

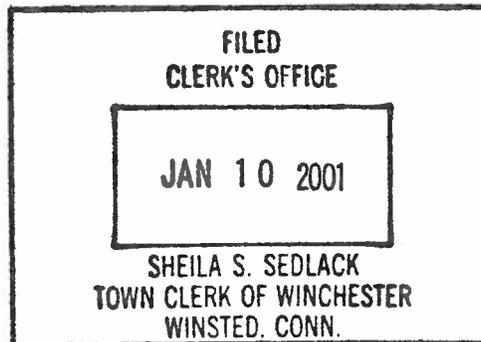
COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2000

TOWN OF WINCHESTER,
CONNECTICUT



Office of the
Director of Finance



TOWN OF WINCHESTER, CONNECTICUT

Comprehensive Annual Financial Report

JUNE 30, 2000

Department of Finance
Henry L. Centrella, Jr.
Director of Finance



TOWN OF WINCHESTER, CONNECTICUT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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TOWN OF WINCHESTER, CONNECTICUT

LISTING OF KEY OFFICERS

AS OF JUNE 30, 2000

Mayor:	John F. Arcelaschi
Board of Selectmen:	Karen Beadle Richard Lavieri John R. Forrest Carol Crossman Frank Smith Maryann D. Welcome
Board of Tax Review:	Peter Walker Walter J. St. Onge, Jr. Joanne Williams
Director of Public Works:	Patrick E. Hague
Town Manager:	Margaret A. Johnson
Director of Finance:	Henry L. Centrella, Jr.
Treasurer:	Spencer C. Monroe
Tax Collector:	Arlene M. Boutin
Town Clerk:	Sheila S. Sedlack
Purchasing Agent:	Mark A. Douglass
Town Assessor:	Janice L. McKie
Superintendent of Schools:	Raymond W. Powell

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Winchester,
Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1999

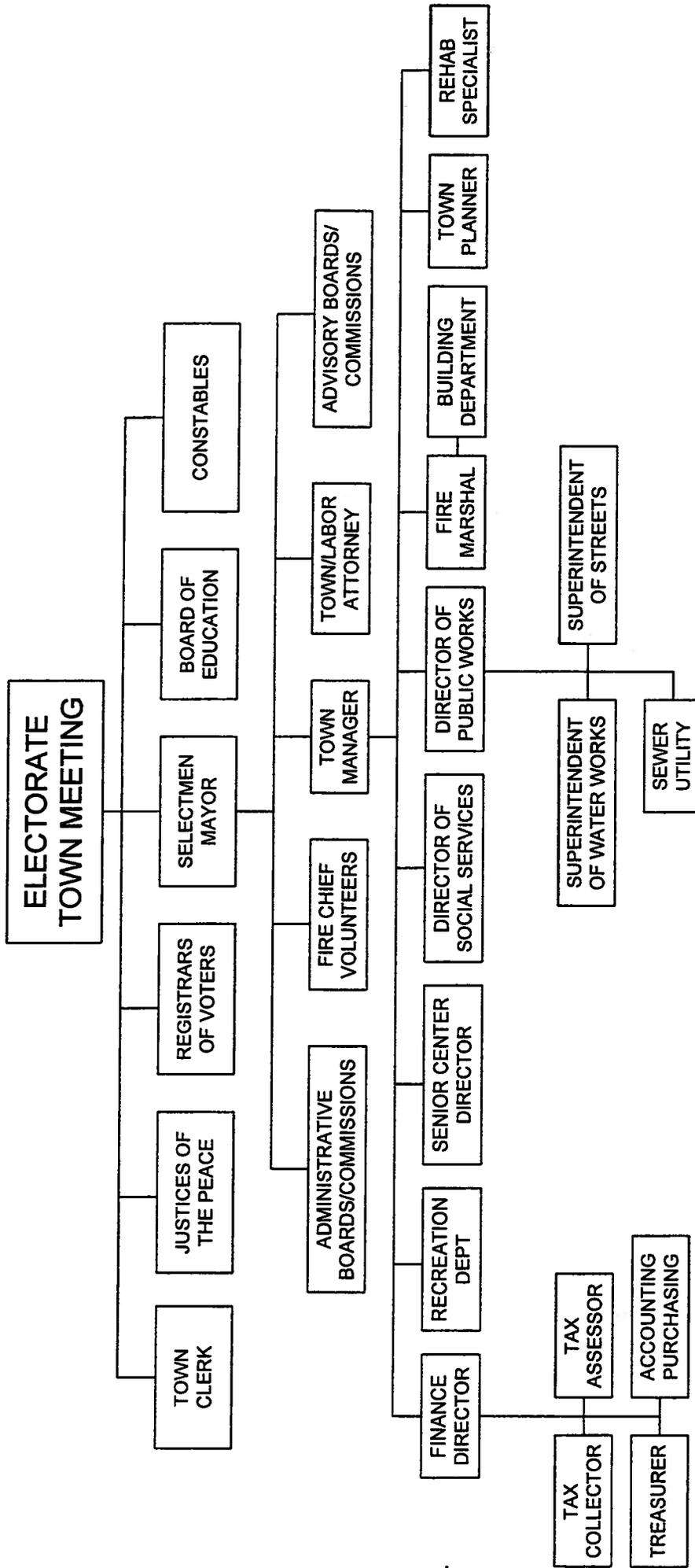
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



Anne Spray Kinsey
President

Jeffrey L. Essler
Executive Director

ORGANIZATIONAL CHART



TOWN OF WINCHESTER - CITY OF WINSTED
Town Hall - 338 Main Street
WINSTED, CONNECTICUT 06098

November 14, 2000

To the Citizens
The Town of Winchester, Connecticut

The Comprehensive Annual Financial report of the Town of Winchester, Connecticut, for the fiscal year ended June 30, 2000 is submitted herewith. The Town's Finance Department is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. I believe that the data, as presented, are accurate in all material aspects; that the annual report is presented in a manner designed to fairly set forth the financial position and results of operations of the Town as measured by the financial activity of the various funds; and that all disclosures necessary to enable the reader to gain an understanding of the Town's financial affairs have been included.

The Comprehensive Annual Financial Report is composed of three distinct sections:

The Introductory Section contains the table of contents, a listing of key officers, the organization chart for the Town and this letter of transmittal.

The Financial Section contains the report of independent accountants, combined financial statements including the notes to financial statements, combining and individual fund and account group statements, and supplemental schedules.

The Statistical Section contains comprehensive statistical data that relate to the financial condition of the entire governmental structure of the Town of Winchester and includes various financial, economic, social and demographic data about the Town for the past ten years.

The financial statements include all of the funds and account groups of the Town that meet the criteria for defining the reporting entity set forth by the Governmental Accounting Standards Board (GASB). In accordance with these criteria, the financial statements include the financial activities of the Town of Winchester and the Town of Winchester Board of Education. The Town of Winchester Housing Authority, although containing the name of the Town, is excluded from the Town's financial statements. While the Town did create this agency and services are provided primarily to Town residents, the Housing Authority does not depend upon the Town for continuing financial support. The Town's major operations include elementary and secondary education, police and fire protection, public works, parks, recreation, health and welfare.

ECONOMIC CONDITION AND OUTLOOK

Unemployment rates as of June 2000 look somewhat more promising, with a decline from June 1999.

Unemployment statistics as of June 2000 for the Town of Winchester are reported to be at 2.3%, while that of the State of Connecticut is 2.1%. These percentages present a declining unemployment rate from June 1999, which saw the Town of Winchester at 3.4% and the State of Connecticut at 3.1%.

MAJOR INITIATIVES

Current:

The Town continued its ongoing program of computer automation. The IBM AS/400 computer was installed during fiscal year 93/94. This has provided a faster response time in addition to allowing for the storage of historical data online. The installation of the AS/400 was a major upgrade from the IBM System 36 computer in that it allows for program changes and flexibility with personal computer-based programs. The IBM System 36 is still being utilized for backup purposes and serves the Town's police department.

The Town of Winchester submitted a proposal in the summer of 1998 to improve pedestrian safety as well as to enhance the quality of its main street and to strengthen the pedestrian/bicycle connection between Winsted and the neighboring Town of Torrington. The major goal of this project will be to improve the safety of the four-lane main street, in addition to enhancing and promoting the economic viability of the downtown commercial core of the Town. The total estimated cost of this project is \$4,839,000.

In the spring of 1997, the Town of Winchester formed a Civil Service Commission. As the world has become more and more complicated, so has the process of personnel administration in every aspect. The hiring process, the wage administration and bargaining process, the day-to-day management process, the discipline process, etc., have all become more complex. The purpose of the new commission is to improve the position and conditions of the employees of the Town of Winchester by helping both the Town Manager and Board of Selectmen in performing their appointed tasks in an "evenhanded" professional manner. The Civil Service Commission will also put its efforts into being certain that the rights of employees, at every level, are not violated in any way. Some of the areas in which the Commission will benefit the Town of Winchester will be in the clear definition and delineation of job descriptions, the provision for uniform testing when additions to the roster of employees occur, and the provision for uniform and consistent personnel policies within the confines of existing labor contracts.

During 1998, a new economic revitalization project was undertaken. It is the Town's Brownfields Project. The U.S. EPA awarded the Town a \$200,000 grant to study and redevelop several potentially contaminated manufacturing sites located in the downtown and Highland Lake areas. The primary goal of the program is to assist the Town of Winchester in overcoming

environmental barriers to the redevelopment of Brownfields sites, and attract new development to the area. The program funds will be used for assessment and testing of Brownfields properties, increasing community involvement and environmental awareness, and identifying cleanup strategies. Five properties have completed assessment and three properties are currently being tested.

The Still River Greenway is a proposed five-mile long, ten-foot wide paved recreational trail running from the intersection of Willow and Rowley Streets in the Town of Winchester, south along the Torrington Road for 2.5 miles into the City of Torrington at Harris Road. The trail will be handicap accessible and will be designed for walking, jogging, bicycling, rollerblading and cross-country skiing. Funding for this \$1,875,000 project will be from a Federal TEA-21 grant in the amount of \$1.5 million dollars. This will cover 80% of the project costs. The remaining 20% will come from the Town of Winchester, City of Torrington, and the Still River Greenway Committee.

During the summer of 2000, the Town of Winchester began Phase I of the Water Main Replacement Project. The cost is estimated at \$1,525,000. Funding for this phase of the project will come from the Federal Government and the State of Connecticut. The federal portion is 75% and the state portion is 25%.

Future:

The Economic Development Commission is currently marketing its second industrial park - Winchester Business Park. The Winchester Business Park, a 13-lot, fully serviced industrial subdivision, is the result of a partnership between the Town of Winchester/City of Winsted and the State Department of Community and Economic Development (DECD). The Economic Development Commission and the Town of Winchester/City of Winsted are committed to developing a mix of industrial/high-tech/office buildings in an environment that complements existing sites and projects a quality image.

The Town's Redevelopment Commission is working on a Strategic Plan of Redevelopment. This plan analyzes the economic and physical potential of the commercial and residential areas in the downtown center of the City of Winsted and will recommend a plan for improvement. In addition, the Town is working on a Relocation Plan. A consultant will be hired to assist the Commission.

FINANCIAL INFORMATION

Management of the Town is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit:

As a recipient of federal and state financial assistance, the Town is responsible for ensuring that an adequate internal control structure is in place to comply with applicable laws and regulations related to that assistance. This internal control structure is subject to periodic evaluation by management.

As a part of the Town's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine whether the Town has complied with applicable laws and regulations. The results of the Town's single audit for the fiscal year ended June 30, 2000 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls:

In addition, the Town maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Selectmen and the general public at the annual Town Budget Meeting.

Activities of the General Fund, the Dog Fund and the Town Aid Roads Fund are included in the annual appropriated budget. Budget administration is performed by the Department of Finance. The budget is legally enacted at the department expenditure level, which serves as a management tool; budgetary control is maintained at the department level within character of expenditure. This is achieved through the use of a full encumbrance system, which encumbers appropriations upon the issuance of purchase orders. Purchase order commitments that could result in an overexpenditure of an appropriation are not issued until transfers or additional appropriations are made available. Encumbrances outstanding at year-end are recorded as budgetary expenditures and reported as a reservation of fund balance at June 30. Transfers between different department expenditures within the Town must be approved by the Board of Selectmen. Transfers between departments may only be made in the last three months of the fiscal year upon Board of Selectmen approval. Revisions to the adopted budget may be made by the Board of Selectmen upon recommendation by the Town Manager and certification of the Finance Director that sufficient funds exist. Management cannot amend the budget.

General Government Functions:

The General Fund accounts for the general operations of the Town. General Fund revenues are substantially derived from three sources: general property tax revenues, the State of Connecticut and local revenues. Expenditures of the General Fund are divided into the following major expense categories: Board of Education, Public Works, Public Safety, Miscellaneous, General Government, Welfare, Health, Parks and Recreation, Library, Waste Disposal and Recycling, Debt Service and Capital Outlay. Resources of the General Fund are normally largely expended and are replenished on an annual basis. The General Fund has an annual operating budget which is adopted by the Town residents at the annual Town Budget Meeting in May of each year.

Nearly all general government functions are financed through the General Fund; therefore, the following financial highlights are attributable to the General Fund only. Data are presented on a budgetary basis. The following table is a summary of revenues by source and a comparison with the prior fiscal year:

General Fund Revenues by Source

Fiscal Year 2000 vs. 1999

<u>Revenue Source</u>	<u>2000</u>		<u>1999</u>		<u>Increase in Dollars</u>	<u>Percent Increase</u>
	<u>Dollars</u>	<u>Percent</u>	<u>Dollars</u>	<u>Percent</u>		
General property taxes, interest and lien fees	\$ 14,732,226	60.5%	\$ 13,300,525	58.8%	\$ 1,431,701	10.8%
Intergovernmental revenues	8,831,104	36.3	8,653,598	38.3	177,506	2.1
Other revenues	<u>773,923</u>	<u>3.2</u>	<u>649,573</u>	<u>2.9</u>	<u>124,350</u>	19.1
Total	\$ <u>24,337,253</u>	<u>100.0%</u>	\$ <u>22,603,696</u>	<u>100.0%</u>	\$ <u>1,733,557</u>	7.7

General property taxes, interest and lien fees increased by \$1,431,701 or 10.8% from fiscal year 1999 due primarily to an increase in current tax collections resultant from an increase in the mill rate as well as an aggressive collection effort.

Intergovernmental revenues, which include state grants to the Town's general government and school system, increased by \$177,506 or 2.1%, which was made up of several components.

Other revenues include interest income, property rentals and other revenue sources not otherwise classified. The current year revenues were greater than the prior year, which was attributable mostly to miscellaneous items.

General Fund expenditures for all governmental functions including education are presented in the following table of expenditures by function, with a comparison to the prior fiscal year:

General Fund Expenditures by Function

Fiscal Year 2000 vs. 1999

	<u>2000</u>		<u>1999</u>		<u>Increase (Decrease) in Dollars</u>	<u>Percent Increase (Decrease)</u>
	<u>Dollars</u>	<u>Percent</u>	<u>Dollars</u>	<u>Percent</u>		
Municipal:						
Public works	\$ 1,679,962	7.0%	\$ 1,731,914	7.8%	\$ (51,952)	(3.0)
Public safety	2,605,186	10.9	2,505,492	11.3	99,694	4.0
Miscellaneous	931,481	3.9	757,048	3.4	174,433	23.0
General government	1,309,144	5.5	1,192,951	5.4	116,193	9.7
Welfare	43,596	.2	51,085	.2	(7,489)	(14.7)
Health	125,491	.5	129,032	.6	(3,541)	(2.7)
Parks and recreation	165,636	.7	178,583	.8	(12,947)	(7.2)
Library	199,333	.8	175,000	.8	24,333	13.9
Waste disposal and recycling	514,065	2.1	492,602	2.2	21,463	4.4
Debt service	709,105	3.0	749,076	3.4	(39,971)	(5.3)
Capital outlay	995,029	4.1	596,582	2.7	398,447	66.8
Total municipal	<u>9,278,028</u>	<u>38.7</u>	<u>8,559,365</u>	<u>38.6</u>	<u>718,663</u>	<u>8.4</u>
Board of Education	<u>14,726,567</u>	<u>61.3</u>	<u>13,543,394</u>	<u>61.4</u>	<u>1,183,173</u>	<u>8.7</u>
Total	<u>\$ 24,004,595</u>	<u>100.0%</u>	<u>\$ 22,102,759</u>	<u>100.0%</u>	<u>\$ 1,901,836</u>	<u>8.6</u>

An increase in Town expenditures can be attributed to wage and benefit increase per union contract agreements as well as increased capital outlay expenditures. The increase in Board of Education expenditures can be attributable to technology expenditures as well as wage and benefit increases per union contract agreements.

General Fund Unreserved Fund Balance:

General Fund unreserved fund balance represents that portion of fund balance available for appropriation. The following table shows the Town's General Fund unreserved fund balance position for the past five fiscal years:

(Amount shown in thousands)

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Unreserved Fund Balance	\$ <u>551</u>	\$ <u>740</u>	\$ <u>1,203</u>	\$ <u>1,210</u>	\$ <u>1,218</u>

The General Fund unreserved fund balance increased from \$1,210 to \$1,218 as of June 30, 2000. This increase represents .03% of operating revenues.

Enterprise Funds:

Proprietary Fund Operations:

Proprietary Fund operations are accounted for within the Sewer Fund and the Waterworks Fund. These funds are accounted for in a manner that is similar to private business in that the costs of operations of these funds are provided through user charges.

The Sewer Fund accounts for the financial activities of the Town's sewer utility, which include administration, operations, maintenance, financing, and billing and collection. The financial activities of the inflow/infiltration analysis program, the wastewater treatment plant project and the Highland Lake sewer project are also included in the Sewer Fund. The Water Pollution Control Authority has authority over the operations of the Sewer Fund.

The Waterworks Fund accounts for the financial activities of the Winsted Waterworks, which include administration, operations, maintenance, financing, and billing and collection. The financial activities of the water pipe replacement program are also included in the Waterworks Fund. The Water Board, which was formed during fiscal year 1998/1999, has authority over the operations of the Waterworks Fund. This power is granted to them by the Town Charter.

Enterprise Fund comparative data for the past two fiscal years follows:

	<u>2000</u>	<u>1999</u>	<u>Increase (Decrease)</u>
Operating revenues	\$ 2,911,361	\$ 2,735,458	\$ 175,903
Operating expenses*	<u>2,530,561</u>	<u>2,098,058</u>	<u>432,503</u>
Operating Income	\$ <u>380,800</u>	\$ <u>637,400</u>	\$ <u>(256,600)</u>

*Includes depreciation expense of \$930,852 and \$574,851 for the fiscal years ended 2000 and 1999, leaving a 5% increase in operating expenses other than depreciation. This generally relates to an increased cost of operations in both the Sewer and Water Funds.

Fiduciary Fund Operations:

Fiduciary Funds are used to account for the funds that the Town holds in a trustee capacity or as an agent for individuals or organizations.

The Pension Trust Fund is used to account for the contributions and the pension benefits and other costs which are associated with the operations of the Town of Winchester employees' pension plan.

Nonexpendable Trust Funds are those funds of which the principal must remain intact. Nonexpendable Trust Funds are the Winchester School Trust, which provides annual scholarships; the Winchester Sinking Fund, which provides for the retirement of debt; the Forest View Cemetery Fund, which is used for the operation and maintenance of the cemetery as well as

to provide funding for the purchase of cemetery land; the Winchester Center Cemetery Fund, which is used for the operation and maintenance of the cemetery as well as to provide funding for the purchase of cemetery land; and Other Funds, which include such trusts as the Winchester Center Cemetery, Hurlbut Cemetery, St. Joseph's Cemetery and Charles Pine Cemetery, all of which are used for the operation and maintenance of the cemeteries, and the Dudley Memorial Park Fund, which is used to provide funding for the repairs and maintenance of local parks.

Expendable Trust Funds account for those funds of which the principal and interest may be expended in the course of their designated operations. Expendable Trust Funds are the Winchester Memorial Parks Fund, which is used for the repairs and maintenance of local parks, and Other Funds, which include such trusts as the Forest View Cemetery Chapel Fund, which is used for repairs to the cemetery chapel, and the Jane A. Nisbet Fund, which is used for the construction, repairs and maintenance of fountains.

Agency Funds are merely clearing accounts in which the assets held are offset by related liabilities. Some of the Agency Funds are the Town Deposit Fund, which is used for the public schools; and the Students Activities Fund, which is used for public school student activities.

Special Revenue Fund Operations:

Special Revenue Funds are used to account for resources that have a legal restriction for expenditures. The sources of funding for Special Revenue Funds come from federal and/or state grants, licenses, permits, interfund transfers or donations. Some of the Special Revenue Funds that the Town accounts for are: Small Cities, which accounts for federal grant revenues from the U.S. Department of Housing and Urban Development; the Town Aid Roads Fund, which accounts for state grant revenues and expenditures for repairs and improvements to the Town's improved and unimproved roads; the Industrial Park #2 Fund, which accounts for the marketing and sales of lots in the Town's second industrial park; the Cafeteria Fund, which accounts for the Child Nutrition Program, which has revenues from the sales of food and from state and federal grant subsidies for nutrition; the Federal and State Education Grants, which account for revenues and expenditures of various education grants; the Fire Truck Fund, which accumulates funds for the purchase of a new fire truck; the Winchester Emergency Shelter Fund, which accounts for revenue from the state; the Dog Fund, which accounts for the activities of the Dog Warden, revenues for which come from license fees, dog redemption fees and the Town's contribution; and Other Funds.

Other Funds consist of the Parking Authority Fund, which accounts for expenditures for parking related items, of which revenues come from parking fines and the Town's contribution; the Drug Enforcement Grant Fund, which accounts for a State of Connecticut grant promoting the fight against drugs; the Let the Children Play Fund, which represents the remaining proceeds from a community playscape project, for which the funds must be used to maintain the structures and equipment of the playscape; the Winsted Loves to Read Fund, which accounts for an annual program in which community donations allow for a day in when the children of Winchester are

exposed to the wonderful world of reading via guest speakers and the giving of books to the children who participate in the daily program; the Chore Service Fund, which accounts for a Local Agency for the Aging grant coupled with private donations to provide assistance for the elderly in performing various housekeeping duties in their homes; the Fuel Bank Fund, which accounts for private citizen donations to help Town residents purchase fuel; the Emergency Shelter Fund, which accounts for private donations to help Town residents in need of a home; and the Highland Lake Sinking Fund, which accounts for a state grant and local funding to provide an engineering study on the Town's lake.

Debt Administration:

Various debt ratios are meaningful indicators of the Town's financial position and strength, and are useful tools for municipal management, the public evaluation of performance and the investment community considering the purchase of the Town's bonds or notes. Net general bonded debt is the portion of indebtedness represented by outstanding bonds and does not include Bond Anticipation Notes or Proprietary Fund bonds. Data for the Town at the end of fiscal year 2000 are as follows:

<u>Net General Bonded Debt</u>	<u>Ratio of Net General Bonded Debt to Assessed Value</u>	<u>Net General Bonded Debt per Capita</u>
\$ <u>3,830,000</u>	<u>.77%</u>	\$ <u>293</u>

The Town has maintained its A-1 credit rating, which it has had for a number of years.

The Town currently has outstanding general long-term bonds for renovations to the Town Hall and the Central Fire House. The original amount of these bonds was \$1,750,000, with an outstanding principal balance of \$75,000 at June 30, 2000. In addition, the Town has outstanding at June 30, 2000, Water Revenue Bonds that were issued in 1990. The original issue was for \$2,800,000, of which \$1,400,000 is outstanding at June 30, 2000. Proceeds of the 1990 bond were used to finance improvements to the water system. On June 26, 1998, the Town issued Water Bonds with the United States Department of Agriculture - Rural Development in the amount of \$4,132,300 to fund the Water Filtration Plant Project. The balance outstanding as of June 30, 2000 is \$3,719,070. The second bond issue for this project was issued on August 3, 1998 for \$995,400, of which \$945,630 is outstanding as of June 30, 2000. Finally, on November 1, 1998, the Town issued bonds totaling \$1,500,000 for improvements to the water system. As of June 30, 2000, \$1,400,000 is outstanding.

The Town's Sewer Fund is financing an inflow/infiltration analysis program and the construction of a new wastewater treatment plant. As of June 30, 2000, \$837,700 of the United States Department of Agriculture - Rural Development bonds were outstanding for the inflow/infiltration analysis program, with a total authorization of \$2,052,600. The difference between the authorization and the original \$1,452,600 United States Department of Agriculture - Rural Development financing, or \$600,000, came from the State of Connecticut and local sewer users.

The wastewater treatment plant represents a capital project that totaled \$17,217,000. Federal, state and local funds financed this project. At June 30, 2000, United States Department of Agriculture - Rural Development bonds of \$2,647,900 were outstanding. The Town's Water Pollution Control Authority is financing the Highland Lake Sewer Assessment Project Fund. United States Department of Agriculture - Rural Development bonds of \$4,353,400 were issued on June 22, 1994 and \$3,483,400 was outstanding as of June 30, 2000.

The Town has \$3,305,000 outstanding in general obligation bonds for renovation to Batcheller Elementary School and Hinsdale Elementary School. This represents 76% of the annual debt. The service cost is to be reimbursed by the State of Connecticut. The bonds were issued on November 15, 1988 and are payable annually through 2008.

Cash Management:

In April 1990, the Town formally adopted an investment policy. This was done in conjunction with the close scrutiny of New England region banks by federal regulators. The policy seeks to maintain the safety and liquidity of the investments and still provide for the optimum yield on the investments. The policy provides for specific financial information to be obtained from the financial institutions holding Town assets to ensure that their financial position falls within the legal requirements of State statutes that govern a municipality's deposits in financial institutions.

Risk Management:

The Town of Winchester is a member of the Connecticut Interlocal Risk Management Agency (CIRMA). CIRMA is a nonprofit, tax-exempt association of Connecticut municipalities and local public agencies. It was formed in 1980 by the Connecticut Conference of Municipalities (CCM) to establish and administer an interlocal risk management program pursuant to the Connecticut General Statutes.

The Town of Winchester has its workers' compensation insurance with CIRMA. The Town of Winchester has its liability-automobile-property insurance with The Litchfield Insurance Group. All claims under these types of insurance are forwarded by the Department of Finance to CIRMA and The Litchfield Insurance Group, respectively, for their investigation and disposition. Any additional information needed to process a claim is requested of the Department of Finance. The Town of Winchester's Safety Committee meets on a monthly basis to review and implement any of the recommendations from CIRMA as they pertain to workers' compensation claims.

OTHER INFORMATION

Independent Audit:

The Town Charter requires an annual audit to be made of the books of account, financial records and transactions of all administrative departments of the Town by independent certified public accountants selected by the Town. This requirement has been complied with, and the report of independent accountants has been included in this report.

Awards:

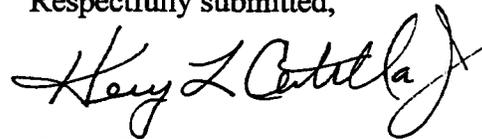
The Governmental Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1999. This was the twelfth year that the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements:

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Department of Finance. The preparation of the Comprehensive Annual Financial Report requires a major effort, and I would like to express my appreciation to those who assisted and contributed to the preparation of this report. I would also like to thank the Board of Selectmen and the Town Manager for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,



Henry L. Centrella, Jr.
Director of Finance

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FINANCIAL SECTION



*Blum, Shapiro & Company, P.C.
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and Business Consultants*

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To the Board of Selectmen
The Town of Winchester, Connecticut

Report of Independent Accountants

We have audited the accompanying general purpose financial statements, as listed in the table of contents, of the Town of Winchester, Connecticut, as of June 30, 2000 and for the year then ended. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on the aforementioned financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements referred to above present fairly, in all material respects, the financial position of the Town of Winchester, Connecticut, as of June 30, 2000 and the results of its operations and cash flows of its proprietary and similar trust fund types for the year then ended, in conformity with generally accepted accounting principles.

As discussed in Note 5 to the general purpose financial statements, the Town has been informed by Regional Refuse District No. 1 of a claim against the District by the Environmental Protection Agency. The ultimate outcome of this claim cannot presently be determined; accordingly, no provision for any liability that may result has been made in the accompanying financial statements.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements, schedules and statistical information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Winchester, Connecticut. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 7, 2000 on our consideration of the Town of Winchester, Connecticut's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the result of our audit.

Blum, Shapiro & Company, PC

December 7, 2000

TOWN OF WINCHESTER, CONNECTICUT
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

JUNE 30, 2000
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1999

	Governmental Fund Types		Proprietary Fund Type	Fiduciary Fund Types Trust and Agency	Account Groups		Totals	
	General	Special Revenue			Enterprise	General Fixed Assets	General Long-Term Debt	2000
ASSETS AND OTHER DEBITS								
Assets:								
Cash and cash equivalents	\$ 1,372,701	\$ 798,428	\$ 1,537,936	\$ 524,396	\$	\$	\$ 4,233,461	\$ 4,580,575
Investments	953,864			4,426,927			4,426,927	4,142,989
Property taxes receivable, net							953,864	1,214,568
Accounts receivable:								
State of Connecticut	577,884	152,381					730,265	809,852
Other		4,593,918		157,171			5,263,534	5,364,187
Accrued utility revenue			512,445				628,528	563,046
Due from other funds	109,259	138,344	628,528				341,260	426,038
Other assets	52,773	9,176	93,657				61,949	53,380
Property, plant and equipment (net where applicable)			37,015,853		24,199,092		61,214,945	61,399,696
Other Debits:								
Amounts to be provided by state grant						2,158,981	2,158,981	2,403,948
Amounts to be provided by future years' budgets						3,663,056	3,663,056	3,787,351
Total Assets and Other Debits	\$ 3,066,481	\$ 5,692,247	\$ 39,788,419	\$ 5,108,494	\$ 24,199,092	\$ 5,822,037	\$ 83,676,770	\$ 84,745,630
LIABILITIES, FUND EQUITY AND OTHER CREDITS								
Liabilities:								
Accounts payable and accrued liabilities	\$ 610,019	\$ 17,766	\$ 145,017	\$ 7,677	\$	\$	\$ 772,802	\$ 759,648
Due to other funds	24,444	42,353	266,786				341,260	426,038
Due to State of Connecticut		195,261					195,261	181,988
Fiduciary deposits				50,652			50,652	53,927
Accrued pension contribution							85,868	53,779
Deferred revenue							5,744,359	6,229,085
Bonds and notes payable	85,868	4,917,743	14,433,700			3,380,000	17,813,700	19,249,985
Claims and judgments	826,616					932,758	932,758	1,018,890
Accrued vacation and sick leave benefits			127,099			866,727	993,826	884,225
Obligations under capital leases						642,552	642,552	560,895
Total liabilities	\$ 1,546,947	\$ 5,173,123	\$ 14,972,602	\$ 58,329	\$ -	\$ 5,822,037	\$ 27,573,038	\$ 29,418,460
Fund Equity and Other Credits:								
Investment in general fixed assets					24,199,092		24,199,092	23,519,264
Contributed capital			18,665,265				18,665,265	18,665,265
Retained earnings			6,150,552				6,150,552	6,218,268
Fund balances:								
Reserved for employee retirement system	247,830			4,584,098			4,831,928	4,290,737
Reserved for encumbrances	52,773						247,830	410,267
Reserved for prepaid expenditures							52,773	43,403
Unreserved:								
Undesignated	1,218,931	519,124		466,067			2,204,122	2,179,966
Total fund equity and other credits	1,319,534	519,124	24,815,817	5,050,165			56,103,732	55,327,170
Total Liabilities, Fund Equity and Other Credits	\$ 3,066,481	\$ 5,692,247	\$ 39,788,419	\$ 5,108,494	\$ 24,199,092	\$ 5,822,037	\$ 83,676,770	\$ 84,745,630

The accompanying notes are an integral part of the financial statements

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999

	Governmental Fund Types			Fiduciary Fund Type Expensible Trust	Totals (Memorandum Only)	
	General	Special Revenue	Capital Projects		2000	1999
Revenues:						
General property taxes, interest and lien fees	\$ 14,732,226	\$	\$	\$	\$ 14,732,226	\$ 13,300,525
Intergovernmental revenues	9,590,906	1,086,398			10,677,304	10,531,731
Other revenues	773,923	615,469		532	1,389,924	1,303,076
Total revenues	<u>25,097,055</u>	<u>1,701,867</u>	<u>-</u>	<u>532</u>	<u>26,799,454</u>	<u>25,135,332</u>
Expenditures:						
Current:						
Board of Education	15,444,644				15,444,644	13,911,424
Program and project expenditures		1,692,491			1,692,491	1,902,629
Public works	1,808,608				1,808,608	1,709,615
Public safety	2,616,981				2,616,981	2,503,391
Miscellaneous	986,712				986,712	703,224
General government	1,323,374				1,323,374	1,142,889
Welfare	43,646				43,646	51,035
Health	125,491				125,491	129,032
Parks and recreation	183,975				183,975	160,397
Library	199,333				199,333	175,000
Waste disposal and recycling	514,065				514,065	492,602
Debt service	709,105				709,105	749,076
Capital outlay	1,244,671				1,244,671	774,379
Total expenditures	<u>25,200,605</u>	<u>1,692,491</u>	<u>-</u>	<u>-</u>	<u>26,893,096</u>	<u>24,404,693</u>
Excess (Deficiency) of Revenues over Expenditures	(103,550)	9,376		532	(93,642)	730,639
Other Financing Sources (Uses):						
Proceeds from capital lease	277,353				277,353	184,000
Operating transfers in	5,337	210,576	112,500		328,413	510,677
Operating transfers out	(323,076)	(326,276)			(649,352)	(838,494)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(143,936)	(106,324)	112,500	532	(137,228)	586,822
Fund Balances at Beginning of Year	<u>1,663,470</u>	<u>625,448</u>	<u>(112,500)</u>	<u>19,064</u>	<u>2,195,482</u>	<u>1,608,660</u>
Fund Balances at End of Year	\$ <u>1,519,534</u>	\$ <u>519,124</u>	\$ <u>-</u>	\$ <u>19,596</u>	\$ <u>2,058,254</u>	\$ <u>2,195,482</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WINCHESTER, CONNECTICUT

Exhibit 3

PENSION TRUST FUND

STATEMENT OF CHANGES IN PLAN NET ASSETS

FOR THE PLAN YEAR ENDED DECEMBER 31, 1999

Additions:	
Contributions:	
Employer	\$ 95,805
Plan member	56,726
Total contributions	<u>152,531</u>
Investment income:	
Net appreciation in fair value of investments	29,856
Interest	162,495
Dividends	154,343
	<u>346,694</u>
Total additions	<u>499,225</u>
Deductions:	
Benefits	163,072
Administrative expense	42,792
Total deductions	<u>205,864</u>
Net Increase	293,361
Net Assets Held In Trust for Pension Benefits at Beginning of Year	<u>4,290,737</u>
Net Assets Held In Trust for Pension Benefits at End of Year	<u>\$ 4,584,098</u>

The accompanying notes are an integral part of the financial statements

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
GENERAL AND SPECIAL REVENUE FUNDS - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2000

	General Fund			Special Revenue Funds		
	Revised Budget	Actual	Variance - Favorable (Unfavorable)	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
General property taxes, interest and lien fees	\$ 14,685,278	\$ 14,732,226	\$ 46,948	\$ -	\$ -	\$ -
Intergovernmental revenues	8,519,559	8,831,104	311,545	-	-	-
Other revenues	504,520	773,923	269,403	12,000	10,312	(1,688)
Total revenues	<u>23,709,357</u>	<u>24,337,253</u>	<u>627,896</u>	<u>12,000</u>	<u>10,312</u>	<u>(1,688)</u>
Expenditures:						
Current:						
Board of Education	14,641,653	14,726,567	(84,914)	-	-	-
Program and project expenditures	-	-	-	197,120	304,405	(107,285)
Public works	1,709,064	1,679,962	29,102	-	-	-
Public safety	2,656,260	2,605,186	51,074	-	-	-
Miscellaneous	793,136	931,481	(138,345)	-	-	-
General government	1,349,483	1,309,144	40,339	-	-	-
Welfare	45,695	43,596	2,099	-	-	-
Health	128,741	125,491	3,250	-	-	-
Parks and recreation	184,476	165,636	18,840	-	-	-
Library	184,000	199,333	(15,333)	-	-	-
Waste disposal and recycling	514,065	514,065	-	-	-	-
Debt service	709,105	709,105	-	-	-	-
Capital outlay	649,974	995,029	(345,055)	-	-	-
Total expenditures	<u>23,565,652</u>	<u>24,004,595</u>	<u>(438,943)</u>	<u>197,120</u>	<u>304,405</u>	<u>(107,285)</u>
Excess (Deficiency) of Revenues over Expenditures	143,705	332,658	188,953	(185,120)	(294,093)	(108,973)
Other Financing Sources (Uses):						
Proceeds from capital lease	-	3,581	3,581	-	-	-
Operating transfers in	90,917	5,337	(85,580)	185,120	210,576	25,456
Operating transfers out	(297,620)	(323,076)	(25,456)	-	-	-
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (62,998)</u>	<u>18,500</u>	<u>\$ 81,498</u>	<u>\$ -</u>	<u>(83,517)</u>	<u>\$ (83,517)</u>
Fund Balances at Beginning of Year		<u>1,253,204</u>			<u>93,062</u>	
Fund Balances at End of Year		<u>\$ 1,271,704</u>			<u>\$ 9,545</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF WINCHESTER, CONNECTICUT

Exhibit 5

COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS/FUND BALANCES - ALL
PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2000

	<u>Proprietary Fund Type Enterprise</u>	<u>Fiduciary Fund Type Nonexpend- able Trusts</u>	<u>Totals (Memorandum Only)</u>
Operating Revenues:			
Water rents	\$ 1,626,165	\$	\$ 1,626,165
Sewer rents	1,040,025		1,040,025
Fines, penalties and investment income	138,441	15,737	154,178
Other	106,730		106,730
Total operating revenues	<u>2,911,361</u>	<u>15,737</u>	<u>2,927,098</u>
Operating Expenses:			
Operations	1,150,963		1,150,963
Maintenance	240,788		240,788
Depreciation	930,352		930,352
Administration	208,458		208,458
Other		2,100	2,100
Total operating expenses	<u>2,530,561</u>	<u>2,100</u>	<u>2,532,661</u>
Operating Income	<u>380,800</u>	<u>13,637</u>	<u>394,437</u>
Nonoperating Revenues (Expenses):			
Interest income	56,563		56,563
Interest expense	<u>(831,338)</u>		<u>(831,338)</u>
Net nonoperating expenses	<u>(774,775)</u>	<u>-</u>	<u>(774,775)</u>
Income (Loss) Before Operating Transfers	<u>(393,975)</u>	<u>13,637</u>	<u>(380,338)</u>
Operating Transfers In	326,259		326,259
Operating Transfers Out		<u>(5,320)</u>	<u>(5,320)</u>
Net Income (Loss)	<u>(67,716)</u>	<u>8,317</u>	<u>(59,399)</u>
Retained Earnings/Fund Balances at			
Beginning of Year	<u>6,218,268</u>	<u>438,154</u>	<u>6,656,422</u>
Retained Earnings/Fund Balances at			
End of Year	<u>\$ 6,150,552</u>	<u>\$ 446,471</u>	<u>\$ 6,597,023</u>

The accompanying notes are an integral part of the financial statements

COMBINED STATEMENT OF CASH FLOWS - ALL PROPRIETARY
FUND TYPES AND NONEXPENDABLE TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999

	Proprietary Fund Type	Fiduciary Fund Type	Totals	
	Enterprise	Nonexpend- able Trusts	(Memorandum Only)	
			2000	1999
Cash Flows from Operating Activities:				
Operating income	\$ 380,800	\$ 13,637	\$ 394,437	\$ 651,171
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Investment income		(15,737)	(15,737)	(15,871)
Depreciation	930,352		930,352	574,851
(Increase) decrease in operating assets:				
Rents receivable	(72,948)		(72,948)	287,341
Accrued utility revenue	(65,482)		(65,482)	(229,130)
Other assets			-	45,587
Amounts due from other funds	(15,256)		(15,256)	437,839
Increase (decrease) in operating liabilities:				
Accounts payable and accrued liabilities	(38,045)		(38,045)	(652,558)
Amounts due to other funds	44,013		44,013	(373,382)
Accrued vacation and sick leave benefits	24,386		24,386	(2,902)
Net cash provided by (used in) operating activities	<u>1,187,820</u>	<u>(2,100)</u>	<u>1,185,720</u>	<u>722,946</u>
Cash Flows from Noncapital Related Financing Activities:				
Operating transfers in	326,259		326,259	333,509
Operating transfers out		(5,320)	(5,320)	(5,559)
Net cash provided by (used in) noncapital related financing activities	<u>326,259</u>	<u>(5,320)</u>	<u>320,939</u>	<u>327,950</u>
Cash Flows from Capital and Related Financing Activities:				
Grants received from state and federal governments			-	3,072,300
Proceeds of notes payable			-	1,775,000
Principal payments on notes payable			-	(10,886,498)
Proceeds of bonds payable			-	2,495,400
Principal payments on bonds payable	(873,785)		(873,785)	(724,015)
Interest paid on notes and bonds payable	(831,338)		(831,338)	(791,414)
Acquisition and construction of capital assets	(65,774)		(65,774)	(1,065,663)
Net cash used in capital and related financing activities	<u>(1,770,897)</u>	<u>-</u>	<u>(1,770,897)</u>	<u>(6,124,890)</u>
Cash Flows from Investing Activities:				
Investment income	56,563	15,737	72,300	85,569
Proceeds of U.S. Treasury notes			-	3,982,924
Net cash provided by investing activities	<u>56,563</u>	<u>15,737</u>	<u>72,300</u>	<u>4,068,493</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(200,255)	8,317	(191,938)	(1,005,501)
Cash and Cash Equivalents at Beginning of Year	<u>1,738,191</u>	<u>441,295</u>	<u>2,179,486</u>	<u>3,184,987</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,537,936</u>	<u>\$ 449,612</u>	<u>\$ 1,987,548</u>	<u>\$ 2,179,486</u>
Cash and Cash Equivalents at End of Year:				
Nonexpendable Trust Funds		\$ 449,612		
Expendable Trust and Agency Funds		<u>74,784</u>		
Total on Combined Balance Sheet		<u>\$ 524,396</u>		

The accompanying notes are an integral part of the financial statements

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TOWN OF WINCHESTER, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies:

The Town of Winchester was incorporated in 1771. The Town operates under a Selectmen-Town Manager form of government and provides the following services as authorized by its charter: public safety, public works, health, welfare, parks, recreation, and elementary and secondary education.

The accounting policies of the Town of Winchester conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

A. Governmental Reporting Entity:

Generally accepted accounting principles require that the reporting entity include the primary government and its component units, entities for which the government is considered to be financially accountable, all organizations for which the primary government is financially accountable, and other organizations which by the nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded. Blended component units, although legally separate entities, are, in substance, part of the government's operations; therefore, data from these units are combined with data of the primary government.

Related Organizations:

The Winchester Housing Authority has been determined to be a related organization of the Town of Winchester, as the governing body of the Authority is appointed by the Town. The Winchester Housing Authority is not included in this report as the Town is not obligated to finance any deficit that the Authority may incur, nor does the Town significantly subsidize the Authority; the Town obtains no financial benefit, nor can it impose its will upon the Authority.

B. Basis of Presentation:

The accounts of the Town are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues and expenditures (or expenses). The various funds are summarized by type in the financial statements. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and account groups are used by the Town:

Governmental Fund Types:

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds - The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 1 - Summary of Significant Accounting Policies (Continued):

Proprietary Fund Type:

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

Fiduciary Fund Types:

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include Expendable, Nonexpendable, Pension Trust and Agency Funds. Nonexpendable and Pension Trust Funds are accounted for in essentially the same manner as Proprietary Funds since capital maintenance is critical. Expendable Trust Funds are accounted for in essentially the same manner as Governmental Funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the Town, other than those accounted for in the Town's Proprietary Funds.

General Long-Term Debt Account Group - This account group is established to account for all long-term debt and other long-term liabilities of the Town except those accounted for in the Town's Proprietary Funds.

C. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds and Expendable Trust Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All Proprietary Funds, Nonexpendable Trust Funds and Pension Trust Funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary Fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 1 - Summary of Significant Accounting Policies (Continued):

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Available is currently being defined as collected during the current period or expected to be collected within 60 days thereafter.

In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized based upon the expenditures recorded. In the other, moneys are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Property taxes and assessments are recognized as revenue when collected during the year and within 60 days after the close of the fiscal year.

The modified accrual basis of accounting is used by the Agency and Expendable Trust Funds.

The Proprietary Funds, Nonexpendable Trust Funds and Pension Trust Fund are maintained and reported on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The proprietary funds have elected to adopt only those FASB statements, APBs and ARBs issued on or prior to November 30, 1989, unless they conflict with or contradict GASB pronouncements.

The revenues of the Waterworks and Sewer Funds, which are based upon service rates authorized by the Water Pollution Control Authority and the Board of Selectmen, are determined by cyclical billings to customers and recognized when earned. Unbilled water and sewer charges earned as of year-end are also recorded as revenue.

Employee and employer contributions to the Pension Trust Fund are recognized as revenues in the period in which employee services are performed.

D. Budgetary Data:

Budgets for the General Fund, Dog Fund and Town Aid Roads Fund are authorized annually by the Board of Selectmen. Annual budgets are not adopted for Special Revenue Funds other than the Town Aid Roads Fund and the Dog Fund and, accordingly, are not included in Exhibit 3.

Program budgets are established for funds not budgeted annually. The procedures for establishing the budgetary data reflected in the financial statements are as follows:

- 1) Prior to March 15, the Town Manager submits to the Board of Selectmen a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 1 - Summary of Significant Accounting Policies (Continued):

- 2) Public hearings are conducted at locations throughout the Town to obtain taxpayer comments.
- 3) The budget is legally enacted at the annual Town budget meeting by vote of the general public.
- 4) Upon the request of the Town Manager, but only within the last three months of the fiscal year, only the Board of Selectmen may, by resolution, transfer any unencumbered appropriation, balance or portion thereof from one department, commission, board or office to another. Management cannot amend the budget.

The budgets are prepared on a modified accrual basis of accounting except for encumbrances. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order is issued and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures in the current year. Payroll is accounted for on a cash basis. The control level on which expenditures may not legally exceed appropriations is the departmental level. Management can transfer amounts within a department. Unencumbered appropriations lapse at the close of the fiscal year, except for those appropriations which are made for capital improvements.

Encumbrance accounting is employed in the Governmental Funds. Open encumbrances are reported as reservations of fund balances since the commitments will be honored in subsequent years. Encumbrances do not constitute expenditures or liabilities.

Budgeted amounts are as originally adopted, or as amended by the Board of Selectmen. The last amendment was on June 5, 2000.

The accompanying combined statement of revenues, expenditures and changes in fund balances - budget and actual - general and special revenue funds - non-GAAP budgetary basis presents comparisons of the legally adopted budgets with actual data on a budgetary basis. Since the accounting for encumbrances for purposes of developing data on a budgetary basis differs from that used to present financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of the resultant differences in excess of revenues and other sources over expenditures and other uses for the year ended June 30, 2000 is presented below:

	General Fund	Special Revenue Funds
Excess (deficiency) of revenues and other sources over expenditures and other uses for budgeted funds - budgetary basis	\$ 18,500	\$ (83,517)
Timing difference:		
Change in reserve for encumbrances	(162,436)	
Entity difference:		
Deficiency of revenues and other sources over expenditures and other uses for nonbudgeted funds	(162,436)	(22,807)
Deficiency of Revenues and Other Sources over Expenditures and Other Uses - GAAP Basis	\$ (143,936)	\$ (106,324)

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 1 - Summary of Significant Accounting Policies (Continued):

E. Assets, Liabilities and Fund Equity:

Cash and Cash Equivalents - The following is a summary of cash and cash equivalents at June 30, 2000:

Deposits	\$ <u>4,233,461</u> *
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* Includes demand and money market accounts.

At year-end, the carrying amount of the Town of Winchester's deposits was \$4,233,461, and the bank balance was \$2,319,512. Of the bank balance, \$235,304 was covered by federal depository insurance. The remaining balance of \$2,084,208 falls under Risk Category 3. Risk Category 3 is defined as uninsured. As required by P.A. 91-245, the depositories with which the Town has its deposits have set aside collateral of \$228,421 in securities; however, these are not held in the Town's name. It is unclear whether the collateral required for public deposits by P.A. 91-245 would stand if challenged by the FDIC since there is no perfected security agreement between the depository and the depositor. A perfected agreement is required by federal law.

Cash Equivalents - Cash equivalents are defined as those investments having original maturities of three months or less.

Investments - Temporary investments are stated at cost which approximates fair value, corporate and government obligations are carried at amortized cost which approximates fair value, and investments in mutual funds are carried at fair value. Pension Trust Fund investments are carried at fair value. Investments maturing within one year of acquisition are stated at amortized cost.

Statutes authorize the Town to invest in obligations of the United States Treasury and its agencies and instrumentalities, certificates of deposit, commercial paper, savings accounts, bank acceptances and repurchase agreements. The Town's Pension Board of Directors determines in which instruments the Plan's trustee can invest.

GASB Statement No. 3 defines three categories of investments to give an indication of the level of risk assumed by the entity. Category 1 includes investments which are insured or registered or for which the securities are held by the Town or its agent in the Town's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Town's name. Category 3 includes uninsured and unregistered investments for which securities are held by the counterparty, or by its safekeeping department or agent, but not in the Town's name.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 1 - Summary of Significant Accounting Policies (Continued):

The Town's investments held are as follows:

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Pension Trust Fund:					
U.S. Government securities	\$	\$ 1,065,798	\$	\$ 1,065,798	\$ 1,065,798
Corporate and foreign obligations		637,900		637,900	637,900
* Pooled trust funds - Fleet Bank				<u>2,723,229</u>	<u>2,723,229</u>
				<u>\$ 4,426,927</u>	<u>\$ 4,426,927</u>

* Pooled trust funds are not categorized as they are not evidenced by securities that exist in physical or book entry form. Investments are stated at market.

Inventories - Inventories that benefit future periods are recorded as expenditures during the year in which they are consumed.

Prepaid Expenses - Prepaid items are expensed in the period benefitted.

Property, Plant and Equipment - General Fixed Assets - General fixed assets are those that have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the Governmental Funds and capitalized in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems, are not capitalized along with other general fixed assets. All fixed assets are valued at cost. Donated fixed assets are valued at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets.

Property, Plant and Equipment - Proprietary (Enterprise) Funds - Property, plant and equipment owned by the Proprietary Funds are stated at cost. Donated fixed assets are valued at their estimated fair market value on the date donated. Depreciation of all exhaustible fixed assets, including contributed fixed assets, used by Proprietary Funds is charged as an expense against their operations and closed to retained earnings. Depreciation has been provided on a straight-line basis over the estimated useful lives as follows:

Buildings, structures and improvements	50 years
Equipment	7-15 years
Distribution reservoirs and standpipes	50 years

Capital Leases - Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund types and as assets and liabilities in the General Fixed Assets and General Long-Term Debt Account Groups, respectively, at the present value of the minimum lease payments, using the interest rates stated in the leases. Lease payments are recorded as expenditures on the due date; the portion of the payments applicable to principal, determined by using interest rates implicit in the leases, is reported as a reduction of the capital lease obligations in the General Long-Term Debt Account Group.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 1 - Summary of Significant Accounting Policies (Continued):

Fund Equity - Reserves and Designation - Portions of fund equity applicable to the employee retirement system, encumbrances, prepaid expenditures and endowments are segregated for future use and are therefore not available for future appropriation or expenditure. A portion of the fund balance has been reserved for encumbrances that will be expended upon vendor performance in the following year.

The reserve for endowments represents the portion of Nonexpendable Trust Fund balances that are restricted by agreements for specific uses. Designated fund balance indicates that portion of fund equity for which the Town has made tentative future expenditure plans.

Contributed Capital - The Enterprise Funds record receipts of federal and state grants or other donations for acquisition of fixed assets as contributed capital.

F. Revenues, Expenditures and Expenses:

Property Taxes - The Town's property tax is levied each July 1 on the assessed value as of the prior October 1 for all real property, motor vehicles and commercial personal property located in the Town. Assessed values are established by the Town Assessment Board at 70% of estimated market value. A revaluation of all real property is required to be completed no less than every ten years. The Town revalued its property as of October 1, 1994. The assessed value for the Grand List of October 1, 1998, upon which the fiscal 2000 levy was based, was \$428 million. A mill rate was applied to the Grand List. Liens are placed on delinquent accounts in June following the levy date.

Taxes are due in two equal installments on the July 1 and January 1 following the levy date, although a 30-day grace period is provided. Current tax collections for the year ended June 30, 2000 were 96% of the adjusted tax levy. Uncollected property taxes are recorded as receivables, net of an allowance for estimated uncollectible accounts. The revenue relating to property taxes not collected during the fiscal year and within 60 days after the close of the fiscal year is deferred.

Accrued Vacation and Sick Leave Benefits - A limited amount of vacation earned may be accumulated by employees until termination of their employment, at which time they are paid for accumulated vacation. Sick leave may be accumulated by employees in accordance with union contracts until retirement, termination or death, at which time they are paid for a percentage of their accumulated sick leave.

Compensated absences are accrued at current salary rates. At June 30, 2000, the portion of compensated absences that is expected to be paid out of current funds has been recorded as a fund liability in the General Fund. The balance is recorded in the General Long-Term Debt Account Group as this portion of the liability will not be liquidated with expendable available financial resources. The liability in the Proprietary Funds has also been accrued at June 30, 2000.

G. Interfund Operating Transfers:

Interfund operating transfers are transactions that shift revenues or contributions from the fund budgeted to receive them to the fund budgeted to expend them; these transactions are recorded as transfers in and out.

TOWN OF WINCHESTER, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 1 - Summary of Significant Accounting Policies (Continued):

H. Comparative Data:

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative data by every fund type have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

I. Total Columns on the Combined Statements:

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles, nor are such data comparable to a consolidation.

Note 2 - Stewardship, Compliance and Accountability:

Expenditures exceeded appropriations in the General Fund at the following departmental levels:

Education	\$ 84,919
Miscellaneous	138,345
Finance:	
Accountants	3,251
Town manager	10,164
Law	309
Other:	
Economic Development Commission	9,794
Conservation commission	2,617
Data processing	4,678
Laurel City Commission	1,661
Library	15,333
Capital outlay	345,055
Operating transfers out	25,456

Expenditures exceeded appropriations in the Town Aid Road Special Revenue Fund by \$109,201.

The following fund had a fund deficit at June 30, 2000:

Special revenue funds:	
Dog fund	\$ 3,720

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups:

A. Assets:

Property Taxes Receivable - Gross receivables for 2000 reduced by allowance for uncollectible accounts are as follows:

	<u>Gross Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivable</u>
General Fund: Property taxes	\$ 992,864	\$ 39,000	\$ 953,864

Changes in General Fixed Assets - A summary of changes in general fixed assets follows:

	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Adjustments and Deletions</u>	<u>Balance June 30, 2000</u>
Land and improvements	\$ 1,000,080	\$	\$	\$ 1,000,080
Buildings and improvements:				
Schools	12,869,366			12,869,366
Town Hall	899,279			899,279
Senior Citizens Center	447,170			447,170
Fire Department	88,820			88,820
Other	235,849			235,849
Vehicles and equipment:				
Schools	2,490,228	350,612		2,840,840
Town	5,488,472	472,267	143,051	5,817,688
	<u>\$ 23,519,264</u>	<u>\$ 822,879</u>	<u>\$ 143,051</u>	<u>\$ 24,199,092</u>

Summary of Proprietary Fund Property, Plant and Equipment - A summary of Proprietary Fund property, plant and equipment at June 30, 2000 follows:

Land	\$ 85,476
Buildings, structures and improvements	42,250,956
Equipment	700,211
Distribution reservoirs and standpipes	487,871
Construction in process	1,489,910
	<u>45,014,424</u>
Less accumulated depreciation	<u>7,998,571</u>
Net Property, Plant and Equipment	<u>\$ 37,015,853</u>

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

B. Liabilities:

Bond Issues - Bonds payable at June 30, 2000 are comprised of the following issues:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding June 30, 2000</u>
General purposes:					
Public improve- ments:					
Town Hall and Firehouse School Renovations	10/15/80	\$ 1,750,000	8.8 & 8.9%	10/15/2000	\$ 75,000
Water and sewer:					
Water Revenue	11/15/88	7,430,000	6.977%	11/15/2008	3,305,000
Sewer Inflow and Infiltration	4/16/90	2,800,000	6.5 & 8.5%	4/16/2010	1,400,000
Wastewater Treatment	6/2/89	1,452,600	5.0%	6/2/2015	837,700
Wastewater Treatment	6/2/89	4,183,800	6.25%	6/2/2015	2,413,900
Highland Lake Sewer Project	6/2/89	405,600	5.75%	6/2/2015	234,000
Wastewater Treatment	6/22/94	4,353,400	5.0%	6/22/2024	3,483,400
Water Treatment Plant	6/26/98	4,132,300	4.50%	6/26/2018	3,719,070
Water Mains	8/3/98	995,400	4.50%	8/3/2018	945,630
	11/1/98	1,500,000	4.0328%	11/1/2013	1,400,000

All bonds are general obligation bonds secured by the general revenue raising powers of the Town, and payment will be provided by General Fund revenues, except for Proprietary Fund type bonds, which are expected to be paid from the receipts of the related fund, and Highland Lake Sewer Fund bonds, which are expected to be paid by revenues of the Sewer Assessment Fund.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

Summary of Bond Principal and Interest Payments - The annual requirements to amortize bond principal and interest are as follows:

Fiscal Year	General Long-Term Debt Account Group		Proprietary Funds	
	Principal	Interest	Principal	Interest
2001	\$ 450,000	\$ 222,054	\$ 873,785	\$ 743,150
2002	375,000	192,843	873,785	696,594
2003	375,000	166,780	873,785	649,039
2004	375,000	140,530	873,785	601,343
2005	375,000	114,280	873,785	554,574
Subsequent	1,430,000	197,193	10,064,775	3,523,953
	<u>\$ 3,380,000</u>	<u>\$ 1,033,680</u>	<u>\$ 14,433,700</u>	<u>\$ 6,768,653</u>

Changes in General Long-Term Debt - The following is a summary of transactions in the General Long-Term Debt Account Group for the year ended June 30, 2000:

	Bonds and Notes Payable	Claims and Judgments	Accrued Vacation and Sick Leave Benefits	Obligations Under Capital Leases	Total
Balance, July 1, 1999	\$ 3,830,000	\$ 1,018,890	\$ 781,514	\$ 560,895	\$ 6,191,299
Payments made under capital lease obligations				(195,696)	(195,696)
Capital lease obligations entered into				277,353	277,353
Debt retired	(450,000)				(450,000)
Decrease in heart and hypertension liability		(86,132)			(86,132)
Increase in accrued vacation and sick leave benefits			85,213		85,213
Balance, June 30, 2000	<u>\$ 3,380,000</u>	<u>\$ 932,758</u>	<u>\$ 866,727</u>	<u>\$ 642,552</u>	<u>\$ 5,822,037</u>

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

Obligations Under Capital Leases - The Town has entered into various capital leases for the purchase of fire trucks, police cruisers and other equipment. The leases require monthly lease payments through 2005. Future minimum lease payments as of June 30, 2000 are as follows:

<u>Fiscal Year</u>	
2001	\$ 223,419
2002	213,081
2003	152,676
2004	74,735
2005	58,006
Total minimum lease payments	<u>721,917</u>
Less amount representing interest	<u>79,365</u>
Present Value of Future Minimum Lease Payments	<u>\$ 642,552</u>

The Town is subject to the General Statutes of the State of Connecticut which limit the amount of debt outstanding at June 30, 2000. In no case shall total indebtedness exceed seven times annual receipts from taxation. The maximum debt amount permitted under this formula would be approximately \$108 million.

Employee Retirement System:

Plan Description

The Town of Winchester is the administrator of a single-employer public employee retirement system (PERS) established and administered by the Town to provide pension benefits for its municipal employees. The PERS is considered to be part of the Town of Winchester's financial reporting entity and is included in the Town's financial reports as a Pension Trust Fund.

The Town of Winchester Employees' Retirement Fund covers all eligible employees of the Town. The Town provides all retirement, death and disability benefits through a single employer, contributory defined benefit plan. Under the Plan, all full time employees paid from the General Fund of the Town who elect to make employee contributions after six months of employment are eligible to join. Police officers covered by MERF B, and employees covered by the State of Connecticut Teachers Retirement Plan and alternate funding source employees are not eligible to participate in this Plan.

Employees are 100% vested after five years of continuous service, if their contributions remain in the fund upon termination. Employees who retire at normal retirement (the later of age 65 or 5 years of service) receive a retirement benefit for life of 2% times years of credited service (maximum of 25) of the highest average three consecutive years of compensation out of the last ten prior to retirement. No cost of living adjustments are included. Member's contributions are returnable on termination or on death while active, or after retirement (less any benefits paid), provided in each case that no death benefits are otherwise paid.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

Plan membership consisted of the following at January 1, 1999, the date of the latest actuarial valuation:

Retirees, disabled and beneficiaries currently receiving benefits	20
Terminated employees entitled to benefits but not yet receiving them	7
Current plan members	<u>62</u>
 Total	 <u>89</u>

Summary of Significant Accounting Policies

Basis of Accounting: The Town of Winchester Pension Plan's financial statements are prepared using the accrual basis of accounting. Plan member and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments: All funds are invested and administered through Fleet Bank, sole Trustee, and are reported at fair value. Investment income is recognized as earned.

Funding Policy

Plan participants are required to contribute to the Plan 2-1/2% of their earnings up to the Social Security base and 5% of earnings over the Social Security base. The Town is required by its Charter to contribute the remaining amounts necessary to fund the Plan. For the year ended June 30, 2000 the Town's required contribution was \$95,805 which represents 4.5% of covered payroll of \$2,118,074.

Administrative costs of the Plan are financed through investment earnings.

Concentrations

Those investments in any organization that represent 5% or more of net assets available for benefits at June 30, 2000 are as follows:

Fleet Bank:	
Galaxy Mutual Funds	\$ 1,741,573
US Government & Agency Obligations	1,065,798
Commingled Funds	940,688
Corporate & Foreign Bonds	637,900

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

Annual Pension Cost and Net Pension Obligations

The Town of Winchester's annual pension cost and net pension obligation to the Town of Winchester Employees' Retirement Fund for the year ended June 30, 2000 were as follows:

Annual required contribution (ARC)	\$	95,805
Interest on net pension obligation		-
Adjustment to annual required contribution		-
		-
Annual pension cost		95,805
Contributions made**		95,805
		-
Increase in net pension obligation		-
Net pension obligation, beginning of year		-
		-
Net Pension Obligation, End of Year	\$	-

** Contribution will be made prior to 6/30/01

The annual required contribution for the current year was determined as part of the January 1, 1999 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) an 8.5% investment rate of return and (b) 6.0% projected salary increases. Both (a) and (b) included an inflation component of 4.5%. The assumptions did not include cost of living increases. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The Plan is fully funded and, therefore, immediate recognition of gains and losses is applied. The remaining amortization period for benefit improvements as of January 1, 1999 is zero years.

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
6/30/98	\$ 86,382	\$ 86,382	100%	\$ -
6/30/99	61,366	61,366*	100	-
6/30/00	95,805	95,805**	100	-

* Contribution was made prior to June 30, 2000

** Contribution will be made prior to June 30, 2001

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

Required Supplementary Information

Schedule of Funding Progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
1/1/93	\$ 2,197,363	\$ 2,083,918	\$ (113,445)	105.4%	\$ 1,852,200	(6.1)%
1/1/94	2,503,025	2,340,208	(162,817)	107.0	1,969,209	(8.3)
1/1/95	2,823,495	2,598,565	(224,930)	108.7	1,879,466	(12.0)
1/1/96	2,811,978	2,811,978	-	100.0	1,905,623	-
1/1/97	3,231,242	3,113,776	(117,466)	103.8	1,965,683	(6.0)
1/1/98	3,673,330	3,541,261	(132,069)	103.7	1,934,556	(6.8)
1/1/99	4,053,007	3,926,577	(126,430)	103.2	2,118,074	(6.0)

Schedule of Employer Contributions:

Year Ended	Annual Required Contribution	Percentage Contributed
6/30/94	-	100% *
6/30/95	-	100% *
6/30/96	69,630	100%
6/30/97	194,311	100%
6/30/98	86,382	100%
6/30/99	61,366	100%
6/30/00	95,805	100% **

* Plan overfunding was used to satisfy all or a portion of the annual contribution requirements

** Contribution will be made prior to 6/30/01

TOWN OF WINCHESTER, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

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

Valuation date	January 1, 1999
Actuarial cost method	Projected Unit Credit
Amortization method	Fully Funded
Remaining amortization period	Zero
Asset valuation method	4-year smoothed market value
Actuarial assumptions:	
Investment rate of return*	8.5%
Projected salary increases*	6.0 %
Cost-of-living adjustments	None
Plan or Assumption changes	None

* includes inflation at 4.5%

Teachers' Retirement System

Teachers participate in a contributory retirement plan administered by the State Teachers' Retirement Board. Neither the Board of Education nor the Town have a legal obligation to contribute to the retirement fund.

The State of Connecticut makes contributions to the system based on an actuarial study performed utilizing the total payroll of covered teachers in the State. For the fiscal year ended June 30, 2000, the actuarial and actual contribution was \$204,445,443. Contributions to the State Teachers' Retirement System in the amount of \$443,455 were made by the State of Connecticut on behalf of the Town of Winchester, and are recorded in the General Fund (GAAP Basis).

Participation in the system is required for all certified teachers in the State who are employed for at least an average of half-time. Teachers are 100% vested after completing 10 years of Connecticut teaching service, the last five of which must have been consecutive, if leaving Connecticut Public School service before age 60.

For the year ended June 30, 2000, teachers of the Town of Winchester contributed \$379,485 to the plan, and covered payroll for the year was \$5,421,214. Teachers are required to contribute 7% of their annual salary, with the State of Connecticut funding the remaining cost of benefits. These obligations are established under the authority of Section 10-183 of the Connecticut General Statutes.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

Municipal Employees' Retirement System

Plan Description

All Town of Winchester employees not covered by the Town pension plan or the teacher retirement system participate in the Municipal Employees' Retirement System (MERS). MERS is a cost-sharing, multiple employer, public employee retirement system (PERS) defined benefit plan established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating municipalities. MERS is considered to be a part of the State of Connecticut's financial reporting entity and is included in the State's financial report as a pension trust fund. MERS issues a publicly available financial report that may be obtained by writing to the State of Connecticut, Office of the State Comptroller, Municipal Employees' Retirement Fund, 55 Elm Street, Hartford, CT 06106.

Any local government authority in the State of Connecticut, including towns, cities, boroughs, regional school districts, housing authorities or other special districts, may elect to participate for one or more of its departments, including elective officers; only teachers, who are covered under the Connecticut State Teachers' Retirement System, are ineligible. As of July 1, 1999, there were 159 participating local government units (counting departments of municipalities which joined or reported separately as separate units). Membership in the plan at July 1, 1999 consisted of the following:

	<u>Retirees and Beneficiaries</u>	<u>Terminated Vested</u>	<u>Active Vested</u>	<u>Active Nonvested</u>
Police and Fire:				
a. Without Social Security	226	2	224	136
b. With Social Security	130	3	211	142
General:				
a. Without Social Security	1,979	26	1,239	1,394
b. With Social Security	1,882	63	2,120	2,345
Withdrawn Municipalities	17	2	N/A	N/A
Total Members	<u>4,234</u>	<u>96</u>	<u>3,794</u>	<u>4,017</u>

Plan provisions are set by statute of the State of Connecticut. MERS provides retirement benefits as well as death and disability benefits. Annual cost-of-living increases between 3% and 5% are paid to disabled members and nondisabled retired members over age 65. All benefits vest after 10 years of continuous service. Members who retire after age 55 with 10 years of service or after 25 years of service, irrespective of age, are entitled to an annual retirement benefit, payable monthly for life, in an amount for each year of service equal to:

- If not covered by Social Security: 2% of the average of earnings for the three highest paid years of service.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

- If covered by Social Security: 1-1/6% of the average of earnings not in excess of the taxable wage base for the 10 highest paid years, plus 2% of the average of earnings for the 3 highest paid years of service which is in excess of the average of earnings not in excess of the taxable wage base for the 10 highest paid years.

Covered employees are required by State statute to contribute 2-1/4% of earnings upon which Social Security tax is paid plus 5% of earnings on which no Social Security tax is paid. Each participating municipality is required to contribute the amounts necessary to finance the remaining cost of the plan.

Summary of Significant Accounting Policies

MERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which the employee services are performed.

Retirement trust funds can invest in various investment pools maintained by the State of Connecticut. Investments in the pooled funds are valued at cost. Market values of the investment pools are determined by the Master Custodian based on the performance of the underlying securities. Investment income is recognized as earned. Gains and losses on sales and redemptions of investments are recognized on the transaction date. No investments in any organization represent 5% or more of net assets available for benefits at June 30, 2000.

Contributions

Covered employees are required by State statute to contribute 2-1/4% of earnings upon which Social Security tax is paid, plus 5% of earnings on which no Social Security tax is paid. Each participating municipality is required to contribute the amounts necessary to finance the remaining costs of the plan based on an actuarially determined percentage of covered payroll to provide for benefits based on current service. This percentage varies by police and fire versus general city employees, and within those two groups, with versus without Social Security. The Statute also requires each municipality to pay an annual amount for benefits based on service prior to the unit's date of participation. The contribution requirement, and actual payment, for the year ended June 30, 2000 was \$193,251 which consisted of \$172,214 from the Town and \$21,037 from employees; these contributions represented 18.4% and 2.3% of covered payroll, respectively. Administrative costs are financed through investment earnings.

Town of Winchester employer contributions are as follows:

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/00	\$ 172,214	100%
6/30/99	169,158	100
6/30/98	174,332	100

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

Schedule of Funding Progress

The schedule of funding progress is presented below for the actuarial valuations indicated. The schedule is in millions of dollars.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll
7/1/92	\$ 545	\$ 539	\$ (6)	101%	\$ 203	(3)%
7/1/93	601	586	(15)	103	215	(7)
7/1/94	653	635	(18)	103	226	(8)
7/1/95	711	661	(50)	108	237	(21)
7/1/96	782	692	(90)	113	243	(37)
7/1/97	872	731	(141)	119	246	(57)
7/1/98	980	814	(166)	120	258	(64)
7/1/99	1,101	860	(241)	128	269	(90)

Schedule of Employer Contributions

The schedule of employer contributions below is presented in millions of dollars.

Year Ended	Annual Required Contribution	Percentage Contributed
6/30/93	\$ 24.1	100%
6/30/94	23.1	100
6/30/95	22.2	100
6/30/96	23.2	100
6/30/97	21.3	100
6/30/98	18.8	100
6/30/99	18.1	100
6/30/00	32.0	100

The information presented in the required schedules of funding progress and employer contributions above was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	July 1, 1999
Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	Various (depending upon unit's date of participation and other factors)
Asset valuation method	Market-related method, recognizing investment income fully each year. Differences between actual and assumed income are phased in over a closed 5-year period.

TOWN OF WINCHESTER, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

Actuarial assumptions:

Investment rate of return	8.5%
Projected salary increases	4.5%, attributable to inflation
Additional projected salary increases	2.5% for general employees and 3.0% for firemen and policemen attributable to seniority/merit.
Cost-of-living increases	None

Interfund Receivables and Payables - Individual interfund receivable and payable balances at June 30, 2000 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 109,259	\$ 24,444
Special Revenue Funds:		
Small Cities		635
Industrial Park #2		2,600
Dog Fund	4,846	13,809
Federal and State Education Grants		3,729
Sewer Assessment Fund	132,889	
Other	609	21,580
Enterprise Funds:		
Waterworks	11,351	31,575
Sewer	82,306	235,211
Nonexpendable Trust Funds:		
Other		3,141
Fiduciary Funds:		
Town Deposit		4,536
	<u>\$ 341,260</u>	<u>\$ 341,260</u>

TOWN OF WINCHESTER, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 3 - Detail Notes on All Funds and Account Groups (Continued):

Operating Transfers - Operating transfers between funds for the fiscal year ended June 30, 2000 are as follows:

<u>Fund</u>	<u>Operating Transfer In</u>	<u>Operating Transfer Out</u>
General Fund	\$ 5,337	\$ 323,076
Special Revenue Funds:		
Dog Fund	36,848	
Town Aid Roads	173,728	
Sewer Assessment		326,259
Other		17
Capital Projects Funds:		
Ladder Tower Truck	112,500	
Nonexpendable Trust Funds:		
Forest View Cemetery		3,687
Winchester Center Cemetery		939
Other		694
Enterprise Funds:		
Sewer	<u>326,259</u>	
	<u>\$ 654,672</u>	<u>\$ 654,672</u>

C. Equity:

Contributed Capital - There were no changes in the Town's contributed capital accounts for its Enterprise Funds for the year ended June 30, 2000.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 4 - Segment Information:

The Town through its Enterprise Funds is engaged in the management and operation of a water and sewer system. Segment information for the year ended June 30, 2000 follows:

	<u>Waterworks</u>	<u>Sewer</u>	<u>Total</u>
Operating revenues	\$ <u>1,713,988</u>	\$ <u>1,197,373</u>	\$ <u>2,911,361</u>
Operating expenses	\$ <u>1,104,634</u>	\$ <u>1,425,927</u>	\$ <u>2,530,561</u>
Depreciation expense	\$ <u>383,888</u>	\$ <u>546,464</u>	\$ <u>930,352</u>
Operating income (loss)	\$ <u>609,354</u>	\$ <u>(228,554)</u>	\$ <u>380,800</u>
Nonoperating expenses	\$ <u>430,666</u>	\$ <u>344,109</u>	\$ <u>774,775</u>
Transfers	\$ <u>-</u>	\$ <u>326,259</u>	\$ <u>326,259</u>
Net income (loss)	\$ <u>178,688</u>	\$ <u>(246,404)</u>	\$ <u>(67,716)</u>
Rents receivable, net of allowance for uncollectible accounts of \$8,671	\$ <u>287,136</u>	\$ <u>225,309</u>	\$ <u>512,445</u>
Acquisition and construction of capital assets	\$ <u>52,521</u>	\$ <u>13,253</u>	\$ <u>65,774</u>
Total assets	\$ <u>16,254,410</u>	\$ <u>23,534,009</u>	\$ <u>39,788,419</u>
Net working capital	\$ <u>95,919</u>	\$ <u>1,391,062</u>	\$ <u>1,486,981</u>
Bonds and notes payable (payable from operating revenues)	\$ <u>7,464,700</u>	\$ <u>6,969,000</u>	\$ <u>14,433,700</u>
Total fund equity	\$ <u>8,586,313</u>	\$ <u>16,229,507</u>	\$ <u>24,815,820</u>

Note 5 - Summary Disclosure of Significant Contingencies and Commitments:

The Town of Winchester and two other towns are served by Regional Refuse District No. 1, a legislatively chartered entity. Regional Refuse District No. 1 has been identified by the EPA as a potentially responsible party (PRP) and has been designated as a National Priorities List. Superfund-related expenditures have been included in the District's operating budget. The towns served by the District are required to pay any shortfall in the Regional Refuse District No. 1 operating budget. The Town of Winchester pays approximately 54.6% of such shortfall. No estimate of a future liability can be assessed at this time. The Town owns an additional inactive landfill which has been closed and capped for a number of years. No post-closure costs are anticipated at this time.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 5 - Summary Disclosure of Significant Contingencies and Commitments (Continued):

The Town of Winchester is subject to certain orders of the Commissioner of Environmental Protection and the Commissioner of Public Health and Addiction Services of the State of Connecticut with respect to the Town's water system and abatement of water pollution.

The Town of Winchester and its employees are defendants in numerous claims and legal actions. It is the opinion of Town officials that such pending litigation will not be finally determined so as to result individually, or in the aggregate, in a final judgment against the Town that would materially adversely affect its financial position.

The Town participates in a number of federal and state assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The audits of certain of these programs for or including the year ended June 30, 1999 have not yet been conducted. Accordingly, the Town's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

Note 6 - Long-Term Loans Receivable:

At June 30, 2000, the Town had long-term loans outstanding of \$1,882,844 in connection with the Small Cities Grant Programs. This grant allows the Town to make loans to qualifying individuals for use in improving low-to-moderate-income housing. Loans to nonoccupant owners generally require a matching of funds by the owner in a ratio of 75% grant funds to 25% owner funds. These loans are amortized over a 10-year period, including interest at 6% per annum. Loans to occupant owners are made on a wide variety of repayment terms which range from 10 years to due in full upon sale of the residence. Interest charged on the owner occupant loans ranges from -0-% to 3% per annum. All loans are secured through a lien on the property.

Note 7 - 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 employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims for these risks did not exceed commercial insurance coverage during the years ended June 30, 1998, 1999 and 2000. Town insurance can be described as follows:

Interlocal Risk Pool

The Town is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), an unincorporated association of Connecticut local public agencies which was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-479a et. seq. of the Connecticut General Statutes.

TOWN OF WINCHESTER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS, CONTINUED

Note 7 - Risk Management (Continued):

The Town is a member of CIRMA's Workers' Compensation Pool, a risk-sharing pool, that began on July 1, 1980. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. CIRMA currently has 233 members in the Workers' Compensation Pool. The coverage is subject to an incurred loss retrospective rating plan and losses incurred in coverage period 1999-00 will be evaluated at and 18, 30 and 42 months after the effective date of coverage. The deposit contribution (premium) paid in 1999-00 by the Town was \$112,075. The contribution (premium) is subject to payroll audit at the close of the coverage period. CIRMA's Workers' Compensation Pool retains up to \$1,000,000 per occurrence. Claims over \$1,000,000 are reinsured.

Payments to the Workers' Compensation Pool are made through the General Fund.

SUPPLEMENTAL INFORMATION

GENERAL FUND

To account for the general operations of the Town, except those required to be accounted for in another fund.

TOWN OF WINCHESTER, CONNECTICUT

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GENERAL FUND

COMPARATIVE BALANCE SHEETS

JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
ASSETS		
Cash and cash equivalents	\$ 1,372,701	\$ 1,731,778
Property taxes receivable, net	953,864	1,214,568
Receivable from State of Connecticut	577,884	134,964
Other receivables	-	94,400
Due from other funds	109,259	79,224
Other assets	<u>52,773</u>	<u>43,403</u>
Total Assets	\$ <u>3,066,481</u>	\$ <u>3,298,337</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued expenses	\$ 610,019	\$ 540,379
Due to other funds	24,444	148,967
Accrued pension contribution	85,868	53,779
Deferred revenue	826,616	891,742
Total liabilities	<u>1,546,947</u>	<u>1,634,867</u>
Fund Balances:		
Reserved:		
Encumbrances	247,830	410,267
Prepaid expenditures	52,773	43,403
Unreserved:		
Undesignated	<u>1,218,931</u>	<u>1,209,800</u>
Total fund balances	<u>1,519,534</u>	<u>1,663,470</u>
Total Liabilities and Fund Balances	\$ <u>3,066,481</u>	\$ <u>3,298,337</u>

TOWN OF WINCHESTER, CONNECTICUT

GENERAL FUND

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - NON-GAAP BUDGETARY BASISFOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Revised Budget	Actual		
Revenues:				
Tax collector:				
General property taxes	\$ 14,432,278	\$ 14,387,570	\$ (44,708)	\$ 13,074,408
Interest and lien fees	253,000	344,656	91,656	226,117
Total tax collector	<u>14,685,278</u>	<u>14,732,226</u>	<u>46,948</u>	<u>13,300,525</u>
Intergovernmental revenues:				
Education Equalization Grants	6,455,988	6,222,547	(233,441)	6,536,404
Public Act No. 290 - Education	8,284		(8,284)	164,140
Tax relief for elderly and disabled	120,000	126,363	6,363	118,217
Elementary transportation	331,133	282,826	(48,307)	280,344
Town Aid Roads	148,272	173,728	25,456	148,273
Reimbursement for industrial park tenants' tax exemptions			-	21,252
Welfare		2,057	2,057	5,668
Manufacturers' PILOT Grant	209,513	320,537	111,024	209,513
Reimbursement for private property tax exemptions	122,562	205,564	83,002	221,265
Reimbursement for revenue loss on motor boats	14,829	14,829	-	14,829
Tobacco settlement relief	84,917		(84,917)	-
In lieu of taxes	25,000		(25,000)	25,273
Civil defense	2,000	1,750	(250)	3,158
Riverfront Project		196,365	196,365	-
Emergency shelter		11,301	11,301	-
Dispatch console	30,000	25,965	(4,035)	-
Pequot-State property	289,784	290,034	250	298,685
Senior citizens DMR Grant		1,819	1,819	11,400
Local capital improvement program - highways	105,000	169,151	64,151	8,575
Miscellaneous grants	30,356		(30,356)	-
Telecommunications property taxes	140,107	158,776	18,669	140,107
School renovation project	401,814	599,992	198,178	440,999
Health and welfare			-	5,496
CAMA grant		27,500	27,500	-
Total intergovernmental revenues	<u>8,519,559</u>	<u>8,831,104</u>	<u>311,545</u>	<u>8,653,598</u>

(Continued on following page)

TOWN OF WINCHESTER, CONNECTICUT

GENERAL FUND

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - NON-GAAP BUDGETARY BASIS (CONTINUED)FOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Revised Budget	Actual		
Other revenues:				
Interest income	\$ 150,000	\$ 144,429	\$ (5,571)	\$ 132,936
Sale of equipment and land	7,500	17,915	10,415	6,395
Town Clerk	90,000	119,192	29,192	97,409
Parking fines	15,000	8,489	(6,511)	9,638
Building permits	60,000	79,962	19,962	66,490
Zoning and inspection fees	7,500	11,264	3,764	6,038
Fire Marshall revenue	250	60	(190)	140
Cemeteries - grave openings	22,000	19,500	(2,500)	14,855
Senior Citizen Center receipts	5,000		(5,000)	-
Cemeteries	11,000	19,250	8,250	10,500
Police reports	1,500	404	(1,096)	140
Police permits	1,000	1,532	532	998
Amusements, etc.	21,300		(21,300)	10,857
Probate Court	550	2,590	2,040	-
Ambulance revenue		9,212	9,212	18,662
Miscellaneous	111,920	340,124	228,204	274,515
Total other revenues	<u>504,520</u>	<u>773,923</u>	<u>269,403</u>	<u>649,573</u>
Total revenues	<u>23,709,357</u>	<u>24,337,253</u>	<u>627,896</u>	<u>22,603,696</u>
Expenditures:				
Board of Education	<u>14,641,653</u>	<u>14,726,567</u>	<u>(84,914)</u>	<u>13,543,394</u>
Public works:				
Highways	1,583,511	1,560,981	22,530	1,585,490
Streetlighting	125,553	118,981	6,572	146,424
Total public works	<u>1,709,064</u>	<u>1,679,962</u>	<u>29,102</u>	<u>1,731,914</u>
Public safety:				
Police Department	2,076,432	2,076,421	11	1,935,869
Fire Department	334,878	313,018	21,860	327,805
Other public safety	154,922	144,455	10,467	129,514
Civil defense	8,353	7,409	944	7,558
Ambulance service	81,675	63,883	17,792	104,746
Total public safety	<u>2,656,260</u>	<u>2,605,186</u>	<u>51,074</u>	<u>2,505,492</u>
Miscellaneous	<u>793,136</u>	<u>931,481</u>	<u>(138,345)</u>	<u>757,048</u>

(Continued on following page)

TOWN OF WINCHESTER, CONNECTICUT

GENERAL FUND

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - NON-GAAP BUDGETARY BASIS (CONTINUED)FOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Revised Budget	Actual		
General government:				
Finance:				
Accountants	\$ 124,157	\$ 127,408	\$ (3,251)	\$ 121,835
Assessor	112,780	111,487	1,293	107,597
Tax collector	57,858	54,327	3,531	72,833
Treasurer	5,925	5,925	-	5,925
Total finance	<u>300,720</u>	<u>299,147</u>	<u>1,573</u>	<u>308,190</u>
Buildings	<u>247,668</u>	<u>226,692</u>	<u>20,976</u>	<u>117,509</u>
Town Manager	<u>163,665</u>	<u>173,829</u>	<u>(10,164)</u>	<u>160,919</u>
Town Clerk	<u>121,964</u>	<u>119,762</u>	<u>2,202</u>	<u>123,954</u>
Selectmen	<u>28,475</u>	<u>27,034</u>	<u>1,441</u>	<u>22,880</u>
Law	<u>87,000</u>	<u>87,309</u>	<u>(309)</u>	<u>93,124</u>
Registrars	<u>30,873</u>	<u>28,973</u>	<u>1,900</u>	<u>30,536</u>
Boards	<u>4,816</u>	<u>968</u>	<u>3,848</u>	<u>4,334</u>
Other:				
Economic Development Commission	23,790	33,584	(9,794)	25,873
Probate Court	3,565	3,307	258	2,471
Soldiers Monument Commission	5,050	1,908	3,142	3,796
Laurel City Commission	2,500	4,161	(1,661)	2,500
Litchfield Conservation District	1,953	1,953	-	1,953
Conservation Commission	25,350	27,967	(2,617)	50,697
Shade Tree Committee	750		750	750
Advisory Commission for Disabled	1,250	1,065	185	1,511
Highland Lake Commission			-	
Data processing	126,185	130,953	(4,768)	117,560
Rural Transit Authority	1,823	1,823	-	1,823
Inland Wetlands Commission	36,233	32,868	3,365	17,095
Town Planner	110,353	80,384	29,969	76,161
Redevelopment Agency	25,000	25,000	-	28,815
Town of Winchester Historians	500	457	43	500
	<u>364,302</u>	<u>345,430</u>	<u>18,872</u>	<u>331,505</u>
Total general government	<u>1,349,483</u>	<u>1,309,144</u>	<u>40,339</u>	<u>1,192,951</u>

(Continued on following page)

TOWN OF WINCHESTER, CONNECTICUT

GENERAL FUND

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - NON-GAAP BUDGETARY BASIS (CONTINUED)FOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE ACTUAL AMOUNTS OR THE YEAR ENDED JUNE 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Revised Budget	Actual		
Welfare	\$ 45,695	\$ 43,596	\$ 2,099	\$ 51,085
Health	128,741	125,491	3,250	129,032
Parks and recreation:				
Organized recreation	169,011	160,848	8,163	174,367
Municipal parks	15,465	4,788	10,677	4,216
Total parks and recreation	184,476	165,636	18,840	178,583
Library	184,000	199,333	(15,333)	175,000
Waste disposal and recycling	514,065	514,065	-	492,602
Debt service	709,105	709,105	-	749,076
Capital outlay:				
Public works	222,179	162,781	59,398	276,111
General government	115,000	340,647	(225,647)	176,728
Public safety	227,736	208,831	18,905	143,743
Riverfront recapture		256,163	(256,163)	-
Miscellaneous	85,059	26,607	58,452	-
Total capital outlay	649,974	995,029	(345,055)	596,582
Total expenditures	23,565,652	24,004,595	(438,943)	22,102,759
Excess of Revenues over Expenditures	143,705	332,658	188,953	500,937
Other Financing Sources (Uses):				
Proceeds from capital leases		3,581	3,581	5,789
Operating transfers in	90,917	5,337	(85,580)	5,710
Operating transfers out	(297,620)	(323,076)	(25,456)	(504,967)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (62,998)	\$ 18,500	\$ 81,498	\$ 7,469

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SPECIAL REVENUE FUNDS

Small Cities Grants - To account for federal grant revenues from the U.S. Department of Housing and Urban Development for various grant years.

Industrial Park #2 Fund - To account for revenues and expenditures for the marketing and sales of lots in the Town's second industrial park.

Cafeteria Fund - To account for the Child Nutrition Program. Revenues consist of sales of food and grant subsidies for nutrition.

Federal and State Education Grants - To account for revenues and expenditures of various education grants.

Fire Truck Fund - To accumulate funds for the purchase of a new fire truck for the Town.

Town Aid Roads Fund - To account for state grant revenues and expenditures for Town improved and unimproved roads.

Winchester Emergency Shelter Fund - To account for the state grant received for the Winchester Emergency Shelter.

Dog Fund - To account for the activities of the Town's Dog Warden, of which a portion of the fees must be paid to the State of Connecticut.

Sewer Assessment Fund - To account for the sewer assessment revenues and expenditures related to the Highland Lake sewer project.

Other - To account for proceeds and expenditures of diminutive miscellaneous non-intergovernmental grants and activities.

Brownfields Project - To account for a grant from the U.S. Environmental Protection Agency and related expenditures to study and redevelop several potentially contaminated manufacturing sites.

TOWN OF WINCHESTER, CONNECTICUT
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2000
WITH COMPARATIVE TOTALS FOR JUNE 30, 1999

	Small Cities Grants	Industrial Park #2	Cafeteria	Federal and State Education Grants	Fire Truck	Town Aid Roads Fund	Winchester Emergency Shelter	Dog Fund	Sewer Assessment Fund	Brownfields Pilot Program	Totals	
											2000	1999
Cash and cash equivalents	\$ 322,271	\$ 280,839	\$ 7,803	\$ -	\$ 3,357	\$ 13,265	\$ 18,455	\$ 6,103	\$ -	\$ 102	\$ 798,428	\$ 591,784
Accounts receivable:												
State of Connecticut	50,000		35,547	66,834							152,381	674,888
Other	1,882,844							3,827	2,707,247		4,593,918	4,682,562
Due from other funds			9,176					4,846	132,889		609	268,413
Other assets											9,176	9,977
Total Assets	\$ 2,255,115	\$ 280,839	\$ 52,526	\$ 66,834	\$ 3,357	\$ 13,265	\$ 18,455	\$ 14,776	\$ 2,840,136	\$ 102	\$ 5,692,247	\$ 6,227,604

LIABILITIES AND FUND BALANCES

Liabilities:												
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	635	2,600		3,729			9,209	4,687	3,870		21,580	17,766
Due to State of Connecticut		153,130		42,131				13,809				42,353
Deferred revenue	2,202,909			20,974					2,693,860		195,261	181,988
Total liabilities	2,203,544	155,730	-	66,834	-	-	9,209	18,496	2,697,730	-	4,917,743	5,337,343
Fund Balances:												
Unreserved:												
Undesignated	51,571	125,109	52,526	-	3,357	13,265	9,246	(3,720)	142,406	102	519,124	625,448
Total fund balances	51,571	125,109	52,526	-	3,357	13,265	9,246	(3,720)	142,406	102	519,124	625,448
Total Liabilities and Fund Balances	\$ 2,255,115	\$ 280,839	\$ 52,526	\$ 66,834	\$ 3,357	\$ 13,265	\$ 18,455	\$ 14,776	\$ 2,840,136	\$ 102	\$ 5,692,247	\$ 6,227,604

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999

	Small Cities Grants	Industrial Park #2	Cafeteria	Federal and State Education Grants	Fire Truck	Town Aid Roads Fund	Winchester Emergency Shelter	Dog Fund	Sewer Assessment Fund	Brownfields Pilot Program	Other	Totals
	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000
Revenues:												
Federal and state grants	\$ 211,979	\$ -	\$ 156,860	\$ 460,639	\$ -	\$ -	\$ 61,217	\$ -	\$ -	\$ 59,408	\$ 136,295	\$ 1,086,398
Commodity sales			224,864								1,948	1,481,965
Interest income	1,104				73							224,864
Program income	23,839											3,125
Special assessments			14,344					10,312	173,529			2,760
Other			396,068	460,639	73		61,217	10,312	158,873		6,583	44,291
Total revenues	236,922	-	565,276	921,278	73		122,434	20,624	332,402	59,408	142,826	1,793,388
Program and Project Expenditures	263,586	20,283	389,147	460,639		257,473	58,737	46,932		59,306	136,388	1,902,629
Excess (Deficiency) of Revenues over Expenditures	(26,664)	(20,283)	6,921	-	73	(257,473)	2,480	(36,620)	332,402	102	8,438	232,296
Other Financing Sources (Uses):												
Operating transfers in						173,728		36,848	(326,259)		(17)	210,576
Operating transfers out												(326,276)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(26,664)	(20,283)	6,921	-	73	(83,745)	2,480	228	6,143	102	8,421	(106,324)
Fund Balances at Beginning of Year	78,235	145,392	45,605	-	3,284	97,010	6,766	(3,948)	136,263	-	116,841	625,448
Fund Balances at End of Year	\$ 51,571	\$ 125,109	\$ 52,526	\$ -	\$ 3,357	\$ 13,265	\$ 9,246	\$ (3,720)	\$ 142,406	\$ 102	\$ 125,262	\$ 519,124

TOWN OF WINCHESTER, CONNECTICUT

B-3

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - TOWN AID
ROADS FUND AND DOG FUND - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2000

	Town Aid Roads Fund			Dog Fund		
	Revised Budget	Actual	Variance - Favorable (Unfavorable)	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
License fees	\$ -	\$ -	\$ -	\$ 10,000	\$ 8,098	\$ (1,902)
Miscellaneous revenues	-	-	-	2,000	2,214	214
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,000</u>	<u>10,312</u>	<u>(1,688)</u>
Expenditures:						
Maintenance and expenditures	-	-	-	48,848	46,932	1,916
Supplies and expenditures	148,272	257,473	(109,201)	-	-	-
Total expenditures	<u>148,272</u>	<u>257,473</u>	<u>(109,201)</u>	<u>48,848</u>	<u>46,932</u>	<u>1,916</u>
Deficiency of Revenues over Expenditures	(148,272)	(257,473)	(109,201)	(36,848)	(36,620)	228
Other Financing Sources:						
Operating transfers in	148,272	173,728	25,456	36,848	36,848	-
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>\$ -</u>	<u>(83,745)</u>	<u>\$ (83,745)</u>	<u>\$ -</u>	<u>228</u>	<u>\$ 228</u>
Fund Balances at Beginning of Year		97,010			(3,948)	
Fund Balances at End of Year		<u>\$ 13,265</u>			<u>\$ (3,720)</u>	

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ENTERPRISE FUNDS

Waterworks Fund - To account for the financial operations of the Winsted Waterworks. All necessary activities to provide such services are included in this fund, including, but not limited to, administration, operations, maintenance, financing, and billing and collection. Also included in this fund is the water treatment plant project. The Board of Selectmen, as empowered by the Town Charter, acts as the Water Board and oversees the operation of the Winsted Waterworks.

Sewer Fund - To account for the financial operations of the Town's sewer utility. All activities necessary to provide such services are included in this fund, including, but not limited to, administration, operations, maintenance, financing, and billing and collection. Also included in this fund are the inflow/infiltration analysis program, the wastewater treatment plant project and the Highland Lake sewer project. Authority over the operations of the Sewer Fund is with the Water Pollution Control Authority.

TOWN OF WINCHESTER, CONNECTICUT

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ENTERPRISE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 2000

WITH COMPARATIVE TOTALS FOR JUNE 30, 1999

	Waterworks	Sewer	Totals	
			2000	1999
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 51,250	\$ 1,486,686	\$ 1,537,936	\$ 1,738,191
Rents receivable, net of allowance for uncollectible accounts of \$8,671 in 2000 and 1999	287,136	225,309	512,445	439,497
Accrued utility revenue	392,303	236,225	628,528	563,046
Due from other funds	11,351	82,306	93,657	78,401
Total current assets	742,040	2,030,526	2,772,566	2,819,135
Property, Plant and Equipment:				
Land	57,556	27,920	85,476	85,476
Buildings, structures and improvements	15,734,901	26,516,055	42,250,956	42,195,121
Equipment	538,777	161,434	700,211	700,210
Distribution reservoirs and standpipes	487,871		487,871	487,871
Construction in process	1,489,910		1,489,910	1,479,973
Total fixed assets	18,309,015	26,705,409	45,014,424	44,948,651
Less accumulated depreciation	2,796,645	5,201,926	7,998,571	7,068,219
Net property, plant and equipment	15,512,370	21,503,483	37,015,853	37,880,432
Total Assets	\$ 16,254,410	\$ 23,534,009	\$ 39,788,419	\$ 40,699,567
LIABILITIES AND FUND EQUITY				
Liabilities:				
Current liabilities:				
Current portion of bonds payable	\$ 496,385	\$ 377,400	\$ 873,785	\$ 633,785
Notes payable			-	1,500,000
Accounts payable and accrued liabilities	118,161	26,856	145,017	183,065
Due to other funds	31,575	235,211	266,786	222,773
Total current liabilities	646,121	639,467	1,285,588	2,539,623
Accrued vacation and sick leave benefits	53,661	73,438	127,099	102,711
Bonds payable, net of current portion	6,968,315	6,591,600	13,559,915	13,173,700
Total liabilities	7,668,097	7,304,505	14,972,602	15,816,034
Fund Equity:				
Contributed capital	3,411,400	15,253,865	18,665,265	18,665,265
Retained earnings	5,174,913	975,639	6,150,552	6,218,268
Total fund equity	8,586,313	16,229,504	24,815,817	24,883,533
Total Liabilities and Fund Equity	\$ 16,254,410	\$ 23,534,009	\$ 39,788,419	\$ 40,699,567

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGSFOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999

	Waterworks	Sewer	Totals	
			2000	1999
Operating Revenues:				
Rents	\$ 1,626,165	\$ 1,040,025	\$ 2,666,190	\$ 2,358,034
Fines, penalties and interest	63,056	75,385	138,441	264,526
Other	24,767	81,963	106,730	112,898
Total operating revenues	<u>1,713,988</u>	<u>1,197,373</u>	<u>2,911,361</u>	<u>2,735,458</u>
Operating Expenses:				
Operations	495,171	655,792	1,150,963	970,299
Maintenance	131,155	109,633	240,788	259,405
Depreciation	383,888	546,464	930,352	574,851
Administration	94,420	114,038	208,458	293,503
Total operating expenses	<u>1,104,634</u>	<u>1,425,927</u>	<u>2,530,561</u>	<u>2,098,058</u>
Operating Income (Loss)	<u>609,354</u>	<u>(228,554)</u>	<u>380,800</u>	<u>637,400</u>
Nonoperating Revenues (Expenses):				
Interest income	525	56,038	56,563	69,698
Interest expense	(431,191)	(400,147)	(831,338)	(791,414)
Net nonoperating expenses	<u>(430,666)</u>	<u>(344,109)</u>	<u>(774,775)</u>	<u>(721,716)</u>
Income (Loss) Before Operating Transfers	178,688	(572,663)	(393,975)	(84,316)
Operating Transfers In		326,259	326,259	333,509
Net Income (Loss)	178,688	(246,404)	(67,716)	249,193
Retained Earnings - Beginning of Year	<u>4,996,225</u>	<u>1,222,043</u>	<u>6,218,268</u>	<u>5,969,075</u>
Retained Earnings - End of Year	<u>\$ 5,174,913</u>	<u>\$ 975,639</u>	<u>\$ 6,150,552</u>	<u>\$ 6,218,268</u>

TOWN OF WINCHESTER, CONNECTICUT

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999

	Waterworks	Sewer	Totals	
			2000	1999
Cash Flows from Operating Activities:				
Operating income (loss)	\$ 609,354	\$ (228,554)	\$ 380,800	\$ 637,400
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	383,888	546,464	930,352	574,851
(Increase) decrease in operating assets:				
Rents receivable	(75,114)	2,166	(72,948)	287,341
Accrued utility revenue	(100,107)	34,625	(65,482)	(229,130)
Other assets			-	45,587
Amounts due from other funds	(11,351)	(3,905)	(15,256)	437,839
Increase (decrease) in operating liabilities:				
Accounts payable and accrued liabilities	25,087	(63,132)	(38,045)	(652,558)
Amounts due to other funds	6,038	37,975	44,013	(373,382)
Accrued vacation and sick leave benefits	5,827	18,559	24,386	(2,902)
Net cash provided by operating activities	<u>843,622</u>	<u>344,198</u>	<u>1,187,820</u>	<u>725,046</u>
Cash Flows from Noncapital Related Financing Activities:				
Operating transfers in		326,259	326,259	333,509
Net cash provided by noncapital related financing activities	<u>-</u>	<u>326,259</u>	<u>326,259</u>	<u>333,509</u>
Cash Flows from Capital and Related Financing Activities:				
Grants received from state and federal governments			-	3,072,300
Proceeds of notes payable			-	1,775,000
Principal payments on notes payable			-	(10,886,498)
Proceeds of bonds payable			-	2,495,400
Principal payments on bonds payable	(496,385)	(377,400)	(873,785)	(724,015)
Interest paid on notes and bonds payable	(431,191)	(400,147)	(831,338)	(791,414)
Acquisition and construction of capital assets	(52,521)	(13,253)	(65,774)	(1,065,663)
Net cash used in capital and related financing activities	<u>(980,097)</u>	<u>(790,800)</u>	<u>(1,770,897)</u>	<u>(6,124,890)</u>
Cash Flows from Investing Activities:				
Interest income	525	56,038	56,563	69,698
Proceeds of U.S. Treasury notes			-	3,982,924
Net cash provided by investing activities	<u>525</u>	<u>56,038</u>	<u>56,563</u>	<u>4,052,622</u>
Net Decrease in Cash and Cash Equivalents	(135,950)	(64,305)	(200,255)	(1,013,713)
Cash and Cash Equivalents at Beginning of Year	<u>187,200</u>	<u>1,550,991</u>	<u>1,738,191</u>	<u>2,751,904</u>
Cash and Cash Equivalents at End of Year	<u>\$ 51,250</u>	<u>\$ 1,486,686</u>	<u>\$ 1,537,936</u>	<u>\$ 1,738,191</u>

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FIDUCIARY FUNDS

Pension Trust Fund - To account for contributions and pension benefits and other costs associated with the operation of the Town's pension plan.

Nonexpendable Trust Funds:

Winchester School Trust Fund - To account for funds established to provide scholarships on an annual basis to local youth who excel in the school system.

Winchester Sinking Fund - To account for funds established for the retirement of debt. The fund balance must exceed \$75,000 before any funds can be utilized.

Forest View Cemetery Fund - This fund was established to accumulate donations and other resources, the income on which is used for the operation and maintenance of the Town's Forest View Cemetery and to purchase cemetery land.

Winchester Center Cemetery Fund - This fund was established to accumulate donations and other resources, the income on which is used for the operation and maintenance of the Winchester Center Cemetery and to purchase cemetery land.

Other - To account for funds contributed to the Town, the income on which is used for decorating various grave sites and repairs and maintenance of the local parks.

Expendable Trust Funds:

Winchester Memorial Parks Fund - To account for funds to be used for repairs and maintenance of local parks.

Other - To account for funds contributed to the Town which are to be used for a specified purpose.

Agency Funds:

Town Deposit Fund - To account for funds used for public schools.

Student Activities Fund - To account for the Batcheller, Hinsdale and Pearson school activity funds.

General Assistance Fund - To account for financial assistance provided to local residents.

Other - To account for performance bonds held by the Town.

TOWN OF WINCHESTER, CONNECTICUT

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FIDUCIARY FUNDS

COMBINING BALANCE SHEET

JUNE 30, 2000

	Pension Trust Fund* 1999	Nonexpendable Trust Funds					
		Winchester School Trust	Winchester Sinking Cemetery	Forest View Cemetery	Winchester Center Cemetery	Other	
ASSETS							
Cash and cash equivalents	\$	\$ 53,405	\$ 76,262	\$ 137,967	\$ 38,129	\$	143,849
Investments	4,426,927						
Contribution receivable	157,171						
Total Assets	\$ 4,584,098	\$ 53,405	\$ 76,262	\$ 137,967	\$ 38,129	\$	143,849

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LIABILITIES AND FUND BALANCES

Liabilities:							
Fiduciary deposits	\$	\$	\$	\$	\$	\$	
Due to General Fund							3,141
Total liabilities							3,141
Fund Balances:							
Reserved for employee retirement system	4,584,098						
Unreserved - undesignated		53,405	76,262	137,967	38,129		140,708
Total fund balances	4,584,098	53,405	76,262	137,967	38,129		140,708
Total Liabilities and Fund Balances	\$ 4,584,098	\$ 53,405	\$ 76,262	\$ 137,967	\$ 38,129	\$	143,849

*The Pension Trust Fund has been combined using the Fund's fiscal year, which is January 1 to December 31.

(Continued on following page)

FIDUCIARY FUNDS

COMBINING BALANCE SHEET (CONTINUED)

JUNE 30, 2000

	Expendable Trust Funds			Agency Funds				Totals
	Winchester Memorial Parks	Other	Town Deposit	Student Activities	General Assistance	Other		
ASSETS								
Cash and cash equivalents	\$ 12,022	\$ 7,574	\$ 4,536	\$ 12,233	\$ 71	\$ 38,348	\$	524,396
Investments								4,426,927
Contribution receivable								157,171
Total Assets	<u>\$ 12,022</u>	<u>\$ 7,574</u>	<u>\$ 4,536</u>	<u>\$ 12,233</u>	<u>\$ 71</u>	<u>\$ 38,348</u>	<u>\$</u>	<u>5,108,494</u>

LIABILITIES AND FUND BALANCES

Liabilities:								
Fiduciary deposits	\$	\$	\$	\$ 12,233	\$ 71	\$ 38,348	\$	50,652
Due to General Fund			4,536					7,677
Total liabilities			<u>4,536</u>	<u>12,233</u>	<u>71</u>	<u>38,348</u>		<u>58,329</u>
Fund Balances:								
Reserved for employee retirement system								4,584,098
Unreserved - undesignated	12,022	7,574						466,067
Total fund balances	<u>12,022</u>	<u>7,574</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,050,165</u>
Total Liabilities and Fund Balances	<u>\$ 12,022</u>	<u>\$ 7,574</u>	<u>\$ 4,536</u>	<u>\$ 12,233</u>	<u>\$ 71</u>	<u>\$ 38,348</u>	<u>\$</u>	<u>5,108,494</u>

TOWN OF WINCHESTER, CONNECTICUT

D-2

NONEXPENDABLE TRUST FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2000

	Winchester School Trust	Winchester Sinking	Forest View Cemetery	Winchester Center Cemetery	Other	Totals
Revenues:						
Interest and dividend income	\$ 4,146	\$ 2,069	\$ 3,716	\$ 1,014	\$ 4,792	\$ 15,737
Expenses:						
Other	2,100					2,100
Operating Income	2,046	2,069	3,716	1,014	4,792	13,637
Operating Transfers Out			(3,687)	(939)	(694)	(5,320)
Net Income	2,046	2,069	29	75	4,098	8,317
Fund Balances at Beginning of Year	51,359	74,193	137,938	38,054	136,610	438,154
Fund Balances at End of Year	\$ 53,405	\$ 76,262	\$ 137,967	\$ 38,129	\$ 140,708	\$ 446,471

TOWN OF WINCHESTER, CONNECTICUT

D-3

NONEXPENDABLE TRUST FUNDS

COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2000

	Winchester School Trust	Winchester Sinking	Forest View Cemetery	Winchester Center Cemetery	Other	Totals
Cash Flows from Operating Activities:						
Operating income	\$ 2,046	\$ 2,069	\$ 3,716	\$ 1,014	\$ 4,792	\$ 13,637
Adjustments to reconcile operating income to net cash used in operating activities:						
Investment income	(4,146)	(2,069)	(3,716)	(1,014)	(4,792)	(15,737)
Net cash used in operating activities	(2,100)	-	-	-	-	(2,100)
Cash Flows from Noncapital Related Financing Activities:						
Operating transfers to General Fund			(3,687)	(939)	(694)	(5,320)
Net cash used in noncapital related financing activities	-	-	(3,687)	(939)	(694)	(5,320)
Cash Flows from Investing Activities:						
Investment income	4,146	2,069	3,716	1,014	4,792	15,737
Net cash provided by investing activities	4,146	2,069	3,716	1,014	4,792	15,737
Net Increase in Cash and Cash Equivalents	2,046	2,069	29	75	4,098	8,317
Cash and Cash Equivalents at Beginning of Year	51,359	74,193	137,938	38,054	139,751	441,295
Cash and Cash Equivalents at End of Year	\$ 53,405	\$ 76,262	\$ 137,967	\$ 38,129	\$ 143,849	\$ 449,612

TOWN OF WINCHESTER, CONNECTICUT

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EXPENDABLE TRUST FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999

	Winchester Memorial Parks	Other	Totals	
			2000	1999
Revenues:				
Investment income	\$ 326	\$ 206	\$ 532	\$ 543
Expenditures			-	-
Excess of Revenues over Expenditures	326	206	532	543
Fund Balances at Beginning of Year	11,696	7,368	19,064	18,521
Fund Balances at End of Year	\$ <u>12,022</u>	\$ <u>7,574</u>	\$ <u>19,596</u>	\$ <u>19,064</u>

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2000

	Balance July 1, 1999	Additions	Deductions	Balance June 30, 2000
Town Deposit:				
Assets:				
Cash and cash equivalents	\$ 4,536	\$ 127	\$ 127	\$ 4,536
Liabilities:				
Due to General Fund	\$ 4,536	\$ 127	\$ 127	\$ 4,536
Student Activities:				
Assets:				
Cash and cash equivalents	\$ 16,735	\$ 85,961	\$ 90,463	\$ 12,233
Liabilities:				
Fiduciary deposits	\$ 16,735	\$ 85,961	\$ 90,463	\$ 12,233
General Assistance:				
Assets:				
Cash and cash equivalents	\$ 71	\$ -	\$ -	\$ 71
Liabilities:				
Fiduciary deposits	\$ 71	\$ -	\$ -	\$ 71
Other:				
Assets:				
Cash and cash equivalents	\$ 37,121	\$ 1,227	\$ -	\$ 38,348
Liabilities:				
Fiduciary deposits	\$ 37,121	\$ 1,227	\$ -	\$ 38,348
Total - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 58,463	\$ 87,315	\$ 90,590	\$ 55,188
Total Assets	\$ 58,463	\$ 87,315	\$ 90,590	\$ 55,188
Liabilities:				
Due to General Fund	\$ 4,536	\$ 127	\$ 127	\$ 4,536
Fiduciary deposits	53,927	87,188	90,463	50,652
Total Liabilities	\$ 58,463	\$ 87,315	\$ 90,590	\$ 55,188

GENERAL FIXED ASSETS ACCOUNT GROUP

**To account for all fixed assets except those used in
Proprietary Fund operations.**

TOWN OF WINCHESTER, CONNECTICUT

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SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE

JUNE 30, 2000

General Fixed Assets:	
Land and improvements	\$ 1,000,080
Buildings and improvements:	
Schools	12,869,366
Town Hall	899,279
Senior Citizens Center	447,170
Fire Department	88,820
Other	235,849
Vehicles and equipment:	
Schools	2,840,840
Town	<u>5,817,688</u>
Total General Fixed Assets	<u>\$ 24,199,092</u>
Investment in General Fixed Assets:	
Bonds and notes	\$ 10,322,386
Federal and state grants	4,509,333
Current appropriations	<u>9,367,373</u>
Total Investment in General Fixed Assets	<u>\$ 24,199,092</u>

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION

JUNE 30, 2000

<u>Function</u>	<u>Total</u>	<u>Land and Improvements</u>	<u>Buildings and Improvements</u>	<u>Vehicles and Equipment</u>
General Government	\$ 3,831,044	\$ 1,000,080	\$ 1,363,475	\$ 1,467,489
Public Safety	1,731,500		88,820	1,642,680
Public Works	2,753,903		150,564	2,603,339
Parks and Recreation	172,439		68,259	104,180
Education	<u>15,710,206</u>		<u>12,869,366</u>	<u>2,840,840</u>
Total General Fixed Assets Allocated by Function	<u>\$ 24,199,092</u>	<u>\$ 1,000,080</u>	<u>\$ 14,540,484</u>	<u>\$ 8,658,528</u>

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION

FOR THE YEAR ENDED JUNE 30, 2000

Function	Balance, July 1, 1999	Additions	Adjustments and Deletions	Balance, June 30, 2000
General Government	\$ 3,609,296	\$ 227,268	\$ 5,520	\$ 3,831,044
Public Safety	1,702,850	44,387	15,737	1,731,500
Public Works	2,702,791	172,906	121,794	2,753,903
Parks and Recreation	144,733	27,706		172,439
Education	<u>15,359,594</u>	<u>350,612</u>		<u>15,710,206</u>
Total General Fixed Assets Allocated by Function	<u>\$ 23,519,264</u>	<u>\$ 822,879</u>	<u>\$ 143,051</u>	<u>\$ 24,199,092</u>

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OTHER INFORMATION

TOWN OF WINCHESTER, CONNECTICUT

F

GENERAL FUND

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING

FOR THE YEAR ENDED JUNE 30, 2000

Grand List of October 1,	Due Date of Tax	New Levy and Uncollected Balance July 1, 1999	Lawful Corrections		Transfers to Suspense	Adjusted Tax Levies	Collections		Taxes Receivable June 30, 2000
			Additions	Deductions			Taxes	Interest and Liens	
1998	7/1 and 1/1	\$ 14,562,732	\$	38,465	1,589	14,522,678	13,909,983	73,508	612,695
1997	7/1 and 1/1	567,937		5,335	41,893	520,709	345,551	77,038	175,158
1996	7/1 and 1/1	259,759		709	81,753	177,297	141,522	48,054	35,775
1995*	7/1 and 1/1	425,870		1,522	69,022	355,326	186,090	146,056	169,236
Total Grand List		\$ 15,816,298	\$ -	46,031	194,257	15,576,010	14,583,146	344,656	992,864

*Includes collection of this list and all prior.

TOWN OF WINCHESTER, CONNECTICUT

G

ENTERPRISE FUNDS

SCHEDULES OF WATER AND SEWER RENTS LEVIED, COLLECTED AND OUTSTANDING

FOR THE YEAR ENDED JUNE 30, 2000

Water Rents:

Levy as of July 1,	New Levy and Uncollected Balance, July 1, 1999	Collections			Water Rents Receivable, June 30, 2000
		Rents	Interest and Liens	Total	
1999	\$ 1,528,027	\$ 1,363,351	\$ 7,426	\$ 1,370,777	\$ 164,676
1998	67,794	18,840	9,525	28,365	48,954
1997*	152,899	70,722	46,103	116,825	82,177
	<u>\$ 1,748,720</u>	<u>\$ 1,452,913</u>	<u>\$ 63,054</u>	<u>\$ 1,515,967</u>	<u>\$ 295,807</u>

Sewer Rents:

Levy as of July 1,	New Levy and Uncollected Balance, July 1, 1999	Collections			Sewer Rents Receivable, June 30, 2000
		Rents	Interest and Liens	Total	
1999	\$ 1,076,027	\$ 962,947	\$ 7,215	\$ 970,162	\$ 113,080
1998	44,520	3,790	10,175	13,965	40,730
1997*	182,955	111,456	57,994	169,450	71,499
	<u>\$ 1,303,502</u>	<u>\$ 1,078,193</u>	<u>\$ 75,384</u>	<u>\$ 1,153,577</u>	<u>\$ 225,309</u>

*Includes Grand List of 1997 and all years prior.

Source: Town of Winchester, Connecticut, Collector of Revenue.

TOWN OF WINCHESTER, CONNECTICUT

H

SCHEDULE OF SURETY BONDS COVERING OFFICIALS AND EMPLOYEES

JUNE 30, 2000

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Margaret A. Johnson	Town Manager	\$ 95,000
Henry L. Centrella, Jr.	Director of Finance	595,000
Spencer C. Monroe	Treasurer	600,000
Arlene M. Boutin	Tax Collector	147,000
Janet L. Clossom	Assistant to the Tax Collector	85,000
Arthur Borla	Ambulance Treasurer	55,000
Mark A. Douglass	Purchasing Agent	25,000
Sandra Andrews	Assistant to the Finance Director	25,000
Colleen Garrity	Assistant to the Finance Director	25,000
Sheila Sedlack	Town Clerk	5,000
Cheryl L. Carriere	Assistant Town Clerk	5,000
Public Employees Blanket Bond	Public Employees Blanket Bond	5,000
Public Works Department	Public Works Department	5,000

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STATISTICAL SECTION

TOWN OF WINCHESTER, CONNECTICUT
GENERAL FUND EXPENDITURES BY FUNCTION
NON-GAAP BUDGETARY BASIS

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year	Board of Education	Public Works	Public Safety	Miscellaneous	General Government	Welfare	Health	Parks and Recreation	Library	Waste Disposal and Recycling	Debt Service	Capital Outlay	Total
1991	10,728	1,933	2,049	901	870	261	174	136	115		1,005	481	18,653
1992	11,182	1,967	1,969	823	858	329	192	142	122		972	640	19,196
1993	11,394	1,872	1,872	754	1,250	184	180	140	128		939	337	19,050
1994	11,668	1,597	2,005	804	1,565	186	180	140	130		906	424	19,605
1995	11,859	1,434	1,984	1,071	1,793	180	149	142	133		873	713	20,331
1996	12,112	1,428	2,050	769	1,494	174	124	137	125		782	384	19,579
1997	12,502	1,456	2,121	704	1,389	145	125	125	125		844	483	20,019
1998	13,210	1,510	2,334	933	1,523	122	115	140	128		793	610	21,418
1999	13,543	1,732	2,505	757	1,193	51	129	179	175	493	749	597	22,103
2000	14,727	1,680	2,605	931	1,309	44	125	166	199	514	709	995	24,005

Source: Town of Winchester, Connecticut, Department of Finance.

TOWN OF WINCHESTER, CONNECTICUT

Table 2

GENERAL FUND REVENUES BY SOURCE
NON-GAAP BUDGETARY BASIS

LAST TEN FISCAL YEARS

(In Thousands)

<u>Fiscal Year</u>	<u>General Property Taxes, Interest and Lien Fees</u>	<u>Intergovernmental Revenues</u>	<u>Other Revenues</u>	<u>Total</u>
1991	\$ 10,129	\$ 7,783	\$ 481	\$ 18,393
1992	10,702	8,487	404	19,593
1993	10,734	8,046	263	19,043
1994	10,926	8,324	403	19,653
1995	11,374	8,618	312	20,304
1996	10,717	8,923	364	20,004
1997	11,713	8,369	453	20,535
1998	13,159	8,567	565	22,291
1999	13,300	8,654	650	22,604
2000	14,732	8,831	774	24,337

Source: Town of Winchester, Connecticut, Department of Finance.

TOWN OF WINCHESTER, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS

Table 3

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year	Grand List	Mill Rate (1)	Total Tax Levy	Current Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Taxes	Percent of Outstanding Taxes to Tax Levy
1991	1989	39.00	\$ 10,360	\$ 9,654	93.18	\$ 323	\$ 9,977	96.30 %	994	9.59 %
1992	1990	39.00	10,662	10,017	93.96	481	10,498	98.46	1,064	9.98
1993	1991	39.00	10,746	10,159	94.54	377	10,536	98.05	1,112	10.35
1994	1992	39.00	10,907	10,384	95.21	351	10,735	98.42	1,241	11.38
1995	1993	39.50	11,265	10,704	95.02	442	11,146	98.94	1,304	11.58
1996	1994	25.97	10,753	10,220	95.04	320	10,540	98.02	1,451	13.49
1997	1995	27.56	11,631	10,964	94.27	532	11,496	98.84	1,455	12.51
1998	1996	29.87	12,765	12,201	95.58	617	12,818	100.42	1,316	10.31
1999	1997	30.16	12,978	12,410	95.62	464	12,874	99.20	1,254	9.66
2000	1998	33.62	14,523	13,910	95.78	673	14,583	100.41	993	6.84

(1) Per \$1,000 assessed value.

Sources: Town of Winchester, Connecticut, Department of the Tax Collector and Department of Finance.

TOWN OF WINCHESTER, CONNECTICUT

Table 4

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year	Grand List	Real Property		Personal Property		Motor Vehicles		Totals		Ratio of Total Assessed to Total Estimated Actual Value
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1991	1989	\$ 217,017	\$ 310,024	\$ 19,561	\$ 27,945	\$ 28,611	\$ 40,873	\$ 265,189	\$ 378,842	70
1992	1990	221,882	316,974	23,443	33,490	28,910	41,300	274,235	391,764	70
1993	1991	224,461	320,659	29,626	42,323	27,861	39,801	281,948	402,783	70
1994	1992	227,392	324,845	32,860	46,942	28,363	40,518	288,615	412,305	70
1995	1993	230,129	328,756	33,348	47,597	34,332	49,047	297,809	425,400	70
1996	1994	353,722	505,317	32,885	46,979	37,975	54,250	424,582	606,546	70
1997	1995	356,755	509,650	33,563	47,947	42,469	60,670	432,787	618,267	70
1998	1996	357,822	511,174	33,855	48,364	44,180	63,114	435,857	622,652	70
1999	1997	359,016	512,880	35,050	50,071	43,909	62,727	437,975	625,678	70
2000	1998	360,182	514,546	34,822	49,746	45,583	65,119	440,587	629,411	70

There is no overlapping taxable property.

Source: Town of Winchester, Connecticut, Department of Assessment.

TOWN OF WINCHESTER, CONNECTICUT

Table 5

RATIO OF NET GENERAL BONDED DEBT TO
ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>(2) Assessed Value</u>	<u>(3)(4)(5) Net General Bonded Debt</u>	<u>Ratio of Net General Bonded Debt to Assessed Value</u>	<u>Net General Bonded Debt per Capita</u>
1991	11,524	\$ 265,189,000	\$ 7,460,000	2.81	647
1992	11,340	274,235,000	7,005,000	2.55	622
1993	11,370	281,948,000	6,550,000	2.32	576
1994	11,370	288,615,000	6,095,000	2.11	536
1995	11,342	297,809,000	5,640,000	1.89	497
1996	11,342	424,582,000	5,185,000	1.22	457
1997	11,300	432,787,000	4,730,000	1.09	419
1998	11,422	435,857,000	4,280,000	0.98	375
1999	11,422	437,975,000	3,830,000	0.87	335
2000	11,524	440,587,000	3,380,000	0.77	293

(1) Statistics provided are estimates of the State of Connecticut Department of Health Services.

(2) Source: Town of Winchester, Connecticut, Department of Assessment.

(3) Excludes Bond Anticipation Notes.

(4) There is no overlapping debt.

(5) Source: Town of Winchester, Connecticut, Department of Finance.

TOWN OF WINCHESTER, CONNECTICUT

Table 6

SCHEDULE OF DEBT LIMITATION

FOR THE YEAR ENDED JUNE 30, 2000

Total Tax Collections, Including Interest and Lien Fees, for Current Fiscal Year	\$ 14,732,226
Reimbursement for Revenue Loss on:	
Tax relief for elderly and disabled	126,363
Private property tax exemptions	205,564
Manufacturers PILOT grant	320,537
Motor boats	<u>14,829</u>
Base	<u>\$ 15,399,519</u>

	<u>General Long-Term Debt</u>			
	<u>General Purposes (2.25 x base)</u>	<u>Schools (4.50 x base)</u>	<u>Urban Renewal (3.25 x base)</u>	<u>Enterprise (3.75 x base)</u>
Debt Limitation:				
Statutory debt limits by function	\$ <u>34,648,918</u>	\$ <u>69,297,836</u>	\$ <u>50,048,437</u>	\$ <u>57,748,196</u>
Debt:				
Bonds payable	75,000	3,305,000		14,433,700
Notes payable	<u>75,000</u>	<u>3,305,000</u>	<u>-</u>	<u>14,433,700</u>
Debt Limitation in Excess of Debt*	<u>\$ 34,573,918</u>	<u>\$ 65,992,836</u>	<u>\$ 50,048,437</u>	<u>\$ 43,314,496</u>

*In no event shall total debt exceed seven times annual receipts from taxation. The maximum amount permitted under this formula would be approximately \$107,796,633.

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL
BONDED DEBT TO TOTAL GENERAL EXPENDITURES

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year	Principal(1)	Interest(1)	Total Debt Service(1)	Total General Expenditures(2)	Ratio of Debt to Total General Expenditures
1991	\$ 455	\$ 550	\$ 1,005	\$ 18,653	5.39 %
1992	455	517	972	19,196	5.08
1993	455	484	939	19,050	4.93
1994	455	451	906	19,605	4.62
1995	455	418	873	20,331	4.29
1996	455	385	840	19,579	4.29
1997	455	352	807	20,385	3.96
1998	455	320	775	21,418	3.62
1999	450	299	749	22,103	3.39
2000	450	255	705	20,103	3.51

(1) Includes only general bonded debt.

(2) Includes expenditures of the General Fund (non-GAAP budgetary basis).

Source: Town of Winchester, Connecticut, Department of Finance.

DEMOGRAPHIC STATISTICS (1)

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>(2) Population</u>	<u>(3) School Enrollment</u>	<u>(4) Per Capita Income</u>	<u>(5) Unemployment Rate</u>
1991	11,524	1,267	\$ 16,741	7.1 %
1992	11,340	1,272		8.5
1993	11,370	1,267		7.7
1994	11,370	1,220		8.1
1995	11,342	1,226		7.3
1996	11,342	1,229		5.2
1997	11,300	1,254		6.7
1998	11,422	1,220		4.4
1999	11,422	1,182		3.4
2000	11,524	1,079		2.3

(1) Information regarding median age and education level of the population is not available.

(2) Statistics provided are estimates of the State of Connecticut Department of Health Services.

(3) Source: Town of Winchester, Connecticut, Board of Education.

(4) Per the U.S. Census, 1990.

(5) Per State of Connecticut Department of Labor.

TOWN OF WINCHESTER, CONNECTICUT

Table 9

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS

LAST TEN FISCAL YEARS

(Dollars in Thousands)

Fiscal Year	Construction(1)				Property Value(2)			Bank Deposits(3)	
	Commercial		Residential		Commercial	Residential(1)	Nontaxable	Number of Banks	Deposits
	Number of Units	Value	Number of Units	Value					
1991	5	\$ 442	14	\$ 1,032	\$ 34,143	\$ 182,066	\$ 38,477		
1992	1	907	11	745	38,341	183,479	38,522	\$	
1993	1	3,288	16	926	37,946	185,350	38,520		
1994	1	70	13	4,154	38,005	198,242	42,367		
1995	1	350	14	1,183	48,650	305,157	49,220		
1996	6	4,685	6	606	48,560	305,150	49,020		
1997	1	151	5	903	50,044	308,609	49,290		
1998	2	980	5	1,005	49,302	306,880	49,155		
1999	3	41	19	2,516	49,130	306,450	49,170		
2000	3	1,156	14	1,529	49,516	306,650	49,160		

(1) Source: Town of Winchester, Connecticut, Department of Building and Housing.

(2) Source: Town of Winchester, Connecticut, Department of Assessment.

(3) Information is not available.

PRINCIPAL TAXPAYERS

JUNE 30, 2000

	Assessed Valuation as of October 1, 1998	Percentage of Gross Taxable Grand List	Nature of Business
1. Howmet Turbine	\$ 6,287,090	1.43 %	Manufacturing
2. Ledgebrook LLC Trustee	4,894,780	1.11	Shopping Center
3. Connecticut Light and Power	4,470,046	1.01	Power Company
4. Yankee Gas	2,659,258	0.60	Gas Company
5. Litchfield Gardens Association	2,197,530	0.50	Apartments
6. SKF USA, Inc.	2,150,027	0.49	Manufacturing
7. Homer D. Bronson Company	2,056,066	0.47	Manufacturing
8. Winsted Precision Ball	1,794,244	0.41	Manufacturing
9. Reynolds & Reynolds	1,345,081	0.31	Manufacturing
10. Litchfield Heights Apartments, LLC	1,343,240	0.30	Apartments
Total	\$ <u>29,197,362</u>	<u>6.63 %</u>	

Source: Town of Winchester, Connecticut, Department of Assessment.

TOWN OF WINCHESTER, CONNECTICUT

Table 11

CAPITAL OUTLAY EXPENDITURES BY FUNCTION - NON-GAAP BUDGETARY BASIS

LAST TEN FISCAL YEARS

(In Thousands)

<u>Fiscal Year</u>	<u>Public Works</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Parks and Recreation</u>	<u>Miscellaneous</u>	<u>Total</u>
1991	\$ 329	\$ 22	\$ 113	\$ 8	\$ 8	\$ 480
1992	494	14	114	2	16	640
1993	198		114	2	23	337
1994	205	143	67	1	8	424
1995	505	145	63			713
1996	255	93	36			384
1997	383	36	59		5	483
1998	487	55	68			610
1999	276	177	144			597
2000	163	341	209		282 *	995

Source: Town of Winchester, Connecticut, Department of Finance.

* Includes Riverfront Recapture Project of \$256,163.

TOWN OF WINCHESTER, CONNECTICUT

Table 12

SUPPLEMENTAL DATA

JUNE 30, 2000

Date of Incorporation: May 1771
 Form of Government: Selectmen-Town Manager
 First Charter Adopted: July 22, 1771
 Present Charter Adopted: November 5, 1985
 Area of Town: 34.0 square miles

Miles of streets	81.27	<u>Municipal Cemeteries</u>	
Paved	72.51	Active	3
Unpaved	8.76	Inactive	3
State highways	23.5		
		<u>Education</u>	
<u>Recreation</u>		Senior high schools	1
Community Centers	1	Students	22
Neighborhood parks	2	Private senior high schools	1
Public greens	2	Students	536
Acres of park land	30	Special education	55
Playgrounds	3	Instruction	47
Tennis courts	2	Administrative and other	
Asphalt	2	nonteaching personnel	27
Lighted	2	Middle schools	1
Ball diamonds	7	Students	348
Lighted	1	Elementary schools	2
Basketball courts	2	Students	784
Lighted	1	Special education	28
Beaches	2	Instructional	105
Ponds	1	Administrative and other	
		nonteaching personnel	68
		<u>Police Protection</u>	
<u>Elections</u>		Police cars	9
Registered voters	6,530	Police officers	19
Votes cast in last:		Civilian employees	5
National election	4,630	<u>Fire Protection</u>	
State election	4,097	Stations	4
Municipal election	2,456	Volunteer firemen	132
Percentage of registered		Full-time paid firemen	1
voters voting in last:		<u>Town Employees (Full-Time)</u>	
National election	71 %	Town	83
State election	63 %	School	173
Municipal election	38 %		
<u>Library</u>			
Main building	1		
Employees	10		
Full-time	3		
Part-time	5		