

Preliminary Official Statement Dated August 13, 2015

NEW MONEY: Book-Entry-Only

**RATINGS: Standard & Poor's Corporation: AA+ / SP-1+
Fitch Ratings: AA+ / F1+**

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming the material accuracy of representations and continuing compliance by the Town with certain covenants and procedures relating to requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds and Notes is not included in gross income of the owners thereof for purposes of Federal income taxation pursuant to Section 103 of the Code, and is not treated as a preference item for purposes of computing the Federal alternative minimum tax. Interest on the Bonds and Notes may be includable in the calculation of certain taxes under the Code, including adjusted current earnings for purposes of calculating the alternative minimum tax imposed on corporations (as defined for federal income tax purposes). In the opinion of Bond Counsel, based on existing statutes, interest on the Bonds and Notes is excluded from taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. See Appendix B – "Form of Opinions of Bond Counsel and Tax Exemption" herein.



Town of Trumbull, Connecticut

\$7,500,000

General Obligation Bonds, Issue of 2015

Dated: Date of Delivery

**Due: Serially September 1, 2016-2035
as detailed below:**

Interest on the Bonds will be payable March 1, 2016 and semiannually thereafter on March 1 and September 1 in each year until maturity. The Bonds will be issued in book-entry-only form and registered in the name of Cede & Co., as nominee for the Depository Trust Company ("DTC"), New York, New York. The beneficial owners of the Bonds will not receive certificates representing their ownership interest in the Bonds. Principal of, redemption premium, if any, and interest payments on, the Bonds will be made by the Town of Trumbull, Connecticut (the "Town") to The Depository Trust Company, New York, New York ("DTC"), or its nominee as registered owner of the Bonds. DTC will credit its participants in accordance with their respective holdings shown in the records of DTC. It is anticipated that the beneficial owners of the Bonds will receive payment or credit from DTC participants and other nominees of the beneficial owners. Ownership of the Bonds may be in principal amounts of \$5,000 or integral multiples thereof. (See "Book-Entry-Only Transfer System" herein.)

The Bonds are subject to redemption prior to maturity as more fully described under "Redemption Provisions" herein.

Maturity	Principal	Coupon	Yield	CUSIP	Maturity	Principal	Coupon	Yield	CUSIP
2016	\$ 375,000	..%	..%	898116__	2026	\$ 375,000	..%	..%	898116__
2017	375,000	..%	..%	898116__	2027	375,000	..%	..%	898116__
2018	375,000	..%	..%	898116__	2028	375,000	..%	..%	898116__
2019	375,000	..%	..%	898116__	2029	375,000	..%	..%	898116__
2020	375,000	..%	..%	898116__	2030	375,000	..%	..%	898116__
2021	375,000	..%	..%	898116__	2031	375,000	..%	..%	898116__
2022	375,000	..%	..%	898116__	2032	375,000	..%	..%	898116__
2023	375,000	..%	..%	898116__	2033	375,000	..%	..%	898116__
2024	375,000	..%	..%	898116__	2034	375,000	..%	..%	898116__
2025	375,000	..%	..%	898116__	2035	375,000	..%	..%	898116__

Electronic bids only via PARITY® for the Bonds will be received until 11:30 A.M. (E.D.T.) on Thursday, August 20, 2015, at Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, CT 06611.

\$9,520,000

General Obligation Bond Anticipation Notes

Dated: September 4, 2015

Rate: ..%

Due: September 1, 2016

Yield: ..%

CUSIP: 898116__

The Notes will be issued in book-entry-only form and will be registered in the name of Cede & Co., as noteowner and nominee for DTC, New York, New York. (See "Book-Entry-Only Transfer System" herein.) The Notes are not subject to redemption prior to maturity.

Sealed proposals and electronic bids via PARITY® for the Notes will be received until 11:00 A.M. (E.D.T.) on Thursday, August 20, 2015, at Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, CT 06611. In order to assist bidders Phoenix Advisors, LLC, will transcribe onto Notice of Sale bid forms, proposals communicated over the telephone at (203) 452-5011, provided they are communicated in time and manner for written submission in accordance with the Notice of Sale.

The Bonds and Notes will be general obligations of the Town and the Town will pledge its full faith and credit to pay the principal of and the interest on the Bonds and Notes when due. (See "Security and Remedies" herein.)

The Registrar, Transfer Agent, Certifying Agent and Paying Agent will be U.S. Bank National Association, Goodwin Square, 225 Asylum Street, 23rd Floor, Hartford, Connecticut 06103.

The Bonds and Notes are offered for delivery when, as and if issued, subject to the approving opinion of Joseph Fasi LLC, Bond Counsel, of Hartford, Connecticut and certain other conditions. It is expected that delivery of the Bonds and Notes in book-entry-only form will be made to DTC on or about September 4, 2015.



No dealer, broker, salesman or other person has been authorized by the Town of Trumbull, Connecticut (the "Town") to give any information or to make any representations other than that contained in this Official Statement or any supplement which may be issued hereto, and if given or made, such other information or representations must not be relied upon as having been authorized by the Town. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds or the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Official Statement has been prepared only in connection with the initial offering and sale of the Bonds and Notes and may not be reproduced or used in whole or in part for any other purpose. The information, estimates and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds or the Notes shall, under any circumstances, create any implication that there has been no material change in the affairs of the Town since the date of this Official Statement.

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Bond Issue Summary

The information in this Bond Issue Summary and the front cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.

Date of Sale:	Thursday, August 20, 2015 at 11:30 A.M. (E.D.T.)
Location of Sale:	Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, Connecticut 06611.
Issuer:	Town of Trumbull, Connecticut (the "Town").
Issue:	\$7,500,000 General Obligation Bonds, Issue of 2015 (the "Bonds").
Dated Date:	September 4, 2015.
Principal and Interest Due:	Principal due serially September 1, 2016 through September 1, 2035. Interest due March 1 and September 1 in each year until maturity, commencing March 1, 2016.
Purpose:	The Bond proceeds will be used to permanently finance maturing notes which were originally issued to fund various town projects.
Redemption:	The Bonds are subject to redemption prior to maturity.
Security:	The Bonds will be general obligations of the Town of Trumbull, Connecticut, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	The Bonds have received ratings of "AA+" from Standard & Poor's Corporation and "AA+" from Fitch Ratings.
Bond Insurance:	The Town does not expect to direct purchase a credit enhancement facility.
Tax Exemption:	See "Tax Matters" herein.
Bank Qualification:	The Bonds shall <u>NOT</u> be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, annual financial information and operating data and notices of material events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C-1 to this Official Statement.
Registrar, Transfer Agent, Certifying Agent and Paying Agent:	U.S. Bank National Association, Goodwin Square, 225 Asylum Street, Hartford, Connecticut 06103.
Financial Advisor:	Phoenix Advisors, LLC, of Milford, Connecticut will act as Financial Advisor. Telephone: (203) 878-4945.
Legal Opinion:	Joseph Fasi LLC, of Hartford, Connecticut will act as Bond Counsel.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about September 4, 2015. Delivery of the Bonds will be made against payment in Federal Funds.
Issuer Official:	Questions concerning the Official Statement should be addressed to Ms. Maria T. Pires, Director of Finance, Trumbull Town Hall, 5866 Main Street, Trumbull, Connecticut 06611. Telephone (203) 452-5013.

Note Issue Summary

The information in this Note Issue Summary and the front cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.

Date of Sale:	Thursday, August 20, 2015 at 11:00 A.M. (E.D.T.).
Location of Sale:	Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, Connecticut 06611. Telephone: (203) 452-5011.
Issuer:	Town of Trumbull, Connecticut (the "Town").
Issue:	\$9,520,000 General Obligation Bond Anticipation Notes (the "Notes").
Dated Date:	September 4, 2015.
Principal and Interest Due:	September 1, 2016.
Purpose:	The Note proceeds will be used to finance various school and public improvement projects.
Redemption:	The Notes are NOT subject to redemption prior to maturity.
Security:	The Notes will be general obligations of the Town of Trumbull, Connecticut, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Notes when due.
Credit Rating:	The Notes have received ratings of "SP-1+" from Standard & Poor's Corporation and "F1+" from Fitch Ratings.
Bond Insurance:	The Town does not expect to direct purchase a credit enhancement facility.
Tax Exemption:	See "Tax Matters" herein.
Bank Qualification:	The Notes shall <u>NOT</u> be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Notes.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, notices of material events with respect to the Notes pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C-2 to this Official Statement.
Registrar, Transfer Agent, Certifying Agent, and Paying Agent:	U.S. Bank National Association, Goodwin Square, 225 Asylum Street, Hartford, Connecticut 06103.
Financial Advisor:	Phoenix Advisors, LLC, of Milford, Connecticut will act as Financial Advisor. Telephone: (203) 878-4945.
Legal Opinion:	Joseph Fasi LLC, of Hartford, Connecticut will act as Bond Counsel.
Delivery and Payment:	It is expected that delivery of the Notes in book-entry-only form will be made to The Depository Trust Company on or about September 4, 2015. Delivery of the Notes will be made against payment in Federal Funds.
Issuer Official:	Questions concerning the Official Statement should be addressed to Ms. Maria T. Pires, Director of Finance, Trumbull Town Hall, 5866 Main Street, Trumbull, Connecticut 06611. Telephone (203) 452-5013.

I. Bond & Note Information

Introduction

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Trumbull, Connecticut (the "Town"), in connection with the original issuance and sale of \$7,500,000 General Obligation Bonds, Issue of 2015 (the "Bonds") and \$9,520,000 General Obligation Bond Anticipation Notes (the "Notes") of the Town.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds or the Notes. Any statement made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete, are subject to repeal or amendment, and are qualified in their entirety by reference to such laws and the original official documents. All references to the Bonds and the Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and the Notes and such proceedings.

The Bonds and Notes are being offered for sale through public bidding. A Notice of Sale dated August 13, 2015 has been furnished to prospective bidders and is included herein as Appendix D for the Bonds and for the Notes. Reference is made to the Notice of Sale for the terms and conditions of the bidding.

U.S. Bank National Association, will certify and act as Registrar, Transfer Agent, Certifying Agent and Paying Agent for the Bonds and for the Notes.

The presentation of information in this Official Statement is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town.

The independent auditors for the Town are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in this Official Statement (other than matters expressly set forth in their opinion in Appendix A – Financial Statements excerpted from the Town's 2014 Annual Financial Report), and they make no representation that they have independently verified the same. The Auditors have not been engaged nor performed audit procedures regarding the past audit period nor reviewed the Official Statement. The Auditors have not provided their written consent to use their Independent Auditors Report.

Bond Counsel is not passing on and does not assume any responsibility for the sufficiency, accuracy or completeness of the statements made or financial information presented in this Official Statement, other than matters expressly set forth as its opinion, and makes no representation that they have independently verified the same.

The Town deems this Official Statement to be "final" for purpose of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision or amendment.

The Town currently files its official statements for primary offerings with the Municipal Securities Rulemaking Board. In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, annual financial information and operating data with respect to the Bonds and the Notes and notices of material events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed in substantially the form of Appendix C to this Official Statement.

Financial Advisor

Phoenix Advisors, LLC, of Milford, Connecticut has served as Financial Advisor to the Town with respect to the issuance of the Bonds and the Notes (the "Financial Advisor"). The Financial Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the appendices hereto.

The Financial Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

The Bonds

Description of the Bonds

The Bonds will be dated September 4, 2015 and will bear interest at the rates per annum specified on the front cover page, payable semiannually on March 1 and September 1 in each year until maturity, commencing March 1, 2016. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. Interest is payable to the registered owner as of the close of business on the fifteenth day of February and August in each year, or the preceding business day if such fifteenth day is not a business day, by check mailed to the registered owner; or so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC, the Paying Agent and the Town shall agree. Principal will be payable at the principal office of U.S. Bank National Association. The Bonds will be issued as fully registered in denominations of \$5,000 or any integral multiple thereof. The legal opinion for the Bonds will be rendered by Joseph Fasi LLC in substantially the form set forth in Appendix B-1 to this Official Statement.

Redemption Provisions

The Bonds maturing on or before September 1, 2023 are not subject to redemption prior to maturity. The Bonds maturing on September 1, 2024 and thereafter are subject to redemption prior to maturity, at the election of the Town, on and after September 1, 2023, at any time, in whole or in part, and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine, at the redemption price or prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

Redemption Dates	Redemption Prices
September 1, 2023 and thereafter.....	100%

Notice of redemption shall be given by the Town or its agent by mailing a copy of the redemption notice by first-class mail not less than thirty (30) days prior to the redemption date to the registered owner at the address of such registered owner as the same shall last appear on the registration books for the Bonds kept for such purpose. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if sufficient funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of the Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Town in its discretion may determine, provided, however, that the portion of any Bonds to be redeemed shall be in the principal amount of \$5,000 or a multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

The Town, so long as a book-entry system is used for the Bonds, will send any notice of redemption only to DTC (or successor securities depository) or its nominee. Any failure of DTC to advise any DTC Participant, or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of portions of the Bonds of any maturity by the Town will reduce the outstanding principal amount of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interest held by DTC Participants in the Bonds to be redeemed, the interest to be reduced by such redemptions in accordance with its own rules or other agreements with DTC Participants. The DTC Participants and Indirect Participants may allocate reductions of the interests in the Bonds to be redeemed held by the Beneficial Owners. Any such allocation of reductions of interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by the Town, the Registrar or Paying Agent.

The Notes

Description of the Notes

The Notes will be dated September 4, 2015 and will be due and payable as to both principal and interest at maturity, September 1, 2016. The Notes are not subject to redemption prior to maturity and will bear interest, calculated on the basis of a 360-day year consisting of twelve 30-day months, at the rate or rates per annum specified by the successful bidder or bidders. A book-entry system will be employed, evidencing ownership of Notes in principal amounts of \$1,000 or integral multiples thereof, with transfers of ownership affected on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. (See "Book-Entry-Only Transfer System" herein.) The Registrar, Transfer Agent, Certifying Agent and Paying Agent will be U.S. Bank National Association, 225 Asylum Street, Hartford, Connecticut 06103. The legal opinion for the Notes will be rendered by Joseph Fasi LLC in substantially the form set forth in Appendix B-2 to this Official Statement.

The Bonds and Notes

Authorization and Purpose

The Bonds and Notes are issued pursuant to Title 7, Chapter 109, Sections 7-369 et seq. of the Connecticut General Statutes, as amended, the Charter of the Town of Trumbull, and bond resolutions approved by the Town's Board of Finance and Town Council. (See "Use of Proceeds" herein.)

Use of Proceeds

Subject to the Issuer's election to reallocate proceeds among its bond authorized projects to meet its capital cash flow needs, the proceeds of the Bonds and Notes are expected to finance the following projects.

Project	Notes Due 9/4/2015	THIS ISSUE:	
		Notes Due: 9/1/2016	The Bonds
Capital Plan (2012-2013):			
Board of Education-various.....	\$ 2,575,000	\$ 475,000	\$ 2,100,000
Capital Plan (2013-2014):			
Board of Education-Security.....	-	500,000	-
Board of Education-Technology.....	-	785,000	-
Town.....	1,910,000	1,910,000	-
Capital Plan (2014-2015)			
Town.....	5,400,000	-	5,400,000
BOE-Variou.....	-	700,000	-
Capital Plan (2015-2016):			
Board of Education-various.....	-	1,000,000	-
Town.....	-	3,000,000	-
Police Department Improvements.....	-	1,150,000	-
Total.....	\$ 9,885,000	\$ 9,520,000	\$ 7,500,000

Book-Entry-Only Transfer System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds and the Notes (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. For the Bonds, one fully-registered Security certificate will be issued for each maturity of the Securities in the aggregate principal amount of such maturity and will be deposited with DTC. For the Notes, one fully-registered Security certificate will be issued for each interest rate of the Security.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's

participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds and Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds and the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Bonds or Notes may wish to ascertain that the nominee holding the Bonds or Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, principal and interest and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, principal and interest and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants

will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

DTC Practices

The Town can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Bonds or Notes act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

Replacement Bonds and Notes

In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds or Notes, and the Town fails to identify another qualified securities depository for the Bonds or the Notes to replace DTC; or (b) the Town determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds or the Notes, the Town is authorized to issue fully registered Bond or Note certificates directly to the Beneficial Owner. A Beneficial Owner of the Bonds or Notes, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Bonds or Notes.

Security and Remedies

The Bonds and the Notes will be general obligations of the Town and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds and the Notes when due.

Unless paid from other sources, the Bonds and the Notes are payable from general property tax revenues of the Town. The Town has the power under Connecticut statutes to levy ad valorem taxes on all property subject to taxation by the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income and of qualified disabled persons taxable at limited amounts. There was, however, no such certified forest land on the last completed grand list of the Town and under existing statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation on its power to tax such dwelling houses.

Payment of the Bonds and the Notes is not limited to property tax revenues or any other revenue source, but certain revenues of the Town may be restricted as to use and therefore may not be available to pay debt service on the Bonds and the Notes.

There are no statutory provisions for priorities in the payment of general obligations of the Town. There are no statutory provisions for a lien on any portion of the tax levy or other revenues to secure the Bonds and the Notes, or judgments thereon, in priority to other claims.

The Town is subject to suit on its general obligation debt and a court of competent jurisdiction has power in appropriate proceedings to render a judgment against the Town. A Court of competent jurisdiction also has the power in appropriate proceedings to order a payment of a judgment on such Bonds and Notes from funds lawfully available therefor or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts could take into account all relevant factors, including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Bonds and the Notes would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency,

reorganization, moratorium and other similar laws affecting creditors rights heretofore or, hereafter enacted by the Congress or the Connecticut General Assembly extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied.

Section 7-566 of the Connecticut General Statutes, as amended, provides that no Connecticut municipality shall file a petition in bankruptcy under Chapter 9 of Title 11 of the United States Code without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State of Connecticut having the power to levy taxes and issue bonds or other obligations.

Qualification for Financial Institutions

The Bonds and the Notes shall NOT be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds and the Notes.

Availability of Continuing Information

The Town prepares, in accordance with State law, annual independent audited financial statements and operating statements and files such annual reports with the State of Connecticut, Office of Policy and Management within six months of the end of its fiscal year. The Town provides, and will continue to provide Fitch Ratings, Moody's Investors Service, Inc. and Standard & Poor's Corporation ongoing disclosure in the form of independent annual financial reports, adopted budgets, and other materials relating to its management and financial condition, as may be necessary or requested.

The Town will enter into a Continuing Disclosure Agreement with respect to the Bonds and the Notes, substantially in the forms attached as Appendix C to this Official Statement, to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12(b)(5), certain annual financial and operating information and the timely notice of the occurrence of certain material events with respect to the Bonds or the Notes.

The Town has previously undertaken in Continuing Disclosure Agreements entered into for the benefit of holders of certain of its general obligation bonds to provide audited financial statements, annual financial information and notices of material events pursuant to SEC Rule 15c2-12(b)(5) (the "Prior Disclosure Undertakings"). The Town believes that it has complied in a timely manner with its obligations to file audited financial statements for each of the last five years, with the exception of filing the annual financial report for the year ending June 30, 2009 by the last day of February 2010 because the Town had inadvertently filed with the former NRMSIRs instead of the MSRB's EMMA system. We note that for the fiscal years ending June 30, 2009, 2012, and 2013, the Town timely filed its annual financial statements. Certain supplemental operating data, however, was not filed with the financial statements because it was set forth in Official Statements prepared for bond financings that had been previously posted on EMMA. The Town has updated its annual financial statement filings on EMMA for 2009, 2012 and 2013 by cross referencing the applicable Official Statement containing the supplemental operating data.

Ratings

The Bonds have received ratings of "AA+" from Standard & Poor's Corporation and "AA+" from Fitch Ratings. The Notes have received ratings of "SP-1+" from Standard & Poor's Corporation and "F1+" from Fitch Ratings. The Town furnished Standard & Poor's Corporation and Fitch Ratings (the "Rating Agencies") with certain information and materials, some of which may not have been included in this Official Statement.

The ratings reflect only the views of the Rating Agencies and an explanation of the significance of the rating may be obtained from such rating agency. There is no assurance that the rating will continue for any given period of time or that it will not be revised or withdrawn entirely if in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of the rating may have an effect on the market price of the Bonds.

Insurance

The Town does not expect to direct purchase a credit enhancement facility.

II. The Issuer

[MAP]

Description of the Municipality

The Town first settled in the early 1600's as part of Stratford, was incorporated as a separate town in October, 1797, and covers an area of 23.5 square miles. It is located in Fairfield County approximately 60 miles from New York City, and 60 miles from Hartford, Connecticut. It is bounded on the north by the Town of Monroe, east by the City of Shelton, south by the City of Bridgeport, and west by the Towns of Fairfield and Easton.

Trumbull is a growing, suburban residential community with extensive retail and an expanding commercial and industrial base. According to the U.S. Census Bureau American Community Survey, 2009-2013, the population was 36,251. The Town has above average income and education levels that reflect its character as a suburban bedroom community.

The Town supports and encourages a balance of industrial, commercial, and residential properties and the Town's Economic Development Commission and Planning and Zoning Commission have worked together to reach this objective.

The Town is traversed by State Routes 25, 127, 111, and 15 (the Merritt Parkway). The southern area of town is easily accessible to the Merritt Parkway and thus to both Interstates 91 and 95. Air transportation is available in Hartford or White Plains, as is rail transportation, via Amtrak and the Metroliner Service; bus passenger transportation is provided by the Connecticut Department of Transportation and by the Greater Bridgeport Transit District. Freight service is furnished by various motor common carriers.

Form of Government

The Town is administered by a First Selectman, who acts as the Chief Executive Officer, and a 21-member Town Council, that constitute the Selectman/Council form of government. The First Selectman is directly responsible to the Town Council for planning, organizing and directing all routine municipal activities, except for education and certain commissions, which are either elected or appointed by the Town Council. The First Selectman manages department heads, sees that laws and ordinances governing the Town are enforced, makes recommendations and reports to the Town Council, prepares the annual budget, prepares the annual report, keeps the Town Council and Board of Finance advised on the Town's financial condition and performs other duties prescribed by Charter, Ordinance or Town Council resolution.

Town Officials

<u>Office</u>	<u>Name</u>	<u>Manner of Selection</u>	<u>Length Of Service</u>
First Selectman.....	Timothy M. Herbst	Elected	6 years
Chairman, Town Council.....	Carl A. Massaro, Jr.	Elected	6 years
Town Clerk.....	Suzanne Burr Monaco	Elected	6 years
Town Treasurer.....	John L. Ponzio	Elected	6 years
Assessor.....	Mark DeVestern	Civil Service	6 years
Director of Public Works.....	John Marsilio	Appointed	6 years
Tax Collector.....	Donna M. Pellitteri	Appointed	2 years ³
Chief of Police.....	Michael Lombardo	Appointed	1 years
Superintendent of Schools.....	Gary Cialfi	Appointed	3 years ¹
Director of Finance.....	Maria T. Pires	Appointed	6 years ²
Town Attorney.....	Robert Nicola	Appointed	6 years

¹ Dr. Cialfi has worked in the Town's school system for 14 years.

² Ms. Pires served as Deputy Director of Finance for nine years prior to being appointed the Director in 2010.

³ Ms. Pellitteri served in the Tax Collector's office for 10 years prior to being appointed the Collector in 2014.

Source: Town of Trumbull

Municipal Services

Police: The Police Department provides full-time police protection, complete with the latest in crime prevention computer systems and a state-of-the-art computerized radio communications center to serve all emergency agencies. The Police Department has installed wireless mobile laptop computers and video cameras in patrol cars. The Police Department is manned by a staff of 72 professionals, including a Chief of Police, two Deputy Chiefs and a supporting staff of detectives, youth officer, and other civilians, with an appropriate force of auxiliary police officers.

Fire and EMS: The Fire Department consists of three volunteer fire districts having the authority to levy and collect taxes independent of the Town to support their operations. They collectively carry a force of 230 active fire fighters in seven fire stations. The major equipment includes nineteen pieces of fire apparatus and three rescue vehicles. The Town operates its own ambulance service through its Emergency Medical Services commission, directing 150 volunteers, 75 state-licensed EMTs and four medical vehicles. Paid paramedics are on call 7 days a week – 24 hours a day.

Public Works: The Public Works Department, which includes Town Highway, Parks (see “Parks and Recreation Services” below), Engineering, Sewer Operations, as well as the Town Recycling department, and Tree Warden, employs a total of 79 personnel. Public Works is responsible for over 200 pieces of rolling stock used for the repair, maintenance, and snow plowing of over 200 miles of town roads, 1400 acres of parkland, including 400 acres of developed parkland, and 100 miles of sanitary sewers serving approximately 65% of the residents. The Town installed its first sanitary sewer in the early 1970's.

Solid Waste: Solid waste collection in Trumbull is collected by private firms who have direct contracts with residents.

Trumbull is one of eight municipalities that have entered into a Municipal Service Agreement (“MSA”) with Wheelabrator (Resco) for the disposal of solid waste through the Greater Bridgeport Resource Recovery

System (the "System"). Each municipality which has signed such MSA (a "Participating Municipality") has agreed to deliver or cause to be delivered to the System all "Acceptable Waste," as defined therein, generated within its boundaries. The facility for the System (the "Facility") is located in the City of Bridgeport, Connecticut and was designed and constructed and is operated by Bridgeport Resco Company, L.P. (the "Company"). The Facility began commercial operation in July 1988 and is designed to process up to 2,250 tons of solid waste per day.

The Town and the other nine municipalities have exercised their option to extend the contract for another 10 years retroactively to July 1, 2014. Wheelabrator (Resco) will bill each Participating Municipality a fixed charge of \$59.75 per ton of Municipal Solid Waste "MSW" actually delivered by or on behalf of each Participating Municipality, which escalates at 0.75% of the Capital Improvement Plan for the term of the contract.

Each Participating Municipality has agreed to pay Municipal Disposal Fees to Wheelabrator (Resco) for the acceptance and processing and/or disposing of Acceptable Waste. The Municipal Disposal Fees, which are payable on a monthly basis, include (i) disposal fees under a Solid Waste Disposal Agreement, and (ii) an Administrative Fee.

Additionally, the Town anticipates spending another \$27 per ton of MSW to pay a private contractor to transport MSW to the Facility and to operate and maintain the MSW transfer station.

The Town has opted to engage with recycling processors independently. It has negotiated a contract that pays the Town \$35 per ton for recyclables that are directed to the processor. The most recent contract ran from July 1, 2012 to June 30, 2013 with five one year options. The Town is committed to deliver recyclables annually consisting of: food and beverage containers made of glass, metal and certain plastics, and newspapers. Other defined residential recyclables are cardboard, waste oil, storage batteries, scrap metal and e-waste.

Library: The Town's two libraries offer over 137,400 books and are staffed by six professional librarians, 14 full-time and 18 part-time employees. In addition to adult, juvenile, fiction and non-fiction, and reference works, the libraries also offer 765 books on cassette, 4,700 videocassettes, newspapers and magazines on microfiche and compact discs. Services also include an on-line public access catalog with dial-in access, four dedicated public internet workstations, a public PC workstation with color laser printer, a scanner and several CD ROM databases including Newsbank Business, Ebsco Healthsource, InfoTrac Magazine Index Plus, Phonedisc Powerfinder and Request-Connecticut's statewide library catalog. The libraries also provide meeting rooms for community groups and activities.

Parks and Recreation Services: In addition to over 1,400 acres of park land, the Town manages and operates Tashua Knolls Golf Course, an 18-hole championship rated course. An additional nine-hole course opened in August 2005, upgrading Tashua Knolls to a 27-hole course. Abutting the golf course is a recreation area, including an outdoor olympic-sized swimming pool, kiddie pool, four lighted tennis courts, as well as other major athletic facilities. There is a soccer park with a capacity of 4¼ full size soccer fields in addition to three new ballfields that were added in 2008. One park boasts a 60' by 80' amphitheater stage with adjoining multi-purpose field to accommodate lawn-chair seating of 8,000 for hosted military and symphonic concerts. Parks and Recreation Services employs 21 full-time employees, 13 in parks, 5 in golf course and 3 in other Town recreation areas.

Planning and Zoning: The Planning and Zoning department consists of four employees who provide staff support to two land use boards; the Planning and Zoning commission and the Zoning Board of Appeals. They act as the liaison between the land use boards and the general public, including developers and land use attorneys. The P & Z department is responsible for meeting local and state regulations for handling applications to the Land Use Commissions and providing due notice and summary of public hearings. The Director of Planning and Development provides professional insights as to the merits of special permit and variance applications, as requested by the Commissions. Under the directions of the Planning and Zoning Commissions, the Director also undertakes special planning study assignments and regulatory rewrites, occasionally with assistance from a third-party consultant. The Director also oversees the efforts of the Zoning Enforcement Officer, who pursues blight and zoning code, for both residential and commercial construction projects.

Economic Development: The Town employs a full-time Economic & Community Development ("E&CD") Director who collaborates with an appointed Economic & Community Development Commission (the "Commission"). Under the direction of the First Selectman's Office, the Economic & Community Development Director is charged with managing the economic and community development activities of the Town, coordinating as necessary the activities of the Planning, Zoning, Building and Fire Marshal's offices, and providing staff support to the Economic & Community Development Commission. The mission of the E&CD Office is: to promote any and all investment in Trumbull that is consistent with the Town's Plan of Conservation and Development; to improve

and protect Trumbull's economic well-being; to create economic opportunity and convenience for residents; and to preserve the town's excellent quality of life.

As we make the case to recruit new businesses, we emphasize that in Trumbull you get better value for your dollar.

- More high quality space with great access to talent and transportation.
- A superior school system that is outperforming its peers in lower Fairfield County.
- The second safest Town in Connecticut - - no small accomplishment given our adjacency to a large urban center.
- A renowned park system and responsible land use plan that is forward thinking.

For these reasons and more, Trumbull was recently named top 50 nationwide for Office Relocation by independent site selection experts at The Boyd Co. This trend is reflected in our Grand List, which has grown from 14% commercial base in 2009 to 21% today. This upward growth is forecasted to continue over the next two years.

Investors notice activity in all the Towns commercial districts, and that's great news for amenities, jobs, and the tax base.

Cooper Surgical is expanding on the north side of town with an addition to their office headquarters and a brand new warehouse and shipping facility across the street. On the east side of town, RD Scinto has undertaken a brilliant repositioning of one functionally obsolete flex building office building into two office facilities, roughly 250,000 sq. ft. On the west side of town, steel is up for Yale's impressive 120,000 sq. ft. cancer treatment facility on Park Avenue. In addition, 16,000 sq. ft. of neighborhood-serving retail is under construction at Madison Village, set to open this later this summer. On the south side of Town, Westfield Trumbull is poised to begin their Phase 2 expansion and our mall has undergone a complete transformation that has attracted some of the finest retail and restaurants in America, including Apple and The Cheesecake Factory.

These are just a few highlights of the growth to the town. In addition, many existing tenants in town are expanding.

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Educational Services

The schools are governed by a six-member Board of Education. The Town's elementary school system consists of five schools for pupils in grades K through 5; two schools for pupils in grades 6-8; and one high school for pupils in grades 9-12.

School Enrollment

<u>School Year</u>	<u>Pre-School/ Special Education</u>	<u>Historical</u>			<u>Total</u>
		<u>K-8</u>	<u>9-12</u>		
2005-2006	224	4,668	2,018	6,910	
2006-2007	245	4,599	2,092	6,936	
2007-2008	228	4,592	2,089	6,909	
2008-2009	277	4,566	2,102	6,945	
2009-2010	237	4,632	2,152	7,021	
2010-2011	234	4,613	2,170	7,017	
2011-2012	237	4,539	2,200	6,976	
2012-2013	227	4,503	2,191	6,921	
2013-2014	222	4,487	2,160	6,869	
2014-2015	259	4,336	2,142	6,737	
<u>School Year</u>	<u>Pre-School/ Special Education</u>	<u>Projected</u>			<u>Total</u>
		<u>K-8</u>	<u>9-12</u>		
2015-2016	286	4,162	2,112	6,560	
2016-2017	260	4,124	2,030	6,414	
2017-2018	260	3,986	2,056	6,302	
2018-2019	260	3,866	2,045	6,171	

Source: Town of Trumbull, Board of Education

School Facilities

<u>School</u>	<u>Grades</u>	<u>Date of Construction (Additions, Remodeling)</u>	<u>Number of Classrooms</u>	<u>10/1/2014 Enrollment</u>	<u>Rated Capacity</u>
Middlebrook - TECEC....	Pre-K	2005	11	223	186
Booth Hill.....	K-5	1955 (1957, 1970, 2000)	25	486	600
Daniels Farm.....	K-5	1962 (1981, 2000)	26	473	624
Jane Ryan.....	K-5	1955 (1957,1970, 2000)	25	393	600
Middlebrook.....	K-5	1953 (1959, '67, '71, 2000)	31	500	744
Tashua.....	K-5	1965 (2000)	24	386	576
Hillcrest.....	6-8	1967 (2000)	50	768	1,100
Madison.....	6-8	1960 (2000)	66	786	1,452
Trumbull High.....	9-12	1971 (1984, 2000, 2006)	106	2,156	2,332
Frenchtown.....	K-5	2003	32	566	960
Total.....			396	6,737	9,174

Source: Town of Trumbull, Board of Education

Employee Relations and Collective Bargaining

Municipal Employees

The following table reflects total Town employment for the past five fiscal years:

	2015	2014	2013	2012	2011
General Government. ¹	314	333	361	350	347
Board of Education. ^{1,2}	993	942	908	874	867
Total	1,307	1,275	1,269	1,224	1,214

¹ Includes permanent part-time employees.

² Excludes positions funded by grants.

Employee Relations ¹

	Positions Covered	Current Contract Expiration Date
Board of Education Groups		
Trumbull School Administrators.....	23	06/30/2018
Teachers – Trumbull Education Association.....	582	06/30/2017
CILU Paraprofessionals.....	184	06/30/2015 ³
Trumbull School Secretaries.....	45	06/30/2016
Custodial/Maintenance - UPSEU.....	80	06/30/2014 ²
School Lunch Program - UPSEU.....	50	06/30/2014 ³
Board of Education Support & Supervisors – Local #21, Connecticut Independent Labor Union, CILU.....	18	06/30/2014 ³
Non-Bargaining.....	11	N/A
Total Board of Education Employees	993	
General Government Groups		
Public Works/Park – Local 1303-33, Council 4, AFSCME, AFL-CIO....	51	06/30/2016
DPW Supervisors – Local 818, Council 4, AFSCME, AFL-CIO.....	12	06/30/2017
Police Department – Local 1745, Council 15, AFSCME, AFL-CIO.....	77	06/30/2015 ⁴
Fire Marshal – Local 1303-277, Council 4, AFSCME, AFL-CIO.....	3	06/30/2014 ²
Town Hall (M.A.T.E.) – C.I.L.U., Local 51.....	61	06/30/2017
Town Hall Supervisors – C.I.L.U., Local 13.....	16	06/30/2017
Non-Bargaining.....	94	N/A
Total General Government Employees	314	

¹ Includes part-time employees but not seasonal employees.

² In arbitration.

³ In negotiation.

⁴ An agreement has been reached and is awaiting ratification by the Town Council.

Source: Town of Trumbull

Binding Arbitration

Connecticut General Statutes Sections 7-473c, 7-474 and 10-153a to 10-153n provide for a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certificated teachers and certain other employees. The legislative body of a municipality may reject an arbitration panel's decision by a two-thirds majority vote. The State and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. Effective October 1, 1997, for binding arbitration of teacher's contracts, in assessing the financial capability of a town, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

III. Economic and Demographic Information

Population and Density

Year	Actual		Density ²
	Population	% Increase	
2013 ¹	36,251	0.6%	1,542.6
2010	36,018	5.2%	1,532.7
2000	34,243	7.0%	1,457.1
1990	32,016	-2.9%	1,362.4
1980	32,989	5.1%	1,403.8
1970	31,394	-	1,335.9

¹ American Community Survey 2009-2013

² Per square mile: 23.5 square miles.

Source: U.S. Department of Commerce, Bureau of Census.

Age Distribution of the Population

Age	Town of Trumbull		State of Connecticut	
	Number	Percent	Number	Percent
Under 5 years	1,927	5.3%	197,395	5.5%
5 to 9 years	2,300	6.3	220,139	6.1
10 to 14 years	2,928	8.1	236,742	6.6
15 to 19 years	2,788	7.7	255,816	7.1
20 to 24 years	1,770	4.9	229,708	6.4
25 to 34 years	2,538	7.0	428,258	12.0
35 to 44 years	4,644	12.8	469,746	13.1
45 to 54 years	6,384	17.6	568,510	15.9
55 to 59 years	2,091	5.8	246,210	6.9
60 to 64 years	2,120	5.8	210,753	5.9
65 to 74 years	2,962	8.2	269,422	7.5
75 to 84 years	2,575	7.1	164,260	4.6
85 years and over	1,224	3.4	86,602	0.0
Total	36,251	100.0%	3,583,561	100.0%

Median Age (Years) 2013..... 43.6 40.2

Source: American Community Survey 2009-2013

Income Distribution

Income	Town of Trumbull		State of Connecticut	
	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	16	0.2%	29,895	3.3%
10,000 - 14,999.....	41	0.4	19,176	2.1
15,000 - 24,999.....	186	1.9	47,319	5.2
25,000 - 34,999.....	287	3.0	56,997	6.3
35,000 - 49,999.....	511	5.3	86,025	9.5
50,000 - 74,999.....	1,082	11.3	143,989	15.9
75,000 - 99,999.....	1,279	13.3	131,874	14.6
100,000 - 149,999.....	2,476	25.8	187,718	20.8
150,000 - 199,999.....	1,607	16.7	90,602	10.0
200,000 and over.....	2,130	22.2	109,982	0.1
Total	9,615	100.0%	903,577	100.0%

Source: American Community Survey 2009-2013

Income Levels

	Town of Trumbull	State of Connecticut
Per Capita Income, 2013.....	\$ 44,571	\$ 37,892
Per Capita Income, 2010.....	\$ 44,006	\$ 35,078
Median Family Income, 2013.....	\$ 126,967	\$ 87,245
Median Family Income, 2010.....	\$ 117,855	\$ 84,170
Percent Below Poverty (Families), 2013	0.60%	7.30%
Percent Below Poverty (Families), 2010	1.70%	5.60%

Source: American Community Survey 2009-2013

Educational Attainment Years of School Completed Age 25 and Over

	Town of Trumbull		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade.....	764	3.1%	109,133	4.5%
9th to 12th grade.....	917	3.7	155,272	6.4
High School graduate.....	5,224	21.3	678,370	27.8
Some college, no degree.....	3,325	13.6	431,469	17.7
Associate's degree	1,864	7.6	178,597	7.3
Bachelor's degree.....	7,049	28.7	498,124	20.4
Graduate or professional degree.....	5,395	22.0	392,796	16.1
Total.....	24,538	100.0%	2,443,761	100.0%
Total high school graduate or higher (%).....		93.1%		89.2%
Total bachelor's degree or higher (%).....		50.7%		36.5%

Source: American Community Survey 2009-2013

Major Employers As of July 2015

Employer	Type of Business	Approximate Number of Employees
Westfield Shoppingtown Trumbull Mall ¹	Retail Shopping Mall	3,250
Town of Trumbull.....	Government/Education	1,235
Unilever, Inc.....	Home and Personal Care Products	1,100
Affinion Group.....	Marketing Agency	750
Oce Imagistics.....	Multifunction Printing Devices	675
St. Joseph's Manor.....	Nursing Home	500
Kennedy Center.....	Headquarters – Non-Profit Organization	400
Cooper Surgical.....	Medical Equipment and Supplies	350
Helicopter Support, Inc.....	Helicopter Logistics Support	300

¹ Major tenants include Macy's, Lord & Taylor, & J.C. Penney.

Source: Town of Trumbull, phone survey.

Employment by Industry
Employed Persons 16 Years and Over

Sector	Town of Trumbull		State of Connecticut	
	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	-	0.0%	6,945	0.4%
Construction.....	810	4.7	99,444	5.7
Manufacturing.....	1,793	10.4	193,945	11.0
Wholesale trade.....	433	2.5	43,550	2.5
Retail trade.....	1,623	9.4	191,841	10.9
Transportation warehousing, and utilities.....	369	2.1	65,630	3.7
Information.....	379	2.2	41,588	2.4
Finance, insurance, real estate, and leasing....	1,989	11.6	160,976	9.1
Professional, scientific, management, administrative, and waste management.....	2,648	15.4	194,959	11.1
Education, health and social services.....	4,586	26.6	464,177	26.4
Arts, entertainment, recreation, accommodation and food services.....	1,193	6.9	148,097	8.4
Other services (except public admin.).....	814	4.7	81,443	4.6
Public Administration.....	574	3.3	66,817	3.8
Total Labor Force, Employed.....	17,211	100.0%	1,759,412	100.0%

Source: American Community Survey 2009-2013

Employment Data
By Place of Residence

The following table presents employment data (not seasonally adjusted) for the Town, the Bridgeport Labor Market and the State of Connecticut.

Period	Town of Trumbull		Percentage Unemployed		
	Employed	Unemployed	Town of Trumbull	Bridgeport Labor Market	State of Connecticut
June 2015.....	17,794	843	4.5	5.2	5.4
Annual Average					
2014.....	17,436	1,000	5.4	6.2	6.7
2013.....	16,956	969	6.3	7.3	7.9
2012.....	16,648	1,268	7.1	8.2	8.3
2011.....	16,648	1,268	7.1	8.2	8.8
2010.....	16,698	1,284	7.1	8.4	9.0
2009.....	16,739	1,213	6.8	7.8	8.2
2008.....	17,153	809	4.5	5.3	5.7
2007.....	17,652	620	3.4	4.1	4.6
2006.....	17,299	596	3.3	3.9	4.4
2005.....	16,913	678	3.9	4.6	4.9

Source: State of Connecticut, Department of Labor.

Age Distribution of Housing

Year Built	Town of Trumbull		State of Connecticut	
	Units	Percent	Units	Percent
1939 or earlier.....	1,296	10.4%	1,296	0.1%
1940 to 1969.....	6,123	49.3	538,727	46.8
1970 to 1979.....	1,724	13.9	200,576	17.4
1980 to 1989.....	1,304	10.5	192,185	16.7
1990 to 1999.....	1,249	10.1	111,295	9.7
2000 or 2009.....	704	5.7	102,666	8.9
2010 or later.....	17	0.1	4,959	0.4
Total Housing Units.....	12,417	100.0%	1,151,704	100.0%

Source: American Community Survey 2009-2013

Housing Inventory

Housing Units	Town of Trumbull		State of Connecticut	
	Units	Percent	Units	Percent
1-unit, detached.....	10,793	86.9%	882,026	59.3%
1-unit, attached.....	372	3.0	80,070	5.4
2 units.....	115	0.9	119,386	8.0
3 or 4 units.....	259	2.1	132,699	8.9
5 to 9 units.....	196	1.6	80,615	5.4
10 to 19 units.....	189	1.5	54,993	3.7
20 or more units.....	476	3.8	124,355	8.4
Mobile home.....	17	0.1	12,427	0.8
Boat, RV, van, etc.....	-	-	424	0.0
Total Inventory.....	12,417	100.0%	1,486,995	100.0%

Source: American Community Survey 2009-2013

Owner Occupied Housing Values

Specified Owner-Occupied Units	Town of Trumbull		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000.....	130	1.2%	20,800	2.3%
\$50,000 to \$99,000.....	19	0.2	24,638	2.7
\$100,000 to \$149,999.....	48	0.4	66,934	7.3
\$150,000 to \$199,000.....	120	1.1	135,714	14.8
\$200,000 to \$299,999.....	1,115	10.4	264,832	28.8
\$300,000 to \$499,999.....	6,395	59.4	250,076	27.2
\$500,000 to \$999,999.....	2,738	25.4	114,622	12.5
\$1,000,000 or more.....	197	1.8	41,872	4.6
Total.....	10,762	100.0%	919,488	100.0%
Median Value.....	\$409,200		\$278,900	

Source: American Community Survey 2009-2013

Building Permits

The following is a schedule of building permits and their estimated values over the last ten years:

Calendar Year	Residential		Comm./Industrial		All Other ¹		Total	
	No.	Value	No.	Value	No.	Value	No.	Value
2014	6	\$ 1,486,732	582	\$ 59,738,249	2,240	\$ 24,058,928	2,828	\$ 85,283,909
2013	8	2,065,100	225	53,115,258	2,789	23,600,520	3,022	78,780,878
2012	7	1,527,446	125	34,854,419	2,296	20,102,508	2,428	56,484,373
2011	9	2,030,800	119	24,250,020	1,973	16,709,874	2,101	42,990,694
2010	6	1,505,000	143	24,195,231	1,814	69,195,837	1,963	94,896,068
2009	4	1,260,200	44	17,726,850	1,271	29,683,030	1,319	48,670,080
2008	4	1,472,160	59	14,099,550	1,532	26,428,270	1,595	41,999,980
2007	22	6,804,000	83	39,754,072	1,886	19,673,165	1,991	66,231,237
2006	48	13,836,000	95	8,609,500	2,341	35,306,045	2,484	57,751,545
2005	46	14,116,000	111	12,080,600	2,398	21,891,380	2,555	48,087,980

¹ Includes additions, alterations, pools, etc.

Source: Town of Trumbull, Building Official

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IV. Tax Base Data

Property Tax Assessments

Section 12-62 et. seq. of the Connecticut General Statutes govern real property assessments and establish the revaluation cycle for Connecticut municipalities of a revaluation every five years and, generally, a physical inspection every ten years. The Town's last statistical revaluation of property was completed for the grand list as of October 1, 2011. The Town must complete a general revaluation for the grand list as of October 1, 2016. Unless extended, Section 12-62 also imposes a penalty on municipalities that fail to effect revaluations as required, with certain exceptions. However, the statute permits the phase-in of a real property assessment increase resulting from a revaluation over a period of up to five years. The maintenance of an equitable tax base by locating and appraising all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Assessor's Office. The Grand List represents the total assessed values for all taxable and tax exempt real estate, taxable personal property, and motor vehicles located within the Town as of October 1. Assessments for real and personal property are computed at seventy percent (70%) of the market value at the time of last revaluation, and at 70% of the annual approval of Motor Vehicles by the Office of Policy and Management. Grand List information is used by municipalities to set the mill rate which in turn becomes the basis for the Towns' annual tax levy.

Any taxpayer who is unsatisfied with any new assessment may file a written appeal of such assessment with the Town's Board of Assessment Appeals and may receive, subject to the discretion of the Board of Assessment Appeals, an appeal hearing and final determination of any increase or decrease from the property's original assessment. Each year the Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted.

When a new structure, or modification to an existing structure, is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Official. A physical appraisal is then completed and the structure classified and priced from a schedule developed at the time of the last general revaluation. The property depreciation and obsolescence factors are also considered when arriving at an equitable value.

All commercial personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually. An assessor's check and audit is completed periodically. Assessments for both personal property and motor vehicles are computed at seventy percent (70%) of present market value.

Motor Vehicles. Motor vehicle lists are furnished to the Town by the State of Connecticut and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule developed by the Connecticut Association of Assessing Officials. Section 12-71b of the Connecticut General Statutes, as amended, provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but prior to the first day of August in such assessment year, are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the pro-ration is based on the number of months of ownership, including the month of registration, to the next succeeding October 1. Cars purchased in August and September are not taxed until the next October 1 Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October 1 Grand List, the taxpayer is entitled to certain credits. Assessments for motor vehicles are computed at 70% of the annual appraisal of market value.

Section 12-124a of the Connecticut General Statutes, as amended, permits a municipality, upon approval by its legislative body, to abate property taxes on owner-occupied residences to the extent that the taxes exceed eight percent of the owner's total income from any source, adjusted for self-employed persons to reflect expenses allowed in determining adjusted gross income. The owner must agree to pay the amount of taxes abated with interest at 6% per annum, or at such rate approved by the legislative body, at such time that the residence is sold or transferred or on the death of the last surviving owner. A lien for such amounts is recorded in the land records but does not take precedence over any mortgage recorded before the lien. Section 12-170v of the Connecticut General Statutes permits a municipality upon approval by its legislative body to freeze the property taxes due for certain low-income elderly residents. Any municipality providing such property tax relief may place a lien upon such property in the amount of total tax relief granted plus interest.

The Town has not approved the use of the 12-124a or 12-170v abatement provisions to date.

All State of Connecticut permitted veterans and elderly tax relief programs are utilized.

Levy

For Fiscal Year 2014, the Town derived \$138,268,546 or 84.35% of its annual revenues through a direct property tax. Property taxes are levied on all assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. Taxes are payable in quarterly installments - July 1, October 1, January 1 and April 1. Payments not received one month after the due date become delinquent. A margin against delinquencies, legal reductions, and Grand List adjustments, such as assessor errors, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. A modest estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Interest is charged at the rate of one and one-half percent per month with a minimum charge of \$2.00. In accordance with State law, all interest is collected first and then taxes in the order of the oldest outstanding tax first. Real estate is liened for delinquent taxes within one year after the tax due date.

Comparative Assessed Valuations

The following table sets forth the Town's Taxable Grand List by component:

Grand List As Of 10/1	Residential Real Property (%)	Commercial & Industrial Real Property (%)	All Land (%)	Personal Property (%)	Motor Vehicles (%)	Gross Taxable Grand List	Exemptions, Veterans Relief and Disabled	Net Taxable Grand List
2014	68.64	18.16	0.61	6.45	6.14	\$ 4,567,125,109	\$ 45,981,950	\$ 4,521,143,159
2013	69.12	18.39	0.62	6.04	6.05	4,538,262,295	17,501,220	4,520,761,075
2012	69.29	18.12	0.72	5.90	5.97	4,499,155,883	28,625,130	4,470,530,753
2011 ¹	69.50	17.66	0.75	5.94	6.15	4,469,738,774	30,636,619	4,439,102,155
2010	75.87	13.12	0.89	5.11	5.01	5,241,313,109	31,852,586	5,209,460,523
2009	76.50	12.65	0.97	4.93	4.95	5,144,879,298	30,740,373	5,114,138,925
2008	76.28	12.71	0.97	5.21	4.83	5,163,146,851	28,729,584	5,134,417,267
2007	76.48	12.64	1.03	4.64	5.21	5,087,391,361	37,834,999	5,049,556,362
2006	76.06	12.73	1.12	4.90	5.19	5,081,801,143	37,336,324	5,044,465,089
2005 ¹	76.75	12.43	1.05	4.55	5.22	4,987,846,431	25,042,201	4,986,689,087

¹ Revaluation.

Source: Town of Trumbull, Assessor's Office.

Note: Connecticut General Statutes Section 12-81(72) exempts new manufacturing equipment from property taxation by the Town. The State of Connecticut will directly reimburse the Town for some of the foregone taxes.

Exempt Property

Public	As of 10/1/14¹
Town owned.....	\$ 181,481,900
Volunteer Fire Company.....	4,912,400
State owned.....	14,417,200
Sub-Total Public.....	200,811,500
Private	
Educational, charitable.....	29,633,800
Cemeteries.....	2,958,700
House of religious worship.....	38,519,700
Parish houses/church schools.....	9,602,200
Officiating clergymen houses.....	5,941,500
Non-profit camps and recreational facility.....	17,461,600
Private Colleges and Hospitals	1,484,600
Sub-Total Private.....	\$ 105,602,100
Total Exempt Property.....	\$ 306,413,600
Percent Net Taxable Grand List.....	6.78%

¹ Net Taxable Grand List October 1, 2014 of \$4,521,143,159.

Source: Town of Trumbull, Assessor's Offices

Property Tax Levies and Collections

Fiscal Year Ended 6/30	Net Taxable Grand List	Tax Rate (in Mills)	Adjusted Tax Levy	Percent of Annual		Percent of Annual Levy Uncollected at End of Fiscal Year	Percent of Annual Levy Uncollected As of 6/30/15
				Amount of Annual Levy Uncollected at End of Fiscal Year	Levy Collected at End of Fiscal Year		
2015 ¹	\$ 4,520,761,075	32.16	\$ 144,886,740	\$ 1,961,273	98.7%	1.3%	1.3%
2014	4,470,530,753	31.29	139,865,025	1,674,987	98.8%	1.2%	0.7%
2013 ²	4,439,102,155	30.71	136,253,315	3,281,163	97.6%	2.4%	0.4%
2012	5,209,460,523	25.00	129,388,597	2,183,168	98.3%	1.7%	0.4%
2011	5,114,138,925	24.54	124,559,988	1,654,429	98.5%	1.5%	0.4%
2010	5,134,417,267	24.07	123,585,424	1,718,175	98.5%	1.5%	0.3%
2009	5,049,556,362	23.86	119,885,816	1,832,002	98.5%	1.5%	0.0%
2008	5,044,465,089	22.22	111,556,854	1,773,462	98.4%	1.6%	0.2%
2007 ²	4,986,689,087	21.65	107,337,540	1,467,934	98.6%	1.4%	0.2%
2006	3,353,551,420	30.48	101,855,368	1,143,815	98.9%	1.1%	0.1%

¹ Subject to audit.

² Revaluation.

Source: Town of Trumbull, Tax Collector

Ten Largest Taxpayers

The following table sets forth the ten largest taxpayers in the Town according to most recent Grand List:

Name of Taxpayer	Nature of Business	Taxable Valuation	Percent of Net Taxable Grand List ¹
Trumbull Shopping Center #2 LLC.....	Shopping Center	\$ 202,300,000	4.47%
Digital 60 & 80 Merritt LLC	Data Center	119,042,660	2.63%
United Illuminating Company.....	Utility	34,458,940	0.76%
Conopco.....	Home and Personal Care Products	29,916,910	0.66%
Avalon Bay Communities Inc.....	Apartment Rentals	28,906,740	0.64%
Bridgewater Associates, LP.....	Financial Services	25,364,100	0.56%
Quarry Road Lot 2 LLC.....	Professional Building/theater	20,965,000	0.46%
6949 Main Street, LLC.....	Assisted Living	17,947,700	0.40%
Parallel Post Real Estate LLC.....	Marriott Hotel	16,758,170	0.37%
National Development Resources.....	Shopping Center	16,450,000	0.36%
Total.....		\$ 512,110,220	11.33%

¹ Net Taxable Grand List October 1, 2014 of \$4,521,143,159.

Source: Town of Trumbull, Assessor's Office

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V. Debt Summary
Principal Amount of Indebtedness
As of September 4, 2015
(Pro Forma)

Long-Term Debt

<u>Date</u>	<u>Purpose</u>	<u>Interest Rate %</u>	<u>Original Issue</u>	<u>Amount Outstanding</u>	<u>Fiscal Year of Maturity</u>
08/19/2008	Refunding of General Purpose Bonds....	3.25-5.00	\$ 5,280,977	\$ 2,857,140	2021
08/19/2008	Refunding of Sewer Bonds ¹	3.25-5.00	2,793,530	1,107,860	2021
09/01/2009	Schools	2.00-4.00	5,850,000	4,095,000	2030
09/01/2009	Sewers ¹	2.00-4.00	4,150,000	2,905,000	2030
10/06/2009	Refunding of General Purpose Bonds....	3.00-5.00	3,646,000	2,313,000	2024
10/06/2009	Refunding of Schools Bonds.....	3.00-5.00	13,877,000	10,618,000	2024
10/06/2009	Refunding of Sewers Bonds ¹	3.00-5.00	7,530,000	4,965,000	2024
10/06/2009	Refunding of Golf Bonds.....	3.00-5.00	437,000	289,000	2024
09/01/2010	Schools	2.00-4.00	10,000,000	7,500,000	2031
09/01/2010	Sewers ¹	2.00-4.00	12,000,000	9,000,000	2031
10/25/2010	Refunding of General Purpose Bonds....	2.00-3.00	731,000	126,000	2016
10/25/2010	Refunding of Schools Bonds.....	2.00-3.00	4,319,000	679,000	2016
10/25/2010	Refunding of Sewers Bonds ¹	2.00-3.00	130,000	10,000	2016
09/01/2011	General Purpose.....	2.00-4.00	310,000	250,000	2032
09/01/2011	Schools.....	2.00-4.00	14,000,000	11,200,000	2032
09/01/2011	Sewers ¹	2.00-4.00	12,000,000	9,600,000	2032
03/15/2012	Refunding of General Purpose Bonds....	2.00-4.00	4,851,000	4,078,000	2027
03/15/2012	Refunding of Schools Bonds.....	2.00-4.00	10,011,000	8,398,000	2027
03/15/2012	Refunding of Sewers Bonds ¹	2.00-4.00	9,078,000	7,398,000	2027
03/15/2012	Refunding of Golf Bonds.....	2.00-4.00	2,130,000	1,901,000	2027
09/07/2012	Schools.....	2.00-3.00	15,900,000	13,515,000	2033
09/07/2012	Sewers ¹	2.00-3.00	5,500,000	4,675,000	2033
09/06/2013	General Purpose.....	2.50-4.50	6,569,000	5,913,000	2034
09/06/2013	Schools.....	2.50-4.50	36,000	32,000	2034
09/06/2013	Sewers ¹	2.50-4.50	5,000,000	4,500,000	2034
03/12/2014	Refunding of General Purpose.....	3.00-5.00	4,753,000	4,236,000	2028
03/12/2014	Refunding of Schools.....	3.00-5.00	3,091,000	2,270,000	2028
03/12/2014	Refunding of Sewers ¹	3.00-5.00	2,171,000	1,634,000	2028
09/05/2014	General Purpose.....	2.00-4.00	6,135,000	5,827,000	2035
09/05/2014	Schools.....	2.00-4.00	740,000	703,000	2035
09/05/2014	Sewers ¹	2.00-4.00	700,000	665,000	2035
11/04/2014	Refunding of General Purpose.....	2.00-5.00	545,000	540,000	2029
11/04/2014	Refunding of Sewers ¹	2.00-5.00	11,315,000	11,215,000	2029
	Sub-total.....		\$ 185,579,507	\$ 145,015,000	
This Issue					
09/04/2015	General Purpose.....	<i>ibid</i>	\$ 5,400,000	\$ 5,400,000	2036
09/04/2015	Schools.....	<i>ibid</i>	2,100,000	2,100,000	2036
	Total This Issue.....		\$ 7,500,000	\$ 7,500,000	
	Grand Total.....		\$ 193,079,507	\$ 152,515,000	

¹ Sewer debt is partially self-supporting.

Note: The table above excludes refunded bonds.

**Short-Term Debt
As of September 4, 2015
(Pro Forma)**

Project	Amount Authorized	Notes Due: 9/1/2016
Capital Plan (2012-2013):		
Board of Education-various.....	\$ 2,577,655	\$ 475,000
Capital Plan (2013-2014):		
Board of Education-Security.....	780,000	500,000
Board of Education-Technology.....	785,150	785,000
Town.....	5,610,000	1,910,000
Capital Plan (2014-2015)		
BOE-Various.....	1,500,000	700,000
Capital Plan (2015-2016):		
Board of Education-various.....	1,328,000	1,000,000
Town.....	9,030,000	3,000,000
Police Department Improvements.....	4,500,000	1,150,000
Total.....	\$ 26,110,805	\$ 9,520,000

**Annual Bonded Debt Maturity Schedule
As of September 4, 2015
(Pro Forma)**

Fiscal Year Ended 6/30	Existing Debt			This Issue			Cumulative Principal Retired	
	Principal Payments	Interest Payments	Total Debt Service	General Purpose	Schools	Total This issue		Total Principal
2016 ¹	\$ 3,665,000	\$ 2,878,811	\$ 6,543,811	\$ -	\$ -	\$ -	\$ 3,665,000	2.4%
2017	12,545,000	4,688,198	17,233,198	270,000	105,000	375,000	12,920,000	10.9%
2018	12,655,000	4,219,173	16,874,173	270,000	105,000	375,000	13,030,000	19.4%
2019	11,325,000	3,761,723	15,086,723	270,000	105,000	375,000	11,700,000	27.1%
2020	11,315,000	3,353,348	14,668,348	270,000	105,000	375,000	11,690,000	34.8%
2021	11,300,000	2,949,210	14,249,210	270,000	105,000	375,000	11,675,000	42.4%
2022	10,610,000	2,520,729	13,130,729	270,000	105,000	375,000	10,985,000	49.6%
2023	9,805,000	2,148,816	11,953,816	270,000	105,000	375,000	10,180,000	56.3%
2024	9,680,000	1,836,735	11,516,735	270,000	105,000	375,000	10,055,000	62.9%
2025	8,260,000	1,579,179	9,839,179	270,000	105,000	375,000	8,635,000	68.5%
2026	8,210,000	1,342,244	9,552,244	270,000	105,000	375,000	8,585,000	74.2%
2027	7,240,000	1,108,066	8,348,066	270,000	105,000	375,000	7,615,000	79.2%
2028	6,455,000	886,610	7,341,610	270,000	105,000	375,000	6,830,000	83.6%
2029	5,855,000	676,449	6,531,449	270,000	105,000	375,000	6,230,000	87.7%
2030	4,945,000	486,475	5,431,475	270,000	105,000	375,000	5,320,000	91.2%
2031	4,445,000	318,938	4,763,938	270,000	105,000	375,000	4,820,000	94.4%
2032	3,345,000	178,888	3,523,888	270,000	105,000	375,000	3,720,000	96.8%
2033	2,025,000	84,125	2,109,125	270,000	105,000	375,000	2,400,000	98.4%
2034	960,000	30,741	990,741	270,000	105,000	375,000	1,335,000	99.3%
2035	375,000	5,859	380,859	270,000	105,000	375,000	750,000	99.8%
2036	-	-	-	270,000	105,000	375,000	375,000	
Total	\$ 145,015,000	\$ 35,054,315	\$ 180,069,315	\$ 5,400,000	\$ 2,100,000	\$ 7,500,000	\$ 152,515,000	

¹ Excludes \$8,195,000 of principal and \$2,251,386 of interest paid for the period of July 1, 2015 through September 4, 2015.

Overlapping/Underlying Debt

The Town of Trumbull does not have any Overlapping debt.

The Town of Trumbull does have Underlying debt. Nichols Fire District, one of three fire districts serving the Town, issued \$1,500,000 of District bonds in August of 2009 of which \$1,105,000 is outstanding as of September 4, 2015. The District bonds are not obligations of the Town.

THE TOWN OF TRUMBULL HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES

Debt Statement As of September 4, 2015

(Pro Forma)

Long-Term Debt Outstanding:

General Purpose (Includes this issue)	\$	31,540,140
Schools (Includes this issue).....		61,110,000
Sewers.....		57,674,860
Golf		2,190,000
Total Long-Term Debt		152,515,000
Short-Term Debt:		
Outstanding Bond Anticipation Notes (This Issue: Due September 1, 2016)		9,520,000
Direct Debt		162,035,000
Underlying Debt		1,105,000
Overall Debt		163,140,000
Less: School Construction Grants (As of 6/30/15) ¹	(2,782,290)	
Sewer Assessments Receivable (As of 6/30/15)	(38,968,978)	(41,751,268)
Overall Net Debt		\$ 121,388,732

¹ Represents actual school building grants receivable for previously issued school bonds under the pre-1996 State reimbursement program. See "School Projects" herein for more information.

Current Debt Ratios As of September 4, 2015 (Pro Forma)

Population (2013) ¹		36,251
Net Taxable Grand List (10/1/14)	\$	4,521,143,159
Estimated Full Value (70%).....	\$	6,458,775,941
Equalized Net Taxable Grand List (10/1/12) ¹	\$	6,635,054,926
Income per Capita (2013) ¹	\$	44,571

	Total Long Term Debt	Direct Debt	Overall Net Debt
Per Capita	\$4,207.19	\$4,469.81	\$3,348.56
Ratio to Net Taxable Grand List	3.37%	3.58%	2.68%
Ratio to Estimated Full Value	2.36%	2.51%	1.88%
Ratio to Equalized Net Taxable Grand List	2.30%	2.44%	1.83%
Debt per Capita to Money Income per Capita 2013	9.44%	10.03%	7.51%

¹ American Community Survey 2009-2013.

Bond Authorization

The Town has the power to incur indebtedness by issuing its bonds or notes as authorized by the General Statutes of the State of Connecticut subject to statutory debt limitations and the requirements of the Town Charter for the authorization of indebtedness. Under the Charter, the Board of Finance and the Town Council authorizes borrowing subject to approval by the First Selectman. The Council can override a negative vote of the Board of Finance or the First Selectman with a 2/3 majority. Such authorizations are subject to referendum upon qualifying petition timely filed.

The General Statutes authorize the issuance of refunding bonds upon approval of the Town Council where the refunding results in net present value savings.

Temporary Financing

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of temporary notes when they become due and payable and the legislative body schedules principal reductions by the end of the third year and for all subsequent years during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20th (1/30th for sewer projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer projects, by the amount of time temporary financing has been outstanding.

Temporary notes may be funded beyond ten years from the initial borrowing if a written commitment exists for State and/or Federal grants, for terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

Temporary notes may also be issued for up to fifteen years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year (whichever is sooner), and in each year thereafter, the notes must be reduced by at least 1/15 of the total amount of the notes issued by funds derived from certain sources of payment. Temporary notes may be issued in one year maturities for up to fifteen years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

School Projects

Historically, the State of Connecticut has assisted its towns in the funding of public school building projects. This aid has taken different forms over the years, and the amount of assistance has been affected not only by the characteristics of a town but also the nature of the improvements. Wealthier towns typically have received assistance at a lower rate than less affluent towns, and instructional improvements have been reimbursed at higher rate than recreational improvements.

Debt Reimbursement System. For school building projects approved prior to July 1, 1996, the State assistance took the form of debt reimbursement. Under the pre-1996 State program, a town finances the total cost of the school building project and the State reimburses the town for a portion of the debt service on the bonds financing the project as debt service payments are made. The State's allocable share of such debt service expense is based upon the State's share of eligible project costs and the total amount financed by the town. Under the pre-1996 program, the State's reimbursement payments continue over the life of the outstanding school bonds and any subsequent bond issues necessary to completely fund the approved school building projects. Under the pre-1996 State program, the Town anticipates receiving approximately \$1,536,390 of debt reimbursement from the State over the remaining life of those bonds.

Progress Payment Reimbursement System. Pursuant to Section 10-287i of the Connecticut General Statutes, as amended, for all school building projects approved on or after July 1, 1996, the State makes proportional progress payments during construction for the State's share of the eligible construction costs, provided that 5% of the State assistance is withheld pending completion of a final audit. Because the bulk of the State's share of the eligible project costs is paid shortly after a town submits its request for progress payments, a town is no longer required to issue bonds to finance the State's share of the project costs.

Presently, the Town estimates receiving approximately 30.71% of the overall eligible project costs of its current school building program from the State of Connecticut as grants. Through June 30, 2013, the Town has

received \$2,291,911 for the Middlebrooks Early Learning Center (project recently completed), \$3,644,703 for the Trumbull High School class room expansion, and \$336,173 for the Jane Ryan School Roof project. In addition to these school projects, the Town completed a \$66,672,000 renovation project at Trumbull High School in September 2012, which renovated existing space at the High School as well as provided an estimated 38,000 square feet of expansion space to meet the needs of the student population. The Town received \$17,626,860 in grants on this project. The Town anticipates further State grant reimbursements for the balance of total school building costs.

Limitation of Indebtedness

Municipalities shall not incur indebtedness through the issuance of bonds which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2.25 times annual receipts from taxation
School Purposes:	4.50 times annual receipts from taxation
Sewer Purposes:	3.75 times annual receipts from taxation
Urban Renewal Purposes:	3.25 times annual receipts from taxation
Unfunded Past Pension Purposes:	3.00 times annual receipts from taxation

“Annual receipts from taxation” (the “base”) are defined as total tax collections (including interest and penalties) and state payments for revenue losses under CGS Section 12-129d and P.A. 87-584, Sections 3 and 4. In no case shall total indebtedness exceed seven times the base.

The statutes also provide for exclusion from the debt limit calculation debt issued in anticipation of taxes; for the supply of water, gas, electricity; for the construction of underground conduits for cables, wires and pipes; and for two or more of such purposes. There are additional exclusions for indebtedness issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement, for indebtedness issued in anticipation of the receipt of proceeds from State or federal grants evidenced by a written commitment or contract but only to the extent such indebtedness can be paid from such proceeds, for indebtedness issued for certain water pollution control projects, and for refunding indebtedness.

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**Statement of Debt Limitation
As of September 4, 2015
(Pro Forma)**

Total Tax Collections (including interest and lien fees) for the year ended June 30, 2014	\$ 137,820,000
Reimbursement for Revenue Loss On:	
Tax relief for elderly & Other for the year ended June 30, 2014	3,000
BASE FOR DEBT LIMITATION COMPUTATION	<u>\$ 137,823,000</u>

	<u>General Purposes</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Untunded Past Pension</u>	<u>Total</u>
Debt Limitation:						
2 1/4 times base.....	\$ 310,101,750	\$ -	\$ -	\$ -	\$ -	\$ 310,101,750
4 1/2 times base.....	-	620,203,500	-	-	-	620,203,500
3 3/4 times base.....	-	-	516,836,250	-	-	516,836,250
3 1/4 times base.....	-	-	-	447,924,750	-	447,924,750
3 times base.....	-	-	-	-	413,469,000	413,469,000
Total Debt Limitation	<u>\$ 310,101,750</u>	<u>\$ 620,203,500</u>	<u>\$ 516,836,250</u>	<u>\$ 447,924,750</u>	<u>\$ 413,469,000</u>	<u>\$ 964,761,000*</u>
Less Indebtedness:						
Bonds (Outstanding).....	28,330,140 ¹	59,010,000	57,674,860	-	-	145,015,000
Bonds (This Issue).....	5,400,000	2,100,000	-	-	-	7,500,000
Notes (This Issue).....	5,335,000	3,460,000	725,000	-	-	9,520,000
Underlying Debt.....	1,105,000	-	-	-	-	1,105,000
Authorized But Unissued Debt.....	14,683,667	5,609,819	-	-	-	20,293,486
Total Indebtedness	<u>54,853,807</u>	<u>70,179,819</u>	<u>58,399,860</u>	<u>-</u>	<u>-</u>	<u>183,433,486</u>
Less: School Grants Receivable	-	(2,782,290)	-	-	-	(2,782,290)
Sewer Assessments Receivable.....	-	-	(38,968,978)	-	-	(38,968,978)
Net Debt for Calculation of Debt Limit.....	<u>54,853,807</u>	<u>67,397,529</u>	<u>19,430,882</u>	<u>-</u>	<u>-</u>	<u>141,682,218</u>
Debt Limitation in Excess of Outstanding And Authorized Debt....	<u>\$ 255,247,943</u>	<u>\$ 552,805,971</u>	<u>\$ 497,405,368</u>	<u>\$ 447,924,750</u>	<u>\$ 413,469,000</u>	<u>\$ 739,576,246</u>

¹ Includes outstanding self supporting Golf bonds in the amount of \$2,190,000. There is currently no authorized but unissued Golf debt.

*Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$964,761,000.

**Authorized but Unissued Debt
As of September 4, 2015
(Pro Forma)**

<u>Project</u>	<u>Amount Authorized</u>	<u>Previously Bonded or Paid-down</u>	<u>Grants Received</u>	<u>Notes Due 9/4/2015</u>	<u>THIS ISSUE:</u>		<u>Authorized but Unissued Debt</u>
					<u>Notes Due: 9/1/2016</u>	<u>The Bonds</u>	
Capital Plan (2012-2013):							
Board of Education-various.....	\$ 2,577,655	\$ -	\$ -	\$ 2,575,000	\$ 475,000	\$ 2,100,000	\$ 2,655
Capital Plan (2013-2014):							
Board of Education-Security.....	780,000	-	-	-	500,000	-	280,000
Board of Education-Technology.....	785,150	-	-	-	785,000	-	150
Town.....	5,610,000 ²	3,700,000 ²	-	1,910,000	1,910,000 ²	-	-
Capital Plan (2014-2015)							
Town.....	7,444,667	-	-	5,400,000	-	5,400,000	2,044,667
BOE-Variou.....	1,500,000	-	-	-	700,000	-	800,000
Capital Plan (2015-2016):							
Board of Education-various.....	1,328,000	-	-	-	1,000,000	-	328,000
Town.....	9,030,000	-	-	-	3,000,000	-	6,030,000
Land Acquisition.....	30,000,000	26,741,000	-	-	-	-	3,259,000
Police Department Improvements.....	4,500,000	-	-	-	1,150,000	-	3,350,000
Trumbull H.S. Renovation (As New) ¹	66,672,000	44,846,000	17,626,986	-	-	-	4,199,014
Total	<u>\$ 130,227,472</u>	<u>\$ 75,287,000</u>	<u>\$ 17,626,986</u>	<u>\$ 9,885,000</u>	<u>\$ 9,520,000</u>	<u>\$ 7,500,000</u>	<u>\$ 20,293,486</u>

¹ Pursuant to the State of Connecticut school building construction program, approximately 30.71% of eligible project expenses are estimated to be paid by the State of Connecticut, which is currently estimated to be \$20,420,585 for Trumbull High School renovations.

² The original authorization includes \$4,185,000 for general purposes and \$1,425,000 for a sewer project. The Bonds included \$3,000,000 for general purposes and \$700,000 for the sewer project. The Notes include \$1,185,000 for general purposes and \$725,000 for the sewer project.

**Principal Amount of Outstanding Debt
Last Five Fiscal Years**

Long-Term Debt	2015	2014	2013	2012	2011
Bonds.....	\$ 153,210,000	\$ 159,130,000	\$ 159,420,000	\$ 148,765,000	\$ 132,455,000
Short-Term Debt					
Bond Anticipation Notes.....	9,885,000	9,521,000	17,426,000	28,550,000	23,310,000
Totals.....	\$ 163,095,000	\$ 168,651,000	\$ 176,846,000	\$ 177,315,000	\$ 155,765,000

Source: Town of Trumbull Financial Reports 2011-2014. Finance Department 2015.

Ratios of Net Long-Term Debt to Valuation, Population and Income

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value	Net Long-Term Debt ¹	Ratio of Net Long-Term Debt to Assessed Value	Ratio of Net Long-Term Debt to Estimated Full Value	Population ²	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Per Capita Income ³
2014	\$4,470,530,753	\$6,386,472,504	\$130,803,659	2.93%	2.05%	36,251	3,608.28	8.10%
2013	4,439,102,155	6,341,574,507	133,106,595	3.00%	2.10%	36,251	3,671.80	8.24%
2012	5,209,460,523	7,442,086,461	120,438,727	2.31%	1.62%	36,251	3,322.36	7.45%
2011	5,114,138,925	7,305,912,750	102,345,764	2.00%	1.40%	36,251	2,823.25	6.33%
2010	5,134,417,267	7,334,881,810	101,270,119	1.97%	1.38%	36,251	2,793.58	6.27%
2009	5,049,556,362	7,213,651,946	99,154,255	1.96%	1.37%	36,251	2,735.21	6.14%

¹ Long-Term debt less sewer assessment receivables.

² U.S. Bureau of Census, American Community Survey, 2009-2013

³ U.S. Bureau of Census, American Community Survey, 2009-2013: Money Income Per Capita \$44,571.

**Ratio of Total General Fund Debt Service Expenditures
To Total General Fund Expenditures and Transfers Out
Last Five Fiscal Years**

Fiscal Year Ended 6/30	Principal	Interest	Total Debt Service	Total General Fund Expenditures ¹	Ratio of Total Debt Service to General Fund Expenditures (%)
2015 ²	\$ 7,701,540	\$ 3,088,906	\$ 10,790,446	\$ 156,993,666	6.9%
2014	8,283,595	3,840,489	12,124,084	167,026,656	7.3%
2013	7,673,395	3,759,284	11,432,679	159,978,627	7.1%
2012	7,082,310	3,871,550	10,953,860	151,312,238	7.2%
2011	5,855,400	2,237,474	8,092,874	143,824,932	5.6%

¹ Includes transfers out.

² Budgetary basis and subject to audit.

Source: Town of Trumbull Financial Reports 2011-14. 2015: Finance Department

VI. Financial Administration

Fiscal Year

The Town's fiscal year begins July 1 and ends June 30.

Basis of Accounting

See footnote number 1 in "Notes to Financial Statements."

Budget Procedure

The Trumbull Town Charter, adopted November 3, 1981 defines the Town's budgetary policy. Department heads and chairpersons of boards, commissions or any agency submit departmental requests to the First Selectman as scheduled. No later than the first Tuesday in February, the First Selectman submits to the Board of Finance a proposed budget for the ensuing fiscal year. After a public hearing, the Board of Finance must, no later than the second Tuesday in March, submit a recommended budget to the Town Council for adoption. The Board of Finance may increase, decrease, add or eliminate any line item. The Council shall hold one or more public hearings no later than the fourth Tuesday in March, at which hearing any elector or taxpayer may be heard regarding appropriations for the new year. By the first Tuesday in April, the Town Council completes the budget process, and returns the adopted budget to the First Selectman. The Council may decrease or eliminate any item. The Council may only increase an item reduced by the Board of Finance by a 2/3 majority vote back to the amount recommended by the First Selectman. The First Selectman may veto any line item in the Council budget and the Council can override the veto by a 2/3 majority vote of the entire membership or else the amount approved by the Board of Finance stands. The Board of Finance establishes the mill rate no later than the fourth Tuesday in May.

Capital Improvement Plan

A 5-year Capital Improvement Plan is adopted by the Town Council each year. The most recently adopted Capital Improvement Plan is set forth below. The Town expects to finance the capital projects through debt, grants and various Town resources.

Project	Calendar Year					Total
	2015	2016	2017	2018	2019	
Board of Education.....	\$ 4,286,049	\$ 4,587,648	\$ 1,663,482	\$ 1,884,427	\$ 3,013,000	\$ 15,434,606
Police.....	313,000	1,460,500	-	-	-	1,773,500
Public Works.....	3,374,073	5,182,103	3,433,440	4,055,475	3,364,452	19,409,543
Parks.....	1,530,000	2,060,000	2,270,000	180,000	830,000	6,870,000
Town Hall/Annex and Helen Plumb.....	-	783,730	161,400	65,700	-	1,010,830
Senior Center.....	-	257,000	45,000	-	-	302,000
EMS.....	93,500	282,000	175,000	-	-	550,500
Library.....	22,500	809,610	-	-	-	832,110
Economic Development.....	398,000	1,450,000	-	-	-	1,848,000
Engineering.....	8,356,911	-	-	-	-	8,356,911
Sewer Construction.....	1,120,000	3,670,000	3,752,000	3,275,000	875,000	12,692,000
Total.....	\$ 19,494,033	\$ 20,542,591	\$ 11,500,322	\$ 9,460,602	\$ 8,082,452	\$ 69,080,000

Audit

The Town, pursuant to local ordinance and provisions of the Connecticut General Statutes, as amended, is required to undergo an annual audit by an independent public accountant. The auditor is required to conduct the audit under the guidelines outlined by the State of Connecticut Office of Policy and Management, which also receives a copy of the audit report. Included in this Official Statement and made a part hereof as Appendix A are the "Financial Statements" as of June 30, 2014, together with the opinion thereon rendered by Blum Shapiro & Company, P.C. Blum Shapiro has not been asked nor have they given their permission to include their audit report in the Official Statement.

Liability Insurance

See footnote number 12 in "Notes to Financial Statements."

Pensions

The Town has two contributory pension plans covering substantially all full-time Town and non-certified Board of Education employees. One plan covers employees of the Police Department and the other plan covers all other Town employees. The certified faculty and administrative personnel of the Board of Education participate in a contributory retirement plan administered by the State Teachers' Retirement Board. The Town does not contribute to this plan. The Town pension plans are single-employer contributory defined benefit plans which are part of the Town's financial reporting entity and are accounted for in two pension trust funds. Effective January 1, 2012 the Town implemented a 401(A) Defined Contribution Plan for new hires starting with the elected, appointed, nurses and civil service employees. As union contracts settled, a Defined Contribution Plan was negotiated and accepted for new hires.

As of July 1, 2014, active plan members in each plan are as follows: Police Benefit Plan (122) and Town Pension Plan (784).

Based on the most recent valuation for July 1, 2014, the actuarial value of the assets and the actuarial accrued liabilities of the Plans were as follows:

Plans	Actuarial Value of Assets (a)	Actuarial Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)
<i>Police Plan</i>	\$44,083,553	\$61,148,928	(\$17,065,375)	72.09%
<i>Town Plan</i>	\$24,997,527	\$71,162,375	(\$46,164,848)	35.13%

See footnote numbers 11 and 13 in "Notes to Financial Statements."

Other Post-Employment Benefits

The Town provides post-retirement benefits for certain employees for current future health and life insurance benefit expenses through a single-employer defined benefit plan. An actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. In fiscal year 2009, the Town established a trust fund to irrevocably segregate assets to fund the liability associated with postemployment benefits in accordance with GASB guidelines. The latest actuarial valuation was made July 1, 2014.

As of the date of the last actuarial valuation, July 1, 2014, there were 973 members in the plan with a June 30, 2015 Net Pension Obligation of \$7,157,854.

Based on the most recent valuation for July 1, 2014, the actuarial value of the assets and the actuarial accrued liabilities of the Plan was as follows:

Plan	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)
<i>Town Plan</i>	\$27,493	\$32,052,498	(\$32,025,005)	0.09%

See footnote number 12 in "Notes to Financial Statements."

Investment Policy

The Town Charter and Sections 7-400 and 7-402 of the Connecticut General Statutes, as amended govern the investments the Town is permitted to acquire.

The Town's investment practices have been to invest in certificate of deposits, the State of Connecticut Short-Term Investment Fund (STIF), and the State of Connecticut Tax Exempt Proceeds Fund. The Town Treasurer has followed these investment practices and the Town's operating funds and capital funds are currently invested in the following short-term investments: (1) money markets with Connecticut banks; (2) the State of Connecticut Short-Term Investment Fund; and (3) the State of Connecticut Tax Exempt Proceeds Fund.

General Fund Revenues and Expenditures
Three Year Summary of Audited Revenues and Expenditures (GAAP Basis)
and Estimates Actuals and Adopted Budget (Budgetary Basis)

	Adopted Budget 2015-16 ¹	Estimated Actuals 2014-15 ¹	Actual 2013-14	Actual 2012-13	Actual 2011-12
Revenues:					
Property Taxes	\$ 147,803,625	\$ 144,803,009	\$ 138,268,546	\$ 135,506,647	\$ 129,929,396
Intergovernmental	6,001,828	5,980,862	18,329,424	17,524,070	16,295,453 ²
State on-behalf payments	-	-	-	-	-
Charges for Services.....	5,432,040	5,754,675	7,132,207	6,719,471	6,104,909
Investment Income.....	350,000	300,000	200,483	119,741	267,356
Other	50,000	50,000	-	-	-
Use of Surplus.....	-	-	-	-	-
Total Revenues	159,637,493	156,888,546	163,930,660	159,869,929	152,597,114
Expenditures:					
General government	21,424,247	20,465,382	19,612,858	18,254,022	16,872,203
Public Safety	12,078,707	12,024,308	11,554,102	11,202,287	10,269,807
Public Works	8,645,940	8,751,037	8,862,763	8,679,323	8,545,532
State on-behalf payments	-	-	-	-	-
Public Health	668,291	674,273	581,532	569,774	560,769
Libraries	1,637,498	1,574,886	1,514,843	1,496,510	1,544,281
Social Services	640,323	616,583	579,610	629,971	526,196
Parks and Recreation	2,599,376	2,460,504	2,492,598	2,623,249	2,382,554
Education	99,556,589	97,185,643	109,704,266	105,090,812	99,657,036
Debt Service	13,143,940	13,241,050	12,124,084	11,432,679	10,953,860
Capital Outlay	-	-	-	-	-
Total Expenditures	160,394,911	156,993,666	167,026,656	159,978,627	151,312,238
Revenues over (under) expenditures	(757,418)	(105,120)	(3,095,996)	(108,698)	1,284,876
Other Financing Sources Uses:					
Issuance of Refunding Bonds	-	-	7,844,000	-	-
Payments on Bond Refunding	-	-	(8,494,259)	-	-
Sale of Assets	-	-	-	-	-
Premium on general obligation bonds	-	-	900,166	286,375	-
Capital Contributions.....	-	-	-	-	-
Operating Transfers In	757,418	659,619	805,176	601,317	487,812
Operating Transfers (Out)	-	-	-	-	-
Total other Financing Sources (uses)	757,418	659,619	1,055,083	887,692	487,812
Revenues and other financing sources over (under) expenditures and other financing (uses)	-	554,499	(2,040,913)	778,994	1,772,688
Fund Balance, Beginning	19,341,263	18,786,764	20,827,677	20,048,683	18,275,995
Fund Balance, Ending	\$ 19,341,263	\$ 19,341,263	\$ 18,786,764	\$ 20,827,677	\$ 20,048,683

¹ Budgetary basis and subject to audit.

² Starting with fiscal year June 30, 2012, "State on-behalf payments" are included in the "Intergovernmental" revenue line item.

Analysis of General Fund Equity

	Adopted Budget 2015-16 ¹	Estimated Actuals 2014-15 ¹	Actual 2013-14	Actual 2012-13	Actual 2011-12
Nonspendable.....	N/A	N/A	\$ 1,655,056	\$ 1,669,248	\$ 1,684,983
Committed-BOE.....	N/A	N/A	1,527,635	1,181,446	875,572
Assigned.....	N/A	N/A	369,264	803,684	626,129
Unassigned.....	N/A	N/A	15,234,809	17,173,299	16,861,999
Total Fund Balance.....	\$ -	\$ -	\$ 18,786,764	\$ 20,827,677	\$ 20,048,683

¹ Budgetary basis and subject to audit.

VII. Legal and Other Information

Litigation

The Town, its officers, employees, boards and commissions are named defendants in a number of lawsuits, tax appeals, administrative proceedings and other miscellaneous claims. Based on consultation with the Town Attorney, the Town believes that such pending litigation will not be finally determined, individually or in the aggregate, so as to result in final judgments against the Town which would have a material adverse effect on the Town's financial position.

Documents Furnished At Delivery

The original purchasers of the Bonds and Notes will be furnished the following documentation when the Bonds and Notes are delivered:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds and Notes or the levy or collection of taxes to pay them.
2. A Certificate on behalf of the Town, signed by the First Selectman, Town Treasurer and Director of Finance which will be dated the date of delivery, which will certify, to the best of said officials' knowledge and belief, that at the time bids on the Bonds and Notes were accepted the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.
3. Receipts for the purchase price of the Bonds and Notes.
4. The approving opinions of Joseph Fasi LLC, Bond Counsel, of Hartford, Connecticut, substantially in the forms of Appendices B-1 and B-2 attached hereto.
5. Executed Continuing Disclosure Agreements for the Bonds and Notes in substantially the forms of Appendix C attached hereto.
6. The Issuer will provide to the winning bidder of the Bonds 50 copies of the Official Statement and to the winning bidder of the Notes 10 copies of the Official Statement, prepared for this Bond and Note issue at the Issuer's expense and delivered not later than seven business days after the bid opening. Additional copies may be obtained by the winning bidders at their own expense by arrangement with the printer. If the Issuer's financial advisor is provided with the necessary information from the winning bidders by noon of the day after the bid opening, the copies of the Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating, yields or reoffering prices, the name of the managing underwriter, and the name of the insurer, if any, of the Bonds and Notes.

A record of the proceedings taken by the Town in authorizing the Bonds will be kept on file at the principal office of the Certifying Agent, U.S. Bank National Association, Goodwin Square, 225 Asylum Street, 23rd Floor, Hartford, Connecticut 06103 and may be examined upon reasonable request.

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Concluding Statement

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, such statements are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the Town from official and other sources and is believed by the Town to be reliable, but such information other than that obtained from official records of the Town has not been independently confirmed or verified by the Town and its accuracy is not guaranteed.

This Official Statement has been duly prepared and delivered by the Town, and executed for and on behalf of the Town by the following officials:

TOWN OF TRUMBULL, CONNECTICUT

By: _____
TIMOTHY M. HERBST, *First Selectman*

By: _____
JOHN L. PONZIO, *Town Treasurer*

By: _____
MARIA T. PIRES, *Director of Finance*

Dated: August __, 2015

Appendix A

2014 Financial Statements Excerpted from the Town's Annual Financial Report

The following includes the General Purpose Financial Statements of the Town of Trumbull, Connecticut for the fiscal year ended June 30, 2014. The supplemental data that was a part of that report has not been reproduced herein. A copy of the complete report is available upon request from Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors LLC, 53 River Street, Suite 1, Milford, Connecticut 06460. Telephone (203) 878-4945.

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Independent Auditors' Report

To the Town Council
Town of Trumbull, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Trumbull, Connecticut, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Trumbull, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Trumbull, Connecticut, as of June 30, 2014 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the budgetary comparison information on pages 53 through 57, the schedule of changes in net pension liability and related ratios for the Town and Police on pages 58 and 59, the schedule of employer contributions - last ten fiscal years for the Town and Police on pages 60 and 61 and the schedule of investment returns - last fiscal year on page 62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2014 on our consideration of the Town of Trumbull, 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 Trumbull, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 20, 2014

**TOWN OF TRUMBULL, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(In thousands)**

The Town of Trumbull, Connecticut's (the "Town") Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Town's financial activity, (c) identify changes in the Town's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts and the Town's financial statements (beginning on page 13).

Financial Highlights - Primary Government

- On a government-wide basis, the assets of the Town of Trumbull exceeded its liabilities resulting in total net asset at the close of the fiscal year of \$166.7 million. Total net position for Governmental Activities at fiscal year-end was \$82.2 million and total net position for Business-Type Activities were \$84.5 million.
- On a government-wide basis, during the year, the Town's net position increased by \$20.35 million. Net position decreased by \$.9 million for Governmental Activities and increased by \$21.22 million for Business-Type Activities.
- At the close of the year, the Town of Trumbull's governmental funds reported, on a current financial resources basis, a combined ending fund balance \$11.8 million, which are a decrease of \$6.5 million from the prior fiscal year due to \$5.7 million in BOE capital projects that will not be bonded until projects are completed.
- At the end of the current fiscal year, the total fund balance for the general fund alone was \$18.8 million, and a decrease of \$2 million from the prior fiscal year. Of the total fund balance in the general fund as of June 30, 2014, \$15.2 million represents unassigned balance, which is available for spending at the government's discretion. Unassigned fund balance in the general fund at year-end represents 9.1% of total general fund expenditures of \$167 million.
- The Town of Trumbull's total debt increased by \$3.3 million during the current fiscal year. The key factors in the increase were the issuance of \$21.6 million in new bonds and an increase of \$.8 million and \$1 million of net pension obligation and net OPEB obligation, respectively.

Overview of the Financial Statements

This discussion and analyses are intended to serve as an introduction to the Town of Trumbull's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

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

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two 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 government'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).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the Town include general government, public safety, education, highways and streets, solid waste disposal, human services and culture and recreation activities.

The Business-type activities of the Town include the Water Pollution Control Authority and the Tashua Knolls Golf Course. They are reported here as the Town charges a fee to customers to help cover all or most of the cost of operations.

The government-wide financial statements (statement of net position and statement of activities) can be found on pages 13 and 14 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The Town of Trumbull, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town of Trumbull has three kinds of funds:

Governmental funds. Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures and changes in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's total assets and total liabilities is labeled as the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements; however, because different accounting bases are used to prepare fund financial statements and government-wide financial statements, there are often significant differences between the totals presented in these financial statements. For this reason, there is an analysis included with the balance sheet that reconciles the total fund balance to the amount of net position presented in the governmental activities column on the

statement of net position. Also, there is an analysis included with the statement of revenues, expenditures, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) can be found on pages 15-18 of this report.

Proprietary funds. Proprietary fund financial statements consist of a statement of net position, statement of revenues, expenses and changes in fund net position and statement of cash flows, and are prepared on an accounting basis that is similar to the basis used to prepare the governmental-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds.

The Town of Trumbull maintains two different types of enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statement. The Town of Trumbull uses Enterprise funds to account for its Water Pollution Control Authority and the Tashua Knolls Golf Course. Internal service funds are an accounting device used to accumulate and allocate certain costs internally among the Town's various functions. The Town uses an internal service fund to account for the acquisition and use of certain vehicles of departments of the Town, and the medical and workers' compensation reserves.

Because the internal service fund predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The propriety fund financial statements can be found on pages 19-21 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to provide services to the Town's constituency. The Town has two pension trust funds. The basic fiduciary fund financial statements can be found on pages 22 and 23 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 through 52 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of Trumbull's General Fund budgetary comparison. This information can be found on pages 53 through 57 of this report.

Government-Wide Financial Analysis

The Town's overall financial position and operations for the past year are summarized as follows based on the information included in the government-wide financial statements (see pages 13 and 14).

TABLE 1
NET POSITION
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 45,966	\$ 51,145	\$ 56,246	\$ 39,175	\$ 102,212	\$ 90,320
Capital assets, net of depreciation	226,522	220,253	99,072	98,431	325,593	318,684
Total assets	<u>272,488</u>	<u>271,398</u>	<u>155,318</u>	<u>137,606</u>	<u>427,806</u>	<u>409,004</u>
Deferred outflows of resources	<u>2,225</u>	<u>2,481</u>	<u>409</u>	<u>466</u>	<u>2,634</u>	<u>2,947</u>
Current liabilities	34,269	35,348	5,905	9,611	40,173	44,959
Noncurrent liabilities	156,986	155,009	65,287	65,150	222,273	220,159
Total liabilities	<u>191,255</u>	<u>190,357</u>	<u>71,192</u>	<u>74,761</u>	<u>262,447</u>	<u>265,118</u>
Deferred inflows of resources	<u>1,291</u>	<u>485</u>			<u>1,291</u>	<u>485</u>
Net Position:						
Net investment in capital assets	124,271	114,472	29,089	24,857	153,361	139,329
Restricted	195	227			195	227
Unrestricted	<u>(42,299)</u>	<u>(31,662)</u>	<u>55,446</u>	<u>38,454</u>	<u>13,147</u>	<u>6,792</u>
Total Net Position	<u>\$ 82,167</u>	<u>\$ 83,037</u>	<u>\$ 84,535</u>	<u>\$ 63,311</u>	<u>\$ 166,702</u>	<u>\$ 146,348</u>

By far the largest portion of the Town of Trumbull's net position reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), 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 of Trumbull's net 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.

TABLE 2
CHANGES IN NET POSITION
(In Thousands)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues:						
Program revenues:						
Charges for services	\$ 10,694	\$ 10,160	\$ 10,264	\$ 8,327	\$ 20,958	\$ 18,487
Operating grants and contributions	20,484	16,717		11	20,484	16,728
Capital grants and contributions	1,623	16,402			1,623	16,402
General revenues:						
Property taxes	138,439	135,370			138,439	135,370
Grants and contributions not restricted to specific purposes	756	943	1,518	1,537	2,274	2,480
Unrestricted investment earnings	201	120	1,654	1,299	1,855	1,419
Other general revenues	8	71	20,299	16	20,307	87
Total revenues	<u>172,206</u>	<u>179,783</u>	<u>33,735</u>	<u>11,190</u>	<u>205,941</u>	<u>190,973</u>
Program expenses:						
General government	20,354	22,259			20,354	22,259
Public safety	14,207	12,797			14,207	12,797
Public works	11,005	10,125			11,005	10,125
Health and welfare	661	770			661	770
Libraries	1,570	1,885			1,570	1,885
Social services	550	632			550	632
Parks and recreation	2,741	2,744			2,741	2,744
Education	117,549	109,195			117,549	109,195
Interest on long-term debt	5,065	4,909			5,065	4,909
WPCA			10,364	9,190	10,364	9,190
Golf Course			1,522	1,667	1,522	1,667
Total program expenses	<u>173,701</u>	<u>165,316</u>	<u>11,886</u>	<u>10,857</u>	<u>185,587</u>	<u>176,173</u>
Excess before transfers	(1,496)	14,466	21,850	332	20,354	14,798
Transfers	625	696	(625)	(696)	-	-
Increase (Decrease) in Net Position	<u>\$ (871)</u>	<u>\$ 15,162</u>	<u>\$ 21,224</u>	<u>\$ (364)</u>	<u>\$ 20,354</u>	<u>\$ 14,798</u>

Trumbull's net position increased by \$20.3 million during the fiscal year, with net position of Governmental Activities decreasing by \$.9 million and net position of Business-Type Activities increasing by \$21.2 million.

Key elements of this increase are as follows:

- The Town's tax revenue increased \$3.1 million during the current fiscal year as a result of the increase in the mill rate and a 1% grand list growth.
- Capital grants and contributions decreased by \$14.8 million of which \$11.5 million was for progress payments from the State on the Trumbull High School renovations which is now complete and \$1.2 million on the Town's various Capital improvement projects.
- Operating grants and contributions increased by \$3.8 million of which \$2 million is for State on Behalf of Teachers retirement fund which is also reflected in the BOE expenditures.

- Education Costs increased \$8.4 million of which \$2 million was for the State on Behalf of Teachers retirement fund also reflected in operating grant revenues and other due to an overall increase in the operating budget
- In addition These factors more than offset the increase in the following expenses:
 1. Increase in the Town's pension contributions to bring it to this year's ARC.
 2. Increase in workers compensation due to ongoing open cases and final settlements.

The Business-Type Activities revenues increase of \$21.6 million which was a result of the completion and billing of the North Nichols sewer project.

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balance 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 government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$11.8 million. Of this amount the Town has an unassigned fund balance of \$2.9 million. The remaining \$8.9 million of fund balance is restricted to indicate amounts that are not available for new spending because it has already been committed to liquidate contracts, purchase orders of the prior period and Board of Education reserve.

General Fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$15.2 million. Unassigned fund balance of the general fund represents 10% of total general fund expenditures.

Water Pollution Control Authority. The Water Pollution Control Authority (WPCA) had an unrestricted net position balance at June 30, 2014 of \$54.4 million and net investment in capital assets of \$26.6 million.

Golf Course. The Tashua Knolls Golf Course had an unrestricted net position balance at June 30, 2014 of \$1.0 million and net investment in capital assets of \$2.5 million.

GENERAL FUND BUDGETARY HIGHLIGHTS (NOT ROUNDED)

The difference between the original budget and the final amended budget for expenditures was \$1.03 million and the major contributing factors can be summarized as follows:

- There was a supplemental appropriation for \$180,000 to cover Police overtime due to various public safety issues, of which it was transferred from the Special Detail Agency Fund.
- There was a supplemental appropriation for \$204,000 for the snow removal due to the various storms.
- There was a supplemental appropriation for \$200,000 for additional technology needs for the Town departments.
- There was a supplemental appropriation for \$65,000 for an audit of the Trumbull High School construction project.

- There were supplemental appropriations to EMS for a total of \$87,000 of which \$72,000 was for additional paramedic service and \$11,000 for the new CMED 911 Telephone service.
- There was a supplemental appropriation of \$94,000 for Fleet Maintenance for fuel due to pricing increase.
- There was a supplemental appropriation of \$110,000 for the recycling contract due to increase in volume of debris removal.

However, the final budget to actual expenditure variance was favorable by \$.9 million. The major reasons for the net variance are as follows:

- There were surpluses in various department due to vacancies totaling \$139,300 as follows:

Planning & Zoning	\$12,000
Counseling Center	\$31,800
Public works	\$65,500
Library	\$30,000
- Town Hall had a surplus of \$165,000 of which \$119,000 was in the Contingency due to favorable negotiations of the MATHAS union contract which settled the first year for a one-time bonus instead of a normal increase and no increase for the first year of the Public Works/Parks union contract and \$20,000 in the Liability, Auto and Property Insurance due to better premiums rates and less claims under deductibles.
- Parks has a surplus of \$19,000 due to various efficiencies.
- Employee Benefits has a surplus of \$83,000 of which \$72,000 due to reduction in medical benefits by moving to a self insured program and increasing employee's contributions.
- Technology department had a surplus of \$75,000 due to a vacancy in the department and Technology upgrades that were not able to be performed.
- Disposal Area had a surplus of \$45,000 due to various efficiencies.
- There was a surplus in Debt Service in the amount of \$126,000 due to bond refunding.

The difference between the final revenue budget and actual revenues resulted in a net deficit of \$1.8 million. The major reasons for the favorable variance are as follows:

- Licenses, permits and fees were over budget by \$539,000 due to an increase in the Town Clerk's revenue of \$133,000 due to more refinancing as a result of lower interest rates and liens filed, \$307,000 due to an increase in Building permits due to more construction in town and \$102,000 due to an increase in volume in the Disposal Area.
- There was an increase of \$161,000 in Transfers in due to a transfer from the Police Special Detail Agency Fund to cover the increase in police Overtime.
- There was a deficit in the amount of \$801,000 in the Property Taxes revenue due to settlement of various tax appeals
- There was a use of surplus in the amount of \$1,550,000 built in the budget to balance the budget and provide tax relief to the taxpayers.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year-end, the Town had \$326 million (net of accumulated depreciation) invested in a variety of capital assets, as reflected in the following schedule:

**TABLE 3
CAPITAL ASSETS
(In Thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$ 39,153	\$ 39,153	\$ 1,962	\$ 1,962	\$ 41,115	\$ 41,115
Land improvements	4,693	4,201	2,661	2,746	7,354	6,947
Buildings and improvements	80,945	83,898	1,197	1,249	82,142	85,147
Machinery and equipment	3,261	3,142	335	368	3,596	3,510
Infrastructure	22,940	21,770	61,263	62,981	84,203	84,751
Vehicles	4,139	3,796			4,139	3,796
Construction in progress	71,390	64,293	31,654	29,126	103,044	93,419
Total	\$ 226,522	\$ 220,253	\$ 99,072	\$ 98,432	\$ 325,592	\$ 318,685

Additional information on the Town's capital assets can be found on pages 34 through 35 of this report.

Long-term Debt. At the end of the current fiscal year, the Town of Trumbull had total bonded debt outstanding of \$159.1 million. One hundred percent (100%) of this debt is backed by the full faith and credit of the Town government.

**TABLE 4
LONG-TERM DEBT
(In Thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
General Obligation Bonds	\$ 91,105	\$ 92,287	\$ 68,025	\$ 67,133	\$ 159,130	\$ 159,420

The Town of Trumbull's total debt decreased by \$.3 million or .18% during the 2013-14 fiscal year.

The Town of Trumbull maintains an Aa2 rating from Moody's Investors Service, and received an upgrade to AA+ by Standard & Poor's and AA/Stable by Fitch Rating.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times its annual tax collections. The current debt limitation for the Town is \$964.8 million, 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 on pages 36 through 39 of this report.

Relevant Current Economic Factors, Decisions, and Conditions

The unemployment rate for the Town is currently 6.1%, which compares favorably to the State's average unemployment rate of 7.5% and the Bridgeport Labor Market of 8.2%.

The Grand List growth has been less than 1% for each of the last several years.

Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the Town of Trumbull's annual budget.

Request 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 Maria Pires, Director of Finance, 5866 Main Street, Trumbull, CT 06611.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET POSITION

JUNE 30, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and cash equivalents	\$ 36,219,942	\$	\$ 36,219,942
Investments	10,251,703		10,251,703
Receivables, net	12,216,839	43,475,744	55,692,583
Internal balances	(13,130,497)	13,130,497	-
Interfund loans	378,096	(378,096)	-
Inventories	29,172		29,172
Other assets	661	18,082	18,743
Capital assets:			
Assets not being depreciated	110,542,648	33,616,009	144,158,657
Assets being depreciated, net	115,978,972	65,455,825	181,434,797
Total assets	<u>272,487,536</u>	<u>155,318,061</u>	<u>427,805,597</u>
Deferred Outflows of Resources:			
Deferred charge on refunding	<u>2,224,702</u>	<u>408,957</u>	<u>2,633,659</u>
Liabilities:			
Accounts and other payables	8,530,808	1,038,850	9,569,658
Accrued liabilities	1,958,039	19,249	1,977,288
Due to fiduciary funds	1,218,435		1,218,435
Bond anticipation notes	9,521,000		9,521,000
Unearned revenue	3,353,538		3,353,538
Noncurrent liabilities:			
Due within one year	9,686,704	4,846,834	14,533,538
Due in more than one year	156,986,442	65,286,621	222,273,063
Total liabilities	<u>191,254,966</u>	<u>71,191,554</u>	<u>262,446,520</u>
Deferred Inflows of Resources:			
Advance property tax collections	1,029,995		1,029,995
Advance summer school collections	196,415		196,415
Advance school lunch sales	64,158		64,158
Total deferred inflows of resources	<u>1,290,568</u>	<u>-</u>	<u>1,290,568</u>
Net Position:			
Net investment in capital assets	124,271,131	29,089,425	153,360,556
Restricted for:			
Trust purposes:			
Nonexpendable	194,620		194,620
Unrestricted	(42,299,047)	55,446,039	13,146,992
Total Net Position	<u>\$ 82,166,704</u>	<u>\$ 84,535,464</u>	<u>\$ 166,702,168</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue And Changes In Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 20,353,517	\$ 1,350,377	\$ 223,180	\$	\$ (18,779,960)	\$	\$ (18,779,960)
Public safety	14,206,750	3,682,785		115,617	(10,408,348)		(10,408,348)
Public works	11,005,471	428,138	503,248	470,994	(9,603,091)		(9,603,091)
Public health	660,567		73,083		(587,484)		(587,484)
Libraries	1,569,820				(1,569,820)		(1,569,820)
Social services	550,437				(550,437)		(550,437)
Parks and recreation	2,740,977	114,403			(2,626,574)		(2,626,574)
Education	117,548,558	5,118,758	19,684,451	970,805	(91,774,544)		(91,774,544)
Interest on long-term debt	5,065,360			66,039	(4,999,321)		(4,999,321)
Total governmental activities	<u>173,701,457</u>	<u>10,694,461</u>	<u>20,483,962</u>	<u>1,623,455</u>	<u>(140,899,579)</u>	<u>-</u>	<u>(140,899,579)</u>
Business-type activities:							
WPCA	10,363,682	8,324,062				(2,039,620)	(2,039,620)
Golf course	1,521,918	1,939,867				417,949	417,949
Total business-type activities	<u>11,885,600</u>	<u>10,263,929</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,621,671)</u>	<u>(1,621,671)</u>
Total primary governmental activities	<u>\$ 185,587,057</u>	<u>\$ 20,958,390</u>	<u>\$ 20,483,962</u>	<u>\$ 1,623,455</u>	<u>(140,899,579)</u>	<u>(1,621,671)</u>	<u>(142,521,250)</u>
General revenues:							
Property taxes					138,439,111		138,439,111
Grants and contributions not restricted to specific programs					755,723	1,518,318	2,274,041
Unrestricted investment earnings					200,920	1,654,079	1,854,999
Miscellaneous					8,065		8,065
Sewer assessments						20,298,850	20,298,850
Transfers					625,176	(625,176)	-
Total general revenues and transfers					<u>140,028,995</u>	<u>22,846,071</u>	<u>162,875,066</u>
Change in net position					(870,584)	21,224,400	20,353,816
Net Position at Beginning of Year					<u>83,037,288</u>	<u>63,311,064</u>	<u>146,348,352</u>
Net Position at End of Year					<u>\$ 82,166,704</u>	<u>\$ 84,535,464</u>	<u>\$ 166,702,168</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2014

	<u>General</u>	<u>Five Year Capital Plan</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 35,350,085	\$	\$ 869,857	\$ 36,219,942
Investments	10,251,703			10,251,703
Receivables, net	8,958,606		2,031,742	10,990,348
Inventories			29,172	29,172
Due from other funds	6,187,481	3,470,020	4,514,610	14,172,111
Interfund loans	378,096			378,096
Other assets	661			661
Advances from other funds	1,655,056			1,655,056
Total Assets	<u>\$ 62,781,688</u>	<u>\$ 3,470,020</u>	<u>\$ 7,445,381</u>	<u>\$ 73,697,089</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts and other payables	\$ 7,035,242	\$ 837,919	\$ 657,646	\$ 8,530,807
Due to other funds	27,600,213		5,022,558	32,622,771
Unearned revenue	98,648		15,501	114,149
Advances to other funds			1,655,056	1,655,056
Bond anticipation notes		9,521,000		9,521,000
Total liabilities	<u>34,734,103</u>	<u>10,358,919</u>	<u>7,350,761</u>	<u>52,443,783</u>
Deferred Inflows of Resources:				
Unavailable revenue - property taxes	6,605,376			6,605,376
Unavailable revenue - school construction receivables	1,429,035			1,429,035
Unavailable revenue - other receivables			99,956	99,956
Advance property tax collections	1,029,995			1,029,995
Advance summer school collections	196,415			196,415
Advance school lunch sales			64,158	64,158
Total deferred inflows of resources	<u>9,260,821</u>	<u>-</u>	<u>164,114</u>	<u>9,424,935</u>
Fund Balances:				
Nonspendable	1,655,056		223,792	1,878,848
Restricted			75,260	75,260
Committed	1,527,635		5,046,959	6,574,594
Assigned	369,264			369,264
Unassigned	15,234,809	(6,888,899)	(5,415,505)	2,930,405
Total fund balances	<u>18,786,764</u>	<u>(6,888,899)</u>	<u>(69,494)</u>	<u>11,828,371</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 62,781,688</u>	<u>\$ 3,470,020</u>	<u>\$ 7,445,381</u>	<u>\$ 73,697,089</u>

(Continued on next page)

TOWN OF TRUMBULL, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2014

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

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

Fund balances - total governmental funds		\$ 11,828,371
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$ 346,151,110	
Less accumulated depreciation	<u>(122,603,029)</u>	
Net capital assets		223,548,081
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:		
Property tax receivables greater than 60 days		3,465,943
Interest receivable on property taxes		1,226,491
Receivable from the state for school construction projects		1,429,035
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.		
		2,895,777
Long-term liabilities, including deferred outflows of resources, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension obligation		(55,177,634)
Net OPEB obligation		(7,157,854)
Bonds payable		(91,105,180)
Interest payable on bonds and notes		(1,958,040)
Compensated absences		(5,168,977)
Claims and judgments		(35,000)
Bond premium		(3,849,011)
Deferred charge on refunding		<u>2,224,702</u>
Net Position of Governmental Activities (Exhibit I)		<u>\$ 82,166,704</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	<u>General</u>	<u>Five Year Capital Plan</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	\$ 138,268,546	\$	\$	\$ 138,268,546
Intergovernmental	18,329,424		4,984,109	23,313,533
Investment earnings	200,483		437	200,920
Charges for goods and services	7,132,207		3,562,254	10,694,461
Other			8,065	8,065
Total revenues	<u>163,930,660</u>	<u>-</u>	<u>8,554,865</u>	<u>172,485,525</u>
Expenditures:				
Current:				
General government	19,612,858		230,977	19,843,835
Public safety	11,554,102		1,181,826	12,735,928
Public works	8,862,763			8,862,763
Public health	581,532		35,340	616,872
Libraries	1,514,843			1,514,843
Social service	579,610			579,610
Parks and recreation	2,492,598			2,492,598
Education	109,704,266		4,836,566	114,540,832
Debt service:				
Principal	8,283,595			8,283,595
Interest	3,840,489			3,840,489
Capital outlay		7,490,713	5,676,890	13,167,603
Total expenditures	<u>167,026,656</u>	<u>7,490,713</u>	<u>11,961,599</u>	<u>186,478,968</u>
Deficiency of Revenues over Expenditures	<u>(3,095,996)</u>	<u>(7,490,713)</u>	<u>(3,406,734)</u>	<u>(13,993,443)</u>
Other Financing Sources:				
Transfers in	805,176			805,176
Transfers out			(180,000)	(180,000)
Issuance of general obligation bonds		6,569,000	36,000	6,605,000
Premium on bonds	137,741			137,741
Issuance of refunding bonds	7,844,000			7,844,000
Premium on bond refunding	762,425			762,425
Payments to escrow agent	(8,494,259)			(8,494,259)
Total other financing sources	<u>1,055,083</u>	<u>6,569,000</u>	<u>(144,000)</u>	<u>7,480,083</u>
Net Change in Fund Balances	(2,040,913)	(921,713)	(3,550,734)	(6,513,360)
Fund Balances at Beginning of Year	<u>20,827,677</u>	<u>(5,967,186)</u>	<u>3,481,240</u>	<u>18,341,731</u>
Fund Balances at End of Year	<u>\$ 18,786,764</u>	<u>\$ (6,888,899)</u>	<u>\$ (69,494)</u>	<u>\$ 11,828,371</u>

(Continued on next page)

TOWN OF TRUMBULL, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2014

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund

Balances of Governmental Funds to the Statement of Activities:

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (6,513,360)
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	11,769,976
Depreciation expense	(5,529,711)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.

Thus the change in net position differs from the change in fund balance by the cost of the assets sold.	(23,268)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

School building grant receipts	(450,393)
Property tax receivable - accrual basis change	291,153
Property tax interest and lien revenue - accrual basis change	(120,588)

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

Issuance of bonds and notes	(6,605,000)
Premium on bond issuance	(137,741)
Bond principal payments	7,314,540
Refunding bonds issued	(7,844,000)
Premium on refunding bonds	(762,425)
Payments to escrow agent	8,494,259

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

Compensated absences	(290,899)
Accrued interest	195,156
Amortization of deferred charge on refunding	(434,175)
Other	(617,102)
Amortization of bond premiums	600,304
Net pension expense	(759,636)
Net OPEB expense	(978,752)
Claims and judgments	90,000

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

1,441,078

Change in Net Position of Governmental Activities (Exhibit II)

\$ (870,584)

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2014

	Business-Type Activities		Total Business-Type Activities	Governmental Activities Internal Service Funds
	WPCA	Nonmajor Golf Course		
Assets:				
Current assets:				
Receivables, net	\$ 1,072,854	\$ 55,425	\$ 1,128,279	\$
Assessment receivable	42,347,465		42,347,465	
Due from other funds	12,017,751	1,112,746	13,130,497	5,266,651
Other assets	18,082		18,082	
Total current assets	<u>55,456,152</u>	<u>1,168,171</u>	<u>56,624,323</u>	<u>5,266,651</u>
Noncurrent assets:				
Capital assets, net	<u>93,716,155</u>	<u>5,355,679</u>	<u>99,071,834</u>	<u>2,973,539</u>
Total assets	<u>149,172,307</u>	<u>6,523,850</u>	<u>155,696,157</u>	<u>8,240,190</u>
Deferred Outflows of Resources:				
Deferred charge on refunding	<u>390,165</u>	<u>18,792</u>	<u>408,957</u>	
Liabilities:				
Current liabilities:				
Accounts and other payables	989,280	49,570	1,038,850	
Accrued liabilities	4,942	14,307	19,249	
Due to other funds			-	1,164,923
Interfund loan		378,096	378,096	
Bonds payable	4,725,460	102,000	4,827,460	
Compensation absences	8,368	11,006	19,374	
Claim payable			-	582,524
Total current liabilities	<u>5,728,050</u>	<u>554,979</u>	<u>6,283,029</u>	<u>1,747,447</u>
Noncurrent liabilities:				
Bonds payable, net	62,746,321	2,439,489	65,185,810	
Compensated absences	47,244	53,567	100,811	
Claims payable			-	3,596,966
Total noncurrent liabilities	<u>62,793,565</u>	<u>2,493,056</u>	<u>65,286,621</u>	<u>3,596,966</u>
Total liabilities	<u>68,521,615</u>	<u>3,048,035</u>	<u>71,569,650</u>	<u>5,344,413</u>
Net Position:				
Net investment in capital assets	26,634,539	2,454,886	29,089,425	1,808,616
Unrestricted	<u>54,406,318</u>	<u>1,039,721</u>	<u>55,446,039</u>	<u>1,087,161</u>
Total Net Position	<u>\$ 81,040,857</u>	<u>\$ 3,494,607</u>	<u>\$ 84,535,464</u>	<u>\$ 2,895,777</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	Business-Type Activities		Total Business-Type Activities	Governmental
	WPCA	Nonmajor Golf Course		Activities Internal Service Funds
Operating Revenues:				
Charges for services	\$ 8,324,062	\$ 1,939,867	\$ 10,263,929	\$ 18,892,954
Operating Expenses:				
Operating and maintenance	6,390,276	1,288,518	7,678,794	
Claims expense			-	16,944,100
Depreciation	1,753,043	164,633	1,917,676	484,508
Total operating expenses	8,143,319	1,453,151	9,596,470	17,428,608
Operating Income	180,743	486,716	667,459	1,464,346
Nonoperating Revenue (Expenses):				
Income on investments	1,654,079		1,654,079	
Interest expense	(2,220,363)	(68,767)	(2,289,130)	
Net nonoperating expenses	(566,284)	(68,767)	(635,051)	(23,268)
Income (Loss) Before Capital Contributions and Transfers	(385,541)	417,949	32,408	1,441,078
Capital Contributions:				
Capital contributions	1,518,318		1,518,318	
Special assessments and other	20,298,850		20,298,850	
Total capital contributions	21,817,168	-	21,817,168	-
Income Before Transfers	21,431,627	417,949	21,849,576	1,441,078
Transfers Out	(416,402)	(208,774)	(625,176)	
Change in Net Position	21,015,225	209,175	21,224,400	1,441,078
Net Position at Beginning of Year	60,025,632	3,285,432	63,311,064	1,454,699
Net Position at End of Year	\$ 81,040,857	\$ 3,494,607	\$ 84,535,464	\$ 2,895,777

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	Business-Type Activities		Total Business-Type Activities	Governmental
	WPCA	Nonmajor		Activities
		Golf Course		Internal Service Funds
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 8,235,396	\$ 1,930,329	\$ 10,165,725	\$ 18,892,954
Cash paid to suppliers for goods and services	(5,962,598)	(1,274,860)	(7,237,458)	
Cash received from (paid to) employees	7,490	8,191	15,681	
Cash paid for insurance claims and premiums			-	(15,701,084)
Net cash provided by operating activities	<u>2,280,288</u>	<u>663,660</u>	<u>2,943,948</u>	<u>3,191,870</u>
Cash Flows from Noncapital Financing Activities:				
Transfers out	(416,402)	(208,774)	(625,176)	
Cash paid to other funds			-	(2,632,538)
Cash received from general fund loan		400,000	400,000	
Cash paid on general fund loan		(21,904)	(21,904)	
Cash (received from) paid to other funds	(1,011,359)	(259,425)	(1,270,784)	
Net cash used in noncapital financing activities	<u>(1,427,761)</u>	<u>(90,103)</u>	<u>(1,517,864)</u>	<u>(2,632,538)</u>
Cash Flows from Capital and Related Financing Activities:				
Principal payment - long-term obligations	(3,898,460)	(77,000)	(3,975,460)	
Principal payment - bond anticipation notes	(5,000,000)		(5,000,000)	
Interest paid	(2,306,974)	(80,884)	(2,387,858)	
Debt issuance costs	(31,045)		(31,045)	
Purchase of capital assets and construction	(2,142,450)	(415,673)	(2,558,123)	(559,332)
Proceeds from bond issuance	5,000,000		5,000,000	
Proceeds from refunding bond issuance	2,171,000		2,171,000	
Payments to escrow agent	(2,350,973)		(2,350,973)	
Premium on refunding bond issuance	211,018		211,018	
Premium on bond issuance	104,271		104,271	
Special assessments	4,218,689		4,218,689	
Capital grants and contributions	1,518,318		1,518,318	
Net cash used in capital and related financing activities	<u>(2,506,606)</u>	<u>(573,557)</u>	<u>(3,080,163)</u>	<u>(559,332)</u>
Cash Flows from Investing Activities:				
Interest received	<u>1,654,079</u>		<u>1,654,079</u>	
Net Increase in Cash and Cash Equivalents	-	-	-	-
Cash and Cash Equivalents at Beginning of Year	-	-	-	-
Cash and Cash Equivalents at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating income	\$ 180,743	\$ 486,716	\$ 667,459	\$ 1,464,346
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	1,753,043	164,633	1,917,676	484,508
Change in asset and liabilities:				
(Increase) decrease in accounts receivable	(101,166)	(9,538)	(110,704)	
(Increase) decrease in other assets	12,500		12,500	
Increase (decrease) in accounts payable	427,678	13,658	441,336	
Increase (decrease) in compensated absences payable	7,490	8,191	15,681	
Increase (decrease) in claims payable			-	1,243,016
Net Cash Provided by Operating Activities	<u>\$ 2,280,288</u>	<u>\$ 663,660</u>	<u>\$ 2,943,948</u>	<u>\$ 3,191,870</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

JUNE 30, 2014

	<u>Pension Trust Funds</u>	<u>OPEB Trust Fund</u>	<u>Private Purpose Trust</u>	<u>Agency Funds</u>
Assets:				
Cash and cash equivalents	\$ 1,522,626	\$ 224,182	\$ 157,796	\$ 983,790
Investments:				
U.S. Bonds/notes	5,654,945			
Fixed income securities	8,554,970			
Common stock	27,346,530			
Other			21,346	
Property funds	436,556			
Mutual funds	31,918,255			
Due from other funds			1,218,435	
Accounts receivable	118,609		43,504	
	<u>75,552,491</u>	<u>224,182</u>	<u>1,441,081</u>	<u>\$ 983,790</u>
Liabilities:				
Accounts and other payables		7,025	14,623	\$
Deposits held for others				<u>983,790</u>
	<u>-</u>	<u>7,025</u>	<u>14,623</u>	<u>\$ 983,790</u>
Net Position:				
Held in Trust for Private Purpose			1,426,458	
Held in Trust for OPEB Benefits		217,157		
Held in Trust for Pension Benefits	75,552,491			
Total Net Position	<u>\$ 75,552,491</u>	<u>\$ 217,157</u>	<u>\$ 1,426,458</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Pension Trust Funds</u>	<u>OPEB Trust Fund</u>	<u>Private Purpose Trust</u>
Additions:			
Contributions:			
Employer	\$ 6,276,000	\$ 160,000	\$
Plan members	1,238,720	65,831	
Other			852,299
Total contributions	<u>7,514,720</u>	<u>225,831</u>	<u>852,299</u>
Investment income:			
Net appreciation in fair value of investments	7,843,628		
Interest and dividends	<u>1,415,227</u>	<u>64</u>	<u>216</u>
Total investment income	<u>9,258,855</u>	<u>64</u>	<u>216</u>
Total additions	<u>16,773,575</u>	<u>225,895</u>	<u>852,515</u>
Deductions:			
Benefits	6,279,399	74,936	757,935
Administration	<u>205,875</u>	<u>27,891</u>	
Total deductions	<u>6,485,274</u>	<u>102,827</u>	<u>757,935</u>
Net Increase in Net Position	10,288,301	123,068	94,580
Net Position at Beginning of Year	<u>65,264,190</u>	<u>94,089</u>	<u>1,331,878</u>
Net Position at End of Year	<u>\$ 75,552,491</u>	<u>\$ 217,157</u>	<u>\$ 1,426,458</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town of Trumbull, Connecticut, was incorporated as a town in the early 1600s. The Town covers an area of 23.5 square miles and is located in Fairfield County, approximately 60 miles from New York City and 60 miles from Hartford. The Town operates under a First Selectman, Town Council and Finance Committee form of government and provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning and general administrative services to its residents.

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

B. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

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

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

Agency funds use the accrual basis of accounting but have no measurement focus since they report only assets and liabilities.

The Town reports the following major governmental funds:

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

The Five Year Capital Plan Fund accounts for resources and expenditures on various capital projects.

The Town reports the following major proprietary funds:

The Water Pollution Control Authority (WPCA) accounts for the operations of the Town's wastewater treatment plant. It is independent in terms of its relationship to other Town functions. Its operations are financed from special assessments and direct charges to the users of the service.

Additionally, the Town reports the following fund types:

The Internal Service Funds account for the acquisition and use of certain vehicles of departments of the Town, and the medical and workers compensation reserves.

The Pension Trust Funds and OPEB Trust Fund account for the activities of the Town's defined benefit plans and other post-employment benefits, which accumulate resources for benefit payments to qualified employees.

The Agency Funds account for monies held as a custodian for outside groups and agencies.

The Private Purpose Trust Funds account for assets held by the Town in a trustee capacity on behalf of others.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between certain Town functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

D. Deposits and Investments

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

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

Investments for the Town are reported at fair value.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles. An amount of \$750,000 has been established as an allowance for uncollectible taxes. At June 30, 2014, this represents 16.23% of all property taxes receivable.

Property taxes are assessed as of October 1 and are levied on the following July 1. Personal property taxes and real estate taxes are due in four installments, on July 1 and the following October 1, January 1, and April 1. Motor vehicle taxes are due in two installments, on July 1 and January 1. Liens are filed by the end of the fiscal year in which the taxes are collectible.

F. Inventories and Prepaid Items

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

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

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 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 asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	50
Buildings improvements	20
Distribution and collection systems	50-65
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-20

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

H. 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 or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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 or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections, advance summer school collections and advance school lunch sales in the government-wide statement of net position and in the governmental funds balance sheet. Advance collections represent taxes and fees inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, school construction receivables, and other receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which amounts become available.

I. Compensated Absences

Employees earn annual leave or vacation time according to the terms of the union contract that applies to them. Such amounts are liquidated within the functional cost area in which the employee's payroll is paid.

Annual leave, vacation and sick pay are accrued when incurred in proprietary funds and reported as a fund liability. Annual leave, vacation and sick pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a liability of the governmental fund that will pay it. Amounts not expected to be paid with expendable available financial resources are not reported in governmental funds. No expenditure is reported for these amounts.

Liabilities for compensated absences, including the current portion, are reported in the government-wide statement of net position. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. Long-Term Obligations

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

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. Principal payments on bonds are reported as expenditures as they become due.

K. Fund Equity

Equity in the government-wide financial statements is defined as "net position" and is classified in the following categories:

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

Restricted Net Position - Net position is restricted because it is externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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

Nonspendable Fund Balance - This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance - This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors or laws and regulations of their governments.

Committed Fund Balance - This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of Trumbull, Town Council). The Town Council can commit fund balance through the adoption of a resolution prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until similar action is taken to remove or revise the limitation.

Assigned Fund Balance - This balance represents amounts constrained for the intent to be used for a specific purpose by the Town Council or delegated authority to assign amounts by the Town Council.

Unassigned Fund Balance - This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are legally adopted for the General Fund and the two Enterprise Funds, WPCA and Golf Course. The budget is prepared on a modified accrual basis.

The Town follows these procedures in establishing budgetary data reflected in the financial statements:

- Department heads, officers and agencies of the Town file estimates of expenditures to be made and revenues to be collected in the upcoming year to the First Selectman. The First Selectman submits the proposed budget to the Board of Finance who adopts and approves the budget proposed, or makes changes in any estimates or appropriations contained in the proposed budget as deemed proper. The Board of Finance then recommends budgets, as revised, for adoption by the Town Council. Under the new Charter, taxpayers can petition for a referendum.
- The budget is legally adopted by the Town Council.
- The Board of Finance is authorized to transfer budgeted amounts between departmental appropriations. Subsequent appropriations must be approved by the Board of Finance and the Town Council if they are in excess of \$2,000. Additional appropriations of \$1,025,438 were approved during the fiscal year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.

- Appropriations for capital projects do not lapse until completion of the applicable projects. All General Fund unexpended appropriations lapse at year end.

The Town does not have legally adopted annual budgets for its special revenue funds because budgetary control is alternatively achieved by constraints imposed by the project authorization and grant awards related to these funds. The Town does not have legally adopted budgets for its fiduciary funds.

The Town's budgeting system requires accounting for certain transactions to be on a basis other than GAAP. The major difference between the budgetary and GAAP basis is that encumbrances are recognized as a charge against a budget appropriation in the year in which the purchase order is issued and, accordingly, encumbrances outstanding at year-end are recorded in budgetary reports as expenditures of the current year, whereas, on a GAAP basis, encumbrances are recorded as reservations of fund balance.

	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Balance, budgetary basis	\$ 150,199,972	\$ 152,158,632
Encumbrances outstanding at June 30, 2013, liquidated during the year ended June 30, 2014		779,796
Encumbrances outstanding at June 30, 2014, charged to budgetary expenditures during the year ended June 30, 2014		(369,261)
Premium on bonds	137,741	
Refunding activities not budgeted for	8,606,425	8,494,259
Amounts net for budgetary purposes	160,550	160,550
State Teachers' Retirement on-behalf payment	12,125,975	12,125,975
GASB 54 reclassifications	<u>2,249,339</u>	<u>2,170,964</u>
Balance, GAAP Basis	<u>\$ 173,480,002</u>	<u>\$ 175,520,915</u>

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools

maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

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

Deposits

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$36,142,110 of the Town’s bank balance of \$36,968,335 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 32,493,035
Uninsured and collateral held by the pledging bank’s trust department, not in the Town’s name	<u>3,649,075</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 36,142,110</u>

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2014, the Town’s cash equivalents amounted to \$3,552,472. The following table provides a summary of the Town’s cash equivalents (excluding U.S. Government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor’s</u>
State Short-Term Investment Fund (STIF)	AAAm
Cutwater - Cooperative Liquid Assets Securities System (CLASS)	AAAm
Bank of America Money Market*	
Infinex Financial Group*	
UBS Financial Services*	
Wells Fargo Money Market*	

*Not rated

B. Investments

Investments as of June 30, 2014 in all funds are as follows:

Investment Type	Credit Rating	Fair Value	Investment Maturities (Years)		
			Less Than 1	1-10	More Than 10
Interest-bearing investments:					
U.S. Treasury Notes		\$ 4,348,057	\$	\$ 4,348,057	\$
Government-Backed Securities	AAA	2,001,603		1,474,447	527,156
Government-Backed Securities	A-	80,905		80,905	
Government-Backed Securities	N/A	3,040,037		48,205	2,991,832
Corporate Bonds	AAA	1,606,215		415,509	1,190,706
Corporate Bonds	AA+	138,481		99,772	38,709
Corporate Bonds	AA	219,584	50,665	106,266	62,653
Corporate Bonds	A+	464,174		425,049	39,125
Corporate Bonds	AA-	169,827		82,533	87,294
Corporate Bonds	A-	453,912		398,608	55,304
Corporate Bonds	A	714,387	101,890	612,497	
Corporate Bonds	BBB+	1,170,857	182,375	923,884	64,598
Corporate Bonds	BB+	19,475	19,475		
Corporate Bonds	BBB	1,374,901	30,749	1,344,152	
Corporate Bonds	BBB-	552,812		510,619	42,193
Corporate Bonds	BB-	51,756		51,756	
Corporate Bonds	N/A	5,435,978		115,207	5,320,771
Foreign Bonds	AA+	170,720		170,720	
Foreign Bonds	A+	60,376		60,376	
Foreign Bonds	A	136,734	85,077	51,657	
Foreign Bonds	AA-	103,844		103,844	
Foreign Bonds	A-	180,498		180,498	
Foreign Bonds	BBB+	26,246		26,246	
Foreign Bonds	BBB	307,336		307,336	
Foreign Bonds	BBB-	62,581		62,581	
Certificate of deposit	N/A	1,421,237	1,407,491	13,746	
Total interest-bearing investments			\$ 1,877,722	\$ 7,666,413	\$ 10,420,341
Other investments:					
Equitable securities (stock)	N/A	27,346,530			
Property funds	N/A	436,556			
Mutual funds	N/A	32,088,686			
Total Investments		\$ 84,184,305			

Interest Rate Risk - The Town and the pension policies limit their exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and pension payments, thereby avoiding the need to sell securities on the open market prior to maturity, and investing idle funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Credit Risk - Investments - The Town's investment policy minimizes credit risk by limiting investments to the safest types of securities, prequalifying the financial institution, broker/dealers, intermediaries and advisers, and diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Concentration of Credit Risk - The Town and the pension policies are to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific issuer.

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2014, the Town's investments, other than open-end mutual funds and other pooled accounts that are not categorized as to custodial credit risk, were uninsured and unregistered securities held by the counterparty, or by its trust department or agent, and were not in the Town's name.

4. RECEIVABLES

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

	<u>General</u>	<u>WPCA</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:				
Taxes	\$ 4,621,072	\$	\$	\$ 4,621,072
Other deferred taxes	3,143,156			3,143,156
Interest on taxes*	1,226,491			1,226,491
Accounts	460,882	1,222,854	667,827	2,351,563
Intergovernmental	1,483,496		1,581,453	3,064,949
Special assessments		42,347,465		42,347,465
	<hr/>	<hr/>	<hr/>	<hr/>
Gross receivables	10,935,097	43,570,319	2,249,280	56,754,696
Less allowance for uncollectibles	<u>(750,000)</u>	<u>(150,000)</u>	<hr/>	<u>(900,000)</u>
Net Total Receivables	<u>\$ 10,185,097</u>	<u>\$ 43,420,319</u>	<u>\$ 2,249,280</u>	<u>\$ 55,854,696</u>

* Interest on property taxes is not included in the fund financial statements.

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 39,152,665	\$	\$	\$ 39,152,665
Construction in progress	64,292,502	7,468,568	371,087	71,389,983
Total capital assets not being depreciated	<u>103,445,167</u>	<u>7,468,568</u>	<u>371,087</u>	<u>110,542,648</u>
Capital assets being depreciated:				
Land improvements	11,202,747	886,400		12,089,147
Buildings and improvements	142,220,234	566,024		142,786,258
Machinery and equipment	11,791,326	536,614		12,327,940
Vehicles	9,789,263	1,027,150	383,617	10,432,796
Infrastructure	62,642,318	2,192,371		64,834,689
Total capital assets being depreciated	<u>237,645,888</u>	<u>5,208,559</u>	<u>383,617</u>	<u>242,470,830</u>
Less accumulated depreciation for:				
Land improvements	7,002,010	394,290		7,396,300
Buildings and improvements	58,321,737	3,519,118		61,840,855
Machinery and equipment	8,649,016	417,462		9,066,478
Vehicles	5,993,083	660,774	360,349	6,293,508
Infrastructure	40,872,142	1,022,575		41,894,717
Total accumulated depreciation	<u>120,837,988</u>	<u>6,014,219</u>	<u>360,349</u>	<u>126,491,858</u>
Total capital assets being depreciated, net	<u>116,807,900</u>	<u>(805,660)</u>	<u>23,268</u>	<u>115,978,972</u>
Governmental Activities Capital Assets, Net	<u>\$ 220,253,067</u>	<u>\$ 6,662,908</u>	<u>\$ 394,355</u>	<u>\$ 226,521,620</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,962,013	\$	\$	\$ 1,962,013
Construction in progress	29,125,522	2,528,474		31,653,996
Total capital assets not being depreciated	<u>31,087,535</u>	<u>2,528,474</u>	<u>-</u>	<u>33,616,009</u>
Capital assets being depreciated:				
Land improvements	3,722,971			3,722,971
Building and improvements	2,550,730			2,550,730
Machinery and equipment	1,059,144	29,649	116,475	972,318
Vehicles	111,467			111,467
Infrastructure	88,228,072			88,228,072
Total capital assets being depreciated	<u>95,672,384</u>	<u>29,649</u>	<u>116,475</u>	<u>95,585,558</u>
Less accumulated depreciation for:				
Land improvements	977,310	84,645		1,061,955
Building and improvements	1,301,346	52,609		1,353,955
Machinery and equipment	691,154	62,630	116,475	637,309
Vehicles	111,467			111,467
Infrastructure	25,247,255	1,717,792		26,965,047
Total accumulated depreciation	<u>28,328,532</u>	<u>1,917,676</u>	<u>116,475</u>	<u>30,129,733</u>
Total capital assets being depreciated, net	<u>67,343,852</u>	<u>(1,888,027)</u>	<u>-</u>	<u>65,455,825</u>
Business-Type Activities Capital Assets, Net	<u>\$ 98,431,387</u>	<u>\$ 640,447</u>	<u>\$ -</u>	<u>\$ 99,071,834</u>

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

Governmental activities:	
Board of Education	\$ 3,568,192
General Government	155,359
Social Services	65,832
Public Works	1,329,835
Public Safety	468,167
Libraries	105,798
Recreation and Parks	<u>321,036</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 6,014,219</u>
Business-type activities	
WPCA	\$ 1,753,043
Golf Fund	<u>164,633</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 1,917,676</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2014 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor governmental funds	General fund	\$ 4,514,610
General Fund	Nonmajor governmental funds	5,022,558
Five Year Capital Plan	General fund	3,470,020
WPCA	General fund	12,017,751
Golf Course	General fund	1,112,746
Internal Service	General fund	5,266,651
Private Purpose Trust	General fund	1,218,435
General Fund	Internal Service	<u>1,164,923</u>
		<u>\$ 33,787,694</u>

Interfund receivables and payables generally represent temporary balances arising from reimbursement-type transactions.

Advances from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 1,655,056

Interfund loans:

On June 30, 2013, the General Fund issued a loan for \$400,000, with an interest rate of 2.75% and a maturity date of June 30, 2028, to the Golf Course Fund. The balance remaining between the funds at June 30, 2014 was \$378,096.

Interfund transfers:

	<u>Transfers In</u>	<u>Total</u>
	<u>General</u>	<u>Transfers</u>
		<u>Out</u>
Transfers out:		
WPCA	\$ 416,402	\$ 416,402
Nonmajor governmental	180,000	180,000
Golf Course	<u>208,774</u>	<u>208,774</u>
Total Transfers In	<u>\$ 805,176</u>	<u>\$ 805,176</u>

The above transfers represent normal budgetary and other recurring transfers.

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2014 was as follows:

	<u>Beginning</u>		<u>Additions</u>		<u>Reductions</u>		<u>Ending</u>		<u>Due Within</u>
	<u>Balance</u>						<u>Balance</u>		<u>One Year</u>
Governmental Funds:									
Bonds payable:									
General obligation bonds	\$ 92,286,720	\$ 14,449,000	\$ 15,630,540	\$ 91,105,180	\$ 7,697,540				
Premium on bonds	3,549,149	900,166	600,304	3,849,011					
Total bonds payable	<u>95,835,869</u>	<u>15,349,166</u>	<u>16,230,844</u>	<u>94,954,191</u>	<u>7,697,540</u>				
Other liabilities:									
Insurance claims	2,936,474	18,187,116	16,944,100	4,179,490	582,524				
Other claims and judgments	125,000	35,000	125,000	35,000	35,000				
Net pension obligation	54,417,998	759,636		55,177,634					
Compensated absences	4,878,078	290,899		5,168,977	1,371,640				
Net OPEB obligation	<u>6,179,102</u>	<u>978,752</u>		<u>7,157,854</u>					
Total Governmental Activities									
Long-Term Liabilities	<u>\$ 164,372,521</u>	<u>\$ 35,600,569</u>	<u>\$ 33,299,944</u>	<u>\$ 166,673,146</u>	<u>\$ 9,686,704</u>				
Bonds payable:									
General obligation bonds	\$ 67,133,280	\$ 7,171,000	\$ 6,279,460	\$ 68,024,820	\$ 4,827,460				
Premium on bonds	1,907,646	315,289	234,485	1,988,450					
Total bonds payable	<u>69,040,926</u>	<u>7,486,289</u>	<u>6,513,945</u>	<u>70,013,270</u>	<u>4,827,460</u>				
Compensated absences	<u>104,504</u>	<u>15,681</u>		<u>120,185</u>	<u>19,374</u>				
Business-Type Activities									
Long-Term Liabilities	<u>\$ 69,145,430</u>	<u>\$ 7,501,970</u>	<u>\$ 6,513,945</u>	<u>\$ 70,133,455</u>	<u>\$ 4,846,834</u>				

Bonds Payable

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. Certain general obligation bonds are to be repaid by revenues of the enterprise funds. General obligation bonds currently outstanding are as follows:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Annual Principal	Balance Outstanding June 30, 2014
Governmental:						
General purpose:						
General obligation	9/1/07	9/1/27	4-5%	\$ 11,965,000	various	\$ 646,000
General obligation refunding	8/19/08	8/19/21	3.25-5%	5,241,880	various	3,349,180
General obligation	9/1/08	9/1/28	3-5%	831,000	various	625,000
General obligation	9/1/09	9/1/29	2.25-4.05%	5,850,000	various	4,680,000
General obligation refunding	10/6/09	9/15/23	3-5%	17,523,000	various	14,434,000
General obligation refunding	9/1/10	9/15/23	3-5%	5,050,000	various	1,665,000
General obligation	9/1/10	9/1/28	3-5%	10,000,000	various	8,500,000
General obligation	9/1/11	9/1/31	2-4%	14,310,000	various	12,880,000
General obligation refunding	3/15/12	9/1/30	2-4%	14,862,000	various	14,772,000
General obligation	9/1/12	9/1/32	2-3%	15,900,000	various	15,105,000
General obligation	9/1/13	9/1/33	2.5-4.5%	6,605,000	various	6,605,000
General obligation	3/12/14	9/1/27	3-5%	7,844,000	various	7,844,000
Total governmental activities						<u>91,105,180</u>
Business-Type:						
General purpose:						
General obligation	9/1/07	9/1/27	4-5.5%	2,890,000	various	154,000
General obligation refunding	8/19/08	8/19/21	3.25-5%	2,790,180	various	1,300,820
General obligation	9/1/08	9/1/28	3-5%	17,374,000	various	13,025,000
General obligation	9/1/09	9/1/29	2.25-4.05%	4,150,000	various	3,320,000
General obligation refunding	10/6/09	9/15/23	3-5%	7,967,000	various	5,956,000
General obligation refunding	9/15/10	9/15/23	3-5%	130,000	various	35,000
General obligation	9/1/10	9/1/29	2.25-4.05%	12,000,000	various	10,200,000
General obligation	9/1/11	9/1/31	2-4%	12,000,000	various	10,800,000
General obligation refunding	3/15/12	9/1/30	2-4%	11,208,000	various	10,838,000
General obligation	9/1/12	9/1/32	2-3%	5,500,000	various	5,225,000
General obligation	9/1/13	9/1/33	2.5-4.5%	5,000,000	various	5,000,000
General obligation	3/12/14	9/1/27	3-5%	2,171,000	various	2,171,000
Total business-type activities						<u>68,024,820</u>
Total Outstanding						<u>\$ 159,130,000</u>

The annual requirements to amortize bonds payable as of June 30, 2014 are as follows:

		Governmental Activities	
		<u>Principal</u>	<u>Interest</u>
2015	\$	7,697,540	\$ 2,999,542
2016		7,556,090	2,768,084
2017		7,303,090	2,486,037
2018		7,367,690	2,202,007
2019		6,263,690	1,939,142
2020-2024		28,784,080	6,463,953
2025-2029		17,850,500	2,771,460
2030-2034		<u>8,282,500</u>	<u>541,801</u>
	\$	<u>91,105,180</u>	\$ <u>22,172,026</u>

		Business-Type Activities	
		<u>Principal</u>	<u>Interest</u>
2015	\$	4,827,460	\$ 2,277,700
2016		4,818,910	2,130,739
2017		4,876,910	1,964,285
2018		4,927,310	1,789,222
2019		4,701,310	1,609,706
2020-2024		22,060,920	5,575,823
2025-2029		16,254,500	2,372,357
2030-2034		<u>5,557,500</u>	<u>355,962</u>
	\$	<u>68,024,820</u>	\$ <u>18,075,794</u>

The following is a schedule of bond anticipation note activity for the year ended June 30, 2014:

	Governmental		Business-Type	
	Activities		Activities	
	<u></u>	<u>WPCA</u>	<u>Total</u>	
Balance, July 1, 2013	\$ 12,426,000	\$ 5,000,000	\$ 17,426,000	
Issued	9,521,000		9,521,000	
Retired	<u>(12,426,000)</u>	<u>(5,000,000)</u>	<u>(17,426,000)</u>	
Balance, June 30, 2014	<u>\$ 9,521,000</u>	<u>\$ -</u>	<u>\$ 9,521,000</u>	

The above retired note with an interest rate of 1.25% matured on September 6, 2013. The issued notes had an interest rate of 1.25% and mature on September 5, 2014.

General Obligation Bonds - New Issue

On August 22, 2013, the Town issued \$11,605,000 of general obligation bonds with interest rates ranging from 2.5% to 4.5% payable in annual installments ranging from \$580,000 to \$585,000. The bonds mature on September 1, 2033.

General Obligation Bonds - Advance Refunding

On February 26, 2014, the Town issued \$10,015,000 of general obligation refunding bonds with interest rates ranging from 3% to 5% to currently refund the outstanding principal amounts of \$8,375,000 General Obligation Refunding Bonds, Issue of 2004, dated December 14, 2004 and \$14,855,000 General Obligations Bonds, Issue of 2007, dated August 29, 2007.

The net proceeds of \$10,845,232 (including a premium of \$973,443 and issuance costs of \$143,211, including underwriter's fees) will reduce total debt service payments over the next 14 years by approximately \$955,199 and represents an economic gain (difference between present values of the debt service payments on the old and new debt) of \$909,800. As a result, the refunded bonds are considered defeased, and all future interest and principal on the defeased bonds will be paid from the proceeds of the refunding issue which were placed into an irrevocable escrow account until all the defeased bonds have been called. The balance in escrow was \$6,627,578 at June 30, 2014. The outstanding balance of the defeased bonds as of June 30, 2014 is \$10,620,000.

Prior Year Defeasance of Debt

In prior years, the Town had defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. The balance in escrow was \$2,449,201 at June 30, 2014. The outstanding balance of the defeased bonds as of June 30, 2014 is \$2,400,000.

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 310,101	\$ 51,216	\$ 258,885
Schools	620,203	77,877	542,326
Sewers	516,836	65,641	451,195
Urban renewal	447,924		447,924
Pension deficit	413,468		413,468

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$965 million.

Authorized but Unissued Bonds

The total of authorized but unissued bonds (net of projected grants) at June 30, 2014 is \$26,083,006. In some cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

8. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2014 are as follows:

	<u>General</u>	<u>Five Year Capital Plan</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:				
Nonspendable:				
Inventory	\$	\$	\$ 29,172	\$ 29,172
Permanent funds			194,620	194,620
Advances	1,655,056			1,655,056
Restricted for:				
Grants			75,260	75,260
Committed to:				
General government	25,815		84,318	110,133
Public safety			1,629,079	1,629,079
Health and welfare			6,034	6,034
Libraries			2,547	2,547
Education	1,501,820		425,510	1,927,330
Capital projects			2,190,118	2,190,118
Debt service			709,353	709,353
Assigned to:				
General government	182,126			182,126
Public works	126,580			126,580
Public safety	23,685			23,685
Health and welfare	208			208
Libraries	2,345			2,345
Parks and recreation	21,504			21,504
Education	12,816			12,816
Unassigned	15,234,809	(6,888,899)	(5,415,505)	2,930,405
 Total Fund Balances	 \$ 18,786,764	 \$ (6,888,899)	 \$ (69,494)	 \$ 11,828,371

Significant encumbrances at June 30, 2014 are contained in the above table in the assigned categories of the General Fund.

The Town had deficits in the following funds:

Five Year Capital Plan	\$ 6,888,899
Millington League Settlement	75,853
Police Funds	37
Land Acquisition	1,655,056
LOCIP	237,832
Resurfacing of Tennis Courts	4,670
Daniels Farm Road Bridge	17,571
Rails to Trails	211,191
New Elementary School	425,928
BOE Capital Projects	2,787,367

These deficits will be funded by General Fund contributions and general obligation bonds.

9. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to and health of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties, except as disclosed below. The amount of settlements has not exceeded insurance coverage in any of the past three years.

Workers' Compensation and Heart and Hypertension

The Town maintains stop loss insurance on workers' compensation and heart and hypertension claims. The Town's maximum exposure for the year ended June 30, 2014 was \$1,000,000 in the aggregate and \$500,000 per incident. The Town and its actuary estimate a liability for both workers' compensation claims payable and for claims incurred but not reported.

At June 30, 2014, \$3,068,622 has been accrued for self-insurance claims payable and for incurred but not reported claims related to worker compensation and heart and hypertension claims.

Claims and liabilities are estimated based on claims paid for the year. Claim transactions for the last two years for the entire program are as follows:

		Accrued Liability Beginning of Fiscal Year	Current Year Claims Paid and Changes in Estimates	Accrued Liability Claim Payments	Accrued Liability End of Fiscal Year
2013-14	\$	2,936,474	\$ 1,237,023	\$ 1,104,875	\$ 3,068,622
2012-13		2,516,651	1,706,264	2,126,087	2,936,474

Medical Self-Insurance

The Town's self-insurance program is used to account for health insurance coverage for Town and Board of Education employees on a cost-reimbursement basis. Under the program, the Town is obligated for claim payments. The Town and Board of Education have a stop loss insurance contract executed with an insurance carrier that covers claims in excess of 120% and 110% respectively of expected claim payments in the aggregate and over \$125,000 and \$175,000 respectively per individual, per year.

The Town does not maintain stop loss coverage with respect to dental or prescription drug claims.

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded an additional liability at June 30, 2014 of \$1,110,868. Premium payments are reported as interfund services provided and used for the General Fund, and, accordingly, they are treated as operating revenues of the Insurance Reserve Fund and operating expenditures of the General Fund.

Claims and liabilities are estimated based on claims paid for the year. Claim transactions for the last two years for the entire program are as follows:

		Accrued Liability Beginning of Fiscal Year	Current Year Claims Paid and Changes in Estimates	Accrued Liability Claim Payments	Accrued Liability End of Fiscal Year
2013-14	\$	-	\$ 15,707,077	\$ 14,596,209	\$ 1,110,868

10. OTHER POSTEMPLOYMENT BENEFITS

A. Summary of Significant Accounting Policies

Basis of Accounting - The financial statements of the Other Postemployment Benefits Fund are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are paid by the Town.

B. Plan Description

The Town provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. An annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The Town does not issue a separate stand-alone financial statement for this plan.

At July 1, 2012, plan membership consisted of the following:

	Post- Retirement Medical Program
Retired members	68
Active plan members	<u>1,195</u>
Total Participants	<u><u>1,263</u></u>

C. Funding Policy

The Town provides post-retirement benefits for certain employees for current future health and life insurance benefit expenses through a single-employer defined benefit plan. An actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. In fiscal year 2009, the Town established a trust fund to irrevocably segregate assets to fund the liability associated with postemployment benefits in accordance with GASB guidelines. The Town is currently developing a funding strategy to provide for normal cost and the amortization of the accrued liability. The Town anticipates a commitment to fund normal cost and a long-term approach to the amortization of the actuarial accrued liability. The goal is to absorb, within the budgetary process, the actual cost of benefits in the determination of the costs of providing services to taxpayers.

The Town's funding strategy for postemployment obligations are based upon characteristics of benefits on each distinct group of employees established within their respective collective bargaining units.

D. Annual OPEB Cost and Net OPEB Obligations

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

	Other Postemployment Benefits Fund
Annual required contribution (ARC)	\$ 1,690,713
Interest on net OPEB obligation	278,060
Adjustment to annual required contribution	<u>(225,520)</u>
Annual OPEB cost	1,743,253
Contributions made	<u>764,501</u>
Increase in net OPEB obligation	978,752
Net OPEB obligation at beginning of year	<u>6,179,102</u>
Net OPEB obligation at end of year	<u><u>\$ 7,157,854</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal years ended June 30, 2014, 2013 and 2012 is presented below.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/14	\$ 1,743,253	\$ 764,501	43.85%	\$ 7,157,854
6/30/13	1,756,529	929,628	52.92	6,179,102
6/30/12	1,961,359	556,045	28.35	5,352,201

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

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/12	\$ 26,309	\$ 27,544,001	\$ 27,517,692	0.10%	\$ 79,418,708	34.65%
7/1/10	82,120	26,148,998	26,066,878	0.32	75,396,441	34.57
7/1/08	18,674	23,661,376	23,642,702	0.08	68,878,313	34.33

Schedule of Employer Contribution

<u>Fiscal Year</u>		<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/14	\$	1,690,713	45.22%
6/30/13		1,711,014	54.33
6/30/12		1,961,359	28.35

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

In the July 1, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.5% investment rate of return, which reflects that the Town has established an OPEB trust and is prefunding its OPEB benefits. The annual healthcare cost trend rate assumption is set at 8% for the 2012 year, declining 1% per year, until a final assumed rate of 5% is reached in 2015 and for future years. The general inflation assumption is included in the health care cost trend rate assumption. Projected salary increases were 4.0%. The actuarial value of assets was determined using the closed group method. The UAAL is being amortized as a level percentage of projected payroll on an open basis over a 30-year period.

11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Pension Trust Fund

The Town of Trumbull is the administrator of a single-employer Public Employee Retirement System (PERS) established and administered by the Town to provide pension benefits for its full-time employees other than police, firefighters and teachers. The PERS is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a pension trust fund. The PERS does not issue a stand-alone report.

Management of the plans rests with the PERS Board, which consists of seven voting members. One of whom shall be the Director of Finance and one the Treasurer. One and only one of the remaining five members shall be an employee of the Town and appointed by the First Selectman. The other four are appointed by the Town Council.

Plan Description

The Town of Trumbull Pension Plan provides retirement, death and disability benefits through a single-employer, contributory, defined benefit plan. Benefits vest at 50% after 5 years of service and increase an additional 10% per year to 100% after 10 years. Employees can retire on or after age 62 if they have at least 10 years of service, or after age 60 if age plus years of service equals at least 85. Employees who retire at these ages are entitled to an annual retirement benefit, payable monthly for 10 years certain and life, in an amount equal to 2% of final earnings for each year of service. There is a maximum annual pension of 60% of final earnings. Final earnings is the employee's average earnings during the 36 consecutive months that produces the highest average. Employees may retire early on or after age 55 with at least 10 years of service with a benefit reduced ½% for each month the early retirement date precedes the normal retirement date. The death benefit provides a benefit to a beneficiary of a fully vested participant of 120 months of retirement benefits beginning at the participant's normal retirement date as long as the beneficiary does not receive the deceased participant's employee contributions with credited interest and the proceeds from the \$25,000 life insurance policy are assigned to the pension plan. Employee contributions with credited interest are returnable on termination or death while active or retired (less any benefits paid) provided, in each case, that no death benefits are otherwise payable. Benefits and contributions are fixed by contract and may be amended by union negotiation.

The membership of the plan consisted of the following at July 1, 2012, the date of the latest actuarial valuation:

	Police Benefit Plan	Town Pension Plan
Retirees and beneficiaries receiving benefits	44	325
Terminated plan members entitled to but not yet receiving benefits		74
Active plan members	72	436
Total	<u>116</u>	<u>835</u>

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized when due; investment income is recognized when earned. Expenses (benefits, administration and refunds of contributions) are recognized when incurred.

Method Used to Value Investments: Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

Funding Policy

Employees are required to contribute amounts ranging between 3.5% and 5.5% of their monthly salary to the PERS depending on their contract. The Town is required to contribute the remaining amounts necessary to fund these benefits.

Investments

Investment Policy: The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the PERS Board by a majority vote of its members. It is the policy of the PERS Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Town and Police adopted asset allocation policy as of June 30, 2014:

Town	
<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	45 %
International equity	20
Fixed income	30
Inflation protection	<u>5</u>
	<u>100 %</u>

Police	
<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	41 %
International equity	14
Fixed income	35
Alternative investments	<u>10</u>
	<u>100 %</u>

Rate of Return: For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 16.06% for the Town Pension Plan and 12.99% for the Police Pension Plan. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the Town

In accordance with Government Accounting Standards Board Statement No. 67, the components of the net pension liability of the Town at June 30, 2014, were as follows:

Town	
Total pension liability	\$ 92,827,543
Plan fiduciary net position	<u>(26,560,965)</u>
Net Pension Liability	<u>\$ 66,266,578</u>
Plan fiduciary net position as a percentage of the total pension liability	28.61 %
Police	
Total pension liability	\$ 71,070,032
Plan fiduciary net position	<u>(48,981,725)</u>
Net Pension Liability	<u>\$ 22,088,307</u>
Plan fiduciary net position as a percentage of the total pension liability	68.92 %

The Town's net pension liability will be required to be recorded on the government wide-statement of net position at June 30, 2015.

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:

Town	
Inflation	4.5%
Salary increases	3.5%, per annum, compounded annually
Investment rate of return	5.01%, per annum, compounded annually
Police	
Inflation	4.5%
Salary increases	4.5%, per annum, compounded annually
Investment rate of return	7.22%, per annum, compounded annually

Mortality rates were based on the 1994 Unisex Pensioners Mortality Table, with rates projected to 2014.

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, 2010-June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	9.25 %
International equity	9.75
Fixed income	4.25
Real estate	8.75
Cash	<u>3.5</u>
	<u>35.5 %</u>

Discount Rate: The discount rate used to measure the total pension liability was 5.01% for the Town Pension Plan and 7.22% for the Police Pension Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the Town and Police Pension Plans, calculated using the discount rate of 5.01% for the Town Pension Plan and 7.22% for the Police Pension Plans as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

		<u>Town</u>		
		<u>1% Decrease</u>	<u>Current</u>	<u>1% Decrease</u>
		<u>(4.01%)</u>	<u>Discount Rate</u>	<u>(6.01%)</u>
		<u>(5.01%)</u>		
Net Pension Liability	\$	76,743,547	\$ 66,266,578	\$ 57,240,964
		<u>Police</u>		
		<u>1% Decrease</u>	<u>Current</u>	<u>1% Decrease</u>
		<u>(6.22%)</u>	<u>Discount Rate</u>	<u>(8.22%)</u>
		<u>(7.22%)</u>		
Net Pension Liability	\$	32,826,354	\$ 22,088,307	\$ 13,373,540

Annual Pension Cost and Net Pension Obligation

In accordance with GASB Statement No. 27, The Town's annual pension cost and annual required contribution to the PERS for the current year were as follows:

	Police Benefit Plan	Town Pension Plan
Annual required contribution	\$ 3,226,000	\$ 4,325,000
Interest on net pension obligation	1,863,142	2,365,210
Adjustment to annual required contribution	<u>(2,111,976)</u>	<u>(2,631,740)</u>
Annual pension cost	2,977,166	4,058,470
Contributions made	<u>1,700,000</u>	<u>4,576,000</u>
Increase (decrease) in net pension obligation	1,277,166	(517,530)
Net pension obligation at beginning of year	<u>22,881,860</u>	<u>31,536,138</u>
Net Pension Obligation at End of Year	<u>\$ 24,159,026</u>	<u>\$ 31,018,608</u>

Trend Information

	Fiscal Year Ended	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
Police Benefit Plan					
	6/30/12	\$ 3,218,448	\$ 1,450,000	45.1%	\$ 22,421,600
	6/30/13	2,060,260	1,600,000	77.7	22,881,860
	6/30/14	2,977,166	1,700,000	57.1	24,159,026
Town Employee Pension Plan					
	6/30/12	4,186,694	3,000,000	71.7	30,921,473
	6/30/13	4,314,665	3,700,000	85.8	31,536,138
	6/30/14	4,058,470	4,576,000	112.8	31,018,608

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Accrued Liability (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL % of Covered Payroll ((b-a)/c)
Police Benefit Plan						
7/01/08	\$ 33,154,094	\$ 48,500,335	\$ 15,346,241	68.4%	\$ 5,029,000	305.2%
7/01/10	33,497,000	54,456,304	20,959,304	61.5	5,542,000	378.2
7/01/12	35,989,018	55,581,894	19,592,876	64.7	5,358,000	365.7
Town Employee Pension Plan						
7/01/08	19,572,031	57,704,539	38,132,508	33.9	17,476,000	218.2
7/01/10	16,807,159	62,863,043	46,055,884	26.7	18,308,000	251.6
7/01/12	19,096,003	67,905,000	48,808,997	28.1	18,559,000	263.0

B. Teachers' Retirement System

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

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Teacher payroll subject to retirement amounted to \$48,902,003.

The retirement system for teachers is funded by the State based upon the recommendation of the State Teachers' Retirement Board. Such contribution includes amortization of the actuarially computed unfunded liability. The Town does not have any liability for teacher pensions. For the year ended June 30, 2014, the Town has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$12,125,975 as payments made by the State of Connecticut on behalf of the Town.

The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

13. CONTINGENT LIABILITIES

Lawsuits

There are several personal injury, negligence and personnel related lawsuits pending against the Town. The outcome and eventual liability of the Town, if any, in these cases is not known at this time. Based upon consultation with legal counsel, the Town's management estimates that potential claims against the Town resulting from such litigation and not covered by insurance would not have a material adverse affect the financial condition of the Town.

Municipal Solid Waste Service Agreement

The Town has entered into a municipal solid waste (MSW) agreement, as amended (the Service Agreement), with the Connecticut Resources Recovery Authority (the Authority), pursuant to which it participates with twelve other Connecticut municipalities (the eighteen constituting the Contracting Municipalities) in the Greater Bridgeport Resources Recovery System (the System).

Under the Service Agreement, the Town is required to deliver, or cause to be delivered, to the System solid waste generated within its boundaries up to its minimum commitment of 19,945 tons per year and to pay a uniform per ton disposal service payment (the Service Payment). The current fee is \$63 per ton. The aggregate minimum commitment of the twelve Contracting Municipalities is 265,000 per ton.

Additionally, the Town anticipates spending another \$27 per ton of MSW for delivery costs to the Facility and the cost of operating and maintaining its transfer station.

If any Participating Municipality shall default in the payment of any amounts for which it is responsible and such default continues for more than 60 days, the other Participating Municipalities shall pay their share of the amounts unpaid by the nonpaying Participating Municipality and shall be entitled to full reimbursement upon the Authority collecting such delinquent amounts.

Trumbull is also part of an Inter-Community Agreement dated September 15, 1989 establishing a regional recycling program. The Southwest Connecticut Regional Recycling Operating Committee (SWEROC) was established to implement the regional recycling program to meet the State of Connecticut mandated program for recycling, per Sections 22a-241-22a-241i of the Connecticut General Statutes. Trumbull is one of seventeen “Contracting Communities” participating in the SWEROC recycling program. The Town is committed to supply recyclables annually consisting of: food and beverage containers made of glass, metal and certain plastics, and newspapers. Other defined residential recyclables are cardboard, waste oil, storage batteries and scrap metal. The Town has flow-control responsibilities for recyclables from the residential sector, and its role is to receive recyclables from residential sources and transfer it to a regional recycling processing facility located in Stratford, Connecticut. Nonresidential generators can deliver recyclables to independent processing facilities other than SWEROC but must report to the Town the types and amounts of recyclable materials delivered to non-SWEROC processing facilities. A municipal ordinance has been adopted by the Town to comply with the requirements of the State of Connecticut legislation.

14. SUBSEQUENT EVENTS

On August 21, 2014, the Town issued \$9,885,000 of Bond Anticipation Notes with an interest rate of 1.25% and a maturity date of September 4, 2015 and \$7,575,000 of General Obligation Bonds with a variable interest rate between 2.00% and 4.00% and a final maturity of September 1, 2034.

On October 21, 2014, the Town issued \$11,860,000 of General Obligation Refunding Bonds with a variable interest rate between 2.00% and 5.00% and a final maturity of September 1, 2028.

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

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

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Property Taxes:				
Current levy	\$ 138,401,994	\$ 138,401,994	\$ 137,257,021	\$ (1,144,973)
Interest and lien fees	650,000	650,000	991,419	341,419
PILOT - St. Joseph's Village	17,900	17,900	20,106	2,206
Total property taxes	<u>139,069,894</u>	<u>139,069,894</u>	<u>138,268,546</u>	<u>(801,348)</u>
Intergovernmental:				
Education equalization grant	3,251,084	3,251,084	3,326,117	75,033
School building grants	516,420	516,420	516,420	-
Education grants	900,000	900,000	607,991	(292,009)
Elderly tax	2,000	2,000		(2,000)
Homeowners tax relief	309,000	309,000	263,821	(45,179)
Military state and local	5,000	5,000	17,344	12,344
FEMA			42,468	42,468
Nonpublic pupils	75,000	75,000	71,814	(3,186)
Nonpublic busing	4,981	4,981	22,504	17,523
State property reimbursement	72,977	72,977	88,414	15,437
Disability exemption	3,577	3,577	3,391	(186)
Veterans grant	35,000	35,000	35,162	162
Telephone access tax	100,000	100,000	96,459	(3,541)
Manufacturing - tax relief	257,235	257,235	178,045	(79,190)
Foxwoods casino fund	42,273	42,273	47,763	5,490
Other various grants			25,259	25,259
VOAG grant	343,000	343,000	411,336	68,336
Bingo			65	65
Mutual aid local			49,700	49,700
Transportation			69,938	69,938
Total intergovernmental	<u>5,917,547</u>	<u>5,917,547</u>	<u>5,874,011</u>	<u>(43,536)</u>

(Continued on next page)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

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

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Licenses, Permits, Fees and Other				
Town clerk fees	\$ 650,000	\$ 650,000	\$ 782,756	\$ 132,756
Planning and zoning	25,000	25,000	33,424	8,424
Police	20,000	20,000	58,280	38,280
Building	700,000	700,000	1,007,249	307,249
Tuition/rentals - BOE	1,300,000	1,300,000	1,210,971	(89,029)
Fire marshal	50,000	50,000	76,194	26,194
Disposal area	295,000	295,000	397,136	102,136
Counseling center	10,000	10,000	17,835	7,835
Emergency medical services	1,100,000	1,100,000	1,155,210	55,210
Town engineer	25,000	25,000	30,402	5,402
Miscellaneous revenue	89,260	89,260	100,033	10,773
Cell tower rental	200,000	200,000	181,666	(18,334)
Senior citizen services	48,000	48,000		(48,000)
Public works			600	600
Total licenses, permits, fees and other	<u>4,512,260</u>	<u>4,512,260</u>	<u>5,051,756</u>	<u>539,496</u>
Investment income				
Unrealized loss			(99,233)	(99,233)
Income from investments	<u>300,000</u>	<u>300,000</u>	<u>299,716</u>	<u>(284)</u>
Total investment income	<u>300,000</u>	<u>300,000</u>	<u>200,483</u>	<u>(99,517)</u>
Other financing sources				
Use of fund balance	1,550,000	1,550,000		(1,550,000)
Transfer in	<u>644,176</u>	<u>644,176</u>	<u>805,176</u>	<u>161,000</u>
Total Revenues and Other Financing Sources	<u>\$ 151,993,877</u>	<u>\$ 151,993,877</u>	<u>\$ 150,199,972</u>	<u>\$ (1,793,905)</u>

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General Government:				
Town council	\$ 82,853	\$ 89,909	\$ 89,909	\$ -
Ethics commission	120	11,180	11,060	120
First selectman	278,707	278,707	273,262	5,445
Probate judge	11,270	11,270	11,270	-
Elections registrar	115,118	115,118	104,547	10,571
Finance director	541,467	541,467	537,002	4,465
Finance board	76,277	80,806	79,456	1,350
Assessor	384,529	407,410	404,074	3,336
Tax review	5,850	5,850	2,870	2,980
Tax collector	379,872	389,745	376,207	13,538
Purchasing	79,609	97,778	97,676	102
Treasurer	22,100	22,100	22,017	83
Town attorneys	312,000	312,000	302,750	9,250
Human resources	209,849	210,513	208,885	1,628
Town clerk	264,602	264,602	258,265	6,337
Planning and zoning	308,296	308,296	292,198	16,098
Economic development	117,925	117,925	110,864	7,061
Inland-wetlands commission	10,150	13,034	12,129	905
Conservation commission	1,279	1,279	934	345
Transit district	44,084	44,084	44,084	-
Town hall	1,546,831	1,525,375	1,360,004	165,371
Technology	650,979	850,929	775,613	75,316
Employee benefits	14,287,563	14,287,563	14,204,581	82,982
Clean energy	1,600	1,600		1,600
Trumbull nature center	7,014	7,014	5,551	1,463
Charter revision		7,500	7,041.00	459
Total general government	<u>19,739,944</u>	<u>20,003,054</u>	<u>19,592,249</u>	<u>410,805</u>

(Continued on next page)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Public Safety:				
Police	\$ 7,901,410	\$ 8,081,410	\$ 8,077,033	\$ 4,377
Emergency medical service	1,151,810	1,239,281	1,238,604	677
Fire marshal	302,336	303,129	298,130	4,999
Fire hydrants - water	1,336,535	1,369,500	1,369,499	1
Building official	312,353	315,150	313,879	1,271
Dog warden	114,688	114,688	111,272	3,416
Central emergency dispatch	180	180	-	180
Emergency management	95,636	95,636	91,697	3,939
Total public safety	<u>11,214,948</u>	<u>11,518,974</u>	<u>11,500,114</u>	<u>18,860</u>
Public Works:				
Public works director	168,268	168,268	165,600	2,668
Public works (highway)	2,419,548	2,419,548	2,340,594	78,954
Street lights	409,204	409,204	398,218	10,986
Fleet maintenance	1,240,770	1,334,628	1,333,929	699
Public works maintenance	907,647	907,647	904,546	3,101
Disposal area	2,148,439	2,258,525	2,213,146	45,379
Town engineer	511,330	514,158	512,638	1,520
Snow removal	489,950	693,950	691,253	2,697
Highway construction	100,000	100,000	99,958	42
Total public works	<u>8,395,156</u>	<u>8,805,928</u>	<u>8,659,882</u>	<u>146,046</u>
Public Health:				
Board of health	303,895	303,895	295,737	8,158
Vital statistics	1,000	1,000	723	277
Nursing - seniors	33,776	33,776	30,523	3,253
Non-public schools	257,826	257,826	254,053	3,773
Total public health	<u>596,497</u>	<u>596,497</u>	<u>581,036</u>	<u>15,461</u>

(Continued on next page)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Social Services:				
Social services	\$ 111,878	\$ 115,122	\$ 113,622	\$ 1,500
Counseling center	226,869	226,869	191,333	35,536
Youth commission	56,790	58,141	58,021	120
Senior citizen commission	218,607	222,913	216,842	6,071
Total social services	<u>614,144</u>	<u>623,045</u>	<u>579,818</u>	<u>43,227</u>
Libraries	<u>1,563,340</u>	<u>1,563,340</u>	<u>1,513,676</u>	<u>49,664</u>
Recreation and Parks:				
Arts commission	29,121	29,891	29,501	390
Trumbull day commission	360	360	-	360
Public events	20,000	20,000	19,941	59
Recreation and parks	492,317	508,415	499,789	8,626
Parks	1,735,346	1,753,465	1,734,736	18,729
Tree warden	113,803	115,873	115,834	39
Total recreation and parks	<u>2,390,947</u>	<u>2,428,004</u>	<u>2,399,801</u>	<u>28,203</u>
Education:				
Contractual services	185,000	180,585	180,584	1
Operational expenditures	92,962,381	92,962,381	92,962,338	43
Workers compensation		50,929	50,928	1
Busing	888,000	879,842	879,841	1
Board of Education maintenance		960	959	1
Use of buildings	240,500	240,500	240,489	11
Business education initiative	65,005	65,005	58,909	6,096
School nurses	842,788	844,360	833,924	10,436
Total education	<u>95,183,674</u>	<u>95,224,562</u>	<u>95,207,972</u>	<u>16,590</u>
Debt Service:				
Principal - bonds and notes	8,289,155	8,289,155	8,283,595	5,560
Interest - bonds	4,006,073	3,966,757	3,840,489	126,268
Total debt service	<u>12,295,228</u>	<u>12,255,912</u>	<u>12,124,084</u>	<u>131,828</u>
Total Expenditures	<u>\$ 151,993,878</u>	<u>\$ 153,019,316</u>	<u>\$ 152,158,632</u>	<u>\$ 860,684</u>

TOWN OF TRUMBULL, CONNECTICUT

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TOWN PENSION PLAN**

LAST FISCAL YEAR

	<u>2014</u>
Total pension liability:	
Service cost	\$ 2,793,812
Interest	4,505,608
Differences between expected and actual experience	(1,420,269)
Changes of assumptions	(888,190)
Benefit payments, including refunds of member contributions	<u>(4,191,446)</u>
Net change in total pension liability	799,515
Total pension liability - beginning	<u>92,028,028</u>
Total pension liability - ending	<u><u>92,827,543</u></u>
 Plan fiduciary net position:	
Contributions - employer	4,576,000
Contributions - member	890,129
Net investment income	3,611,739
Benefit payments, including refunds of member contributions	(4,191,446)
Administrative expense	<u>(43,756)</u>
Net change in plan fiduciary net position	4,842,666
Plan fiduciary net position - beginning	<u>21,718,299</u>
Plan fiduciary net position - ending	<u><u>26,560,965</u></u>
 Town's Net Pension Liability - Ending	\$ <u><u>66,266,578</u></u>
 Plan fiduciary net position as a percentage of the total pension liability	28.61%
 Covered-employee payroll	\$ 16,964,000
 Town's net pension liability as a percentage of covered-employee payroll	390.63%

TOWN OF TRUMBULL, CONNECTICUT

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION PLAN**

LAST FISCAL YEAR

	<u>2014</u>
Total pension liability:	
Service cost	\$ 1,197,110
Interest	4,873,895
Differences between expected and actual experience	(1,799,468)
Changes of assumptions	337,006
Benefit payments, including refunds of member contributions	<u>(2,087,953)</u>
Net change in total pension liability	2,520,590
Total pension liability - beginning	<u>68,549,442</u>
Total pension liability - ending	<u>71,070,032</u>
 Plan fiduciary net position:	
Contributions - employer	1,700,000
Contributions - member	348,591
Net investment income	5,662,996
Benefit payments, including refunds of member contributions	(2,087,953)
Administrative expense	<u>(177,899)</u>
Net change in plan fiduciary net position	5,445,735
Plan fiduciary net position - beginning	<u>43,535,990</u>
Plan fiduciary net position - ending	<u>48,981,725</u>
 Town's Net Pension Liability - Ending	\$ <u>22,088,307</u>
 Plan fiduciary net position as a percentage of the total pension liability	68.92%
 Covered-employee payroll	\$ 5,995,000
 Town's net pension liability as a percentage of covered-employee payroll	368.45%

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actuarially determined contribution	\$ 1,969,000	\$ 2,908,000	\$ 3,113,000	\$ 3,425,000	\$ 3,911,000	\$ 4,035,000	\$ 4,472,000	\$ 4,438,000	\$ 4,576,000	\$ 4,325,000
Contributions in relation to the actuarially determined contribution	<u>1,225,000</u>	<u>1,325,000</u>	<u>1,425,000</u>	<u>1,625,000</u>	<u>1,825,000</u>	<u>2,025,000</u>	<u>2,325,000</u>	<u>3,000,000</u>	<u>3,700,000</u>	<u>4,576,000</u>
Contribution Deficiency (Excess)	<u>\$ 744,000</u>	<u>\$ 1,583,000</u>	<u>\$ 1,688,000</u>	<u>\$ 1,800,000</u>	<u>\$ 2,086,000</u>	<u>\$ 2,010,000</u>	<u>\$ 2,147,000</u>	<u>\$ 1,438,000</u>	<u>\$ 876,000</u>	<u>\$ (251,000)</u>
Covered-employee payroll	\$ 14,052,122	\$ 15,307,000	\$ 15,307,000	\$ 17,476,000	\$ 17,476,000	\$ 18,308,000	\$ 18,308,000	\$ 18,559,000	\$ 18,559,000	\$ 16,964,000
Contributions as a percentage of covered-employee payroll	8.72%	8.66%	9.31%	9.30%	10.44%	11.06%	12.70%	16.16%	19.94%	26.97%

Notes to Schedule

Valuation date: July 1, 2012
Measurement date: June 30, 2014
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	25 year open period
Asset valuation method	Fair Market Value. Fair Market Value is based on quoted market prices.
Inflation	4.50%
Salary increases	3.5%, per annum, compounded annually
Investment rate of return	7.5%, per annum, compounded annually
Retirement age	Employees can retire on or after age 62 if they have at least 10 years of service, or after age 60 if age plus years of service equals at least 85.
Mortality	1994 Unisex Pensioners Mortality Table, with rates projected to 2014

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actuarially determined contribution	\$ 1,969,000	\$ 2,117,040	\$ 1,008,000	\$ 2,091,150	\$ 2,369,000	\$ 2,438,000	\$ 3,474,000	\$ 3,393,000	\$ 3,088,000	\$ 3,226,000
Contributions in relation to the actuarially determined contribution	<u>850,000</u>	<u>900,000</u>	<u>908,375</u>	<u>1,050,000</u>	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,350,000</u>	<u>1,450,000</u>	<u>1,600,000</u>	<u>1,700,000</u>
Contribution Deficiency (Excess)	<u>\$ 1,119,000</u>	<u>\$ 1,217,040</u>	<u>\$ 99,625</u>	<u>\$ 1,041,150</u>	<u>\$ 1,119,000</u>	<u>\$ 1,188,000</u>	<u>\$ 2,124,000</u>	<u>\$ 1,943,000</u>	<u>\$ 1,488,000</u>	<u>\$ 1,526,000</u>
Covered-employee payroll	\$ 4,007,225	\$ 4,290,000	\$ 4,290,000	\$ 5,176,000	\$ 5,176,000	\$ 5,542,000	\$ 5,542,000	\$ 5,358,000	\$ 5,358,000	\$ 5,995,000
Contributions as a percentage of covered-employee payroll	21.21%	20.98%	21.17%	20.29%	24.15%	22.56%	24.36%	27.06%	29.86%	28.36%

Notes to Schedule

Valuation date: July 1, 2012

Measurement date: June 30, 2014

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	15 year open period
Asset valuation method	Fair Market Value. Fair Market Value is based on quoted market prices.
Inflation	4.50%
Salary increases	4.5%, per annum, compounded annually
Investment rate of return	8.0%, per annum, compounded annually
Retirement age	Employees can retire on or after age 62 if they have at least 10 years of service, or after age 60 if age plus years of service equals at least 85.

Mortality 1994 Unisex Pensioners Mortality Table, with rates projected to 2014

Changes to the Plan Provisions Since Prior Year Participation was frozen effective July 1, 2014

TOWN OF TRUMBULL, CONNECTICUT**SCHEDULE OF INVESTMENT RETURNS****LAST FISCAL YEAR****2014**

Town Pension Plan

Annual money-weighted rate of return, net of investment expense

16.06%

Police Pension Plan

Annual money-weighted rate of return, net of investment expense

12.99%

Appendix B-1

Form of Opinion of Bond Counsel and Tax Exemption – The Bonds

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JOSEPH FASI LLC

56 ARBOR STREET, SUITE 418
HARTFORD, CONNECTICUT 06106

A T T O R N E Y S A T L A W

TELEPHONE (860)296-0510
FACSIMILE (860)296-0541

FORM OF OPINION OF BOND COUNSEL – Bonds

Town of Trumbull
Trumbull, Connecticut

Ladies and Gentlemen:

We have represented the Town of Trumbull, Connecticut as bond counsel with respect to the issuance and sale of \$7,500,000 Town of Trumbull, Connecticut General Obligation Bonds, Issue of 2015, bearing a Dated Date of September 4, 2015 and an Original Issue Date of September 4, 2015 (the "bonds").

We have examined a record of the proceedings authorizing the bonds, a Tax Regulatory Agreement of the Town dated September 4, 2015 (the "Tax Regulatory Agreement"), and other proofs submitted to us.

The bonds are subject to redemption prior to maturity as therein provided. The bonds are originally registered in the name of Cede & Co., as nominee of The Depository Trust Company, to effect a book-entry system for the ownership and transfer of the bonds, and are certified by U.S. Bank National Association, Hartford, Connecticut (the "Certifying Agent").

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the bonds (except to the extent, if any, stated in the Official Statement) and we express no opinion relating thereto.

We are of the opinion that such proceedings and proofs show lawful authority for the issuance and sale of the bonds under authority of the constitution and statutes of the State of Connecticut and that when certified by the Certifying Agent the bonds are valid and binding general obligations of the Town of Trumbull payable both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. There was, however, no such certified forest land on the last completed grand list of the Town and under existing statutes the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation upon its power to tax such dwelling houses. We are further of the opinion that the Tax Regulatory Agreement is a valid and binding agreement of the Town.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the bonds in order that interest on the bonds not be included in gross income under Section 103 of the Code. The Town has covenanted in the Tax Regulatory Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the bonds shall not be included in the gross income of the owners thereof for Federal income tax purposes under the Code.

In our opinion, under existing statutes and court decisions, interest on the bonds is not included in the gross income of the owners thereof for purposes of Federal income taxation pursuant to Section 103 of the Code and is not treated as a preference item for purposes of computing the Federal alternative minimum tax. Interest on the bonds is, however, includable in the adjusted current earnings of a corporation (as defined for federal income tax purposes) for purposes of computing the Federal alternative minimum tax imposed on corporations. We express no opinion regarding other Federal income tax consequences caused by ownership or disposition of, or receipt of interest on, the bonds.

In rendering the foregoing opinions regarding the Federal income tax treatment of interest on the bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and expectations, and certifications of fact contained in the Tax Regulatory Agreement, and (ii) continuing compliance by the Town with the covenants and procedures set forth in the Tax Regulatory Agreement as to such tax matters.

We are further of the opinion that, under existing statutes, interest on the bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. We express no opinion regarding other State income tax consequences caused by ownership or disposition of the bonds.

The rights of owners of the bonds and the enforceability of the bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by application of equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully yours,

JOSEPH FASI LLC

TAX MATTERS – Bonds and Notes

Opinion of Bond Counsel

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements which must be met subsequent to delivery of the Bonds and Notes in order that interest on the Bonds and Notes not be included in gross income under Section 103 of the Code. The Tax Regulatory Agreement, which will be executed and delivered by the Issuer concurrently with the Bonds and Notes, contains representations, covenants and procedures relating to the use, expenditure and investment of proceeds of the Bonds and Notes in order to comply with such requirements of the Code. Pursuant to the Tax Regulatory Agreement, the Issuer also covenants and agrees that it shall perform all things necessary or appropriate under any valid provision of law to ensure interest on the Bonds and Notes shall not be included in gross income of owners thereof for purposes of Federal income taxation under the Code. Failure to comply with the continuing requirements of the Code may cause the interest on the Bonds and Notes to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds and Notes irrespective of the date on which non compliance occurs. In rendering its opinion, Bond Counsel relies on the continuing compliance by the Town with the Tax Regulatory Agreement.

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance by the Issuer with its covenants and the procedures contained in the Tax Regulatory Agreement, interest on the Bonds and Notes is not included in the gross income of the owners thereof for purposes of Federal income taxation and is not treated as a preference item for purposes of computing the Federal alternative minimum tax. Interest on the Bonds and Notes is, however, includable in the adjusted current earnings of corporations (as defined for federal income tax purposes) for purposes of computing the Federal alternative minimum tax on corporations.

In the opinion of Bond Counsel, based on existing statutes, interest on the Bonds and Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. Prospective purchasers of the Bonds and Notes are advised to consult their own tax advisors regarding the state and local tax consequences of ownership and disposition of the Bonds and Notes.

Bond Counsel expresses no opinion regarding any other Federal or State tax consequences of ownership or disposition of the Bonds and Notes.

Additional Tax Matters

The following is a brief discussion of certain Additional Tax Matters associated with purchase and ownership of the Bonds and Notes. Bond Counsel's opinion does not address these issues (see opinion above) and prospective purchasers are advised to consult their own tax

advisors regarding federal and state consequences of ownership and disposition of the Bonds and Notes.

Ownership of tax exempt obligations such as the Bonds and Notes may result in certain collateral Federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security and Railroad Retirement benefits and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax exempt obligations, such as the Bonds and Notes. Prospective purchasers of the Bonds and Notes, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of ownership and disposition of the Bonds and Notes.

Original Issue Discount and Premium

The following is a general discussion of Original Issue Discount and Premium and not an opinion of Bond Counsel. Prospective Investors are advised to consult their own tax advisors regarding original issue discount and original issue premium in connection with their ownership and disposition of the Bonds.

The initial public offering prices of certain maturities of the Bonds (the “OID Bonds”) may be less than their stated principal amounts. Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount of such maturity of the OID Bonds is sold will constitute original issue discount (“OID”). Based solely on information provided by the Underwriters, the offering prices relating to the yields set forth on the cover page of this Official Statement for the OID Bonds are expected to be the initial offering prices to the public at which a substantial amount of each maturity of the OID Bonds are sold. Under existing law OID on the Bonds accrued and properly allocable to the owners thereof under the Code is not included in gross income for federal income tax purposes if interest on the Bonds is not included in gross income for federal income tax purposes.

In general, however, under the Code, for purposes of determining an owner’s adjusted basis in an OID Bond, OID treated as having accrued while the owner holds the OID Bond will be added to the owner’s basis. OID will accrue on a constant-yield-to-maturity method based on regular compounding. The owner’s adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of an OID Bond. For certain corporations (as defined for federal income tax purposes) a portion of the original issue discount that accrues in each year to such an owner of an OID Bond will be included in the calculation of the corporation’s federal alternative minimum tax liability. As a result, ownership of an OID Bond by such a corporation may result in an alternative minimum tax liability even though such owner has not received a corresponding cash payment.

Prospective purchasers of OID Bonds, including those not purchasing a Bond at its initial public offering, should consult their own tax advisors as to the calculation of accrued OID, the accrual of OID in the cases of owners of the OID Bonds purchasing such Bonds after the initial

offering and sale, and the federal, state and local tax consequences of owning or disposing of such OID Bonds.

Original Issue Premium

The initial public offering prices of certain maturities of the Bonds (the “OIP Bonds”) may be more than their stated principal amounts. An owner who purchases a Bond at a premium to its principal amount must amortize bond premium as provided in applicable Treasury Regulations, and amortized premium reduces the owner’s basis in the Bond for federal income tax purposes. Prospective purchasers of OIP Bonds should consult their own tax advisors regarding the treatment of bond premium for federal, state and local income tax purposes, including special rules regarding the consequences of ownership, amortization of bond premium, basis, and gain or loss from the sale or exchange of OIP Bonds.

FUTURE EVENTS

The Federal and State tax treatment of municipal bonds is determined by Federal, state and local legislation, administrative pronouncements and court decisions. For example, recent Federal legislative proposals have been introduced into Congress which, if enacted, would eliminate or curtail the exclusion from gross income of interest paid on municipal bonds or have other collateral tax consequences that will adversely affect their tax treatment, including limiting the exclusion from gross income on tax exempt bonds for higher income taxpayers. Current ongoing Federal budget discussions include such proposals. The enactment of such proposals may adversely affect the tax treatment of: the interest paid on the Bonds and Notes, their sale or disposition, market price, marketability, or otherwise prevent Beneficial Owners from receiving the full current tax benefit of ownership. There can be no assurance that changes of law by Federal or State governments will not occur or that they will not be made retroactive. Bond Counsel does not opine as to post issuance acts, including changes of law. Prospective purchases and Beneficial Owners should consult their own tax advisors regarding pending or proposed law changes.

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Appendix B-2

Form of Opinion of Bond Counsel and Tax Exemption – The Notes

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JOSEPH FASI LLC

56 ARBOR STREET, SUITE 418
HARTFORD, CONNECTICUT 06106

A T T O R N E Y S A T L A W

TELEPHONE (860)296-0510
FACSIMILE (860)296-0541

FORM OF OPINION OF BOND COUNSEL – Notes

Town of Trumbull
Trumbull, Connecticut

Ladies and Gentlemen:

We have represented the Town of Trumbull, Connecticut as bond counsel with respect to the issuance and sale of \$9,520,000 Town of Trumbull, Connecticut General Obligation Bond Anticipation Notes, bearing a Dated Date and an Original Issue Date of September 4, 2015, maturing September 1, 2016 (the "notes").

We have examined a record of the proceedings authorizing the notes, a Tax Regulatory Agreement of the Town dated September 4, 2015 (the "Tax Regulatory Agreement"), and other proofs submitted to us.

The notes are originally registered in the name of Cede & Co., as nominee of The Depository Trust Company, to effect a book-entry system for the ownership and transfer of the notes, and are certified by U.S. Bank National Association, Hartford, Connecticut (the "Certifying Agent").

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the notes (except to the extent, if any, stated in such Official Statement) and we express no opinion relating thereto.

We are of the opinion that such proceedings and proofs show lawful authority for the issuance and sale of the notes under authority of the constitution and statutes of the State of Connecticut and that when certified by the Certifying Agent the notes are a valid and binding general obligation of the Town of Trumbull payable both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. There was, however, no such certified forest land on the last completed grand list of the Town and under existing statutes the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation upon its power to tax such dwelling houses. We are further of the opinion that the Tax Regulatory Agreement is a valid and binding agreement of the Town.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the notes in order that interest on the notes not be included in gross income under Section 103 of the Code. The Town has covenanted in the Tax Regulatory Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the notes shall not be included in the gross income of the owners thereof for Federal income tax purposes under the Code.

In our opinion, under existing statutes and court decisions, interest on the notes is not included in the gross income of the owners thereof for purposes of Federal income taxation pursuant to Section 103 of the Code and is not treated as a preference item for purposes of computing the Federal alternative minimum tax. Interest on the notes is, however, includable in the adjusted current earnings of a corporation (as defined for federal income tax purposes) for purposes of computing the Federal alternative minimum tax imposed on corporations. We express no opinion regarding other Federal income tax consequences caused by ownership or disposition of, or receipt of interest on, the notes.

In rendering the foregoing opinions regarding the Federal income tax treatment of interest on the notes, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and expectations, and certifications of fact contained in the Tax Regulatory Agreement, and (ii) continuing compliance by the Town with the covenants and procedures set forth in the Tax Regulatory Agreement as to such tax matters.

We are further of the opinion that, under existing statutes, interest on the notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. We express no opinion regarding other State income tax consequences caused by ownership or disposition of the notes.

The rights of owners of the notes and the enforceability of the notes may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by application of equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully yours,

JOSEPH FASI LLC

TAX MATTERS – Bonds and Notes

Opinion of Bond Counsel

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements which must be met subsequent to delivery of the Bonds and Notes in order that interest on the Bonds and Notes not be included in gross income under Section 103 of the Code. The Tax Regulatory Agreement, which will be executed and delivered by the Issuer concurrently with the Bonds and Notes, contains representations, covenants and procedures relating to the use, expenditure and investment of proceeds of the Bonds and Notes in order to comply with such requirements of the Code. Pursuant to the Tax Regulatory Agreement, the Issuer also covenants and agrees that it shall perform all things necessary or appropriate under any valid provision of law to ensure interest on the Bonds and Notes shall not be included in gross income of owners thereof for purposes of Federal income taxation under the Code. Failure to comply with the continuing requirements of the Code may cause the interest on the Bonds and Notes to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds and Notes irrespective of the date on which non compliance occurs. In rendering its opinion, Bond Counsel relies on the continuing compliance by the Town with the Tax Regulatory Agreement.

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance by the Issuer with its covenants and the procedures contained in the Tax Regulatory Agreement, interest on the Bonds and Notes is not included in the gross income of the owners thereof for purposes of Federal income taxation and is not treated as a preference item for purposes of computing the Federal alternative minimum tax. Interest on the Bonds and Notes is, however, includable in the adjusted current earnings of corporations (as defined for federal income tax purposes) for purposes of computing the Federal alternative minimum tax on corporations.

In the opinion of Bond Counsel, based on existing statutes, interest on the Bonds and Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. Prospective purchasers of the Bonds and Notes are advised to consult their own tax advisors regarding the state and local tax consequences of ownership and disposition of the Bonds and Notes.

Bond Counsel expresses no opinion regarding any other Federal or State tax consequences of ownership or disposition of the Bonds and Notes.

Additional Tax Matters

The following is a brief discussion of certain Additional Tax Matters associated with purchase and ownership of the Bonds and Notes. Bond Counsel's opinion does not address these issues (see opinion above) and prospective purchasers are advised to consult their own tax

advisors regarding federal and state consequences of ownership and disposition of the Bonds and Notes.

Ownership of tax exempt obligations such as the Bonds and Notes may result in certain collateral Federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security and Railroad Retirement benefits and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax exempt obligations, such as the Bonds and Notes. Prospective purchasers of the Bonds and Notes, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of ownership and disposition of the Bonds and Notes.

Original Issue Discount and Premium

The following is a general discussion of Original Issue Discount and Premium and not an opinion of Bond Counsel. Prospective Investors are advised to consult their own tax advisors regarding original issue discount and original issue premium in connection with their ownership and disposition of the Bonds.

The initial public offering prices of certain maturities of the Bonds (the “OID Bonds”) may be less than their stated principal amounts. Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount of such maturity of the OID Bonds is sold will constitute original issue discount (“OID”). Based solely on information provided by the Underwriters, the offering prices relating to the yields set forth on the cover page of this Official Statement for the OID Bonds are expected to be the initial offering prices to the public at which a substantial amount of each maturity of the OID Bonds are sold. Under existing law OID on the Bonds accrued and properly allocable to the owners thereof under the Code is not included in gross income for federal income tax purposes if interest on the Bonds is not included in gross income for federal income tax purposes.

In general, however, under the Code, for purposes of determining an owner’s adjusted basis in an OID Bond, OID treated as having accrued while the owner holds the OID Bond will be added to the owner’s basis. OID will accrue on a constant-yield-to-maturity method based on regular compounding. The owner’s adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of an OID Bond. For certain corporations (as defined for federal income tax purposes) a portion of the original issue discount that accrues in each year to such an owner of an OID Bond will be included in the calculation of the corporation’s federal alternative minimum tax liability. As a result, ownership of an OID Bond by such a corporation may result in an alternative minimum tax liability even though such owner has not received a corresponding cash payment.

Prospective purchasers of OID Bonds, including those not purchasing a Bond at its initial public offering, should consult their own tax advisors as to the calculation of accrued OID, the accrual of OID in the cases of owners of the OID Bonds purchasing such Bonds after the initial

offering and sale, and the federal, state and local tax consequences of owning or disposing of such OID Bonds.

Original Issue Premium

The initial public offering prices of certain maturities of the Bonds (the “OIP Bonds”) may be more than their stated principal amounts. An owner who purchases a Bond at a premium to its principal amount must amortize bond premium as provided in applicable Treasury Regulations, and amortized premium reduces the owner’s basis in the Bond for federal income tax purposes. Prospective purchasers of OIP Bonds should consult their own tax advisors regarding the treatment of bond premium for federal, state and local income tax purposes, including special rules regarding the consequences of ownership, amortization of bond premium, basis, and gain or loss from the sale or exchange of OIP Bonds.

FUTURE EVENTS

The Federal and State tax treatment of municipal bonds is determined by Federal, state and local legislation, administrative pronouncements and court decisions. For example, recent Federal legislative proposals have been introduced into Congress which, if enacted, would eliminate or curtail the exclusion from gross income of interest paid on municipal bonds or have other collateral tax consequences that will adversely affect their tax treatment, including limiting the exclusion from gross income on tax exempt bonds for higher income taxpayers. Current ongoing Federal budget discussions include such proposals. The enactment of such proposals may adversely affect the tax treatment of: the interest paid on the Bonds and Notes, their sale or disposition, market price, marketability, or otherwise prevent Beneficial Owners from receiving the full current tax benefit of ownership. There can be no assurance that changes of law by Federal or State governments will not occur or that they will not be made retroactive. Bond Counsel does not opine as to post issuance acts, including changes of law. Prospective purchases and Beneficial Owners should consult their own tax advisors regarding pending or proposed law changes.

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Appendix C-1

Form of Continuing Disclosure Agreement – The Bonds

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CONTINUING DISCLOSURE AGREEMENT

By The

TOWN OF TRUMBULL, CONNECTICUT

Dated As Of September 4, 2015

In Connection With The Issuance And Sale Of

\$7,500,000 Town Of Trumbull, Connecticut

General Obligation Bonds, Issue of 2015,

Dated September 4, 2015

WHEREAS, the Town of Trumbull, Connecticut (the "Issuer") has heretofore authorized the issuance of \$7,500,000 in aggregate principal amount of its General Obligation Bonds, Issue of 2015 (the "Bonds") to be dated September 4, 2015 and to mature in the principal amounts and on the dates set forth in the Issuer's Official Statement describing the Bonds (the "Official Statement"); and

WHEREAS, the Issuer acknowledges that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the Issuer has undertaken in a written agreement for the benefit of the beneficial owners of the Bonds to provide certain continuing disclosure information as required by Securities and Exchange Commission Rule 15c2-12(b)(5) as amended from time to time (the "Rule"), and the Issuer desires to assist the underwriter of the Bonds in complying with the Rule; and

WHEREAS, the Issuer is authorized pursuant to Public Act 95-270 enacted by the Connecticut General Assembly to make representations and agreements for the benefit of the beneficial owners of the Bonds to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriter of the Bonds in complying with the Rule, this Continuing Disclosure Agreement is to be made, executed and delivered in connection with the issuance of the Bonds, all for the benefit of the beneficial owners of the Bonds, as they may be from time to time;

NOW, THEREFORE, THE ISSUER HEREBY REPRESENTS, COVENANTS AND AGREES AS FOLLOWS:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 2 and 3 of this Continuing Disclosure Agreement.

"Fiscal Year End" shall mean the last day of the Issuer's fiscal year, currently June 30.

"Listed Events" shall mean any of the events listed in Section 4 of this Continuing Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto. For purposes of this agreement, continuing disclosure information will be filed where approved from time to time by the MSRB, and which as of the date hereof means:

<http://emma.msrb.org>

Section 2. Annual Reports.

A. The Issuer shall provide or cause to be provided to the MSRB, the following annual financial information and operating data regarding the Issuer:

1) Audited financial statements as of and for the year ending on its Fiscal Year End for the general fund, capital projects funds and special revenue funds, prepared in accordance with generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time; and

2) Financial information and operating data as of and for the year ending on its Fiscal Year End of the following type to the extent not included in the audited financial statements described in 1) above:

- (a) the amounts of the gross and net taxable grand list;
- (b) a listing of the ten largest taxpayers on the grand list, together with each such taxpayer's taxable valuation thereon;
- (c) the percentage or amount of the annual property tax levy collected and uncollected;
- (d) a schedule of the annual debt service on outstanding long-term bonded indebtedness;
- (e) a calculation of the direct debt, net direct debt and overall net debt (reflecting overlapping and underlying debt);
- (f) the direct debt and overall net debt of the Issuer per capita;

(g) the ratios of direct debt and overall net debt of the Issuer to the Issuer's equalized net (taxable) grand list;

(h) a statement of statutory debt limitations and debt margins;

(i) the funding status of the Issuer's pension benefit obligation.

B. The above-referenced information is expected to be provided by the filing of and cross reference to the Issuer's Annual Report. The information may be provided in whole or in part by cross-reference to other documents provided to the MSRB, including official statements of the Issuer which will be available from the MSRB. The information will be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

C. Subject to the requirements of Section 8 hereof, the Issuer reserves the right to modify from time to time the specific types of information or data provided or the format of the presentation of such information or data, to the extent necessary or appropriate; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule. The Issuer also reserves the right to modify the preparation and presentation of financial statements described herein as may be required to conform with changes in Connecticut law applicable to municipalities or any changes in generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time.

Section 3. Timing. The Issuer shall provide the information and data referenced in Section 2(A) not later than eight months after each Fiscal Year End subsequent to the date of issuance of the bonds, provided, however, that if such financial information and data for the Fiscal Year End preceding the date of issuance of the Bonds is not contained in the Official Statement for the Bonds or has not otherwise been previously provided, the Issuer shall provide such information and data no later than eight months after the close of such preceding Fiscal Year End. The Issuer agrees that if audited information is not available eight months after the close of any Fiscal Year End, it shall submit unaudited information by such time and will submit audited information within a reasonable time.

Section 4. Event Notices. The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of 10 business days after the occurrence of the event to the MSRB, notice of the occurrence of any of the following events:

- a) principal and interest payment delinquencies;
- b) non-payment related defaults, if material;
- c) unscheduled draws on debt service reserves reflecting financial difficulties;
- d) unscheduled draws on credit enhancements reflecting financial difficulties;

- e) substitution of credit or liquidity providers, or their failure to perform;
- f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- g) modifications to rights of security holders, if material;
- h) bond calls, if material, and tender offers;
- i) defeasances;
- j) release, substitution or sale of property securing repayment of the securities, if material;
- k) rating changes;
- l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- m) the consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

Section 5. Notice of Failure. The Issuer agrees to provide or cause to be provided, in a timely manner, to the MSRB, notice of any failure by the Issuer to provide the annual financial information described in Section 2.A of this Continuing Disclosure Agreement.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Agent. The Issuer may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Issuer may amend this Continuing Disclosure Agreement, and any provision of this Continuing Disclosure Agreement may be waived, if such amendment

or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) the Agreement as so amended would have complied with the requirements of the Rule as of the date of the Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

Section 9. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Continuing Disclosure Agreement, the Issuer shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Indemnification. The Issuer agrees to indemnify and save its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to any agent's negligence or misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of any agent and payment of the Bonds.

Section 11. Enforceability. The Issuer agrees that its undertaking pursuant to the Rule set forth in this Continuing Disclosure Agreement is intended to be for the benefit and enforceable by the beneficial owners of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. In the event the Issuer does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Issuer's obligations hereunder. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute default of the Issuer with respect to the Bonds.

[Signature Page Follows]

CONTINUING DISCLOSURE AGREEMENT

By The

TOWN OF TRUMBULL, CONNECTICUT

Dated As Of September 4, 2015

In Connection With The Issuance And Sale Of

\$7,500,000 Town Of Trumbull, Connecticut

General Obligation Bonds, Issue of 2015,

Dated September 4, 2015

IN WITNESS WHEREOF, the Issuer has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

TOWN OF TRUMBULL, CONNECTICUT

By _____
Timothy M. Herbst
First Selectman

By _____
John L. Ponzio
Town Treasurer

By _____
Maria T. Pires
Director of Finance

Appendix C-2

Form of Continuing Disclosure Agreement – The Notes

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CONTINUING DISCLOSURE AGREEMENT

By The

TOWN OF TRUMBULL, CONNECTICUT

In Connection With The Issuance And Sale Of

\$9,520,000 Town Of Trumbull, Connecticut

General Obligation Bond Anticipation Notes, Dated September 4, 2015

WHEREAS, the Town of Trumbull, Connecticut (the "Issuer") has heretofore authorized the issuance of \$9,520,000 in aggregate principal amount of its General Obligation Bond Anticipation Notes (the "Notes") bearing a Dated Date of September 4, 2015, maturing on September 1, 2016, said Notes as more fully described in the Issuer's Final Official Statement describing the Notes and prepared in connection with their sale (the "Official Statement"); and

WHEREAS, the Issuer acknowledges that an underwriter may not purchase or sell the Notes unless it has reasonably determined that the Issuer has undertaken in a written agreement for the benefit of the beneficial owners of the notes to provide notices of material events as required by Securities and Exchange Commission Rule 15c2-12(b)(5) as amended from time to time (the "Rule"), and the Issuer desires to assist the underwriter of the notes in complying with the Rule; and

WHEREAS, the Issuer is authorized pursuant to Public Act 95-270 enacted by the Connecticut General Assembly to make representations and agreements for the benefit of the beneficial owners of the Notes to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriter of the Notes in complying with the Rule, this Continuing Disclosure Agreement is to be made, executed and delivered in connection with the issuance of the Notes, all for the benefit of the beneficial owners of the Notes, as they may be from time to time;

NOW, THEREFORE, THE ISSUER HEREBY REPRESENTS, COVENANTS AND AGREES AS FOLLOWS:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

"Listed Events" shall mean any of the events listed in Section 2 of this Continuing Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto. For purposes of this agreement, continuing disclosure information will be filed where approved from time to time by the MSRB, and which as of the date hereof means:

<http://emma.msrb.org>

Section 2. Event Notices. The Issuer agrees to provide or cause to be provided in a timely manner not in excess of 10 business days after the occurrence of the event to the MSRB, notice of the occurrence of any of the following events:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (vii) modifications to rights of security holders, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the securities; if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (xiii) the consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

Section 3. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Notes.

Section 4. Agent. The Issuer may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 5. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Issuer may amend this Continuing Disclosure Agreement, and any provision of this Continuing Disclosure Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not adversely affect the beneficial owners of the Notes and (ii) the Agreement as so amended would have complied with the requirements of the Rule as of the date of the Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the MSRB.

Section 6. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Issuer chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Continuing Disclosure Agreement, the Issuer shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future notice of occurrence of a Listed Event.

Section 7. Indemnification. The Issuer agrees to indemnify and save its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to any agent's negligence or misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of any agent and payment of the Notes.

Section 8. Enforceability. The Issuer agrees that its undertaking pursuant to the Rule set forth in this Continuing Disclosure Agreement is intended to be for the benefit of the beneficial owners of the Notes and shall be enforceable by them. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure after its receipt

of written notice from any beneficial owner of the Notes of such failure. In the event the Issuer does not cure such failure, the right of any beneficial owner of the Notes to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Issuer's obligations hereunder. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute default of the Issuer with respect to the Notes.

[Signature Page Follows]

CONTINUING DISCLOSURE AGREEMENT

By The

TOWN OF TRUMBULL, CONNECTICUT

In Connection With The Issuance And Sale Of

\$9,520,000 Town Of Trumbull, Connecticut

General Obligation Bond Anticipation Notes, Dated September 4, 2015

IN WITNESS WHEREOF, the Issuer has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

TOWN OF TRUMBULL, CONNECTICUT

By _____
Timothy M. Herbst
First Selectman

By _____
John L. Ponzio
Town Treasurer

By _____
Maria T. Pires
Director of Finance

Appendix D

Notice of Sale and Bid Forms

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NOTICE OF SALE

TOWN OF TRUMBULL, CONNECTICUT

**\$7,500,000
GENERAL OBLIGATION BONDS, ISSUE OF 2015**

AND

**\$9,520,000
GENERAL OBLIGATION BOND ANTICIPATION NOTES**

Bids will be received by the Town of Trumbull, Connecticut (the "Issuer"), at the Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, Connecticut 06611 on **Thursday, August 20, 2015** for the purchase of:

\$9,520,000 General Obligation Bond Anticipation Notes

Dated: September 4, 2015

Due: September 1, 2016

(the "Notes")

NOT BANK QUALIFIED

Bid until 11:00 A.M. (E.D.T.)

Notes: SEALED PROPOSALS and ELECTRONIC BIDS only via *PARITY*[®]

\$7,500,000 General Obligation Bonds

(the "Bonds")

NOT BANK QUALIFIED

Bid until 11:30 A.M. (E.D.T.)

Bonds: Only ELECTRONIC BIDS via *PARITY*[®]

Separate forms of proposal will be provided for the Bonds and the Notes. Bidders may submit proposals for either the Bonds or the Notes, and are not required to submit proposals for each.

The Notes

The Notes will be dated September 4, 2015, will be payable to the registered owner on September 1, 2016 and are not subject to redemption prior to maturity. They will bear interest (which interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months) payable at maturity at the rate or rates per annum fixed in the proposal or proposals accepted for their purchase, which rates shall be in multiples of 1/100 of 1% per annum.

The Bonds

The Bonds will be dated September 4, 2015 (the expected delivery date), and will mature and become payable on September 1 in each of the years and in the principal amounts as follows:

Year	Amount	Year	Amount
2016	\$375,000	2026	\$375,000
2017	\$375,000	2027	\$375,000
2018	\$375,000	2028	\$375,000
2019	\$375,000	2029	\$375,000
2020	\$375,000	2030	\$375,000
2021	\$375,000	2031	\$375,000
2022	\$375,000	2032	\$375,000
2023	\$375,000	2033	\$375,000
2024	\$375,000	2034	\$375,000
2025	\$375,000	2035	\$375,000

bearing interest payable semi-annually on March 1 and September 1 in each year until maturity, commencing March 1, 2016.

Redemption – The Bonds

The Bonds maturing on or before September 1, 2023 are not subject to redemption prior to maturity. The Bonds maturing on September 1, 2024 and thereafter are subject to redemption prior to maturity, at the election of the Issuer, on and after September 1, 2023, at any time, in whole or in part, and by lot within a maturity, in such amounts and in such order of maturity as the Issuer may determine, at the redemption price or prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

	<u>Redemption Dates</u>	<u>Redemption Price</u>
From:	September 1, 2023 and thereafter	100%

The Bonds and Notes will be issued by means of a book-entry system with no physical distribution of bond or note certificates made to the public. The Bonds and Notes will be issued in registered form and one bond certificate for each maturity and one note certificate for each interest rate will be issued to The Depository Trust Company, New York, New York (DTC), registered in the name of its nominee, Cede & Co., and immobilized in their custody. The book-

entry system will evidence ownership of the Bonds and Notes in principal amounts of \$5,000 and \$1,000, respectively, or integral multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The winning bidders, as a condition to delivery of the Bonds and Notes, will be required to deposit the bond and note certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Bonds and Notes will be payable by the Issuer or its agent in same-day funds to DTC or its nominee as registered owner of the Bonds and Notes. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Submitting Proposals - Bonds

Proposals for the purchase of the Bonds will be accepted **only** electronically via **PARITY**[®], and must be in the form of proposal for purchase attached hereto. Each bid must be for the entire \$7,500,000 of bonds and must specify the rate or rates of interest therefor in a multiple of 1/20 or 1/8 of 1% per annum; provided such bid shall not state (a) more than one interest rate for any Bonds having like maturity, or (b) any interest rate for any Bonds which exceeds the interest rate stated in the proposal for any other Bonds by more than 2%. Interest shall be computed on the basis of 360-day year consisting of twelve 30-day months. No bid for less than par and accrued interest will be considered. Unless all bids are rejected the Bonds will be awarded to the bidder offering to purchase them at the lowest true interest cost.

For the purposes of determining the successful bidder, the true interest cost to the Issuer will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds to September 4, 2015, the date of the Bonds, results in an amount equal to the purchase price for the Bonds, not including interest accrued to September 4, 2015, the delivery date of the Bonds. It is requested that each proposal be accompanied by a statement of the percentage of true interest cost computed and rounded to four decimal places. Such statement shall not be considered as a part of the proposal. The purchase price must be paid in Federal Funds.

See “Electronic Proposals Bidding Procedure” for submitting a proposal electronically.

Submitting Proposals - Notes

Written proposals for the purchase of said Notes must be in the form of proposal for purchase attached hereto; or may be submitted electronically **only** via **PARITY**[®]. A proposal may be for all or any part of the Notes but any proposal for a part must be for a minimum of \$100,000, of principal amount per interest rate bid, or a whole multiple thereof, except that one such proposal for a part may include the odd \$120,000, of the principal per interest rate bid, and the total of all principal amounts bid shall not exceed \$9,520,000.

Written proposals for the Notes must be in the form of proposal for purchase attached hereto and enclosed in sealed envelopes marked "Proposal for Notes", and addressed to Timothy M. Herbst, First Selectman, John L. Ponzio, Town Treasurer and Maria T. Pires, Director of Finance, Town of Trumbull, c/o Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, Connecticut 06611. See "Electronic Proposals Bidding Procedure" for submitting a proposal electronically.

Unless all bids are rejected the Notes will be awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost, computed as to each interest rate stated by adding the total interest which will be paid at such rate and deducting therefrom the premium offered, if any. As between proposals resulting in the same lowest net interest cost to the Issuer, the award will be made on the basis of the highest principal amount of the Notes specified. No bid for less than par and accrued interest, if any, will be considered and the Issuer reserves the right to award to any bidder all or any part of the Notes bid for in his proposal. If a bidder is awarded only a part of the Notes bid for in his proposal, any premium offered in such proposal will be proportionately reduced so that the resulting net interest cost to the Issuer with respect to the Notes awarded is the same as that contained in the bidder's proposal with respect to the entire amount bid, carried to four places. The purchase price must be paid in Federal Funds.

Electronic Proposals Bidding Procedure. Electronic bids for the purchase of the Bonds and/or Notes must be submitted on Thursday, August 20, 2015 through the facilities of *PARITY*[®] until:

11:00 A.M. (E.D.T.) Notes

11:30 A.M. (E.D.T.) Bonds

Any prospective bidder must be a subscriber of i-Deal's BiDCOMP competitive bidding system. Further information about *PARITY*[®], including any fee charged, may be obtained from *PARITY*[®], c/o i-Deal LLC, 1359 Broadway, 2nd Floor New York, New York 10018, Attention: Customer Support (telephone: (212) 849-5021 - email notice: parity@i-deal.com). The Issuer neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of *PARITY*[®] is communicated to the Issuer, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by the signed, sealed bid delivered to the Issuer. By submitting a bid for the Bonds and/or Notes via *PARITY*[®], the bidder represents and warrants to the Issuer that such bidder's bid for the purchase of the Bonds and/or Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Issuer will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds and/or Notes on the terms described in this Notice. **The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of *PARITY*[®], or the inaccuracies of any information, including bid information or worksheets supplied by *PARITY*[®], the use of *PARITY*[®] facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

Disclaimer. Each of **PARITY**[®] prospective electronic bidders shall be solely responsible to make necessary arrangements to access **PARITY**[®] for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice. Neither the Issuer nor **PARITY**[®] shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer or **PARITY**[®] shall be responsible for a bidder's failure to make a bid or for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY**[®]. The Issuer is using **PARITY**[®] as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Bonds and/or Notes. The Issuer is not bound by any advice and determination of **PARITY**[®] to the effect that any particular bid complies with the terms of this Notice and in particular the bid requirements herein set forth. All cost and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY**[®] are the sole responsibility of the bidders; and the Issuer is not responsible directly or indirectly, for any of such costs or expenses. If the prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Bonds and/or Notes, the prospective bidder should telephone **PARITY**[®] at (212) 849-5021. If any provision of this Notice shall conflict with information provided by **PARITY**[®], this Notice shall control.

For the purpose of the electronic bidding process, the time maintained on **PARITY**[®] shall constitute the official time.

Award

The Bonds and Notes will be awarded or all bids will be rejected promptly after each respective bid opening and not later than 4:00 P.M. (Hartford time) on August 20, 2015. The right is reserved to reject any and all proposals and to waive any irregularity or informality with respect to any proposal.

Legal Opinion

The legality of the issues will be passed upon by Joseph Fasi LLC, Bond Counsel, of Hartford, Connecticut, and the winning bidders will be furnished with their opinion without charge.

The Bonds and Notes will be general obligations of the Issuer payable, unless paid from other sources, from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount except as to classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. There was, however, no such certified forest land on the last completed grand list of the Issuer and under existing statutes the State of Connecticut is obligated to pay to the Issuer the amount of tax revenue which the Issuer would have received except for the limitation upon its power to tax such dwelling houses.

The legal opinion will further state that, under existing statutes and court decisions interest on the **Bonds** and the **Notes** (i) is not included in the gross income of the owners thereof for purposes of Federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not treated as a preference item for purposes of computing the Federal alternative minimum tax; such interest is, however, includable in the adjusted current earnings of a corporation (as defined for federal income tax purposes) for purposes of computing the Federal alternative minimum tax imposed on corporations under the Code.

Under existing statutes, the interest on the **Bonds** and **Notes** is **excluded** from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay Federal alternative minimum tax.

In rendering the legal opinion, Joseph Fasi LLC will rely upon and assume the material accuracy of the representations and statements of expectation contained in the Tax Regulatory Agreement entered into by the Issuer for the benefit of the owners of the Bonds and Notes, and further, will assume continuing compliance by the Issuer with the covenants and procedures set forth in such Tax Regulatory Agreement. A copy of the opinion will be printed upon each of the Bonds, and a signed opinion and transcript of proceedings will be filed with U.S. Bank National Association, in Hartford, Connecticut, and will be available for examination upon request.

Reoffering Price Certification

IT SHALL BE THE RESPONSIBILITY OF THE WINNING BIDDER OF THE BONDS AND OF THE NOTES TO CERTIFY TO THE ISSUER BEFORE DELIVERY OF THE BONDS AND OF THE NOTES AND IN A MANNER SATISFACTORY TO BOND COUNSEL THE PRICES AT WHICH A SUBSTANTIAL AMOUNT OF THE BONDS OF EACH MATURITY AND OF THE NOTES WERE INITIALLY OFFERED AND SOLD TO THE PUBLIC.

Documentation to Winning Bidders

The winning bidders will also be furnished with a signature and no litigation certificate, a receipt of payment satisfactory in form to said firm, a confirmed copy of the Official Statement prepared for this sale, a certificate signed by the appropriate officials of the Issuer relating to the accuracy and completeness of information contained in the Official Statement, and an executed continuing disclosure agreement.

Certifying/Paying Agent

The Bonds and Notes will be certified by U.S. Bank National Association.

Bank Qualification

The Bonds and the Notes **shall NOT** be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b) of the Code for purposes of the deduction by financial institutions for interest expense allocable to the Bonds and Notes.

Delivery and Payment

The Bonds and Notes will be delivered to DTC or its Agent via “Fast” on or about September 4, 2015. The deposit of the Bonds and Notes with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the winning bidder to obtain CUSIP numbers for the Bonds and Notes prior to delivery, and the Issuer will not be responsible for any delay occasioned by the inability to deposit the Bonds and Notes with DTC due to the failure of the winning bidder to obtain such numbers and to supply them to the Issuer in a timely manner. The Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for the purchaser.

Deemed Final; Pricing Information

The Official Statement is in a form "deemed final" by the Issuer for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision or amendment. The Issuer will provide to the winning bidder of the Bonds 50 copies, and 10 copies to each winning bidder of the Notes, of the Official Statement prepared at the Issuer's expense and delivered not later than seven business days after the bid opening. Additional copies may be obtained by the winning bidder at its own expense by arrangement with the printer. If the Issuer's financial advisor is provided with the necessary information from the winning bidder by noon of the day after the bid opening, the copies of the Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating, yields or reoffering prices, the name of the managing underwriter, and the name of the insurer, if any, of the Bonds and Notes.

Continuing Disclosure

The Issuer will undertake in a Continuing Disclosure Agreement entered into in accordance with the requirements of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission, to provide with respect to the Bonds (i) certain annual financial information and operating data, including audited financial statements; (ii) timely notice of the occurrence of certain material events; and (iii) timely notice of its failure to provide such annual financial information. With respect to the Notes, the Issuer will undertake in a Continuing Disclosure Agreement to provide timely notice of the occurrence of certain material events. The winning bidder's obligation to purchase the Bonds and Notes shall be conditioned upon its receiving, at or prior to the delivery of the Bonds and Notes, an executed copy of the Continuing Disclosure Agreement.

More Information

For more information regarding this issue and the Issuer, reference is made to the Official Statement. Bid forms and copies of the Official Statement dated August 13, 2015, may be

obtained from Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, LLC, 53 River Street, Milford, Connecticut 06460, (203) 878-4945.

Timothy M. Herbst
First Selectman

John L. Ponzio
Town Treasurer

Maria T. Pires
Director of Finance

August 13, 2015

(See attached for forms of Proposal for Purchase)

PROPOSAL FOR BONDS
ONLY Electronic Bids via **PARITY**® Accepted

August 20, 2015

Timothy M. Herbst, First Selectman
John L. Ponzio, Town Treasurer
Maria T. Pires, Director of Finance
Town of Trumbull
c/o Trumbull Town Hall
Office of the Director of Finance
5866 Main Street
Trumbull, Connecticut 06611

Ladies and Gentlemen:

Subject to the provisions of the Notice of Sale dated August 13, 2015, which Notice is made a part of this proposal, we offer to purchase all \$7,500,000 bonds of the Town of Trumbull, Connecticut comprising the issue described in said notice and to pay therefor par and accrued interest to date of delivery, plus a premium of \$_____, provided that the bonds maturing in the several years set forth below shall bear interest from their date until maturity at the respective rates per annum stated in the following table:

Year of Maturity	Principal Amount	Interest Rate	Year of Maturity	Principal Amount	Interest Rate
2016	\$375,000	_____%	2026	\$375,000	_____%
2017	\$375,000	_____%	2027	\$375,000	_____%
2018	\$375,000	_____%	2028	\$375,000	_____%
2019	\$375,000	_____%	2029	\$375,000	_____%
2020	\$375,000	_____%	2030	\$375,000	_____%
2021	\$375,000	_____%	2031	\$375,000	_____%
2022	\$375,000	_____%	2032	\$375,000	_____%
2023	\$375,000	_____%	2033	\$375,000	_____%
2024	\$375,000	_____%	2034	\$375,000	_____%
2025	\$375,000	_____%	2035	\$375,000	_____%

(Name of Bidder)

(Mailing Address)

(Telephone Number)

(Authorized Signature)

(Facsimile Number)

The following is our computation of the interest cost, made as provided in the above-mentioned Notice of Sale, but not constituting any part of the foregoing proposal, for the purchase of \$7,500,000 bonds under the foregoing proposal:

Gross Interest	\$ _____
Less Premium Bid Over Par	\$ _____
Net Interest Cost	\$ _____
Percent True Interest Cost	_____ %
	(Four Decimals)

PROPOSAL FOR NOTES
Sealed Proposals or Electronic Bids via **PARITY**[®] Accepted

August 20, 2015

Timothy M. Herbst, First Selectman
John L. Ponzio, Town Treasurer
Maria T. Pires, Director of Finance
Town of Trumbull
c/o Trumbull Town Hall
Office of the Director of Finance
5866 Main Street
Trumbull, Connecticut 06611

Ladies and Gentlemen:

Subject to the provisions of the Notice of Sale dated August 13, 2015, which Notice is made a part of this proposal, we offer to purchase the indicated principal amount of \$9,520,000 of Town of Trumbull, Connecticut General Obligation Bond Anticipation Notes and to pay therefor par and accrued interest, if any, to the date of delivery, and pay the premium specified below, if any (and we provide our computations of net interest cost carried to four decimals and made as provided in the above-mentioned Notice of Sale, but not constituting any part of the foregoing proposal) as follows:

Principal amount	_____	_____%
Stated interest rate	_____	Percent Net Interest Cost
Premium	_____	(Four Decimals)

Principal amount	_____	_____%
Stated interest rate	_____	Percent Net Interest Cost
Premium	_____	(Four Decimals)

Principal amount	_____	_____%
Stated interest rate	_____	Percent Net Interest Cost
Premium	_____	(Four Decimals)

Principal amount	_____	_____%
Stated interest rate	_____	Percent Net Interest Cost
Premium	_____	(Four Decimals)

The undersigned hereby agrees to accept delivery of and make payment for the indicated principal amount of Notes in Federal Funds on the date of the Notes or as soon thereafter (but no later than 30 days thereafter) as such Notes may be prepared and ready for delivery by the Issuer.

(Name of Bidder)

(Mailing Address)

(Telephone Number)

(Authorized Signature)

(Facsimile Number)

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