	Percentage Contributed
2010	$ 396,193	$ 71,699	18.1%
2011	291,326	100,604	34.5%
2012	293,949	118,867	40.4%
2013	280,609	100,907	36.0%
2014	284,871	115,825	40.7%
2015	354,887	111,452	31.4%

Town of Griswold, Connecticut

Griswold OPEB Plan

Notes to Required Supplementary Information
June 30, 2015

Changes of benefit terms	None
Changes of assumptions	None

The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level dollar
Remaining Amortization Period	24 years
Interest Rate	4.00%
Inflation Rate	2.5%
Medical Trend Rate	5.0%
Dental Trend Rate	5.0%

Town of Griswold, Connecticut

State Teachers' Retirement System

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability

June 30, 2015

		2015
Town's proportion of the net pension liability		0.00%
Town's proportionate share of the net pension liability		$ -
State of Connecticut's proportionate share of the net pension liability associated with Town		31,823,730
Total		$ 31,823,730
Town's covered-employee payroll	(2)	N/A
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll		0.00%
Plan fiduciary net position as a percentage of the total pension liability		0.00%

Schedule of Contributions

		2015
Contractually required contribution (1)	(1)	$ -
Contributions in relation to the contractually required contribution		-
Contribution deficiency (excess)		$ -
Town's covered payroll	(2)	N/A
Contributions as a percentage of covered-employee payroll		0.00%

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0% proportional share of the net pension liability

Town of Griswold, Connecticut

State Teachers' Retirement System

Notes to Required Supplementary Information
June 30,2015

Changes of benefit terms	None
Changes of assumptions	In 2011, rates of withdrawal, retirement and assumed rates of salary increase were adjusted more closely 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
Inflation	3.00%
Salary Increases	3.75%-7.00%, average, including inflation
Investment Rate of Return	8.50%, net of pension plan investment expense, including inflation

Town of Griswold, Connecticut

Connecticut Municipal Employees Retirement System

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability

June 30, 2015

	2015
Town's proportion of the net pension liability	2.08%
Town's proportionate share of the net pension liability	$ 2,140,037
Town's covered-employee payroll	$ 4,616,471
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	46.36%
Plan fiduciary net position as a percentage of the total pension liability	90.48%

Schedule of Contributions

	2015
Contractually required contribution	$ 582,540
Contributions in relation to the contractually required contribution	582,540
Contribution deficiency (excess)	$ -
Town's covered payroll	$ 4,616,471
Contributions as a percentage of covered-employee payroll	12.62%

Town of Griswold, Connecticut

Connecticut Municipal Employees Retirement System

Notes to Required Supplementary Information
June 30, 2015

Changes of benefit terms	None
Changes of assumptions	In 2013, rates of mortality, withdrawal, retirement and assumed rates of salary increase were adjusted to more closely 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 dollar, closed
Remaining Amortization Period	25 years
Asset Valuation Method	5 year smoothed market (20% recognition of investment gains and losses)
Inflation	3.25%
Salary Increases	4.25%-11.00%, average, including inflation
Cost-of-living Adjustments	After January 1, 2002, 2.5% Prior to January 1, 2002, 2.5% up to age 65. 3.25% afterwards
Social Security Wage Base	3.50%
Investment Rate of Return	8.00%, net of pension plan investment expense, including inflation

Supplemental Schedules

General Fund

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

Town of Griswold, Connecticut

General Fund
Schedule of Revenues and Other Financing Sources -
Budget and Actual
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Taxes, interest and lien fees:				
General property taxes	$ 18,228,303	$ 18,228,303	$ 18,251,704	$ 23,401
Interest and lien fees	150,000	150,000	208,913	58,913
Telephone access line tax	35,667	35,667	33,259	(2,408)
Total taxes, interest and lien fees	18,413,970	18,413,970	18,493,876	79,906
Intergovernmental:				
State grants for school aid:				
ECS grant	10,922,908	10,922,908	10,923,542	634
Transportation	154,563	154,563	157,311	2,748
Total state grants for school aid	11,077,471	11,077,471	11,080,853	3,382
State grants - unspecified:				
PILOT - state property	66,180	66,180	66,244	64
Mashantucket Pequot fund	102,514	102,514	103,449	935
Tax relief for elderly	38,814	38,814	43,488	4,674
Tax relief for veterans	8,806	8,806	8,865	59
Tax relief - totally disabled	1,124	1,124	1,067	(57)
MRSA bonded distribution	29,997	29,997	37,687	7,690
Local capital improvement	92,301	92,301	91,869	(432)
Judicial fine from State	5,000	5,000	8,800	3,800
Civil preparedness	3,000	3,000	552	(2,448)
Youth services	14,000	14,000	14,000	-
Total state grants - unspecified	361,736	361,736	376,021	14,285
Total intergovernmental	11,439,207	11,439,207	11,456,874	17,667
Charges for services:				
Finance department	79,547	79,547	81,463	1,916
Town clerk	122,000	122,000	132,329	10,329
Planning and development	10,700	10,700	9,075	(1,625)
Building official	80,000	80,000	92,837	12,837
Rental income	16,000	16,000	13,956	(2,044)
Education tuition	1,500,000	1,500,000	1,461,107	(38,893)
Use of facilities	48,000	48,000	37,139	(10,861)
Selectman	300	300	34	(266)
Miscellaneous	10,000	10,000	23,606	13,606
Solid waste	310,500	310,500	275,251	(35,249)
Total charges for services	2,177,047	2,177,047	2,126,797	(50,250)

(Continued)

Town of Griswold, Connecticut

General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Use of Town money:				
Investment interest	$ 10,000	$ 10,000	$ 7,597	$ (2,403)
Total revenues	32,040,224	32,040,224	32,085,144	44,920
Other financing sources:				
Appropriation of fund balance	-	16,317	-	(16,317)
Total revenues and other financing sources	$ 32,040,224	$ 32,056,541	$ 32,085,144	$ 28,603

(Concluded)

Town of Griswold, Connecticut

General Fund
Schedule of Expenditures and Other Financing Uses -
Budget and Actual
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
General government:				
Board of Finance:				
Financial director - regular full-time	$ 80,278	$ 80,278	$ 80,278	$ -
Bookkeeper and clerk	38,221	39,153	39,153	-
Assistant bookkeeper	27,856	29,714	29,714	-
Overtime payroll	1,250	1,250	615	635
Longevity	750	775	775	-
Purchasing agent salary	3,826	3,900	3,900	-
Health insurance	58,514	55,457	47,073	8,384
FICA	12,519	12,519	12,101	418
Pension	18,231	18,399	18,399	-
Meetings and dues	1,000	1,000	534	466
Education and training	600	600	311	289
Advertising	500	500	166	334
Postage	2,000	2,000	1,388	612
Service contracts and leases	7,100	7,100	5,202	1,898
Finance and accounting	28,700	28,700	27,350	1,350
Technology maintenance	2,500	2,500	1,365	1,135
Contracted services	10,000	10,000	8,907	1,093
Total Board of Finance	293,845	293,845	277,231	16,614
Board of Selectmen:				
Regular full-time payroll	40,231	40,231	40,231	-
Contractual Temp and Occ	1,000	464	464	-
First selectman - elected official	42,162	42,161	42,161	-
Second selectman - elected official	11,283	12,223	12,223	-
Third selectman - elected official	11,283	12,223	12,223	-
Health insurance	11,647	28,412	28,412	-
FICA	8,983	7,977	7,977	-
Pension	9,871	9,881	9,881	-
Second selectman - travel	1,250	296	296	-
Third selectman - travel	1,250	289	289	-
First selectman - meetings	1,200	1,194	1,194	-
Second selectman - meetings	200	120	120	-
Third selectman - meetings	200	-	-	-
Advertising	5,000	8,718	8,718	-
Office supplies/central purchasing	20,000	18,923	18,923	-
Postage	1,000	480	480	-
School building committee expenses	10	-	-	-
Health and safety committee expenses	10	-	-	-
Town Historian	10	-	-	-
Liability auto and property insurance - municipal	110,000	111,419	111,419	-
Workers' compensation - municipal insurance	115,000	121,878	121,878	-
Service contracts	15,053	14,113	14,113	-
Technology maintenance	4,750	8,005	8,005	-
Connecticut Conference of Municipalities	7,109	7,109	7,109	-
S.E.A.T.	7,009	7,009	7,009	-
S.E. CT Enterprise Region	4,183	4,183	4,183	-
S.E. CT Council of Government	6,573	6,573	6,573	-
Bicentennial celebration	10	-	-	-
Total Board of Selectmen	436,277	463,881	463,881	-

(Continued)

Town of Griswold, Connecticut

General Fund
Schedule of Expenditures and Other Financial Uses -
Budget and Actual
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Treasurer:				
Deputy treasurer	$ 1,827	$ 1,855	$ 1,855	$ -
Elected officials	7,722	7,781	7,781	-
FICA	731	737	737	-
Pension	219	218	218	-
Travel	25	-	-	-
Meetings and dues	25	-	-	-
Total treasurer	10,549	10,591	10,591	-
Tax collector:				
Regular full-time payroll	30,566	31,984	31,984	-
Overtime payroll	300	63	63	-
Longevity	1,150	1,175	1,175	-
DMV collection fee	2,866	2,866	2,866	-
Elected officials	59,272	59,272	59,272	-
Health insurance	42,030	42,473	42,473	-
FICA	6,984	6,567	6,567	-
Pension	10,936	11,031	11,031	-
Travel	600	491	491	-
Meetings and dues	500	389	389	-
Advertising	1,500	1,300	1,300	-
Postage	11,000	13,919	13,919	-
Service contracts/leases	15,151	15,165	15,165	-
Tax refunds	8,000	5,657	5,657	-
Total tax collector	190,855	192,352	192,352	-
Tax assessment:				
Assessor	51,503	40,442	28,785	11,657
Assistant assessor	17,827	17,356	13,726	3,630
Overtime payroll	400	806	806	-
Longevity	450	475	475	-
Elected officials	3,000	3,000	3,000	-
Health insurance	11,559	11,559	9,617	1,942
FICA	6,246	6,246	2,961	3,285
Pension	6,272	6,272	3,253	3,019
Assessor - travel	500	540	540	-
Assessor - meetings	800	800	201	599
Assessor - advertising	300	300	-	300
Board tax review - advertising	350	350	147	203
Postage	1,500	1,500	1,096	404
Postage - BAA	250	250	12	238
Service contracts/leases	19,305	19,305	18,913	392
Technology maintenance	500	500	465	35
Update maps - data processing	7,235	7,235	7,235	-
Motor vehicle - data processing	750	750	740	10
Personal property forms	250	250	81	169
Total tax assessment	128,997	117,936	92,053	25,883

(Continued)

Town of Griswold, Connecticut

General Fund
Schedule of Expenditures and Other Financial Uses -
Budget and Actual
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Elections and registrations:				
Contractual temporary and occasional	$ 27,000	$ 24,171	$ 23,459	$ 712
Registrars - elected officials	18,669	20,187	20,187	-
FICA	3,494	3,494	3,339	155
Registrars - travel	400	400	400	-
Meetings and dues	3,000	3,000	2,584	416
Registrars annual canvas	300	300	-	300
Office/election supplies	12,000	13,122	13,122	-
Postage	900	1,089	1,089	-
Service contracts/leases	200	200	197	3
Total elections and registrations	65,963	65,963	64,377	1,586
Town clerk:				
Regular full-time payroll	31,899	32,691	32,691	-
Overtime payroll	250	250	152	98
Longevity	1,150	1,175	1,175	-
Elected officials	54,843	54,843	54,842	1
Health insurance	21,870	20,751	20,694	57
FICA	7,620	7,620	7,518	102
Pension	10,559	10,612	10,612	-
Travel	200	352	352	-
Meetings and dues	1,200	1,200	984	216
Advertising	3,000	3,000	2,848	152
Postage	1,400	1,400	1,131	269
Service contracts/leases	755	755	649	106
Indexing and recording	25,000	25,000	22,295	2,705
Vital statistics	500	597	597	-
Update Town codes	3,000	3,000	2,018	982
Total Town clerk	163,246	163,246	158,558	4,688
Legal:				
Legal matters labor	22,000	39,612	39,612	-
Probate court	8,007	7,828	7,828	-
Town counsel	45,000	89,485	89,485	-
Total legal	75,007	136,925	136,925	-
Maintenance of Town building - 28 Main:				
Regular full-time payroll	41,154	42,158	42,158	-
Overtime payroll	300	300	23	277
Health insurance	25,941	26,470	26,470	-
FICA	3,171	2,946	2,884	62
Pension	4,966	5,031	5,031	-
Telephone	14,000	12,402	12,315	87
Electricity	18,000	15,268	15,268	-
Heating fuel	10,000	8,409	8,409	-
Water	850	1,075	1,075	-
Building repairs	6,000	10,428	10,428	-
Maintenance	6,000	5,895	4,639	1,256
Total maintenance of Town building - 28 Main	130,382	130,382	128,700	1,682

(Continued)

Town of Griswold

General Fund
Schedule of Expenditures and Other Financial Uses -
Budget and Actual
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Maintenance of Town building - Pachaug:				
Telephone	$ 1,800	$ 1,288	$ 420	$ 868
Electricity	850	850	836	14
Heating fuel	1,500	2,012	2,012	-
Building repairs	400	400	136	264
Maintenance	300	300	51	249
Total maintenance of Town building - Pachaug	4,850	4,850	3,455	1,395
Maintenance of Town building - Highway:				
Electricity	3,500	4,891	4,891	-
Building repairs	3,000	2,086	2,086	-
Maintenance	1,200	1,751	1,751	-
Total maintenance of Town building - Highway	7,700	8,728	8,728	-
Total general government	1,507,671	1,588,699	1,536,851	51,848
Public safety:				
Emergency services:				
Contractual temporary and occasional	16,400	23,896	23,896	-
FICA	1,254	1,884	1,884	-
Postage	200	210	210	-
Other purchased supplies	1,600	1,856	1,856	-
Finance and accounting	450	-	-	-
Municipal insurance GVFD	22,000	21,249	21,249	-
AA young municipal insurance	22,000	21,193	21,193	-
OSHA physicals and testing GVFD	9,000	6,319	6,319	-
OSHA physicals and testing JCFD	9,000	9,834	9,834	-
Office of emergency management	2,600	-	-	-
Griswold Volunteer Fire Department	94,200	94,819	94,819	-
Dispatch service	21,776	21,776	21,776	-
Ambulance	20,000	20,000	20,000	-
AA Young Volunteer Fire Department	94,200	93,957	93,957	-
Retention and recruitment GVFD	35,000	35,000	35,000	-
Retention and recruitment JCFD	35,000	35,000	35,000	-
Hydrants - Town of Griswold	26,000	27,237	27,237	-
Total emergency services	410,680	414,230	414,230	-
Animal control:				
Regular part-time payroll	8,728	9,438	9,438	-
Contractual temp and occasional	500	500	500	-
FICA	668	668	666	2
Travel	5,174	4,433	3,650	783
Advertising	150	150	17	133
Postage	10	12	12	-
Other purchased supplies	400	400	396	4
Telephone	900	916	916	-
Electricity	600	613	613	-
Heating fuel	1,000	1,000	912	88
Building repairs	500	500	53	447
Maintenance	500	500	225	275
Other professional services	400	400	400	-
Food	850	850	308	542
Total animal control	20,380	20,380	18,106	2,274
Total public safety	431,060	434,610	432,336	2,274

(Continued)

Town of Griswold, Connecticut

General Fund
Schedule of Expenditures and Other Financial Uses -
Budget and Actual
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Public works:				
Highway department:				
Regular full-time payroll	$ 313,597	$ 321,331	$ 321,331	$ -
Director of public works	71,717	71,717	71,717	-
Seasonal maintainer	11,000	10,800	10,800	-
Overtime payroll	15,500	14,114	14,114	-
Overtime bulky waste	8,500	6,889	6,889	-
Overtime snow removal	26,000	26,000	26,000	-
Longevity	2,650	2,750	2,750	-
Tree warden - contractual, temporary	1,500	1,500	1,500	-
Safety training	5,000	3,781	3,781	-
Tree maintenance	6,000	6,000	6,000	-
Health insurance	160,632	166,309	166,309	-
FICA	34,221	33,368	33,368	-
Pension	52,468	52,609	52,609	-
Other purchased supplies	17,000	16,993	16,993	-
JCDPU - street lighting	18,000	14,504	14,504	-
CL&P - street lighting	17,500	18,822	18,822	-
Gasoline fuel and fluids	56,000	56,000	56,000	-
Architects and engineers	8,500	8,500	8,500	-
Snow removal meals	1,200	1,200	1,200	-
Cemeteries	1,500	237	237	-
Equipment repairs and purchase	37,000	48,378	48,378	-
Snow removal	50,000	50,000	50,000	-
Contractual road repairs	60,000	60,000	60,000	-
Road signage	5,000	5,000	5,000	-
Total highway department	980,485	996,802	996,802	-
Waste disposal:				
Meetings and dues	100	100	-	100
Advertising	50	50	-	50
Office supplies/central purchasing	700	700	-	700
Contracted services	1,000	1,000	1,000	-
SCRRA - tipping fees	260,000	260,000	232,812	27,188
Recycling	500	500	349	151
Bulky waste tipping fees	40,000	35,422	23,654	11,768
Maintenance transfer station	500	500	500	-
Fuel	1,000	971	119	852
Electricity - transfer station	150	179	179	-
Dumpster replacement	7,500	7,500	-	7,500
Fees	800	800	800	-
Total waste disposal	312,300	307,722	259,413	48,309

(Continued)

Town of Griswold, Connecticut

General Fund
Schedule of Expenditures and Other Financial Uses -
Budget and Actual
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Building official:				
Regular full-time payroll	$ 39,730	$ 40,676	$ 40,676	$ -
Secretary	27,342	27,492	27,492	-
Overtime payroll	500	683	683	-
Longevity	804	839	839	-
Contractual temp and occasional	2,500	1,806	1,806	-
Demolition	200	200	-	200
Health insurance	11,559	11,560	11,560	-
FICA	6,108	6,207	6,207	-
Pension	3,382	3,382	2,980	402
Meetings and dues	500	500	445	55
Office supplies/central purchasing	1,470	750	680	70
Postage	600	600	479	121
Gasoline fuel and fluids	700	700	132	568
Service contracts/leases	1,168	1,168	1,063	105
Total building official	96,563	96,563	95,042	1,521
Total public works	1,389,348	1,401,087	1,351,257	49,830
Human services:				
Senior citizens:				
Senior center director	33,964	34,793	34,793	-
Senior center driver	24,482	25,092	25,092	-
Part time payroll	20,097	20,097	17,997	2,100
Overtime payroll	1,000	2,313	2,313	-
Longevity	1,220	1,297	1,297	-
Contractual temp and occasional	1,000	1,000	939	61
Municipal agent	7,000	7,135	7,135	-
Health insurance	40,680	35,250	26,379	8,871
FICA	6,887	8,473	8,473	-
Pension	9,636	10,197	10,197	-
Postage	250	250	103	147
Recreation supplies/subcontractors	6,000	6,279	6,279	-
Telephone	1,500	1,500	1,277	223
Electricity	7,000	7,000	5,223	1,777
Heating fuel	3,500	3,500	2,333	1,167
Water	1,500	1,540	1,540	-
Maintenance	8,600	8,600	7,471	1,129
Gasoline, fuel and fluids	8,600	8,600	5,212	3,388
Vehicle maintenance	2,000	2,000	524	1,476
Transportation	1,500	1,500	492	1,008
Meals on wheels	11,210	11,210	8,650	2,560
Total senior citizens	197,626	197,626	173,719	23,907
Contributions:				
TVCCA	3,000	3,000	3,000	-
Slater Library	85,000	85,000	85,000	-
Women's Center	1,500	1,500	1,500	-
Local Veterans Council	2,000	2,000	2,000	-
Legion baseball	1,400	1,400	1,400	-
Snowflake festival	600	600	600	-
Sexual Assault Crisis Center	500	500	500	-
UCFS	5,000	5,000	5,000	-
Children First Griswold	5,000	5,000	5,000	-
Total contributions	104,000	104,000	104,000	-

(Continued)

Town of Griswold, Connecticut

General Fund
Schedule of Expenditures and Other Financial Uses -
Budget and Actual
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Health department:				
Contractual temporary and occasional	$ 77,669	$ 77,669	$ 77,669	$ -
Public health nursing:				
Building repairs	2,000	2,000	1,991	9
Day Kimball Hospital	7,500	7,500	3,605	3,895
Total public health nursing	9,500	9,500	5,596	3,904
Total human services	388,795	388,795	360,984	27,811
Civic and cultural:				
Recreation commission:				
Recreation director	18,973	18,973	18,973	-
Longevity	175	186	186	-
Health insurance	12,581	12,821	12,821	-
FICA	1,465	1,465	1,394	71
Pension	2,294	2,335	2,335	-
Printing and publications	500	404	256	148
Telepone	300	320	320	-
Electricity	1,620	1,268	1,268	-
Water	500	355	269	86
Maintenance	5,200	5,335	5,335	-
Technology maintenance	1,000	1,000	850	150
Total recreation commission	44,608	44,462	44,007	455
Youth and family services:				
Youth and family service director	22,807	22,804	22,804	-
Longevity	175	189	189	-
Health insurance	13,359	13,648	13,648	-
FICA	1,758	1,676	1,676	-
Pension	2,753	2,807	2,807	-
Travel	600	587	587	-
Education and training	600	559	559	-
Printing and publications	500	418	418	-
Postage	75	85	85	-
Program development	48,561	48,561	48,561	-
Total youth and family services	91,188	91,334	91,334	-
Total civic and cultural	135,796	135,796	135,341	455
Development and planning:				
Planning and community development:				
Regular full-time payroll	37,423	38,955	38,955	-
Secretary	31,899	32,604	32,604	-
Overtime payroll	2,400	2,760	2,760	-
Longevity	750	775	775	-
Professional services - contractual	1,500	1,500	1,128	372
Hearing officer - contractual	1	1	-	1
Economic development coordinator	5,000	5,000	5,000	-
Health insurance	10,311	10,311	9,851	460
FICA	5,544	5,653	5,653	-
Pension	4,199	4,261	4,261	-
Travel	400	400	243	157

(Continued)

Town of Griswold, Connecticut

General Fund
Schedule of Expenditures and Other Financial Uses -
Budget and Actual
Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Planner - meetings	$ 100	$ 100	$ 55	$ 45
Planning and zoning - meetings	200	200	90	110
ZBA - meetings	100	100	-	100
CC - meetings	200	200	75	125
Economic Development Commission	500	500	195	305
Education and training	400	400	-	400
Planner - advertising	1	1	-	1
Planning and zoning - advertising	5,000	5,000	4,410	590
ZBA - advertising	4,500	1,726	1,726	-
CC - advertising	4,000	4,000	2,483	1,517
Postage	1,000	1,152	1,152	-
Service contracts/leases	3,600	3,429	3,380	49
Plan of Conservation and Development	800	800	-	800
State of Connecticut - MS4 Program	2,000	2,000	2,000	-
Total planning and community development	121,828	121,828	116,796	5,032
Total development and planning	121,828	121,828	116,796	5,032
Sundry:				
Emergency and contingency:				
Exchanges	80,000	-	-	-
Fringe benefits:				
Accumulated sick time	30,000	30,000	30,000	-
Health insurance	300	300	74	226
MERF - administrative assessor	8,580	8,580	8,580	-
Unemployment compensation	5,000	5,000	3,583	1,417
Total fringe benefits	43,880	43,880	42,237	1,643
Total sundry	123,880	43,880	42,237	1,643
Education:				
Board of Education	25,147,266	25,147,266	25,137,027	10,239
Capital outlay:				
Town Clerk copier	15,000	15,000	8,215	6,785
GHS PA Replacement	25,000	25,000	25,000	-
Total capital outlay	40,000	40,000	33,215	6,785
Debt service:				
Bond and loan retirement	1,034,469	1,034,469	1,034,469	-
Interest - bonds and loans	655,411	655,411	655,411	-
Total debt service	1,689,880	1,689,880	1,689,880	-
Total expenditures	30,975,524	30,991,841	30,835,924	155,917
Other financing uses:				
Transfers out - public health nursing	10,000	10,000	10,000	-
Transfers out - recreation fund	12,700	12,700	12,700	-
Transfers out - revaluation fund	30,000	30,000	30,000	-
Transfers out - capital projects	760,000	760,000	760,000	-
Transfers out - capital nonrecurring	252,000	252,000	252,000	-
Total other financing uses	1,064,700	1,064,700	1,064,700	-
Total expenditures and other financing uses	$ 32,040,224	$ 32,056,541	$ 31,900,624	$ 155,917

(Concluded)

Schedule 3

Town of Griswold, Connecticut

Report of Tax Collector
Year Ended June 30, 2015

Grand List Year	Uncollected Taxes July 1, 2014	Current Year Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2015
			Additions	Deductions			Taxes	Interest & Lien Fees	Total	
1998	$ 2,090	$ -	$ -	$ 2,090	$ -	$ -	$ -	$ -	$ -	$ -
1999	27,320	-	-	-	-	27,320	9	23	32	27,311
2000	3,635	-	-	-	-	3,635	-	-	-	3,635
2001	4,164	-	-	-	-	4,164	-	-	-	4,164
2002	4,846	-	-	-	-	4,846	-	-	-	4,846
2003	6,299	-	-	-	-	6,299	-	-	-	6,299
2004	7,780	-	-	-	-	7,780	-	-	-	7,780
2005	9,282	-	-	-	-	9,282	-	-	-	9,282
2006	11,377	-	-	-	-	11,377	1,034	1,359	2,393	10,343
2007	12,603	-	-	-	-	12,603	1,967	2,296	4,263	10,636
2008	15,428	-	-	-	-	15,428	1,998	1,995	3,993	13,430
2009	73,448	-	-	-	43,406	30,042	9,376	5,290	14,666	20,666
2010	104,895	-	-	-	-	104,895	28,945	14,037	42,982	75,950
2011	191,999	-	-	1,096	-	190,903	57,684	24,125	81,809	133,219
2012	461,560	-	592	5,049	-	457,103	234,970	51,924	286,894	222,133
Total Prior years	936,726	-	592	8,235	43,406	885,677	335,983	101,049	437,032	549,694
2013	-	18,409,905	8,710	64,886	-	18,353,729	17,871,418	85,491	17,956,909	482,311
Total	$ 936,726	$ 18,409,905	$ 9,302	$ 73,121	$ 43,406	$ 19,239,406	$ 18,207,401	$ 186,540	18,393,941	$ 1,032,005

Property taxes considered available:	
Overpayment of taxes and suspense collections	22,605
June 30, 2014 - 60 day	(76,376)
June 30, 2015 - 60 day	120,679
Total property tax revenues	$ 18,460,849

Nonmajor Governmental Funds

Special Revenue Funds

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

Capital Project Funds

Capital project funds are used to account for the acquisition and construction of major capital assets other than those financed by proprietary and trust funds.

Permanent Funds

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

Town of Griswold, Connecticut

Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2015

	Special Revenue							
	Town Aid Road Fund	School Cafeteria Fund	Special Education Grant Fund	Board of Education Child Care	GVFD EMS Equipment Grant Fund	Sewer Authority Fund	Miscellaneous Grants and Donations	Records Preservation Fund
Assets								
Cash	$ -	$ -	$ -	$ -	$ -	$ 55,561	$ -	$ -
Receivables:								
Intergovernmental	-	72,829	15,876	-	-	-	-	-
Other	-	-	-	-	-	792	-	57
Due from other funds	380,828	12,795	54,700	50,786	-	-	3,788	9,361
Other	-	11,464	-	-	-	-	-	-
Total assets	$ 380,828	$ 97,088	$ 70,576	$ 50,786	$ -	$ 56,353	$ 3,788	$ 9,418
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	$ 2,001	$ 16,371	$ 31,784	$ -	$ -	$ -	$ -	$ -
Accrued liabilites	-	-	8,771	-	-	-	-	-
Due to other funds	-	-	-	-	-	818	-	-
Unearned revenue	-	-	30,021	-	-	432	-	-
Total liabilities	2,001	16,371	70,576	-	-	1,250	-	-
Fund balances:								
Restricted	378,827	80,717	-	-	-	-	3,788	9,418
Assigned	-	-	-	50,786	-	55,103	-	-
Total fund balances	378,827	80,717	-	50,786	-	55,103	3,788	9,418
Total liabilities and fund balances	$ 380,828	$ 97,088	$ 70,576	$ 50,786	$ -	$ 56,353	$ 3,788	$ 9,418

(Continued)

Town of Griswold, Connecticut

Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2015

	Sheldon Road Park	Open Space	Dog Fund	Board of Education Miscellaneous	Paw to Paw	Recreation Fund
Assets						
Cash	$ -	$ -	$ -	$ -	$ -	$ -
Receivables:						
Other	-	-	70	-	-	6,080
Due from other funds	-	56,566	22,976	-	1,330	32,826
Total assets	$ -	$ 56,566	$ 23,046	$ -	$ 1,330	$ 38,906
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	$ -	$ -	$ 898	$ 722	$ -	$ 3,597
Accrued liabilites	-	-	-	510	-	2,583
Due to other funds	91,225	-	-	21,219	-	-
Total liabilities	91,225	-	898	22,451	-	6,180
Fund balances:						
Restricted	-	-	-	-	1,330	-
Committed	-	-	22,148	-	-	32,726
Assigned	-	56,566	-	-	-	-
Unassigned	(91,225)	-	-	(22,451)	-	-
Total fund balances	(91,225)	56,566	22,148	(22,451)	1,330	32,726
Total liabilities and fund balances	$ -	$ 56,566	$ 23,046	$ -	$ 1,330	$ 38,906

(Continued)

Town of Griswold, Connecticut

Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2015

	Special Revenue						Capital Projects	Permanent	
	Plan of Conservaton & Development	Municpal Energy & Conservation	Main Street Phase I	Historical Society Tercentenary	Senior Center Expansion	Total	Capital Nonrecurring Fund	Anthony Trust Fund	Total Nonmajor Funds
Assets									
Cash	$ -	$ -	$ -	$ 284	$ -	$ 55,845	$ -	$ 20,605	$ 76,450
Receivables:									
Intergovernmental	-	-	-	-	-	88,705	-	-	88,705
Other	-	-	-	-	-	6,999	81	3,350	10,430
Due from other funds	7,840	-	-	-	3,913	637,709	612,962	-	1,250,671
Other	-	-	-	-	-	11,464	-	-	11,464
Total assets	$ 7,840	$ -	$ -	$ 284	$ 3,913	$ 800,722	$ 613,043	$ 23,955	$ 1,437,720
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 55,373	$ -	$ -	$ 55,373
Accrued liabilites	-	-	-	-	-	11,864	-	-	11,864
Due to other funds	-	18,003	-	-	-	131,265	-	3,013	134,278
Unearned revenue	7,840	-	-	-	-	38,293	-	-	38,293
Total liabilities	7,840	18,003	-	-	-	236,795	-	3,013	239,808
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	18,000	18,000
Restricted	-	-	-	284	3,913	478,277	-	2,942	481,219
Committed	-	-	-	-	-	54,874	613,043	-	667,917
Assigned	-	-	-	-	-	162,455	-	-	162,455
Unassigned	-	(18,003)	-	-	-	(131,679)	-	-	(131,679)
Total fund balances	-	(18,003)	-	284	3,913	563,927	613,043	20,942	1,197,912
Total liabilities and fund balances	$ 7,840	$ -	$ -	$ 284	$ 3,913	$ 800,722	$ 613,043	$ 23,955	$ 1,437,720

(Concluded)

Town of Griswold, Connecticut

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2015

	Special Revenue							
	Town Aid Road Fund	School Cafeteria Fund	Special Education Grant Fund	Board of Education Child Care	GVFD EMS Equipment Grant Fund	Sewer Authority Fund	Miscellaneous Grants and Donations	Records Preservation Fund
Revenues:								
Intergovernmental	$ 270,708	$ 425,515	$ 1,011,618	$ -	$ -	$ -	$ 5,915	$ 5,000
Charges for services	-	411,193	-	72,478	-	2,880	-	2,873
Income from investments	-	-	-	-	-	236	-	
Contributions	-	-	-	-	-	-	319	-
Total revenues	270,708	836,708	1,011,618	72,478	-	3,116	6,234	7,873
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	5,014
Public safety	-	-	-	-	1,165	-	-	-
Public works	292,928	-	-	-	-	827	2,446	-
Human services	-	-	-	-	-	-	-	-
Education	-	840,545	1,011,618	66,222	-	-	-	-
Total expenditures	292,928	840,545	1,011,618	66,222	1,165	827	2,446	5,014
Excess (deficiency) of revenues over expenditures	(22,220)	(3,837)	-	6,256	(1,165)	2,289	3,788	2,859
Fund balances - July 1, 2014	401,047	84,554	-	44,530	1,165	52,814	-	6,559
Fund balances - June 30, 2015	$ 378,827	$ 80,717	$ -	$ 50,786	$ -	$ 55,103	$ 3,788	$ 9,418

(Continued)

Town of Griswold, Connecticut

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2015

	Sheldon Road Park	Open Space	Dog Fund	Board of Education Miscellaneous	Paw to Paw	Recreation Fund
Revenues:						
Intergovernmental	$ -	$ -	$ -	$ 98,691	$ -	$ -
Charges for services	-	-	822	64,753	-	76,457
Contributions	-	-	400	-	600	6,966
Total revenues	-	-	1,222	163,444	600	83,423
Expenditures:						
Current:						
General government	-	-	2,927	-	-	-
Civic and cultural	38,116	-	-	-	-	96,135
Education	-	-	-	168,946	-	-
Total expenditures	38,116	-	2,927	168,946	-	96,135
Excess (deficiency) of revenues over expenditures	(38,116)	-	(1,705)	(5,502)	600	(12,712)
Other financial sources (uses):						
Transfers in	-	-	-	-	-	12,700
Net change in fund balances	(38,116)	-	(1,705)	(5,502)	600	(12)
Fund balances - July 1, 2014	(53,109)	56,566	23,853	(16,949)	730	32,738
Fund balances - June 30, 2015	$ (91,225)	$ 56,566	$ 22,148	$ (22,451)	$ 1,330	$ 32,726

(Continued)

Town of Griswold, Connecticut

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2015

	Special Revenue						Capital Projects	Permanent	
	Plan of Conservaton & Development	Municpal Energy & Conservation	Main Street Phase I	Historical Society Tercentenary	Senior Center Expansion	Total	Capital Nonrecurring Fund	Anthony Trust Fund	Total Nonmajor Funds
Revenues:									
Intergovernmental	$ -	$ -	$ 265,000	$ -	$ -	$ 2,082,447	$ -	$ -	$ 2,082,447
Charges for services	-	-	-	-	-	631,456	4,710	-	636,166
Income from investments	-	-	-	-	-	236	-	56	292
Contributions	-	-	-	-	1,529	9,814	-	-	9,814
Total revenues	-	-	265,000	-	1,529	2,723,953	4,710	56	2,728,719
Expenditures:									
Current:									
General government	-	-	265,436	-	-	273,377	25,339	-	298,716
Public safety	-	-	-	-	-	1,165	139,725	-	140,890
Public works	-	-	-	-	-	296,201	-	-	296,201
Human services	-	-	-	-	-	-	22,696	-	22,696
Civic and cultural	-	-	-	-	-	134,251	-	-	134,251
Education	-	-	-	-	-	2,087,331	-	-	2,087,331
Total expenditures	-	-	265,436	-	-	2,792,325	187,760	-	2,980,085
Excess (deficiency) of revenues over expenditures	-	-	(436)	-	1,529	(68,372)	(183,050)	56	(251,366)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	12,700	282,000		294,700
Net change in fund balances	-	-	(436)	-	1,529	(55,672)	98,950	56	43,334
Fund balances - July 1, 2014	-	(18,003)	436	284	2,384	619,599	514,093	20,886	1,154,578
Fund balances - June 30, 2015	$ -	$ (18,003)	$ -	$ 284	$ 3,913	$ 563,927	$ 613,043	$ 20,942	$ 1,197,912

(Concluded)

Fiduciary Funds

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

Private-Purpose Trust Funds

A fiduciary trust fund type used to report all trust arrangements, other than those properly reported in pension trust funds or investment trust funds, under which principal and income benefit individuals, private organizations, or other governments.

Agency Funds

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

Schedule 6

Town of Griswold, Connecticut

Agency Funds
Statement of Changes in Asset and Liability
Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
Asset				
Cash:				
Student activity fund	$ 299,750	$ 392,231	$ 426,305	$ 265,676
Liability				
Accounts payable:				
Student activity fund	$ 299,750	$ 392,231	$ 426,305	$ 265,676

Trend Information

Table 1

Town of Griswold, Connecticut

Net Position by Component
Last Ten Years
(Unaudited)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities:										
Net investment in capital assets	$ 85,711,583	$ 83,343,269	$ 83,172,344	$ 92,615,248	$ 78,723,664	$ 62,695,216	$ 48,068,215	$ 39,272,870	$ 35,770,841	$ 32,628,621
Restricted	554,322	570,423	221,413	371,702	325,201	323,380	15,383,777	2,683,683	162,433	704,700
Unrestricted	466,757	503,403	2,506,023	(7,043,880)	3,931,404	9,621,178	(4,620,135)	7,334,833	13,354,293	12,482,306
Total net position	$ 86,732,662	$ 84,417,095	$ 85,899,780	$ 85,943,070	$ 82,980,269	$ 72,639,774	$ 58,831,857	$ 49,291,386	$ 49,287,567	$ 45,815,627

Table 2

Town of Griswold, Connecticut

Changes in Net Position
Last Ten Years
(Unaudited)

	Fiscal Year Ended									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
Governmental activities:										
General government	$ 1,651,807	$ 1,556,835	$ 1,580,176	$ 1,692,690	$ 1,493,276	$ 729,535	$ 1,973,224	$ 2,239,463	$ 1,791,238	$ 1,379,861
Public safety	493,373	552,985	503,864	476,586	481,342	524,784	632,731	610,383	543,983	551,140
Public works	2,216,089	2,402,094	1,788,452	1,739,954	2,421,351	1,897,742	2,451,508	3,110,081	2,836,369	2,977,278
Human services	372,631	341,380	335,846	334,814	327,436	462,444	826,134	1,583,022	1,609,594	1,442,873
Civic and cultural	274,267	294,614	226,509	311,838	226,484	175,978	177,548	162,441	168,496	119,163
Development and planning	116,796	100,719	104,235	171,170	142,658	183,564	228,632	361,753	322,921	196,072
Education	31,957,563	32,152,915	31,309,435	30,246,998	29,740,423	29,189,521	29,142,673	30,478,582	25,454,758	25,213,460
Interest expense	637,335	668,408	823,211	730,265	771,030	643,578	470,327	255,833	337,347	418,213
Total expenses	37,719,861	38,069,950	36,671,728	35,704,315	35,604,000	33,807,146	35,902,777	38,801,558	33,064,706	32,298,060
Program revenues:										
Governmental activities:										
Charges for services:										
General government	259,996	282,615	244,245	267,723	440,146	396,724	363,611	821,724	1,739,951	799,485
Public safety	822	3,217	4,942	766	14,999	781	811	856	721	4,766
Public works	368,088	492,053	395,456	376,999	413,468	501,600	517,993	188,837	241,622	112,298
Human services	-	-	-	-	-	56,104	96,644	1,002,973	1,102,360	1,030,544
Civic and cultural	79,337	109,824	64,307	57,343	33,691	26,557	15,358	27,036	20,153	21,525
Development and planning	9,075	6,537	11,266	7,950	15,118	14,478	13,868	52,306	39,911	61,841
Education	2,046,670	2,309,701	2,105,900	2,166,746	2,299,245	2,344,977	2,411,338	2,620,222	2,666,023	2,566,893
Operating grants and contributions	15,762,154	16,303,478	15,263,317	15,693,743	14,976,597	14,974,923	15,079,614	17,745,091	11,784,858	12,476,351
Capital grants and contributions	2,634,823	939,752	645,532	3,800,183	11,759,746	15,069,252	12,334,797	1,207,554	3,724,566	1,326,644
Total program revenues	21,160,965	20,447,177	18,734,965	22,371,453	29,953,010	33,385,396	30,834,034	23,666,599	21,320,165	18,400,347
Net (expense) revenue	(16,558,896)	(17,622,773)	(17,936,763)	(13,332,862)	(5,650,990)	(421,750)	(5,068,743)	(15,134,959)	(11,744,541)	(13,897,713)
General revenues:										
Governmental activities:										
Property taxes	18,596,974	18,279,147	17,539,222	15,793,025	15,560,406	13,808,507	13,808,461	13,564,837	14,471,434	13,757,906
Grants and contributions not restricted to specific programs	269,600	265,698	347,886	470,614	334,926	356,873	520,628	381,922	510,746	759,148
Income from investments	7,889	5,696	6,365	32,024	96,153	64,287	260,288	320,734	234,301	375,645
Total governmental activities	18,874,463	18,550,541	17,893,473	16,295,663	15,991,485	14,229,667	14,589,377	14,267,493	15,216,481	14,892,699
Change in net position	$ 2,315,567	$ 927,768	$ (43,290)	$ 2,962,801	$ 10,340,495	$ 13,807,917	$ 9,520,634	$ (867,466)	$ 3,471,940	$ 994,986

Table 3

Town of Griswold, Connecticut

Schedule of Debt Limitation
Year Ended June 30, 2015
(Unaudited)

Total tax collections (incuding interest and lien fees) for the year ended June 30, 2015:	
Town of Griswold	$ 18,393,941
Borough of Jewett City	477,235
Total tax collections (including interest and lien fees) - base for debt limitation computation	$ 18,871,176

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2 1/4 times base	$ 42,460,146	$ -	$ -	$ -	$ -
4 1/2 times base	-	84,920,292	-	-	-
3 3/4 times base	-	-	70,766,910	-	-
3 1/4 times base	-	-	-	61,331,322	-
3 times base	-	-	-	-	56,613,528
Total debt limitation	42,460,146	84,920,292	70,766,910	61,331,322	56,613,528
Indebtedness:					
Bonds payable	-	16,570,000	-	-	-
BANs payable	-	5,550,000	-	-	-
Borough of Jewett City	-	-	3,652,768	-	-
Less self-supporting debt of the Borough of Jewett City	-	-	(3,652,768)	-	-
Total indebtedness	-	22,120,000	-	-	-
Debt limitation in excess of outstanding debt	$ 42,460,146	$ 62,800,292	$ 70,766,910	$ 61,331,322	$ 56,613,528

Notes: (1) The total of the above indebtedness amounts to:	$ 22,120,000
In no event shall total indebtedness exceed seven times the base for debt limitation computation:	$ 132,098,232

Table 4

Town of Griswold, Connecticut

Current Debt Schedule
Year Ended June 30, 2015
(Unaudited)

Bonded debt:	
Schools	$ 16,570,000
General purpose	-
Total bonded debt	16,570,000
Short-term debt	5,550,000
Direct debt	22,120,000
Less School construction grants	-
	$ 22,120,000
Population July 1, 2014 (CT Dept. of Health)	11,916
Equalized net grand list 2013 (CT - O.P.M.)	$ 972,447,211

Current Debt Ratios

	Direct Debt	Net Direct Debt	Overall Net Debt
Debt per Capita	$ 1,856	$ 1,856	$ 1,856
Percent of equalized net grand list	2.27%	2.27%	2.27%

Table 5

Town of Griswold, Connecticut

Ten Year History
Property Tax Levies and Collections
(Unaudited)

Fiscal Year End	Adjusted Property Tax Levy	Total Collections	Percentage Annual Levy Collected	Uncollected	Percentage Annual Levy Uncollected
2015	$ 18,353,729	$ 17,871,418	97.37%	$ 482,311	2.63%
2014	18,207,564	17,746,004	97.47%	461,560	2.53%
2013	17,347,376	16,865,547	97.22%	481,829	2.78%
2012	15,538,436	15,203,954	97.85%	334,482	2.15%
2011	15,394,644	15,063,213	97.85%	331,431	2.15%
2010	13,640,640	13,358,080	97.93%	282,560	2.07%
2009	13,613,843	13,292,677	97.64%	321,166	2.36%
2008	13,360,704	13,051,472	97.69%	309,232	2.31%
2007	14,245,111	13,820,113	97.02%	424,998	2.98%
2006	13,620,267	13,237,894	97.19%	382,373	2.81%

Table 6

Town of Griswold, Connecticut

Top Ten Taxpayers
(Grand List October 1, 2013)
Year Ended June 30, 2015
(Unaudited)

Name	Nature of Business	Taxable Valuation	Percent Net Taxable Grand List
Connecticut Light and Power	Utility	$ 5,335,580	1.34%
OSJ of Griswold LLC	Department store	3,136,280	0.79%
Jewett City Water Company	Utility	2,690,400	0.67%
Jewett City Savings Bank	Banking	2,087,150	0.52%
395 Associates LLC	Hotel	1,961,200	0.49%
Green Sea LLC	Golf course	1,929,770	0.48%
Andrew E Stevens Trust	Commercial building	1,912,470	0.48%
PA Residential LLC	Apartment complex	1,753,780	0.44%
Jewett City LLC	Condominium complex	1,726,760	0.43%
Pasquale Camutaro	Residential	1,516,130	0.38%
Net taxable grand list		$ 399,033,731	

Table 7

Town of Griswold, Connecticut

Ten Year History
Comparative Assessed Valuations
(Thousands)
(Unaudited)

Grand List Year	Gross Taxable Grand List	Net Taxable Grand List	Net % Increase (Decrease)
2013	$ 788,165	$ 699,034	0.53%
2012	784,283	695,342	-0.74%
2011 *	788,313	700,506	-17.94%
2010	906,971	826,170	0.70%
2009	903,319	820,349	1.11%
2008	823,217	811,218	0.64%
2007	889,032	806,092	1.97%
2006 *	875,050	790,531	61.62%
2005	561,188	489,133	2.78%
2004	547,695	475,881	4.88%

* Revaluation year

Federal Single Audit

Town of Griswold, Connecticut

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture			
Passed through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553		$ 66,281
National School Lunch Program - Cash	10.555		297,321
National School Lunch Program - Commodities	10.555		27,131
Special Milk Program for Children	10.556		319
Total Child Nutrition Cluster			391,052
U.S. Department of Justice			
Passed through State Office of Policy and Management:			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540		2,000
U.S. Department of Housing and Urban Development			
Passed through State Department of Economic and Community Development:			
Community Development Block Grants / State's Program and Non-Entitlement Grants in Hawaii (State Administered Small Cities Program)	14.228		47,395
U.S. Department of Transportation			
Passed through State Department of Transportation:			
Highway Planning and Construction	20.205		1,341,531
U.S. Department of Education			
Passed through State Department of Education:			
Title I Grants to Local Educational Agencies		12060-20679-82070-2015-17002	175,710
Title I Grants to Local Educational Agencies		12060-20679-82070-2014-17002	19,349
Total Title I Grants to Local Educational Agencies	84.010		195,059
Special Education Cluster:			
Special Education - Grants to States (IDEA Part B)		12060-20977-82032-2015-170002	321,566
Special Education - Grants to States (IDEA Part B)		12060-20977-82032-2014-170002	11,574
Total Special Education - Grants to States (IDEA Part B)	84.027		333,140
Special Education - Preschool Grants (IDEA Part B)	84.173	12060-20983-82032-2015-170002	19,140
Total Special Education Cluster			352,280
Career and Technical Education - Basic Grants to States	84.048	12060-20742-84010-2015-170002	16,682
Improving Teacher Quality State Grants		12060-20858-84131-2015-170002	42,567
Improving Teacher Quality State Grants		12060-20858-84131-2014-170002	26,189
Total Improving Teacher Quality State Grants	84.367		68,756
Total U.S. Department of Education			632,777
U.S. Department of Homeland Security			
Passed through State Department of Emergency Management and Homeland Security:			
Emergency Management Performance Grants	97.042		552
Grand Total Federal Awards			$ 2,415,307

See Notes to Schedule of Expenditures of Federal Awards.

Town of Griswold, Connecticut

Notes to Schedule of Expenditures of Federal Awards
June 30, 2015

1. **Significant accounting policy**
   The accounting policies of the Town of Griswold, Connecticut, conform to accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board. The following is the significant policy relating to Federal awards:

   Basis of Presentation
   The accompanying schedule of expenditures of Federal awards is presented on the modified accrual basis of accounting and a current financial resources measurement focus. The information in the schedule of expenditures of Federal awards is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.*

2. **Noncash Federal awards**
   The Town received and expended $27,131 of USDA donated commodities under the National School Lunch Program.

3. **Prior year findings and questioned costs**
   There were no prior year audit findings or questioned costs.

Town of Griswold, Connecticut

Schedule of Findings and Questioned Costs
June 30, 2015

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:
Material weakness(es) identified? ____yes __x__no
Significant deficiency(ies) identified? ____yes __x__none reported

Noncompliance material to financial statements noted? ____yes __x__no

Federal Awards

Internal control over major programs:
Material weakness(es) identified ____yes __x__no
Significant deficiency(ies) identified? ____yes __x__none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .510(a)? ____yes __x__no

Identification of major programs:

CFDA Number	Name of Federal Program
10.553/10.555/10.556	Child Nutrition Cluster
20.205	Highway Planning and Construction
84.027/84.173	Special Education Cluster

Dollar threshold used to distinguish between type A and type B programs: $ 300,000

Auditee qualified as low-risk auditee? __x__yes ____no

II. Financial Statement Findings
None

III. Federal Award Findings and Questioned Costs
There were no findings or questioned costs related to Federal Award programs.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Finance
Town of Griswold, Connecticut

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Griswold, Connecticut, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 7, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Hartford, Connecticut
December 7, 2015

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by OMB Circular A-133

Board of Finance
Town of Griswold, Connecticut

Report on Compliance for Each Major Federal Program

We have audited the Town of Griswold, Connecticut's compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the Town's major Federal programs for the year ended June 30, 2015. The Town's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each Federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

CohnReznick LLP

Hartford, Connecticut
December 7, 2015

State Single Audit

Town of Griswold, Connecticut

Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2015

State Grantor/Pass-through Grantor/Program Title	State Grant Program Core-CT Number	Expenditures
Office of Policy and Management:		
Property Tax Relief for Elderly and Totally Disabled Homeowners	11000-OPM20600-17018	$ 43,488
Property Tax Relief for Veterans	11000-OPM20600-17024	8,865
Property Tax Relief on Property of Totally Disabled Persons	11000-OPM20600-17011	1,067
Municipal Grants-In-Aid	12052-OPM20600-43587	29,997
Municipal Aid Adjustment	11000-OPM20600-17099	7,690
Local Capital Improvement Program	12050-OPM20600-40254	91,869
Payment in Lieu of Taxes (PILOT) on State-Owned Property	11000-OPM20600-17004	66,244
Connecticut State Library:		
Historic Documents Preservation Grants	12060-CSL66094-35150	5,000
Department of Education:		
Child Nutrition State Matching Grant	11000-SDE64000-16211	8,186
School Breakfast	11000-SDE64000-17046-82057	9,000
School Breakfast	11000-SDE64000-17046-82058	479
Healthy Foods Initiative	11000-SDE64000-16212	16,798
Youth Services Bureau	11000-SDE64000-17052	14,000
Youth Services Bureau - Enhancement	11000-SDE64000-16201	4,937
Adult Education	11000-SDE64000-17030	49,672
Primary Mental Health	11000-SDE64000-12198	19,600
Young Parents Program	11000-SDE64000-17044	21,289
Common Core Grant	11000-SDE64000-12566	2,000
Office of Early Childhood:		
School Readiness and Child Care in Competitive Grant Municipalities	11000-OEC64840-12113	282,760
School Readiness Quality Enhancement	12060-OEC64840-17097	3,790
Department of Energy and Environmental Protection:		
Public, Educational and Governmental Programming and Educational Technology Investment Account (PEGPETIA) Grant Program	12052-DEP44620-43611	96,691
Department of Emergency Services and Public Protection:		
School Security Competive Grant Program	12052-DPS32183-43546	18,652
Department of Housing:		
Main Street Investment Fund	12052-DOH46900-43524	265,000
Department of Transportation:		
Town Aid Road Grants Transportation Fund	12052-DOT57131-43455-34005	270,708
Total State Financial Assistance Before Exempt Programs		1,337,782
Exempt Programs:		
Department of Education:		
Transportation of School Children	11000-SDE64000-17027	157,311
Educational Cost Sharing	11000-SDE64000-17041-82010	10,923,542
Excess Cost - Student Based	11000-SDE64000-17047-82016	145,172
Excess Cost - Student Based	11000-SDE64000-17047-82018	193,274
Office of Policy and Management:		
Mashantucket Pequot/Mohegan Fund	12009-OPM20600-17005	103,449
Department of Construction Services		
School Construction Grants	13010-DCS28000-40901	1,315,565
Total Exempt Programs		12,838,313
Total State Financial Assistance		$ 14,176,095

See Notes to Schedule of Expenditures of State Financial Assistance.

Town of Griswold, Connecticut

Notes to Schedule of Expenditures of State Financial Assistance
June 30, 2015

The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Town of Griswold, Connecticut, under programs of the State of Connecticut. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including general government, education, public safety, public works, sanitation and social services.

1. Summary of significant accounting policies

The accounting policies of the Town of Griswold, Connecticut, conform to accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board.

The information in the schedule of expenditures of state financial assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Basis of Accounting

The expenditures reported on the schedule of expenditures of state financial assistance are reported on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the schedule of expenditures of state financial assistance.

2. Prior year findings and questioned costs

There were no prior year audit findings or questioned costs.

Town of Griswold, Connecticut

Schedule of Findings and Questioned Costs
June 30, 2015

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:
Material weakness(es) identified? ____yes __x__no
Significant deficiency(ies) identified? ____yes __x__none reported

Noncompliance material to financial statements noted? ____yes __x__no

State Financial Assistance

Internal control over major programs:
Material weakness(es) identified ____yes __x__no
Significant deficiency(ies) identified? ____yes __x__none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations of the State Single Audit Act? ____yes __x__no

The following schedule reflects the major programs included in the audit:

State Grantor and Program	State Core-CT Number	Expenditures
Department of Transportation:		
Town Aid Road Grants Transportation Fund	12052-DOT57131-43455-34005	$ 270,708
Department of Housing:		
Main Street Investment Fund	12052-DOH46900-43524	265,000
Office of Early Childhood:		
School Readiness and Child Care in Competitive Grant Municipalities	11000-OEC64840-12113	282,760

Dollar threshold used to distinguish between type A and type B programs: $ 200,000

Town of Griswold, Connecticut

Schedule of Findings and Questioned Costs
June 30, 2015

II. Financial Statement Findings
None.

III. State Financial Assistance Findings and Questioned Costs
There were no findings or questioned costs related to State Financial Assistance programs.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Finance
Town of Griswold, Connecticut

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Griswold, Connecticut, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 7, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Hartford, Connecticut
December 7, 2015

Independent Auditor's Report on Compliance for Each Major State Program and Report on Internal Control over Compliance Required by the State Single Audit Act

Board of Finance
Town of Griswold, Connecticut

Report on Compliance for Each Major State Program

We have audited the Town of Griswold, Connecticut's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the Town's major state programs for the year ended June 30, 2015. The Town's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major State Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

CohnReznick LLP

Hartford, Connecticut
December 7, 2015