

ANNUAL TOWN REPORT

**TOWN OF NEW MILFORD,
CONNECTICUT**

**FISCAL YEAR ENDING
June 30, 2012**

ANNUAL REPORT

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CONNECTICUT
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SPECIAL SERVICES/PERMITS/LICENSES

Absentee Ballots.....	Town Clerk
Abatement Orders/Violations of Public Health Code.....	Health Dept.
Alzheimer’s Support Group.....	Commission on Aging
Bazaar Permits.....	Police Dept.
Birth Certificates.....	Town Clerk
Blasting Permits.....	Fire Marshal
Boat Stickers.....	Parks & Recreation
Building Permits.....	Building Dept.
Caregiver Support Group.....	Commission on Aging
Certificate of Compliance (Inland Wetlands).....	Inland Wetlands
Certificate of Occupancy.....	Building Dept.
Certificate of Review (Inland Wetlands).....	Inland Wetlands
Certificate of Use & Compliance.....	Zoning Commission
Day Care License.....	Health Dept.
Dog Licenses.....	Town Clerk
Driveway Permits.....	Public Works
Elderly Health Screening.....	Commission on Aging
Elderly Nutrition Site.....	Commission on Aging
Elderly Tax Benefits.....	Assessor
Emergency Shelter.....	Social Services
Energy Assistance.....	Commission on Aging/Social Services
Excavation Permits.....	Public Works

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Fishing Licenses.....	Town Clerk
Flu Shot Clinic.....	Health Dept.
Food Services Establishment Licenses.....	Health Dept.
Gambling Permits (Games).....	Police Dept.
Government Entitlement Programs.....	Social Services
HART Bus Services.....	Commission on Aging
Hazardous Waste.....	Health Dept.
Hunting Licenses.....	Town Clerk
Inland Wetlands Applications.....	Inland Wetlands
Inner-Library Lending.....	NM Public Library
Library Cards.....	NM Public Library
Liquor Licenses.....	Fire Marshal/Health Dept.
Maps of New Milford.....	Town Clerk
Maps of Reference.....	Conservation Commission
Marriage Licenses.....	Town Clerk
Motor Vehicle Repair Licenses.....	Zoning
Notary Public.....	Town Clerk/Tax Collector/Probate
Nursing Home License Renewals.....	Fire Marshal
Passports.....	Town Clerk
Public Parks Permit.....	Parks & Recreation
Permits to Discharge (to subsurface sewage disposal systems).....	Health Dept.
Pistol Permits.....	Police Dept.
Planning-Pre Application.....	Planning Commission

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Raffle Permits.....Police Dept.

Recycling Punch-Cards.....Public Works, Library, or Town Clerk

Reference/Information Service.....NM Public Library

Sewer Connection Permits.....NM Sewer Commission

Sewer Discharge Permits.....NM Sewer Commission

Seepage Dumping Permits.....NM Sewer Commission

Sign Permits.....Zoning

Soil Erosion Sign Off.....Zoning/Inland Wetlands

Subdivision Applications.....Planning Commission

Subdivision Bonds.....Planning Commission

Subsurface Sewage Disposal Systems Permit.....Health Dept.

Variances.....Zoning Board of Appeals

Vendor Permits.....Mayor’s Office

Visually Impaired Support Group.....Commission on Aging

Voter Registration Cards.....Town Clerk

Well Drilling Permits.....Health Dept.

Youth & Families Services/Resources.....Youth Agency

Zoning Permits.....Zoning

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MUNICIPAL AGENCY HOURS AND PHONE NUMBERS

TAX ASSESSOR

KATHY CONWAY, TAX ASSESSOR

8:00 A.M. - 4:00 P.M.

355-6070

FIRE MARSHAL

KAREN FACEY, FIRE MARSHAL

8:00 A.M. - 5:00 P.M.

355-6099

BOARD OF EDUCATION:

JEAN ANNE PADDYFOTE, SUPERINTENDENT

9:00 A.M. - 4:30 P.M.

355-8406

GREGG MILLER,

BOE BUSINESS MANAGER

9:00 A.M. - 4:30 P.M.

354-8726

HEALTH DEPARTMENT

MICHAEL CRESPIAN, DIRECTOR

8:00 A.M. - 4:00 P.M.

355-6035

HIGHWAY DEPARTMENT

GERALD HOLLINS, HIGHWAY SUPERINTENDENT

7:30 A.M. - 4:00 P.M.

355-6045

BUILDING INSPECTOR

THOMAS HACKETT, BUILDING INSPECTOR

8:00 A.M. - 4:30 P.M.

355-6090

INLAND WETLANDS

JAMES FERLOW, ENFORCEMENT OFFICER

8:30 A.M. - 4:30 P.M.

355-6083

CHILDREN'S CENTER

SUSAN JOHNSTON, DIRECTOR

9:00 A.M. - 5:00 P.M.

354-1883

NEW MILFORD PUBLIC LIBRARY

CARL DEMILIA, DIRECTOR

355-1191

COMMISSION ON AGING (SENIOR CENTER)

ANNE POTTER, DIRECTOR

8:00 A.M. - 4:00 P.M.

355-6075

MAYOR'S OFFICE

PATRICIA MURPHY, MAYOR

8:30 A.M. - 5:00 P.M.

355-6010

ECONOMIC DEVELOPMENT

VACANCY

8:00 A.M. - 4:30 P.M.

355-5001

PARKS AND RECREATION

DANIEL CALHOUN, DIRECTOR

9:00 A.M. - 5:00 P.M.

355-6050

FINANCE

RAYMOND JANKOWSKI, DIRECTOR

8:00 A.M. - 5:00 P.M.

355-6060

PERSONNEL

ALAN CHAPIN, DIRECTOR

8:00 A.M. - 5:00 P.M.

355-6089

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PLANNING COMMISSION

PETER ENG, CHAIRMAN

8:00 A.M. - 4:30 P.M.

355-6080

POLICE DEPARTMENT

SHAWN BOYNE, POLICE CHIEF

8:30 A.M. - 4:30 P.M.

355-3133

PROBATE COURT

MARTIN LANDGREBE, PROBATE JUDGE

355-6029

DEPARTMENT OF PUBLIC WORKS

MICHAEL ZARBA, DIRECTOR

8:00 A.M. - 4:30 P.M.

355-6040

SOCIAL SERVICES

MARGARET MOLINA, DIRECTOR

8:00 A.M. - 4:00 P.M.

355-6079

TAX COLLECTOR

CATHERINE REYNOLDS, TAX COLLECTOR

8:00 A.M. - 4:00 P.M.

355-6085

TOWN CLERK'S OFFICE

GEORGE BUCKBEE, TOWN CLERK

8:30 A.M. - 4:30 P.M.

355-6020

YOUTH AGENCY

MARK MANKIN, DIRECTOR

8:30 A.M. - 5:00 P.M.

354-0047

ZONING

LAURA REGAN,

ZONING ENFORCEMENT OFFICER

8:30 A.M. - 5:00 P.M.

355-6095

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Report of the Board of Finance

In compliance with the Town Charter of the Town of New Milford, this Board is publishing the Annual Report of the Town of New Milford, covering the period July 1, 2011 – June 30, 2012 (including both dates).

The complete audit report as rendered by the accounting firm of Grant Thornton, LLP, of Glastonbury, Connecticut has been filed in the New Milford Town Clerk's Office and with the State Tax Commission of Connecticut.

Included in the publication are the reports of various Board, Commissions and Departments of the Town.

Joanne Chapin,
Board of Finance Chairwoman

Report from the Mayor July 2011 - June 2012

While the State and country continue to face the challenges of the economic downturn, we have continued to make necessary infrastructure improvements for New Milford, utilizing competitive grant funds as much as possible in the 2011-2012 fiscal year. Other projects that were already funded have come to completion during this time and we look forward to taking advantage of future grant funds to continue upgrades for the residents of New Milford.

With the assistance of a \$200,000 STEAP Grant, the west side of Main Street was reconstructed in the spring, including the addition of three raised pedestrian crosswalks to provide safer crossing to/from the green to the west side storefronts. The installation of the crosswalks has also had a speed calming effect; however, it took drivers a few weeks to adjust to them. Additionally, the asphalt sidewalks that criss-crossed the green were replaced with concrete sidewalks with an additional one added at the very north end of the green.

The renovation and construction of the new Wastewater Treatment Plant was completed, with a ribbon cutting ceremony held in April. This infrastructure improvement has doubled the capacity of our treatment facility, thus providing increased opportunity for business expansion, economic development and environmental comment. The bid went out for the construction of 3 pumping stations on Route 7 south.

A newly constructed set of stairs was donated to the town of New Milford by a group of local business members and community partners to provide a safer route between Patriots Way and the Young's Field recreational facilities. A ribbon cutting for this welcomed enhancement was held in May.

The townspeople rallied together in support of their neighbors who were out of power and left without heat as a result of Storm Alfred in late October. The storm dumped an unprecedented amount of snow on the leaf filled trees, knocking down power lines and trees alike. Although our community didn't fare as bad as some surrounding towns, many residents were left without power or heat for days. While working with utility officials to open roadways and restore power, a shelter and shower facilities were opened to those residents who were in need. The cooperation of the various emergency services, personnel and community groups was phenomenal while our community recovered from the storm.

A \$194,000 grant helped facilitate the purchase and installation of the brand new state of the art Dispatch Center at the New Milford Police Station. The newly designed center features state of the art equipment and sufficient workspace for up to four dispatchers. The system went live in January. The Emergency Communications Team will continue to work together to establish parameters for a new radio system that all of our Emergency Responders and Public Works Personnel may utilize.

We continue to work with the State of Connecticut Department of Transportation Bridge Inspection Program to ensure the safety of the bridges in New Milford and utilize the Local Bridge Grant Programs.

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The Annual Budget process began on February 13th when the Mayor's recommended budget was presented to the Town Council and Board of finance. The budget provided for continued level of service that residents have come to expect. Budgeting continues to be a challenge and although we've maintained an excellent credit rating, there have been consistent reductions in state revenues for several years. Overall the final budget was presented to voters in May and approved at the first referendum.

A groundbreaking was held in July to create a bike trail system at Sega Meadows Park. The trail system and an emergency access road were constructed by an enthusiastic group of Scouts and our Public Works Department, as part of the GE Restoration Fund Grant. Also funded by the GE Restoration Fund, the final agreement was put in place for the Young's Field Park Riverwalk and Greenway. Due to the intense storms in the fall of 2011, the riverfront design at the northern end of this project will be re-engineered, as the riverbank has shifted. Final contracts were approved for both the Bird Sanctuary and Nature Preserve on the west side of Veteran's Bridge and the Still River Greenway project in New Milford, as well.

An offer was made by a local business to purchase the town owned, "Old Telephone Company" building at 29 Church St. The business plans on remediation of the asbestos and renovating the building to house their import/export business offices and a high end gallery. An easement will be granted to the town for continued use of a portion of the parking lot adjacent to the building. The closing of the sale is expected in July 2012.

While the consolidation of the Probate took effect in early 2011, Judge Landgrebe and his staff have settled into the office space in Town Hall and continue to provide excellent service to the residents of the Housatonic Probate Court, Probate District #44 serving the Towns of Bridgewater, Brookfield, New Fairfield, New Milford, and Sherman.

The Friends of the Reservoir have maintained a steady pace of trail system enhancements at the Reservoir Property on Second Hill. The footbridge, built by the Friends of the Reservoir, over the spillway was completed and in late fall, providing a complete trail loop system.

Candlewoof Park, New Milford's first ever Dog Park continues to be well-attended by both residents and visitors to the area. This Dog Park is managed and maintained by a local volunteer group, who continue to seek volunteers and funds for future maintenance needs.

I welcome your comments, suggestions and ideas as I continue to look ahead and support a variety of improvements and enhancements to New Milford, keeping our community vibrant.

Patricia Murphy
Mayor of New Milford

Board of Education Annual Report
2011 – 2012

The New Milford Public Schools served 4,665 students in K through grade 12 during the 2011-12 academic year with a staff of 369.85 teachers, 19.01 administrators, and 235.49 support staff (non-certified staff). The operating budget for 2011-2012 totaled \$57,194,266.

August 2011

- The All Staff Convocation was held at New Milford High School on August 26th.
- School opening was delayed two days due to inclement weather, opening on August 31st instead of the planned first day of August 29th.

September 2011

- Mrs. Tracy Nevins was recognized as New Milford's 2012 Teacher of the Year.
- The Board welcomed student representatives Liam Lynch and Daniel Winter.
- Dr. Paddyfote reported that over the summer, the State Department of Education gave the New Milford School District its highest rating for IDEA compliance.
- The Facilities Manager updated the Board on summer maintenance projects.
- The Board approved the addition of a running program for grades 4-6 as an extracurricular activity at Sarah Noble Intermediate School.
- Tuition rates were established and approved for the 2011-2012 school year.
- The Board executed an Agreement with the NM Education Association and with the NM School Administrators' Association to implement early retirement incentive programs.
- The Grade 9 textbook *World History* was approved by the Board.

October 2011

- Dr. Paddyfote distributed a report from Education Connection outlining all the services provided to the district last year including professional development, transportation, early child support services, and inter-district programs.
- The Board chairman distributed the 2010-2011 Annual Report of the NM BOE.
- The Facilities Sub-Committee discussed radon revaluation, recycling changes, and heard an update on the East Street School window replacement project.
- The Policy Sub-Committee discussed the safe school climate policy.
- Committee on Learning discussed the Strategic School Profile & Windows on New Milford.
- The Board approved a Memorandum of Understanding with the Town of New Milford Health Department regarding the planning and implementation of emergency vaccination and/or dispensing countermeasures.
- The Board approved a Memorandum of Understanding regarding the food services for Health Department staff and volunteers during a public health emergency.
- The Board approved the following policies:
 - 3541 Transportation Services
 - 4111.1/4211.1 Equal Employment Opportunity
 - 4118.112/4218.112 Sexual and Other Unlawful Harassment
 - 5000 Equal Employment Opportunity

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- 5113 Admissions/Excuses/Dismissal/Truancy
- 5114 Removal/Suspension/Expulsion

- 5141 Student Health Services
- 5141.3 Health Assessments and Immunizations
- 5145.5 Sexual and Other Unlawful Harassment of Students
- 6146 Graduation Requirements
- The Board approved the Grade 11 textbook *The Best American Essays of the Century* and the Grade 12 text and workbook *Chinese Link*.
- The Board approved the following curricula:
 - AP French Language and Culture
 - Marketing I
 - Early Childhood
- The Board approved the following grants:
 - Consolidated Grant Application in the amount of \$229,382
 - Fuel Up to Play 60 Funds in the amount of \$2,250
 - Bilingual Education Program Grant in the amount of \$2,028
- The Board approved the Point of Sale/Accountability System bid to NutriKids.
- The Board of Education accepted the following PTO Gifts and Donations:
 - Sarah Noble Intermediate School - \$11,340.00
- The Board accepted the following WalMart donation:
 - Schaghticoke Middle School - \$1,000.00

November 2011

- The Board of Education recognized Mrs. Alexandra Thomas for her many years of service to the New Milford Board of Education.
- The Board of Education recognized the following 2012 National Merit Scholarship Program Commended Students: Theresa DiMascio, Roger Mao, William Stewart, Gwendolyn Trott, and Matthew Watrous.
- The Facilities Sub-Committee received an update on how the schools fared during the recent storm which resulted in all schools being closed for a week.
- The Operations Sub-Committee denied a request to add a bus for afterschool activities due to budget constraints.
- The Negotiations Committee reached a stipulated three year agreement with the teachers.
- The Board executed a Memorandum of Agreement with the New Milford Education Association to increase the maximum number of teachers eligible to participate in the 2011-2012 Retirement Incentive Program from 20 teachers to 22 teachers.
- CMT Preparation and Review – Math and Language Arts, a new activity at Schaghticoke Middle School, was approved by the Board.
- The Board approved the Grade 11 textbook *The Language of Composition*.
- The Board approved the following curricula:
 - Algebra III
 - Honors Calculus
 - Introduction to Programming
- The Board of Education accepted the following PTO Gifts and Donations:
 - Sarah Noble Intermediate School - \$1,500.00
 - Northville Elementary School - \$2,760.00

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- The Board approved the following policy and administrative regulation:
 - 5131.911 Safe School Climate Plan
- The Board deleted the following policy and administrative regulation:
 - 5131.911 Bullying (Revised 11/18/08)

December 2011

- The Board held its Annual meeting and elected the following officers:
 - Chairperson – Mrs. Wendy Faulenbach
 - Vice Chairperson – Mr. Daniel W Nichols
 - Secretary – Mrs. Daniele Shook
 - Assistant Secretary – Mrs. Lynette Celli Rigdon
- The Board celebrated the 20 year anniversary of the Cut, Paste & Copy program at New Milford High School by recognizing teacher Mrs. Paula Marian, paraeducator Mrs. Carrie Kelly, student assistant Sean Quigg and the current class: Ian Curtis, Ciara Delehanty, Michaela Edmond, Elizabeth French, Morgan Gallagher, Alyssa Gonzalez, Sonya Ivery, Corey Jerolmon, Catherine Kelledees, Kimberly Lockwood, Rebecca Shaw, Meredith Stapon, and Melissa Young.
- Dr. Paddyfote updated the Board on Magnet School enrollment for NM (17 students).
- Board of Education attorneys presented at a Special Meeting on the subject of Board members' roles and responsibilities and related legal issues.
- The Committee on Learning and the full Board discussed on-line learning.
- The Board of Education accepted the following PTO Gifts and Donations:
 - Sarah Noble Intermediate School - \$1,145.00
 - John Pettibone Elementary School - \$3,270.00
- The Board approved the following curricula:
 - AP Language & Composition
 - Civics
 - Personal Finance
- The Board approved the new course Project Lead the Way for New Milford High School.
- The Board approved the Grade 7 & 8 textbook *Asi se Dice!*
- The Board approved the appointment of Assistant Superintendent Maureen McLaughlin, and in her absence, Director of Human Resources Ellamae Baldelli, as Designee for the Superintendent of Schools through June 30, 2012.

January 2012

- The Board of Education accepted the following PTO Gifts and Donations:
 - Northville Elementary School - \$1,700.00
 - John Pettibone Elementary School - \$1,950.00
 - Sarah Noble Intermediate School - \$1,800.00
- The Board of Education conducted three evenings of hearings and adopted a budget on the fourth night for the 2012-2013 school year in the amount of \$58,957,553.

February 2012

- The Board recognized John Pettibone Elementary School Art teacher Mrs. Heidi Fair, recipient of Artsonia's Annual Leadership Award.

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- Thirty five New Milford High School students were commended for achieving an Advanced level on all four sections of CAPT. They are Brady Balstad, Thomas Barkal, Mia Carlone, Kristina Chamberlin, Nicholas Cianciolo, Ryan Clarke, Spencer Devlin,
- Daniel Fay, Julianna Fusco, Emma Green, Savannah Haste, Cody Helgesen, Bethany Hunt, Dylan Kartchner, Ryan Kauer, Kyle Kellett, Victoria Kozar, Benjamin Lawson, Quentin Leitz, Ashley Lian, Jennifer Lowell, Bihao Luo, Timothy Mondonedo, Cristina Munoz, Jessica Noteware, Lindsey Partelow, Krista Pullen, Christopher Reilly, Allison Roberti, Tyler Swanson, Samuel Thomas, John Tower, Joseph Tracey, Hannah Tulinski, and Jaden Williams.
- The Facilities Sub-Committee discussed the use of buildings fee structure and a capital reserve request, as well as cost savings initiatives in energy.
- Board accepted a Lowe's Toolbox for Education Grant to JPS in the amount of \$2,000.
- The Board approved the Use of Buildings: Fee Structure Adjustment as of July 1, 2012.
- The Board approved the Agreement between the New Milford Board of Education and the Sherman Board of Education for 2012-2015.
- The Board agreed to send a request to the Town Council and Board of Finance to take \$450,000.00 from the Board of Education Capital Reserve account for the purpose of funding a boiler project at Hill & Plain Elementary School and locker replacement at Schaghticoke Middle School.
- The Town of New Milford Audit Report dated June 30, 2011 was presented to the Board for information purposes.

March 2012

- The Board recognized the following students:
 - Schaghticoke Middle School Geography Bee winner Jarod Riedl, second place runner-up Devin Collentine and third place runner-up Madison Corso
 - Sarah Noble Intermediate School Geography Bee winner Grant Li
 - CT Fire Prevention Poster Contest winner, Sarah Noble Intermediate School student Christina Onorato
 - VFW Patriot's Pen Essay winner, Schaghticoke Middle School student Bryan Rojas
 - New Milford High School winners at Science Horizons: Thomas Barkal, Lindsey Bull, Alexa Collins, Esther Kang, Quentin Leitz, Ashley Lian, Krista Pullen, and Jaden Williams
- The Superintendent noted that March is Board Appreciation Month.
- The Town Council approved a capital reserve request for \$450,000 for the boiler project at Hill & Plain Elementary School and the locker replacement at Schaghticoke Middle School.
- The Facilities Sub-Committee received a verbal report on cost savings initiatives and reviewed the five year capital plan for 2012-2017.
- The Board of Education accepted the following PTO Gifts and Donations:
 - Sarah Noble Intermediate School - \$16,500.00
 - Northville Elementary School - \$2,605.00
- The Board approved the Grade 12 textbooks *Great Speeches of the 2^{0th} Century* and *Poetry 180*.
- The Board approved the following curricula:

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- Ecology I
- Ecology II
- Health II
- Social and Emotional Thinking
- The Board approved the following policy:
 - 4118.25 Reporting Child Abuse and Neglect
- The Board deleted the following policy:
 - 5141.4 Child Abuse/Neglect
- The Board approved the Five Year Capital Plan for 2012-2017.
- The 2010-2011 Strategic School Profile was distributed.
- The Board reviewed the process of evaluating the Superintendent.

April 2012

- The Board appointed Mr. Joshua Smith as the Assistant Superintendent of Schools.
- The Board recognized the following winners of the HRRRA Earth Day Poster Contest:
 - NMHS – Evan Ackerman, Serina Ahmed, Joseph Andrade, Thomas Barkal, Benjamin Bayers, Ashley Billings, Thomas Blackburn, Charles Brookshire, Kristina Chamberlin, Andrea Conrad, James Curley, Athony D’Andrea, Lawrence Davis, Daniel Fay, Brandon Halberg, Abigail Heydenburg, Karl Hinger, Ryan Kauer, Howard Luo, Jaclyn Mercer, Tim Mondonedo, Rebecca Myhill, Nicholas Noga, Bridgit O’Hara, Lindsey Partelow, Nicholas Pitcher, Rachel Schaefer, Katherine Schaffer, Christian Scillitoe, Emily Sterk, William Stewart, Gwendolyn Trott, Reid Tuomala, Kristina Wagner, Brianna Walker, John Wells
 - SMS – Heather Adams, Holly Barkal, Kayla Blackburn, Alec Cardenas, Kristen Conrad, Lauren Ellis, Codie Holick, Angus Li, Francine Luo, Emily Mullis, Allegra Peery, Courtney Savino, Kathleen Sheehan
 - SNIS – Katherine Grinnell, Jack Harding, Elizabeth Schlyer, Jeffrey Schlyer, Tessa Young
- The Board of Education accepted the following PTO Gifts and Donations:
 - Sarah Noble Intermediate School - \$6,200.00
 - Hill & Plain Elementary School - \$1,700.00
 - John Pettibone Elementary School - \$1,309.00
- Laptop computer carts bid was awarded to Wholesale Computer Exchange (\$55,821).
- The Adult Education grants: Transition - Post-Secondary Education and Training in the amount of \$35,849.00 and English Literacy and Civics Education in the amount of \$24,333.00 were approved.
- The Board approved the following curricula:
 - AP Psychology
 - Ceramics II
 - Economics
 - Grades 4-8 Choral Music
 - Grade 8 Health
 - Marketing Work Program
- The Board approved the following policies:
 - 9000 Role of the Board and Member (Powers, Purposes, Duties)
 - 9012 Legal Responsibilities of Boards of Education
 - 9110 Number of Members, Terms of Office, Oath of Office
 - 9121 Role of the Chairperson
 - 9130 Board Committees
- The Board approved June 23, 2012 at 4:00 p.m. as the NMHS Graduation Date for 2012.

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- The Board approved turf field site analysis at NMHS as sponsored by the Booster Club.

May 2012

- The Board appointed the following administrators: Mrs. Anne Bilko as Assistant Principal for Sarah Noble Intermediate School, Mrs. Joan Kick as full-time Assistant Principal for the elementary schools, Mrs. Maryann Ness as Principal at Hill & Plain Elementary School, Mrs. Laura Olson as Director of Pupil Personnel and Special Services, Mr. Marc Balanda as Assistant Principal at New Milford High School, Mrs. Tracy-Ann Menzies as Interim Supervisor of Special Education, Mrs. Susan Ruddock as Assistant Principal at Hill and Plain School and Dr. Christopher Longo as Assistant Principal at New Milford High School.
- The Board recognized student winners of the HRRRA Earth Day Poster Contest:
 - Lindsay Kessman (Grade 1 Third Place), Sarah Vial (Grade 2 Honorable Mention), Renzo Gazzolo (Grade 5 Third Place), Sara Grudzwick (Grade 6 Third Place), Sophia Rago (Grade 7 First Place), Zachary Pitcher (Grade 8 Honorable Mention), Samantha Shaw (Grade 10 First Place), Ashley Lian (Grade 11 First Place), and Annie Mao (Overall Winner).
- The Board was advised that the PTO will be providing twelve \$1,000.00 scholarships to New Milford High School graduating seniors.
- The Board accepted the following PTO donations:
 - Northville Elementary School - \$4,550.00
 - Sarah Noble Intermediate School - \$4,325.75
 - Hill & Plain Elementary School - \$2,500.00
- The Adult Education grant ED 244 in the amount of \$120,000.00 was approved.
- The Board approved the following curricula:
 - Basic AutoCAD
 - BusinessComputer Applications
 - Grade 8 Art
 - Grade 7 General Music
 - Physical Education I
 - Physical Education II
- The Board approved a Grade 10 textbook: A Long Walk to Water.
- Policy 4121 Substitute Teachers was approved by the Board.
- The Board voted to continue its participation in the National School Lunch Program and filed the Healthy Food Certification Statement for 2012-2013.
- A tuition student was accepted by the Board for entry into the Freshman class at New Milford High School beginning in the fall of 2012.
- The Board approved the New Milford Public Schools Technology Plan 2012-2015.
- The Board moved to approve the school calendar to include 181 Student Days for the 2012-2013 school year.
- The Board retained Sullivan, Schoen, Campana & Connon, LLC, as New Milford's Board of Education Legal Counsel.
- The Board approved the Superintendent's evaluation summary for the 2011-2012 school year, and authorized the Board Chair and its legal counsel to negotiate with the Superintendent a new three year contract.

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JUNE 2012

- The Board held a reception to recognize the following retirees: Claudia Banks, Gary Barker, Colette Boyd, Laurie Dwyer, Stephen Flanagan, Judith Friedman, Margaret Fusek, Joy Gaiser, Sandra Gammons, Viola Gorman, Janet Hahn, Catherine Hyde, Lucinda Iffland, Adele Johnson, Richard Kosier, Judy Leonard, Jacqueline Love, Donna Luzi, James Matranga, Susan Michaud, Sandra Nadeau, Nancy Nahley, Barbara Paradise, Laura Purcell, Gerald Robinson, Josephine Rositano, Nina Shimer, Betty Simas, Janet Smith, Marlana Sprindis, Lisa Warren, Kathleen Wooster, and Cathy Yanik.
- The Board recognized the following students at its regularly scheduled meeting:
 - SMS Battle of the Books School Champions: Jaclyn Bonomo, Devin Collentine, Alison Falder, Kelley Greene, Olivia Kirby, and Anna Qiu
 - Connecticut Association of Boards of Education Leadership Award recipients: Nicole DeBenedictis and Aakash Parikh (SMS) & Liam Lynch and Ana Vargas (NMHS)
 - Western Connecticut Superintendents Association 2012 Award recipients: Maria Galletta and Christopher Watts (SMS) & Megan Greiner and Jacob Scott (NMHS)
 - Student Representative to the New Milford Board of Education: Liam Lynch.
- The Board accepted the following PTO donations:
 - Hill & Plain Elementary School - \$1,550.00
 - Sarah Noble Intermediate School - \$1,098.00
- The following bids were awarded by the Board of Education:
 - Milk to Marcus Dairy
 - Student Care Workers and Job Coach Services to Education Connection
 - Hill and Plain School Boiler Replacement Project to Connecticut Boiler Repair and Manufacturing Company, Inc.
 - SMS Locker Replacement Project to A.T. Equipment Sales Corporation
- The Board of Education approved the following Grants:
 - IDEA Grant
 - CT Community Foundation: LitLinks P-3 Preschool Collaboration Grant
 - Carl D. Perkins Grant
- The Board approved the following curricula:
 - Algebra II
 - Architectural Drafting
 - Geometry
 - Intermediate Algebra II
 - Project Lead the Way
 - Spanish I
 - Spanish II
- The Board approved the following policies:
 - 5131.81 Electronic Devices
 - 9260 Board Member Protection
 - 9271 Code of Ethics
 - 9311 Policies
 - 9320 Meetings of the Board
 - 9321 Time, Place and Notification of Meetings
 - 9324 Advance Delivery of Meeting Materials
 - 9330 Board/School District Records

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- An increase of ten cents in school lunch prices for fiscal year 2012-2013 was approved by the Board as per the following:
 - \$2.35 for elementary including Sarah Noble
 - \$2.60 for Schaghticoke and High School lunch
 - \$3.10 for Schaghticoke and High School Deli Bar
 - \$3.60 for High School Premium Meal

- The Board amended the 2012-2013 adopted Board of Education budget from \$58,957,533.00 to \$57,557,533.00 as recommended by the Superintendent.
- The Board approved the End-of-Year Projects as proposed by the Superintendent.
- A tuition student was accepted by the Board for entry into the Freshman class at New Milford High School beginning in the fall of 2012.
- The Board approved authorization for the Superintendent to accept resignations and make appointments from June 13, 2012 through September 11, 2012.
- The Board approved authorization for the Superintendent to purchase budgeted instructional materials and other supplies, equipment and services from June 13, 2012 through September 11, 2012.
- The Board received the following annual reports:
 - The Annual Emergency Preparedness Report
 - The Annual Wellness Report
 - The John J. McCarthy Observatory Annual Report
- The Board approved the employment and salary of the Director of Human Resources, Director of Fiscal Services, Director of Food Services, Director of Technology, Network Administrator, Accounting Manager, Accounting/Data Specialist, Facilities Manager, Assistant Facilities Manager, and Administrative Assistant to the Superintendent.
- The Board approved the appointment of Assistant Superintendent Joshua Smith, and in his absence, Director of Human Resources Ellamae Baldelli, as the Designee for the Superintendent of Schools from July 1, 2012 through June 30, 2013.

Summary of 2011-2012 Assessments

Connecticut Mastery Test

Students in grades three through eight took the Connecticut Mastery Test (CMT) in March 2012. Students in grades three through eight were tested in three areas: mathematics, reading, and writing. Students in grades five and eight also took a science exam. Students in all six grades did better than the state average in reading, mathematics, and writing. In science, grade five and grade eight also outscored the state average.

Steps are in place to address those areas in need of improvement. Committees have worked during the summer of 2012 on the Language Arts standards and the Grade Level Expectations to create curriculum maps to be developed into curriculum units. The fifth and sixth grade students again showed significant growth in reading due in part to the implementation of a reading program in 2009-2010 and the professional development initiatives that took place over the past three years.

Connecticut Academic Performance Test

Students in grade ten took the Connecticut Academic Performance Test (CAPT) in March 2012. New Milford had significantly more students at/above goal than the state in all four areas: mathematics, reading, writing, and science.

The number of students at/above goal in mathematics and writing shows an increase over what was achieved last year; however, the students at/above goal in reading and science has decreased from last year's scores. We have begun to evaluate the content areas that experienced a decrease in scores and will be making improvements as the 2012-2013 school year begins.

Advanced Placement Test

Advanced Placement exams were administered to 304 students in eighteen different subjects. Fifty eight students took the US history exam, the most of any subject. The addition of two new AP courses increased the number of participating students by sixty one.

Scholastic Aptitude Test

The results are due the middle of August.

Summary

The Board of Education routinely recognizes the talent and accomplishments of students and staff at its meetings and end-of-the-year reception. During the 2011-2012 school year the Board recognized 148 students and 37 staff members for outstanding achievement.

Full day Kindergarten was implemented for the first time and by all accounts, it was enormously successful. Parent surveys were overwhelmingly positive and teachers and administrators concurred that the full day program exceeded expectations. The extended day provided more time for students to develop more fully their academic and social skills. As Mrs. Murray stated at the Committee on Learning meeting in May, "These future first graders will hit the ground running". We look forward to measured progress as these students begin to advance through our schools.

The second year of the 2010-2015 Strategic Plan was implemented. Highlighted below are the action steps that have begun or have been completed since the August 2011 update along with their corresponding Strategic Plan Strategy:

Strategy 1: We will improve communication to ensure all members of our collaborative partnership understand our mission and objectives and are actively engaged in achieving them.

- A district-wide newsletter is published monthly and emailed to staff and parents.
- Superintendent scheduled informal "Coffees" to meet interested community members.
- Work has begun on how to safely implement social networking with the new bullying law/policy and through a presentation by the CEA to the teachers.
- School events are now shown on our local/cable network.

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- Senior citizens have received free passes to school events.

Strategy 2: We will develop and implement a system-wide Character Education Program consistent with our mission and objectives.

- This strategy is well underway in all the schools.
- The only action step outstanding is that professional development time needs to be scheduled for all staff on the Character Education Initiative.

Strategy 3: We will actively engage students, families, and educators in implementing a system that will enable each student to set, pursue, and achieve educational goals tailored to specific interests, abilities, and aspirations.

- This strategy is nearly complete across the district.
- Two results that still need to be addressed in most of the schools are to establish a recognition system for students who achieved the goals in their personalized plans and to hold seminars for staff, parents, and students on how to design and implement these plans.

Strategy 4: We will effectively and appropriately integrate technology throughout the system to achieve our mission and objectives.

- The Technology Committee has been re-established, and a new plan is being developed.
- An inventory of each facility has been completed to determine the equal distribution of resources.

Strategy 5: We will systematically align the curricula, both vertically and to state grade level expectations, and ensure teachers deliver effective instruction, interventions, and analyze assessment data so that students are engaged in achieving the strategic objectives.

- Most of this strategy has been achieved.
- A math coach has been hired.
- A universal screen was administered in September 2011 in grades 3-9 on reading comprehension. Progress monitoring tools are in various levels of implementation in the schools.
- Data teams are in place in each school.
- The K-3 report cards were revised to align with state standards.

Strategy 6: We will attract, develop, evaluate, and retain a highly qualified staff.

- Much of this strategy has already been achieved.
- A school climate survey was administered in all the schools.

Strategy 7: We will identify and utilize the support and resources available within the community to enable all students to achieve our strategic objectives.

- Much of this strategy has been achieved and is on-going.

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The Board was awarded \$2,373,816 in grants. The majority of funds were obtained through entitlement grants from the State Department of Education and the federal government. It should be noted that most grants cover a two-year period.

The Board of Education continued to spend taxpayer dollars prudently and to provide the best educational opportunities to all students within its appropriation. With approximately 900,000 square feet to clean, heat, and maintain across six schools, the Central Office, and the Larson Farmhouse, the Board of Education has availed itself of many cost saving measures. These initiatives included the conversion from oil to natural gas in three of the district's schools, utilization of pneumatic controls to regulate the climate in the schools, replacement of windows at the Lillis Administration Building, and participation in the Energy Education Program to reduce or avoid escalating energy costs. These measures, as well as the district's procurement and assignment of bids for goods and services, are examples of the Board of Education's due diligence when it comes to managing taxpayer dollars wisely.

2011/2012 Annual Building Activity Report

Building Type	# Permits	Value	Fees
Single Family Dwelling New	14	\$3,999,089	\$50,754.52
Garage	10	\$326,204	\$3,936.34
Shed	34	\$171,984	\$2,620.48
Barn	4	\$143,771	\$1,727.37
Pool	24	\$166,469	\$2,479.89
Deck	63	\$440,450	\$6,559.01
Commercial Building New	12	\$13,582,593	\$157,075.55
Commercial Addition & Alteration	35	\$2,071,475	\$24,526.96
Residential Addition & Alteration	105	\$3,606,761	\$44,361.75
Use Change	3	\$0	\$90.00
Gazebos	1	\$5,000	\$76.00
Finished Basement	18	\$412,670	\$5,172.21
Screened Porch	2	\$27,000	\$347.50
Alarm Systems	17	\$248,635	\$3,186.58
Chimney & Fireplace	7	\$43,002	\$622.55
Electric	320	\$1,573,296	\$24,971.90
Plumbing	81	\$317,326	\$5,275.48
HVAC	114	\$1,105,618	\$15,088.61
Gas Lines	47	\$63,033	\$1,968.29
Roofing	113	\$1,901,578	\$23,988.06
Siding	5	\$65,113	\$841.31
Signs	19	\$51,900	\$992.13
Wood or Pellet Stove	54	\$155,364	\$3,410.00
Fuel Tanks	159	\$226,562	\$8,760.93
Tent	23	\$38,627	\$1,250.00
Sprinkler System	7	\$143,300	\$1,771.70
Fence	2	\$35,420	\$451.00
Retaining Wall	2	\$64,800	\$782.20
Window Replacement	32	\$497,326	\$6,320.98
Miscellaneous	24	\$462,897	\$5,837.99
Demolition	1	\$4,500	\$70.25
Hood & Fire Suppression Systems	1	\$16,000	\$202.50
Totals:	1,353	\$31,967,763	\$405,520.04

Commission on the Arts
Annual Report 2011/2012

The New Milford Commission on the Arts directs its efforts and activities to fund, advise on, originate, coordinate and encourage participation in, and promotion, development, acceptance and appreciation of artistic and cultural activities which shall include but are not limited to, music, theater, dance, painting, sculpture, architecture, literature, films and allied arts and crafts.

Most notably among our activities, our programs in the 2011/2012 fiscal year included:

- A performance at Merryall Center for the Arts (free to the public - classical Indian music/packed house),
- A July 4th Concert on the green coinciding with the fireworks celebration,
- Four summer concerts on the green bandstand (the Edwin Kinkade Concert Series - August 2011),
- Support for a New Milford Historical Society gallery art program (advertising, print matter, attendance),
- Sponsor of poetry and art in motion event at the Silo/Henderson Cultural Center (free/packed house),
- Contribution and support for Village Center for the Arts youth programming,
- Contributing sponsor and support for Village Center Organization outdoor festival,
- Christmas Caroling on the Green,
- Several programs in the New Milford Railroad Station (free/ packed house),
- Folk music program in the New Milford Public Library Memorial Hall (free),
- Support for Merwinsville Hotel Restoration regional arts exhibit (fundraiser with free access to the public),
- A contributing sponsor and professional support for the New Milford Outdoor Art Festival,
- Financial contribution and professional support for Harrybrook Park's All-Arts Festival,
- Holiday youth choral program at Canterbury School Chapel (free performance)
- Participation in two regional cultural art councils, and state arts and tourism.

CONSERVATION COMMISSION
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The on-going economic slowdown has led to reduced Conservation Commission activity during the 12 month period of July 2011 to June 2012.

As new construction has been limited, the Land Acquisition Reserve Fund (LARF) continues to languish, since the fund has not been supported through the budget process. At the present time the fund consists of \$135,678.57, with the collection of an additional \$15,736.56 in delinquent funds possible. Michael-John Cavallaro, Vice Chairman, is currently working with the Town Attorney and Planning Commission to streamline the collection process.

With Weantinoge Heritage assuming a regional position, the Commission has been asked by the Mayor's Office to explore the possibility and viability of a New Milford based land trust.

The Commission continues to look for open space opportunities and the means for securing the required funding. While some properties may be donated as the one-acre Babiyan Parcel was properties will, for the most part, need to be purchased. Hence, the Commission also looks for funding opportunities.

While subdivision activity has been limited, the Commission is working with proponents of Fox Hollow Subdivision. Applicants are looking at how best to protect significant portions of the land. The area abuts Tory's Cave and includes significant portions of the Blue Trail. The area is also criss-crossed by numerous trafficable wood roads, facilitating access by different groups of people, ranging from experienced outdoors persons to a casual stroller. As of June 2012 discussions have been very preliminary.

Education continues to be an important part of the Commission's focus. Michael-John Cavallaro has conducted several informational seminars with the most recent being "Slavery in New Milford".

Archeological finds/issues continue to require Commission attention. Michael-John works regularly with Nick Bellantoni, State archeologist. Projects range from handling skeletal remains to unearthing historical mysteries.

Last but certainly not the least, the Commission is please to report that during this period open space holdings went from 6,923 acres (16.5%) to 7,134 acres (18.7%). The Town continues to work toward meeting the revised State goal of 21% or 8,000± acres.

New Milford Farmland & Forestry Preservation Committee Initiatives
Annual Report
2011-2012

- Continued to support expanding marketing channels for farmers in the Greater New Milford local foodshed by producing and distributing 1,000 copies of our 2nd annual version of *Who's Your Farmer?* This 8-page brochure lists 88 farms and artisan food producers, providing contacts, location information, a summary of what they offer and where their produce can be purchased
- Increased efforts to see the New Milford Farmers Market expand and diversify by organizing a NMF&FPC meeting with a representative of the market and Mayor Pat Murphy plus interested area residents to hear consumer reaction/aspirations for the market and to offer support for extending the market into winter 2012 plus willingness of a resident volunteer to create a market website
- Worked on fulfilling our mission of helping our town preserve surviving farms, particularly in the 1,000 acre+ Ridge Road farm area, by both publicizing in local media a new \$2 million CT DoAg pilot Preservation of Development Rights (PDR) program aimed at preserving smaller farms of 50 acres or less and of responding to and visiting two interested area property owners with pastureland they wish to preserve. One of the two, Arthur Patterson, is working closely with the NMF&FPC Vice Chair to submit his application by the CT DoAg July 31 deadline
- Tracked and coordinated with Mayor's office, the final stages of pending Harris Hill Farm PDR process for saving 80 acres of the Harris family's 140-acre farm in the Ridge Road area, begun in 2010
- Organized a second annual panel discussion for area farmers, bringing to New Milford in early April at an evening 7-9 pm session, representatives from CT DoAg PDR program, the technology manager at Shelton CT's Jones Family Farm to describe how farms could utilize social media to market themselves as destinations, a professional from the CT Farm Bureau and the founder/owner of a successful small specialty niche herb farm
- Began the process of overhauling our NMF&FPC outdated website and expanding into using social media (Facebook and Twitter) to provide useful information to area farmers and purchasers of locally-grown. Contracted with longtime NMF&FPC volunteer Chris Fisher to manage that and with area journalist Wendy Carlson to provide four profiles of successful area farmers to enliven the website home page.
- Continued to provide support to the youth agro-educational programs at the 104-acre town-owned Sullivan Farm through the efforts of a NMF&FPC alternate who has helped the new 14-member 501-C-3 Friends of Sullivan Farm get established and on April 1, 2012, assume a five-year-lease of the farm, providing management oversight and all fund-raising capabilities

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- 3°Σ °Δy efforts to rebuild our area's lost farming infrastructure get a boost with a AE Σ QAEQYQ φπ QABYQ . . - &&FPC θθμAE • *QAE+ AEy X AERQ QZ AAVQAEQ ≥ ∞° ΔQQ° ¥ § QE∞ > ΔQAB LL ° E∞ > QYQ #ΔQZ# QAE∞ ≠ QE QAEQ • ° AS ° ∞QYQYEQYRQ QZ AAE QEQ QAB Y ≠ VY Q ≤ RQ Y ≠ QY ≤ Q ≥ ERQ • AE ° AS BQ ¥ ° ≥ Σ • YP! ≥ ° . - F&FPC θθμAE • ΔVQAEQ ∞QY QAB • YQZ Σ QR ° BQY ∞ QYQ ≤ ¥ § land-QZ AE ΔVQY ≥ QAE" ≥ AS ∞QY AEQ QY • ΔQZ QY ° EY • ° ≤ ¥ ° ∞QYQYEQY • ΔY QYQY ° AE AEQYQ • AE"ly-ΔQYAS ° BQ QYQYQ" ∞° ≤ QE • Σ - QYQY 4RQ Σ QY" § QE" μ§ • ∞QZQ" π ≠ ° ¥ ∞QY • ΔQY ° AS BQ QY QY QY QY ∞° ≤ QYQY QY E∞ ° BQ QZ AEs φπ ° . Σ - QYQY Y ≠ ° ≤ AS • AE ∞ AE μ ≤ AE ° ≤ YQ QY # • AYQY" ≤ ≥ ∞° AE QY AEQYQYQY" ∞° ≤ ° .
- Sent two NMF&FPC members to a CT Farm Bureau presentation on CT Public Act 490, passed in 1963 to encourage the preservation of farm land, forest land and open space and to prevent the forced conversion of land to more intensive uses. This is done through preferential property tax treatment of lands put into 490. Summary of information/strategies acquired given to NMF&FPC Secretary-Treasurer to circulate among committee members as they are called upon from time to time to assist area farmers in maintaining 490 designation on their properties
- Alerted by an experienced Litchfield CT-based area town planner, NMF&FPC began researching and preparing suggested changes in designation to the state's new Plan of Conservation and Development (POCD) draft due in early October. As presently described on the draft, some proposed designations could hinder any future NMF&FPC efforts to secure public sector funding for ongoing farmland preservation efforts. This is the present case in areas of town marked on the state POCD draft as reserved for high density or commercial development. Once NMF&FPC's response is drafted, it will go the Mayor for approval, then submission to the state POCD drafters.

**Fire Marshal's Office
Annual Report 2011-2012**

The New Milford Fire Marshal's Office is responsible for the enforcement of many sections of The Connecticut General Statutes as well as numerous codes, which are promulgated under the provision of these Statutes. The Fire Marshal has a multitude of responsibilities and duties that relate to life safety and the protection of property from fire within the community of New Milford. These duties are varied and require the Fire Marshal's attention, often within a mandated time frame.

In the interest both of public safety and of firefighter safety, the Fire Marshal's Office is responsible for inspecting all buildings and facilities of public service and all occupancies regulated by the Fire Safety Code each calendar year. The Fire Safety Code will now cover all occupancies except one and two-family dwellings. Coverage includes, but is not limited to, apartments, churches, day-care centers, nursing homes, hospitals, theaters, schools and warehouses. As such, the Fire Marshal's services include the community of New Milford as a whole, its businesses, the fire departments and residents.

In addition to conducting inspections, the Fire Marshal's Office also investigates and reports to the State within a ten day period the cause, origin and circumstance of all fires. Reports are completed on State designated forms and submitted to the State Fire Marshal.

The Office issues permits for the use, transportation and storage of explosives in compliance with State Explosives Regulations, is responsible for the inspection of all flammable and combustible liquids storage tank installations for compliance with Regulations, conducts Code compliance reviews of plans and specifications for various occupancies being proposed within the Town.

Fire Marshals must also attend schools and seminars to stay current and maintain their knowledge base of codes, regulations and new technology (approx. 30 hours annually to equal the required 90 hours in 3 years). The Office also coordinated and attended with New Milford's three Fire Departments training programs provided by the CT Department of Public Safety.

Public education is a critical facet of the Fire Marshal's Office as preventing fires is our priority. Accordingly the Fire Marshals visit local schools, the senior center, library, businesses and any other organizations to provide fire safety training and fire prevention programs. The Office is also tasked with any additional obligations for enforcing regulations affecting life, property and public protection from the hazards of indiscriminate fire.

The addition of new software that is compatible with our Mobile Data Terminals (field computers) will be an asset to the overall office operation, to include filing and processing (as mandated by State Regulations). However the integration of this software has been placed on hold to allow the fire departments to also become trained on the program.

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To remain business-friendly and meet dramatically increased workloads within the office largely due to the amount of new construction and renovations New Milford is experiencing, in addition to State mandates for inspections, and to balance on-call responsibilities, it is crucial that full staffing be restored to the office to include a Full-Time

Fire Marshal, Full-Time Deputy Fire Marshal and Part-Time Deputy Fire Marshal. This will become even more imperative as the Town's population and businesses grow in the future. Several large scale shopping centers under construction, Kohls, Aldi, etc. make this need all the more imperative as our staff will be on site on a near daily basis during construction.

Current Staffing : 1. Full-time Fire Marshal - Karen A. Facey
 2. Full-time Deputy Fire Marshal, Brian Ohmen
 3. Part-time Secretary (20 Hours Week), Donna Talarico

Operating Budget: \$155,849 (.04% increase over 10/11)

Revenue:

Service	Income
Open Burning permits (80) (100% increase in permits from 2010/11)	\$1,350
Blasting permits (11) (equal to 2010/11)	\$660
UST Removal+New (20) (+76% over 2010/11)	\$1,450
FOI Requests	\$216 (+13% 2010/11)
Plan Reviews 35% increase 2010/11 (163)	\$22,491.25
Inspections (817)	\$26,172.50 (+17% from 2010/11)
Fire Works (3)	\$625
Public Education (18)	No charge
Consultations/DST (60+)	No charge
Grants Received	\$499
TOTAL	\$53,463.75 (+28.5% 2010/11)

FIRES: The Fire Marshal's Office was called to investigate 129 fires (13% increase from 10/11).

TOTAL FIRE SERVICE CALLS 861
 (527 for period of 7/1/11-12/31/11)
 (334 for period of 1/1/12-6/30/12)

Department of Health

The New Milford Department of Health is responsible for regulating and/or providing for the environmental and public health needs of residents of the Town of New Milford.

The Department enforces the Connecticut Public Health Code, the Connecticut General Statutes and the Code of Ordinances of the Town of New Milford related to environmental and public health. The Department also provides a variety of services related to health promotion and disease prevention and is involved in local and regional public health emergency preparedness activities.

The primary environmental health activities include inspection and/or permitting of subsurface sewage disposal systems, private drinking water supplies, food service establishments, rental housing, day care facilities, public bathing areas and response to nuisance complaints and inquiries from the public related to any other environmental health concerns. Laboratory tests and other investigations are conducted as necessary to support these activities. Special projects are sometimes conducted depending upon need and available funding from the Connecticut Department of Public Health or other sources.

The number of permits issued for subsurface sewage disposal systems during fiscal year 2011 – 2012 was 86. There were 26 private well construction permits reviewed and approved for individual drinking water supplies. For the purpose of determining minimum separation distance requirements and soil suitability, there were 255 building additions reviewed and approved for private dwellings. Most of these were for open decks or swimming pools.

All public health and nuisance complaints received during the year were followed up with an investigation. There were 62 complaints received. Most of the complaints were related to conditions involving housing defects, environmental pollution or improper garbage disposal.

There were also 239 routine inspections conducted of food service establishments.

Again this year, the Health Department organized a regional household hazardous waste collection day for five participating towns. The waste collection day was held on September 17, 2011. There were 389 households from New Milford that participated. The other participating towns (Brookfield, Sherman, Warren and Washington) paid their proportionate share of the total cost. The cost to the Town of New Milford was \$13,117.

The Health Department also coordinates and ensures provision for basic public health services to the community. These activities include reportable disease follow-up, conducting immunization clinics for such vaccine preventable diseases as influenza A, hepatitis B, and rabies in domestic animals and conducting clinics related to chronic disease control such as elevated cholesterol and high blood pressure.

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In regard to reportable diseases, there were one-hundred fifty cases of 25 different illnesses or laboratory findings reported by area physicians and medical laboratories. Thirty-three percent (33%) of these reports were for tick-borne diseases and sixteen percent (16%) were for sexually transmitted diseases.

Concerning seasonal influenza vaccinations, the New Milford Health Department works cooperatively with the New Milford Visiting Nurse Association (NMFVNA) to promote and support influenza prevention and vaccination clinics. Between October 2011 and January 2012, the NMFVNA organized and conducted several vaccination clinics in the community including a clinic for New Milford seniors. Many pharmacies and other private providers continue to have greater involvement in administering influenza vaccinations, which has lessened the demand at public influenza clinics. This trend is likely to continue in the future.

The Health Department continued to experience activity responding to incidents involving wildlife rabies. The Regional Animal Control Officer, Police Department and Health Department work cooperatively in responding to reports of cases of contact between humans and/or domestic animals and/or wildlife. Also each spring the Health Department organizes and conducts a low-cost rabies vaccination clinic in cooperation with local veterinarian, Raymond Maizel, DVM and the Connecticut Veterinary Medical Association. This year the rabies vaccination clinic was held on May 5, 2012.

During the year, the Health Department was awarded a federal preventive health block grant in the amount of \$3,690 to conduct a preventive health services program. This year the funding was used to help support an exercise swim program that has been offered by the New Milford Parks and Recreation Department for many years. The cost for participation had become a barrier for some residents and the grant helped defray these costs. The total number of participants in the program was twenty-four (24).

The Health Department continued to contract services from the New Milford Visiting Nurse Association for a part-time nurse/health educator. The nurse is an integral part of the Health Department's operations and is responsible for conducting a number of important health promotion and disease prevention activities. Some of these include cardiovascular health programs, lead poisoning prevention education, Lyme disease education and reportable disease follow-up.

The Town of New Milford and the Town of Washington continued to carry out a health services agreement during fiscal year 2011 – 2012. As specified by this cooperative agreement, the Health Department performs environmental and public health services for the Town of Washington and the Town of Washington pays the Town of New Milford for these services.

During the year, the Health Department was also involved in activities related to public health emergency and response preparedness. New Milford has been designated as one of 41 public health mass dispensing regions in the State of Connecticut. The planning team has continued to

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develop plans and make preparations for mass dispensing operations for all residents of the region consisting of the towns of New Milford, New Fairfield, Sherman and Washington.

Funding was made available in a personal service agreement (contract) with the Connecticut Department of Public Health. During the current funding year, which was from August 10, 2011 to August 9, 2012, the total contract amount was \$54,723. Some of the activities performed by the Health Department included continued development of local public health preparedness and response plans, purchasing supplies and equipment needed for emergency response, development of a local health alert network (HAN), conducting local drills and exercises, participation in regional planning activities and attendance at emergency response training programs.

The Health Department budget for 2011 – 2012, excluding grant and other programs offset by income, was \$263,089. Also, \$29,366 was collected in fees during the year. Therefore the Town of New Milford funded Health Department activities in the amount of \$233,723 which is \$8.30 per capita.

**INLAND WETLANDS COMMISSION
2011/2012**

The Town of New Milford Inland Wetland and Watercourse Commission was established in 1988 to enforce Connecticut General Statutes and the Inland Wetland and Watercourse Regulations from the Code of the Town of New Milford. The purpose of the wetlands regulations is for the protection, preservation, maintenance and use of this natural resource endowed to the citizens of this community while allowing continued economic growth and development in an environmentally sound manner. The regulations offer a structured permit process to promote environmentally sensitive development, while preserving the natural indigenous character and functions of wetlands and watercourses from direct and indirect pollution and unnecessary land disturbance. The preservation of our natural resources, in particular the wetlands, watercourses and aquifer systems, is necessary for the health and well being of our community.

The Wetlands Commission consists of seven appointed members and three appointed alternates. Meetings are held the second Thursday of each month. The Inland Wetlands Commission reviews all applications for subdivisions and any application that proposes work within the regulated and upland review areas. In April 2010, the Wetlands Enforcement Officer, as the Inland Wetlands Commissions Duly Authorized Agent, began reviewing applications proposing minor projects with minimal impact to the regulated and upland review areas. The office staff is comprised of a full time Enforcement Officer, a Land Use Inspector and an Office Coordinator. Both the Land Use Inspector and Office Coordinator split their time between the Inland Wetlands and Zoning offices. The Land Use Inspector has been able to expedite signoffs for patrons and has also, in conjunction with the Wetlands Enforcement Officer, allowed for more prompt inspections and better service to the members of our community. The Zoning and Inland Wetlands office continue to collect and release all sedimentation and erosion control (S&E) bonds. Inspections are primarily preformed by the Land Use Inspector and follow-up paperwork is completed by the Office Coordinator. In January, 2009 the Zoning/Inland Wetlands Office Coordinator and Land Use Inspector assumed responsibility for the processing of variance applications, preparation and follow-up of Board meetings as well as the daily office operations for the Zoning Board of Appeals.

During the 2011-2012 fiscal year, the Commission received for review 34 schedule A applications and conducted 2 public hearings. An additional 7 schedule B applications for as-of-right activities were also submitted. There were 12 applications reviewed by the Wetlands Enforcement Officer as the Duly Authorized Agent. 207 applications, not requiring individual permits, were reviewed by the Wetlands Enforcement Officer or Land Use Inspector for compliance. 3 notice of violations and 1 corrective order for violations were issued, and the violations corrected. \$4,447.86 in significant activity fees, \$16,008.18 in permit fees and \$4,580.00 in applications not requiring individual permits fees were collected.

As always, the Wetlands Commission will serve the community to the best of its ability.

New Milford Public Library 2011/2012

History

The New Milford Public Library was established through a special act of the Connecticut General Assembly in 1893, as the result of land donated by Egbert Marsh, a New Milford citizen, for the purpose of providing the Town with a free library and Memorial Hall. In 1896, Mr. Marsh put \$10,000 in trust towards the construction of the Library building, to be situated on the original plot of donated land and the adjacent corner plot on Main Street and Whittlesey Avenue, purchased by the Town from Mr. Marsh the same year. Construction of the Library began in 1896 and was completed in 1897. The Library opened its doors in 1898.

Mission Statement

The New Milford Public Library is a leader, promoting reading and basic literacy which contributes to the long term success of the community. The library supports lifelong learning (true literacy) through the provision of quality materials, services and programs that meet the individual and community's diverse informational and recreational needs. In this technological age, the Library strives to promote information literacy to all New Milford residents. Everyone in the community is afforded the opportunity and ability to locate, evaluate and use information effectively.

Library Roles

General Information
Create Young readers: Emergent Literacy
Current Topics and Titles
Lifelong Learning
Community Spaces

Library Departments

Children's Services
Public Services
Reference and Information Services
Technical Services and Technology
Library Administration

Overview of FY 2011-2012

Cooperative Ventures

The cooperative venture with New Milford Hospital continued this year. With funding from the hospital, the library is able to provide New Milford library card holders access to the Ebsco Consumer Health database. The database offers consumer based health information on many topics. It is available both in the library and from home. Additional print resources are available as part of Consumer Health Information Center (CHI) project.

Budget

The Library budget for Fiscal Year 2011-2012 was increased by a modest 1.36%.

Library Use

The library continued to be a hub of activity despite two weather related issues (end of August tropical storm and the end of October snow storm). During each event the library did not lose electrical power and because of this the library became a bastion for residents seeking access to electrical power to recharge phones, computers and other devices, as well as, to use the library's computers for internet. Every seat and electrical outlet was in use for four or five days immediately after the events.

Overall library use increased by 1% despite the two storms in the fall. Circulation was flat with an increase of .2%. Informational transactions at the adult and children's desks increased by 6%. The number of library programs and attendance both increased. There were 731 programs offered with 13,825 attendees. The New Milford Public Library compares very favorable to other Connecticut public libraries based on the most current statistics available from the Connecticut State Library ending June 30, 2011. (see last page)

Building and Grounds

Building

The past year has been another busy one. There have been a number of significant activities involving the buildings.

- A small oil leak was discovered in the Goodman House oil tank. This required the removal and replacement of the oil tank. The library purchased the part and the N.M. Facilities department installed the new tank.
- As part of the preservation of the original library building the stained glass windows and memorial window were removed by David Guarducci who is a nationally known and respected stained glass preservationist. Mr. Guarducci took them back to his Great Barrington, MA. studio where he painstakingly took them apart, cleaned and repaired them. He returned and reinstalled them. The transformation of this preservation effort has been incredible. The windows are guaranteed for the next hundred years.
- High efficiency replacement windows were installed in the Goodman House. While it took longer than anticipated, the completion of this project is a major upgrade over the original windows and hopefully will reduce overall energy costs.
- The library purchased a new control unit for the Goodman House furnace. This and new circulator switches were installed by the N.M. Facilities department.

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- Because the library's music collection has continued to grow, one of the two final display sections was installed. This has allowed for some increased space at the cost of seating.
- At the suggestion of the State elevator inspector, an alarm was installed in the elevator's stop button. This will sound an alarm if the stop button is activated on any floor.
- The metal book stack ends were painted to inhibit rust.
- A fire rated, ventilated door was purchased and installed in the main boiler room to replace the original door which had rusted.

Grounds

Weather played havoc with the grounds this year. The elm tree between buildings was split in the August storm and came to rest on the 1978 addition. The N.M. Public Works tree contractor was able to take the tree down. Other trees were damaged by the snow storm in October. Many branches were broken and removed. The remaining portion of the tree outside of the Children's Room was taken down in May, 2012.

Wind knocked over the library sign on the front lawn. All rotted wood was replaced and the sign put back in place in the March, 2012.

The old book drop in the rear of the library which had been damaged repeatedly and ceased to work properly was replaced with a new model.

Wi-Fi Access Project

Two years ago, the library received a grant from the Praxair Foundation. After careful planning the project was implemented in two phases. The first phase of the Praxair Project was completed in mid-August adding 7 new electric ready laptop stations for public use. This included relocation of a portion of the reference collection; painting of the wall area; installation of new electrical outlets, desk space and chairs. This portion of the project was completed and available just prior to the weather event at the end of the month. During this time, the new access points were used constantly for four days until residential electrical power was restored.

The second phase of the project was completed in December adding another 6 laptop stations on the mezzanine for public use. The audio book collection on the mezzanine was moved to new shelving units, existing shelving was removed and the walls were painted. The new desk furniture and chairs were put in place; Shock Electric installed the electrical outlets. Once this work was completed, signage was put up in order to direct library users to the audio collections and Wi-Fi stations.

There has been constant use of these 13 new laptop workstations and they have brought a valuable upgrade to library's ability to expand access to technology.

Departments:

Children's Services

The Children's/YA Department works with children from birth to Twelfth grade along with their parents, caretakers, teachers and students studying fields that include children. We offer programming for children and families. Children come to us for a variety of services – story times, summer reading programs, reference and homework help, internet and computer use. They check out DVDs, music on CDs, books on CD, eBooks and, of course, books for homework and recreational reading. They use our website to get into various databases for homework resources and practice tests, as well as TumbleBooks for reading enrichment. Parents use us as a source for information on child rearing topics and also attend programs with their children. Teachers consult us and use our resources for preparing their lessons, as well as bringing classes in for a visit or requesting a visit from the librarian to their class. College students use the Children's Department when they are taking classes on Children's Literature and/or teaching methods. Sue Ford and Valerie Fisher visit the public schools for various programs. This year Sue Ford added a Facebook page for the Children's Department.

Our Summer Reading Program theme for FY 11/12 was "One World, Many Stories"

Our regular summer programs for the 6-week summer session were:

- Reading and Viewing 1 & 2
- Monday Morning Preschool Story time
- Crafts
- Creative Writing
- Knit-Wits
- 4-H
- Science Fun
- Read to Flash (therapy dog)
- Creative Writing (YA)
- Anime Club

Special Summer Programs were:

1. Horizon Wings
2. Go for the Stars
3. Monopoly Tournament
4. The Science Genie
5. Travel the World in Tales & Tunes
6. Les Julian in Concert
7. Books by Us 4 Us Project
8. Book Swap
9. Yoga with Amy
10. Teen Iron Chef
11. Fun With Fractals
12. Legopalooza
13. The Song Swap
14. GeoCaching

Programs offered by the Children's Department during a typical Sept. - June week included: Little Lap-Sitters for 1-year-olds and their parents/caretakers; 4 groups of Parent and Child programs for 2-year-olds and their parents/caretakers; 2 groups of Three-Year-Old Story Times; 3 groups of Story/Craft Times for 4, 5 and 6-year-olds; 2 Preschool Film Programs; the Three & Four Year Old Monday Story Time; The Clue Crew and Lunch Bunch. For older children, weekly programs include an after-school program called Fun Time; Junior Robotics League, the Stock Market Game, Book Buddies, Knit-Wits (which is an inter-generation group, ages 8 – 80+), the Anime Club, Creative Writing and Chess Club. Once again, Sue had many of the nursery schools, scout troops and the 2nd graders in town visit the library.

The Young Adult Council met once a month during the school year. The YAC is an advisory group for the reading and programming needs of our 6th – 9th graders, as well as a volunteer group that helps us with programming for the younger patrons. Valerie Fisher, our Young Adult Librarian visited SMS to inform the students about our books and programs. We continued with the Anime and Manga Club, the Creative Writing Group and added "Pizza and a Movie". Mrs. Fisher has a Teen Blog and a YA Facebook page.

In FY 11/12 the Children's Dept offered many weekend and special programs. Some of the programs we offered were: Felting and Spinning (The Fourth Annual Open Fiber Day); The Anatomy of Fear; Nurturing Families Story time; Doughnut Appreciation Day; Jeepers Creepers; National Gaming Day; Gingerbread Fun; Pig Out on Reading; Bingo for Books!; Knit Wits Knit-a-thon; Ice Cream for Breakfast; Valentine Craft Fun; Take Your Child to the Library Day; Origami; Stuffed Animal Sleepover; There's Magic in Imagination; Inspirational Words to Live By; The Bat Lady; a YA booth at the Hill and Plain School Science Fair; and the YA Sleepover.

Public Services

The Public Services Department encompasses several aspects of operation within the Library: Circulation, Collection Development, and Adult Programming. A dedicated staff of 2 fulltime and 8 part time employees serve 10,973 registered patrons during the 53 hours the Library is open each week. While charging items in and out is its most familiar function, Public Services staff also registers new patrons, answers Readers' Advisory questions, processes requests, sends notices, manages the volunteers, creates displays, assists with technology questions and develops Collection Development of the adult fiction, audiovisual material, and Large Print.

The Department continues to purchase well-reviewed, popular, and newly requested fiction, Large Print, audio books, and videos for the use of our patrons. Our most exciting change in 2011-12, is the addition of eBooks to our collection. After much research, the Library opted to use Baker & Taylor's new Blio service to provide eBooks to New Milford Library card holders. The collection is growing on a weekly basis and now numbers almost 500 titles. The migration to the new ILS system, Evergreen, was achieved with minimal disruption and we continue to learn its many advantages.

Public Services also maintains the Adult Services Facebook and Twitter pages. Over 500 people follow the Library on Facebook, keeping informed on an almost daily basis of the Library's activities.

Programming is an important part of Public Services because it offers instruction, entertainment, and the opportunity for community building. Over 2011-12, the Public Services Department offered 121 programs, with an attendance of nearly 2000 people. Programs covered an array of topics, ranging from author talks to a program on the history of quilting. The Library offers four different monthly book discussion groups, one of which is a coordinated effort with the Senior Center. It also offers two monthly film screenings, one foreign film and one popular film. 320 patrons participated in our annual Adult Winter Reading Program, reading over 800 books. Three of the notable programs were a talk by best selling author, Michael Palmer in October, a series of four programs on health this past Spring, and participation in the One Book, One Lake program, coordinated with the five communities situated around Lake Candlewood. The Department worked with the Senior Center on several cooperative programs over the year, as well as offering a library card sign up day at the New Milford High School for both students and faculty.

Finally, one of our own, Maryann Jackson, was recognized by the Connecticut Library Association as the winner of Support Staff of the Year, 2012.

Reference/Information Services

The Adult Reference Department processed 34,619 face-to-face patron transactions during FY 2011-12. Of those transactions, 14,828 were comprised of research questions. The remaining 19,791 interactions consisted of non-reference assistance to patrons, such as aid in using the catalogs, the Internet, various Microsoft programs, and reference materials.

Reference Librarian, Margaret Kistingler teaches a regular schedule of introductory computer classes for our Thursday Therapies, one on one class, which have been well received. The library works closely with the New Milford Senior Center, offering library skills and resource classes and database demonstrations. Demonstrations are also offered at school parent/teacher night and health fairs. In addition, various informational programs have been offered on regular bases which have been well attended by the public. In the past year the Reference Department held 28 programs with a total attendance of 115 people.

The Department continues its collection development initiative to update both the nonfiction and reference materials. Weeding of outdated materials continues to be a major focus to ensure that accurate and timely information is available to our patrons.

In addition to her responsibilities at the reference desk, Reference Associate Jennifer Minchella processes interlibrary loan requests. Jennifer also creates monthly displays featuring non-fiction materials. Her displays always attract attention and increase the circulation of subject matter she showcases. Jennifer maintains the Public Information area which houses brochures and pamphlets on a variety of topics and events. Barbara Nelson continues to maintain and update the Vertical File, and helps in the process of ILL returns.

Interlibrary loan (ILL) continues to be a very busy part of library operations. Jody Hyman found creative methods to accommodate the increases in an efficient manner. During FY 2011-12, New Milford patrons requested 11,522 items. Other Connecticut libraries requested an additional 8,469 items from New Milford Public Library.

The Adult Reference Department's open space has been employed extensively during FY 2011-12 for after school tutoring, proctoring of examinations, and literacy tutoring. Use of the Connecticut Room for quiet study or research continues to grow at a rapid pace. Literacy Volunteers on the Green classes, private tutoring sessions, SCORE, book clubs, writer's groups and community volunteer organizations regularly request the CT Room or use available table space in the adult area. The computers in the Adult Reference area are used extensively throughout the day. Thirteen individual lap top stations were created and are used throughout the day by patrons who bring their laptops to the library.

Technical Services

As always a large volume of processing and special projects has always been the distinguishing characteristic of this department and this year was no different. In addition to having only 2 staff members to manage this department, we also suffered the loss of 2 volunteers; Dee Lemmon sadly passed away in May and in June, Andrea Rush's husband suffered a severe medical problem requiring Andrea to stay home to care for him. This year, in an effort to increase efficiency, I again asked my staff to show me how to perform some of the tasks they had so as to increase the volume of work produced as well as to reduce the turn around time required for the various tasks. Some of the highlights of the department this year include:

- All databases, including serials maintenance, acquisitions maintenance and deletions generated by weeding, needed to be completed prior to the Evergreen migration and totaled 4,026 items.
- Once the migration was completed, staff was extremely busy trying to manage the backlog generated in the weeks prior to the migration as well as managing the current workload.
- A new account has been created with Baker & Taylor for an electronic book collection. Over 200 books have been ordered for use with Blio, B & T's service of e-books.
- The LVA (Literacy) collection was dissolved with 95 items being deleted due to age and other items re-catalogued.
- Along with numerous requests from patrons for cleaning their personal CDs and DVDs, hundreds of library-owned items (CD/DVD) have been cleaned and reconditioned using the Venmil Disc Cleaner.
- The T.S. staff processes an average of 800 - 900 new items for the collection each month.

Technology

Evergreen Migration

The first full year of utilizing the Evergreen system has transpired. During this time, the staff have received additional training in their specific functional areas. A second generation software upgrade (mini migration) to Version 2.2 was completed in April, 2012. Departmental supervisors are actively participating in the ongoing functional development of the software.

Wi-Fi

In addition to adding 13 new access stations in August and December, in January 2012 we transferred our Wi-Fi technical support from Digital Back Office to Bibliomation, which will realize an annual savings of \$1,800.00 per year.

Smart Board

A new 37" Smart Board was installed in the Main Library near the copier. This gives us another opportunity to advertise library programs in a very heavy traffic area of the library. Each month it is updated with a slide program stored on a compact flash drive and mounted in the board and includes information about the programs for the month and any additional new features or services that the Library provides.

Memorial Hall Upgrade

The audio capability in the Memorial Hall was upgraded as we had wireless audio installed. At the same time the existing speakers were integrated with the DVD player. These two steps now provide a fuller, audio experience in the hall.

Scan Pro 2000

This year we also installed a new digital scanning system for our microform collection. We purchased the system from AMS Imaging. It has proved very helpful to both staff and patrons.

Village Fair Days

Village Fair Days 2011 was another great success. The booth arrangements presented some challenges for set-up, however the resulting configuration seemed to work well. We once again had approximately 1,000 visitors stop by to talk, fill out raffle tickets, praise and express their support and love of the library, read our literature and promotional materials and ask questions about the library and our programs, sign up for library cards for the first time and of course, take samples of our giveaway gifts!

New Milford Library Statistical Profile

Connecticut Public Libraries: A Statistical Profile, July 2010 - June 2011	State Median	New Milford Public Library	Activity compared to State Median
Library Visits per Capita Served	5.6	6.6	+18
Library Visits per Service Hour	25.3	67.7	+168
Transaction per Service Hours – All Outlets	2.6	7.9	+204
Reference Transactions per Capita Served	.5	.8	+60
Total Circulation per Capita	8.45	10.1	+20
Circulation per Service Hour	39	104	+167
Program Attendance per Capita Served	.44	.49	+11
Total Number of Children’s Programs	187	473	+153
Total Children’s Attendance	3399	10047	+196
Total Children’s Attendance per Capita	.27	.36	+33
YA/Teen Number of Programs	11	78	+609
YA/Teens Total Attendance	128	1494	+1067
Adult Number of Programs	51	140	+175
Adult Total Attendance	1004	2117	+111
All Ages Number of Programs	2	22	+1000
All Ages Total Program Attendance	93	270	+190
Total Programs	302	713	+136
Total Program Attendance	5722	13928	+143
Program Expenditures per Capita Served	\$.37	\$.18	-51
Interlibrary Loan Borrow Total Requests	2527	11625	+360
Interlibrary Loan Lend Total Requests	2854	10456	+266

Parks and Recreation Annual Report 2011 – 2012

The mission of the New Milford Parks and Recreation Department is to provide quality leisure opportunities in a safe and healthy atmosphere and to enhance the quality of life of the community through the responsible management of fiscal and natural resources. To meet these ends, the Parks and Recreation Department attempts to provide safe and wholesome recreational services of both a passive and active nature. Our goal is to create a balance of activities, special events, and programs that are of use to any and all segments of the population.

The New Milford Parks and Recreation Department is responsible for the care, management, maintenance and control of nineteen town park facilities totaling over 464 acres. The Department maintains and utilizes, for the benefit of the residents, the following locations: the Town Green, Lynn Deming Park, Andrew Gaylord Barnes Park, Carlson's Grove, Emmanuel Williamson Park, Baldwin Park, Addis Park, Clatter Valley Park, Young's Field, Canterbury Pond, Helen Marx Park, Pickett District Road Ball Fields, Sarah Noble Soccer Field, Sega Meadows, Northville Soccer Fields, New Creative Playground, Chappuis Park and the Nostrand Trail Park. Included in these park sites are: six little league fields, a beach on Candlewood Lake, two tennis courts, two basketball courts, four playgrounds, two boat ramps, two canoe/kayak portages, a marina, three fresh water ponds, access to the East Aspetuck River, access to the Housatonic River at five parks, three extensive trail systems, numerous picnic areas, five soccer fields, four softball fields, a bathhouse, five pavilions, an equipment garage, and other park amenities. In addition, programs and activities for all residents are held at the Maxx, New Milford Public School facilities, 47 Bridge Street, East Street School, Canterbury School (pool and ice skating rink), Shepaug Regional School System (pool), New Milford Sports Club, and summer playground programs held at Northville School, Hill and Plain School, and Schaghticoke Middle School. In addition, areas maintained by this Department include: the New Milford Police Department lawns, the Town Hall, the New Milford Library grounds, John Pettibone softball fields, the Historical Society, 47 Bridge Street, the Richmond Center grounds, the Railroad Street parking lot, Patriots Way, Gaylordsville School grounds, and downtown traffic islands, as well as garbage removal and snow removal along Bank Street, Church Street, Bridge Street, Railroad Street, the Public Works Department, the former Community Center lot, The Maxx and all parks.

The Department also schedules year round recreational programs for all ages (well over 5,000 people participated in programs, leagues, and special events offered by the Department last year), controls the park use permit system, issues vehicle parking stickers, boat launch stickers, boat slip leasing, day passes, performs revenue collections, and manages the largest seasonal staff in New Milford (150+ employees).

- 324 campers at our Rec-On summer playground program (summer 11')
- 325 in our soccer programs (fall 11'-spring 12')
- Over 1,090 in our Men's, Women's, & Co-Ed Adult Softball Leagues
- 546 in our aquatic programs
- 570 in our Fair Days 5K & 8-Mile Road Races (summer 11')

During fiscal year 2011-2012, the department experienced continued growth in program offerings. Among the improvements accomplished by the department to the parks and recreation leisure delivery system were the following:

- Assisted with the implementation of the U.S.S Sports Institute Programs.

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- Held the 1st Annual Trunk or Treat event on Main Street. Over 1,000 participants.
- Held the 1st Annual 5k Walk/Run to raise funds for additional pieces of playground equipment for the Creative Playground. Over 100 individuals participated.
- Implemented new program offerings such as Walking on Water, Eat Smart Play Hard, Public Speaking, Cardio Tennis, Tennis for the Health of it, Kids Self-Defense, Rising Stars, Kids Flag Football, Men's Basketball League, Couponing, Jazz/Hip Hop, Cross Stitch, Robotics and Ultimate Frisbee.
- Led trips to Broadway 2x, Yankee Stadium and American Museum of Natural History.
- Completed a new access road & bike trail at Sega Meadows Park.
- Installation and repairs of fencing at Young's Field and Richmond Center.
- Installation of safety mulch at Young's Field, Carlson's Grove, Emmanuel Williamson Park & Creative Playground.
- Continued annual brush-hogging at Still Meadows, Sega Meadows Park, Clatter Valley Park, Hidden Treasures Park, Carlson's Grove, Nostrand Trail & Andrew Gaylord Barnes Park.
- Repaired gravel driveways at Clatter Valley, Helen Marx Park, Sega Meadows Park, Pickett Fields, Conn's Pond, Creative Playground and Baldwin Park.
- Removed dead trees, branches and stumps at Helen Marx Park, Sarah Noble Soccer Field, Addis Park, Carlson's Grove, Town Hall, Richmond Center, Town Green, Baldwin Park, Sega Meadows and Lynn Deming Park.
- Completed brush removal at the Richmond Center, Patriots Way, Still Meadows, Police Department, Library and Young' Field.
- Installed new signage at Lynn Deming and Sega Meadows Parks.
- Completed turf renovations at Young's Field and Town Green.
- Completed repairs to the skateboard park apparatus.
- Replaced dilapidated planks on boat slips.
- Repaired and painted Bandstand.
- Repainted the bath house at Lynn Deming Park.
- Repaired flood damage at Addis, Clatter Valley, Young's Field and Helen Marx Parks.
- Replaced park bench at Ray Ramsey Park.
- Replaced two light poles and re-aimed all lights at Young's Field.
- Purchased a new Ford F350 rack-body dump truck.
- Purchased a new front-deck mower with snow plow and snow blower attachments.
- Purchased a new turf aerator.
- Purchased a new field machine.
- Collaborated with the Lions Club to install a new gate and paved apron at Young's Field.
- Completed welding repairs on boat slip docks at Lynn Deming Park.
- Repaired security and field lighting at Lynn Deming, Addis and Young's Field Parks.
- Treated Conn's Pond for weed growth.
- Replaced and repaired swim team lanes at Lynn Deming Park.
- Repaired irrigation system on the Town Green.
- Aerated, re-seeded and fertilized Young's Field and Town Green
- Aerated Sarah Noble Soccer Field, Northville Soccer Fields, Pickett District Fields Clatter Valley, Helen Marx and Carlson's Grove Parks.
- Repainted decking of Lynn Deming Dive dock.
- Mowed the Northville one-room Schoolhouse.
- Completed vandalism repairs at Young's Field, Town Green, Clatter Valley, Emmanuel Williamson, Sega Meadows, Lynn Deming, and Carlson's Grove Parks.

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- Construction of new picnic tables and garbage receptacles.
- Painted and repaired picnic tables, garbage receptacles and park benches.
- Installed new park grills at Lynn Deming Park.
- Hosted Dragon Boat Races at Lynn Deming Park.
- Eagle Scouts completed numerous projects within Town Parks that included: a new trail and park bench to the scenic overlook at Sega Meadows Park, collaborated to have a bocce court installed at the Richmond Center, construction of two new warming huts and handrails at Conn's Pond and installation of bird nesting boxes and removal of invasive species at Sega Meadows Park.

The Parks and Recreation Department accepted many wonderful donations on behalf of the Town to aid in park development and program enrichment including the following:

- Monetary donations for the 44th Annual 8 Mile Road Race & Village Fair Days 5K Road Race (summer 2011) totaled \$3,600.00 with sponsorship and support from New Milford Hospital, O&G Industries, Union Savings Bank, Village Center Organization, Lillis Funeral Home, Pineman Sign Company, Webster Bank, Dental ASSOC, Dr. Phillips & Lambert and Candlewood Valley Pediatrics.
- Non-monetary donations for the 8 Mile and 5K Road Races were made by: the Greater New Milford Spectrum, Housatonic Times, Wal-Mart, National Peanut Board, Big Y, Stop and Shop, Triple Springs Water, Stew Leonard's, Northville Market, H & H Taylor and Sons, Kimberly Clark, California Raisin Marketing Board, Road ID, Costco, Spectro Oil, New Milford Sports Club, Holiday Restaurant, The Cookhouse, The Woodbridge Running Company, General Mills and Italia Mia Restaurant.
- Received grants from the United Way for a Teen Dodgeball Program (\$500.00), DEEP Tree Grant (\$1,720.00) and DEEP Lawn Equipment Exchange (\$1,278.00).
- Received monetary donations in memory of Jay Solomon (\$100.00).
- Received the following donations of equipment for facilities and recreational purposes: a new paved apron from the Lions Club, 22 pairs of athletic shoes from Sportsmen's of Litchfield, 500 baseball calendars from Goodsport Art, 30 bags of organic fertilizer and 18 bags of garden soil from Home Depot, 6 Japanese Maple Trees from the Lions Club and exercise mirrors from Bonnie Mclean.
- We have also received donations for the many special events that we host each season including: \$750.00 from Webster Bank for our annual Easter Egg Hunt and \$750.00 from Webster for our Halloween Parade.
- Spearheading a fundraising effort for a new piece of playground equipment for the New Creative Playground at Pettibone School.
- Assisted with Dog Park projects at Pettibone Park.
- Collaborated and received assistance from many Town of New Milford departments, commissions, agencies, clubs and groups on many projects including, but not limited to: New Milford Chamber of Commerce, New Milford Fire Departments, Candlewood Lake Authority, New Milford Hospital, New Milford Ambulance, Commission on the Arts, Lions Club, Moonlight Run, Underground Railroad, Police Department, Board of Education, Senior Center, IT Department, Public Works Department, New Milford Library, Zoning Department, Inland Wetlands Department, Building Department, Personnel Department, Mayor's Office, Planning Commission, Youth Agency, Economic Development Department, Village Fair Days Committee, Village Center Organization, American Red Cross, United Way, Social Services Department,

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Animal Welfare, Relay for Life, Ousatonic Fish & Game, Garden Club of New Milford, Grad Party, Housatonic River Trail, Women's Club, New Milford Recreation Association, MVP-SOS, CT DEP.

- The Parks & Recreation Department has received numerous contributions in the form of volunteerism from the citizens of New Milford.

Sticker sales for Lynn Deming Park (summer 11') totaled 1,097 resident vehicles passes, 267 resident day passes, 1 non-resident day passes, 107 boat launch passes and 83 boat slip rentals. Sticker sales, permit filing fees, concessions and vending totaled \$172,125.00 for 2011-2012. Park reservation issuance continued to increase significantly from 2010/2011 to 2011/2012. Land acquisition has resulted in greater responsibilities and planning for the next year. Revenues brought in from recreation programs and summer camp totaled \$339,754.00 for 2011-2012. These figures reflect the growth of the department, as well as the increasing needs of an upsurging population.

Parks & Recreation locations and programming are more important to New Milford residents than ever before. The trend towards greater diversity in programming and opportunities for league play is increasing steadily. The Department is hampered by a lack of space in meeting these demands. As New Milford grows, so does its need for wholesome, creative recreational pursuits as well as facilities to provide these services. Land for new parks and preserved open space, and facility locale will become increasingly limited with time, while the need for further recreational space will increase. With the growth of the department and facilities there comes a desperate need for additional Park Maintainers as well as a Recreational Programmer to offer additional programs.

The importance of recreation and leisure activities in the lives of the citizens of New Milford places an ever-increasing responsibility on the Department to maintain a high standard of program offerings and park sites developed in accordance with the needs of the people. As a Department we foresee the need for such items as the addition of a Recreation Programmer, an additional Park Maintainer, larger office space, field house, more playing fields (including lighted areas), a larger maintenance building, additional storage areas and most importantly an aquatic center. One of the goals of the Department is to reach out to those citizens who, for reasons of health, age, economic situation, or disability feel isolated from the department and the services that we offer.

Parks, recreational facilities, and programs are vital to the quality of life, which makes New Milford a highly desirable location to live, work, and play. Residents, employers, and officials have worked hard to carefully nurture, plan for, and protect the quality of life in New Milford—a quality which must be maintained to adequately serve the needs of present and future residents.

Annual Report from the Director of Personnel 2011-2012

The Personnel Department is responsible for the administration and activities of 195 plus, full time and part time employees. The department objective is to bring out the good in people and make them productive employees in the workplace. Our purpose is to build relationships with employees, managers, co-workers, unions and citizens thru professional administration by listening and problem solving.

We maintain a commitment to act equitably, consistently and ethically in providing quality service to our employees. We initiate recruitment of new employees in close cooperation with Department Managers. Together, we manage Town policies, procedures and discipline up to and including termination. Our office partners with legal counsel in negotiation and administration of the Police, Highway, Dispatcher, Librarian, Building Maintenance and Clerical Unions contracts.

With the Mayor's support, extensive training remains paramount to expand job knowledge, customer service and improve safety procedures. Thanks to Town Counsel support our Employee Assistance program has provided confidential services to more than 100 employees. Behavioral, legal, mental health, financial and family issues totaled to 250 units of service between October of 2011 and October 2012. The office utilizes the Connecticut Conference of Municipalities Drug and Alcohol Testing Program to comply with Federal testing requirements for our CDL Highway, Parks and Recreation, and Senior Center bus and truck drivers.

Personnel: Functions and Duties Include:

Labor Law and Municipal Employee Relations Act

- Contract, Grievance and Interest Arbitration, Contract Administration, Discipline

Civil and Human Rights Law

- EEOC – Equal Employment Opportunity
- American with Disabilities Act (ADA)
- Commission on Human Rights
- Family Medical and Leave Act

Human Resources

- Benefits Administration
- Health Care & Compliance to changes in law
- Oversee OSHA Compliance
- Life Insurance, Long – Term Disability, Short – Term Disability
- Pensions including early retirement, disability and normal retirement, COBRA.
- Sexual Harassment and Pregnancy Discrimination
- HIPAA – Privacy and Confidentiality
- Workers' Compensation and unemployment
- Employee Assistance Program
- Risk Management and Safety
- Health Seminars to improve employee wellness

2011 – 2012 Trainings Offered

- DOT Drug and Alcohol Training for Supervisors
- Effective Communication Techniques
- National Safety Council Defensive Driving Training
- Snow Plow Safety
- Harassment Prevention Training
- Freedom of Information Training for Boards and Commissions
- Excellence in Customer Service Skills
- Workplace Violence
- OSHA 10 Hour Training
- Volunteer Liability
- Municipal Dams/Levees
- Preventing Sprains/Strains
- Risk Management Training
- Managing Emotions and Thriving Under Pressure

NEW MILFORD PLANNING COMMISSION

ANNUAL REPORT

July 1, 2011- June 30, 2012

The New Milford Planning Commission and its Regulations became effective on September 30, 1958. The purpose of the Planning Commission is to consider the subdivision or re-subdivision of land as presented by an Applicant pursuant to the Connecticut General Statutes and New Milford's current Plan of Conservation and Development. The Planning Commission will also provide recommendations to approve or deny 8-24 Referrals and 8-3a Referrals from various Town departments. The Planning Commission was also responsible for much of the update process regarding the Plan of Conservation and Development.

The New Milford Planning Commission consists of five elected members and three appointed alternates. Elected members serve four-year terms and appointed alternates serve two-year terms. Any vacant seats will be filled by an appointment from the Town Council. Only full seat members may be elected for Officer positions. Through nomination and acceptance, a Chairman, Vice Chairman and Secretary are elected. The Planning Commission has one Department Secretary. This is a part time Town position consisting of fifteen hours per week. There is also a paid Recording Secretary who takes the Minutes at each meeting.

Regular meetings are held once a month on the first Thursday of each month. Special meetings are scheduled accordingly.

Meetings/Actions

Regular Meetings –	8
Special Meetings -	1 (Road Acceptance)
Public Hearings -	0
Collected Application Fees -	\$0
Collected Fees-In-Lieu of Open Space -	\$14,631.50
Bond Fees Collected -	\$0
Applications accepted for consideration:	1
Applications withdrawn:	0
Applications resubmitted:	0
Applications pending approval:	0
Application Fees Collected	\$0
Infrastructure (road) Bond received:	\$0
Road Bond Reductions:	\$71,820
Road Bonds released:	\$126,330.

Police Department Annual Report 2011/2012

On behalf of the men and women of the New Milford Police Department, it is my distinct pleasure to present to you our 2011 -2012 Annual Report. This report comes at the completion of my second year as your Chief of Police. I would like to extend our thanks and appreciation to Mayor Patricia Murphy, the members of the Town Council, the Board of Finance and you, the citizens of New Milford, for your continued support of our agency. Without your strong support, it would be impossible for us to accomplish our mission to provide the highest level of professional police services to this community.

I am pleased with the direction and advances the department has made over the past two years and would like to share some of our accomplishments. The Command staff consistently strives to identify ways to improve service, increase efficiency and provide the best protection to the residents of New Milford Police.

I am committed to secure a strong ethical standard for our officers, in addition to establishing clear and realistic goals with a vision for the future. Our agency has definitely grown from within the ranks. Deputy Chief Buckley completed an intensive ten week training course at the Federal Bureau of Investigation Academy in Quantico, Va, graduating as a member of the #247 session. Congratulations Mark, well deserved.

The department has aggressively pursued efforts to fill several vacancies created by attrition. During this period the department has welcomed seven new officers. Officers James McGraw, Michael Gallegher, Ryan Burke, Alexander Relyea, Kristy Sin, James Novak and Michael Weaver, welcome aboard.

As the Chief, I would like to extend my gratitude to Officer Henry Marino and Sergeant John Pecha who retired during the year after their dedicated years of service to our town.

We continue our efforts to strengthen the partnership with the community that is ever so important to success of making our town safe for our children and families. We have improved our department website (www.newmilfordpolice.org) recognizing the importance of effective communication with our community and the vital role it plays in accomplishing our mission. The site offers insight into the many services we provide to the town of New Milford and it provides a direct link to our department for the public to share their views which is as equally important for us to meet our goals and deliver the optimum level of service. I encourage you to visit the site and share your input.

The department continues to serve the community “beyond the badge”. The dive team assisted the Rotary again this year at its annual Duck Race. The team will be providing service at the fourth annual Dragon Boat Race on Candlewood Lake this year. Both sworn and civilian members of the department participated in a number of Toy Drives during the holiday season during the “Stuff a Cruiser” campaign. Your donations made the efforts a great success.

During this report period, the New Milford Police Department answered 31,135 calls for service up from 26,085 from last year, an increase of 5,050.

We reassigned a detective to the Connecticut State Police Statewide Narcotics Task Force. This has afforded the additional level of resources necessary to aggressively combat the ever growing drug abuse problem that plagues our society. In addition, NMPD's commitment to the Task Force has proven rewarding, not only an increase in narcotic related arrests, but approximately \$85,000.00 in drug asset forfeiture monies. Thanks to our friendly neighborhood drug dealers, the department is able to purchase desperately needed equipment and vehicles at no cost to the tax payers.

During the report period, the New Milford Police Department was afforded the opportunity to assign an investigator to the Connecticut State Police Internet Crime Control Task. Detective Katherine Massicotte's assignment brings state of the art cybercrime investigative techniques and resources into our police department.

One of the priorities over the past several months has been attention to training. Numerous officers have been afforded advanced training opportunities, not only in the routine areas of law enforcement but in areas that are the future of the agency. The department will continue to build towards the future by recognizing the need to build a leadership foundation and professional development in all areas.

The department is continuing the development and construction of the new Emergency Communication System overseen by Lieutenant William Scribner. That, upon completion, will provide optimum radio communication availability to our Fire, Ambulance, Public Works and Police. The project is anticipated to completed and operational in the fall of 2013.

I would like to thank the men and women of the agency for their dedicated service. I feel our commitment to date has improved the public perception and awareness of the New Milford Residents the mission and goals of their police department. As a community interactive agency, perception of the department and its officers has improved (Media, Community Outreach, Foot Patrols, Community Enhancement Unit and Department Command Staff out on the street). Supervisors are out on patrol providing direct supervision and have a police presence in the community.

The department has taken on an "open door" media relations approach. Lieutenant Larry Ash has created a positive working relationship with the media and is seeing more positive reporting. This benefits the department and the community. It maintains higher level information available to the public on a regular basis.

The Command Staff's efforts to improve the agency and service to the community are ongoing. My staff and I are committed to the betterment of the department and ability to serve the residents of the town of New Milford. I look forward to bringing your police department into tomorrow. To provide not only the quality of service that is to be expected, but the quality of service you deserve.

Thank you for your continued support.

ANNUAL REPORT
NEW MILFORD PUBLIC WORKS DEPARTMENT
2011-2012 FISCAL YEAR

The Public Works Department is responsible for the maintenance, repair and plowing of more than 200 miles of town-maintained roads, 46 Bridges (over 20 feet), maintenance and replacement of over 70 pieces of rolling stock, the cleaning and repairing of storm sewers, cleaning and upkeep of all town buildings, and recycling and transfer station operations. Our services range from custodial duties to renovation projects including full carpentry, plumbing, and electrical trade services; from paving and drainage operations to snow plowing and ice control; from routine vehicle maintenance to welding and fabrication services; from plan review to full engineering design. Our customers include the public at large but in particular our taxpaying residents, town department staff, land use commissions, volunteer organizations, and other elected and/or appointed committees.

Mission: The Department of Public Works strives to provide top quality, professional, effective, and timely services to residents and business customers. We do this by focusing on relationships with ourselves and our customers, and on customer service and satisfaction, thus improving our image and maintaining the community's trust. We support and enhance a high quality of life for the Town's residents, businesses and visitors by providing well planned, environmentally sensitive, cost effective infrastructure and services to promote public health, personal safety, transportation, economic growth and civic vitality.

The following report details work done by the various departments, for the fiscal year from July 1, 2011 to June 30, 2012. The report is broken down into the various divisions – Administrative, Engineering, Highway, Facility Maintenance, and Recycling so that each function can be adequately explained:

Administrative:

The departments' administrative staff includes a director, administrative assistant to the director, a public works secretary, and a data entry clerk. The administrative staff provides all the support functions, including human resources, budgetary and financial accounting, customer service routing and tracking, grant writing, permit tracking, and other clerical duties as needed, to the various divisions comprising Public Works: Engineering, Highway & Vehicle Maintenance, Facilities Maintenance, and Recycling. This department has also maintained the website pages, including forms and up to date road information for all departments under Public Works.

Engineering:

The Engineering Department consists of a Town Engineer, Assistant Town Engineer, and Road Construction Supervisor. Engineering staff plan highway construction projects, bridge renovation and replacement projects, conduct plan reviews for the various land use departments, and oversee driveway and subdivision road construction activities.

Highway & Vehicle Maintenance:

The Highway Department is comprised of a superintendent, highway foreman and 32 highway maintenance personnel including a vehicle maintenance supervisor and four vehicle maintenance personnel. The Public Works Department owns 24 dump trucks, five small trucks, two front

loaders, two graders, two backhoes, five pick up trucks, a van, an excavator, a paver, a 10 and 5 ton roller, a catch-basin cleaner, three sweepers, and various other tractors and small equipment. In addition we maintain more than 15 vehicles and pieces of equipment for other town departments and agencies.

Recycling:

The Town of New Milford opened the first Recycling Center in the area more than 20 years ago, and the center is now staffed with two people and recycling has expanded to include acceptance of all mandatory recyclables as well as bulky waste, household trash, metal, tires, waste oil and office paper. The E-Waste (*Computers and televisions are only part of the consumer electronics waste stream which also includes VCRs, radios, cell phones, and small appliances and collectively, they are referred to as electronic waste, or "e-waste"*) and Single Stream (*Collection system where recyclables are fully commingled, mixing fiber (papers) and containers (glass bottles, metal cans and plastic containers)*) have completely changed the way and types of recyclables accepted and since the Center now owns many of its containers the costs have decreased significantly.

Facility Maintenance:

With a staff of nine, the Building Maintenance Department is responsible for corrective and preventative maintenance to 26 Town Buildings including the Town Hall, Police Station, Library, Railroad Station, Teen Center, Richmond Center, and 7 Public Works Buildings and the maintenance to all new downtown decorative lights. This staff consists of a trade licensed manager, a senior technician, two skilled technicians, and five semi-skilled technicians.

Customer Service:

As demonstrated by the pie chart above, Public Works receives many requests from the public, one of its customers. The requests listed above are not fully representative of all phone calls received at Public Works, but the ones that merit logging into the Customer Service Request (CSR) database. Frequently the department receives "informational" calls that do not merit logging into the database but do, however, require some time from the administrative personnel.

ENGINEERING

The Engineering Department is responsible for the design and/or implementation of municipal projects including the construction of buildings, roads, bridges, and stormwater drainage facilities. Engineering is also responsible for land use reviews for the various Town commissions. The Engineering department processes all permits for Town right-of-way use, including driveways, road use, and excavation permits that impact the flow of traffic in Town. A total of 154 Right of Way permits were issued and subsequently inspected and processed by the department in the FY 2011-2012. The Engineering department responded to 855 work orders (from the database) that encompassed approximately \$7,000,000 in work including: labor, engineering, material and equipment including Capital projects.

The Engineering and administrative staff recognized the pending reduction in Capital funding for many of our projects. To replace budgetary monies that were not forthcoming, we applied for and

received several grants. This department also had enough projects ready to obtain Federal Government stimulus money awarded to the state. The table below shows the grants applied for and their approval status. Many man hours from these two departments went into the preparation and design of these applications. Continued funding from outside sources has progressed into the next fiscal year as well. Sustained man hours from these departments for the management of the many approved grants reach into the thousands of hours.

Engineering did 20+ land use reviews that required hundreds of man hours. Land use reviews incorporate site plan review, traffic studies, engineering meetings, site walks and inspections, photo documentation and any other research necessary to provide current up to date standards to the requesting commission. An average review consists of at least 25-30 engineering hours if there is no complexity involved but that is not typical. Several land use reviews this year were complex with multiple outside engineers changing per review and many scope changes resulting in numerous meetings for each difficult review.

Internally, Engineering worked to produce GIS maps for Town property, Town parks, and Town buildings and for stimulus projects. Sidewalk inspection and cleaning has been determined by this department as well as the installation of new walkways obtained with grants. Reservoir #4 was inspected by engineering with Roald Haested (engineering firm) and contracted to design/repair and construct spillway with the preliminary engineering being completed. Began a program to identify, monitor and maintain major retention ponds starting with Reynolds Farm Drive and McNulty Drive. There were 49 "911" addresses that were reviewed or changed.

Capital road projects that were completed this fiscal year include Merryall Road from West Meetinghouse Road to Bear Hill at a cost of \$800K, Chapel Hill Road for \$144K and Sullivan Road from Old Town Park Road to Carlson Road for \$215K. Other projects included the Stilson Hill road drainage for \$115K and Sawyer Hill Road reconstruction from Route 202 to North Sawyer Hill road at \$180K.

The Engineering division continues to partner with the Connecticut Technology Transfer Center, CASHO and APWA for continuing education and implementation of best management practices in Public Works.

HIGHWAY

The Highway Department is responsible for the maintenance, drainage and snow plowing for all 196 miles of paved roads and 26.18 miles of gravel roads throughout Town. Besides the obvious basics of paving and plowing the Highway department: cleans catch basins, sprays guide rails for weed control, repairs guide rails, sweeps, grades gravel roads, maintains drainage, plants trees, clears downed trees and branches, installs drainage, repairs and conducts preventative maintenance on Town vehicles, installs flags, beaver dam removal, installs and replaces signs, line stripes, patches potholes, fixes and installs curbing, responds to CSR's [459 this year], rakes, seeds and hays new drainage installations, and mows roadsides, just to name a few daily jobs. As seen in the first graph, the highway department receives the majority of the requests for action.

The Highway department had to content with more storms that Mother Nature continued to throw at us. For this fiscal year the highway department responded well to the following storms:

- Hurricane Irene at the end of August 2011 started the fiscal year off with a bang. Luckily, it was downgraded to a tropical storm by the time she arrived in CT. There was enough damage to

warrant a FEMA declaration. The administration applied for the FEMA monies and the PW (project worksheet) for reimbursement came in at approximately \$188,474.96 of which the Town receives 75% (\$141,356).

- Coming closely on the heels of Irene, was Tropical Storm Lee that lead to many of the gravel roads being washed out. Highway used approximately 1,101 tons of gravel to repair the washouts. Lee did not result in a FEMA declaration and therefore all materials came from the department.
- Storm Alfred on October 29-30 2011 was the last in a series of devastating weather events for the state and towns. With an unexpected snowfall of 15.1 inches on trees with leaves, the towns in CT lost power for an average of 7 days. Roads were closed by debris and power was slow in returning due to the utilities slow response. The Town of New Milford hired the state contractors to gather and remove the brush to the DEEP approved storage site at Century Enterprise Center, with help from the highway department. A total of over 32,911 cubic yards of debris was removed town wide during the months of November and December. This was declared a FEMA reimbursable event. The administration coordinated and applied the paperwork for the PWs and received confirmation that the CAT B (emergency protective services) will generate a reimbursement of \$46,478 (Town receives 75%-\$34,858) and a CAT A (debris removal) reimbursement of \$1,079,723 of which the Town will receive approximately \$809,792.

Below is a list of regular maintenance items that were purchased or completed during the 11/12 Fiscal Year:

- 20+ miles of guardrail weed spraying
- Mechanically removed debris from 362 lane miles of road
- Overlaid deteriorated pavement, repaired broken curbing and installed/repaired drainage and driveway aprons using 13,266.18 tons of hot asphalt.
- 352 lane miles of sweeping – including multiple sweepings of the Downtown and other areas by 2 to 3 sweepers, water truck and haul trucks. This accounts for all roads in New Milford being swept at least once by the end of spring.
- 64+ acres of mowing and brush cutting
- Replaced or repaired 6 miles of damaged guiderails caused by accident, vandalism or normal deterioration.
- 1238 catch basins were mechanically cleaned
- 3,302 CY of various stone for was used to repair and reshape the 26 miles of gravel roads
- Highway continued with the crack sealing process along various roads as well using 9,600 lbs of hot liquid sealant town wide.

BUILDING MAINTENANCE / CUSTODIAL

The Building Maintenance Department is responsible for the day-to-day custodial responsibilities in all 27 Town buildings. The day-to-day custodial activities include: cleaning, repair, carpet, lights and painting of all offices in the Town. In addition to these projects the Facilities department was also responsible for the maintenance and cleaning of the decorative street lights that have increased from 105 to about 200 in the downtown area. Facilities Maintenance also has the customer service request system based on the internal requests of Town employees and the needs of the offices and responded to ~200 work orders. Many of the technical projects are ongoing since some maintenance items haven't been addressed in over 10 years-cleaning, plastering and painting some facilities are just an example of projects done with only two FM Technician I's. The FM Manager also is responsible for the Energy consumption of the Town buildings and has spent many hours researching and implementing new lighting and

electrical facilities in order to reduce spending. The following lists are a partial maintenance and capital repair program that was completed this fiscal year.

- | | |
|--|---|
| <ul style="list-style-type: none"> ➤ Annual & Re-occurring Maintenance Program ➤ Carpet, hardwood and vinyl tile cleaning ➤ 47 Bridge Street Energy improvement (Grant) ➤ 20 Young's Field renovation ➤ Designed and fabricated Kiosk for the Green for power and PA system ➤ Streetlight maintenance program ➤ 25 Church Street Phase I exterior and roof ➤ Second power kiosk for the Green ➤ Elevator emergency recall systems Town Hall and Richmond Center | <ul style="list-style-type: none"> ➤ Goodman House basement insulation ➤ Goodman House soffit repair and paint ➤ HVAC improvements in Assessors Office ➤ Library HVAC upgrade, pipe and duct insulation ➤ Maxx flat roof repair and recoat ➤ PD attic insulation improvement ➤ PD dispatch center and associated extras ➤ PD main lobby-removal of carpet and tile ➤ PD department offices carpeted ➤ PD re-roof <p>FM has a back log of work requests that average approximately 127-149 per year.</p> |
|--|---|

Works in Progress that are continued into the next fiscal year:

- | | |
|--|---|
| <ul style="list-style-type: none"> ➤ Gaylord schoolhouse-septic system exposure ➤ Gaylord schoolhouse yard work ➤ Painting program under way at TH, 47 Bridge, Senior Center and PD | <ul style="list-style-type: none"> ➤ PWD security upgrades ➤ Street light cleaning and lens change out ➤ Energy savings program throughout |
|--|---|

RECYCLING

The center has seen an increase in usage, again probably due to the economy, but has managed to reduce the net loss of the center for the year. The ownership of containers and compactors has significantly reduced the costs of hauling MSW, bulky and single stream. The savings seen are a combination of lower fees and less haul fees because of more waste being generated for each removal. Single stream has been very successful and the Center added another container for this purpose. Below is a data table outlining the basic costs and tonnages received at the Center.

Month	Tons/Month					
	SS	\$/Ton	BW	\$/Ton	MSW	\$/Ton
JAN	43.59	\$1,242.32	40.48	\$3,440.80	44.39	\$3,652.85
FEB	43.68	\$1,244.88	44.23	\$3,759.55	37.36	\$3,127.78
MAR	48.36	\$1,378.26	60.9	\$5,176.50	46.6	\$3,895.76
APRIL	49.83	\$1,420.16	63.91	\$5,432.35	38.2	\$3,193.52
MAY	49	\$1,396.50	51.52	\$4,379.20	41.84	\$3,497.82
JUNE	50.65	\$1,443.53	67.98	\$5,778.30	54.25	\$4,535.30
JULY	47.63	\$1,357.46	55.43	\$4,711.55	45.34	\$3,731.03
AUG	69.9	\$1,992.15	76.85	\$6,532.25	57.46	\$4,728.38
SEPT	63.75	\$1,816.88	65.88	\$5,599.80	60.69	\$4,994.18
OCT	58.24	\$1,659.84	80.69	\$6,858.65	49.34	\$4,060.19

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NOV	47.49	\$1,353.47	44.56	\$3,787.60	44.99	\$3,702.23
DEC	62.14	\$1,770.99	56.06	\$4,765.10	57.67	\$4,745.66
TOTALS FY						
	634.26	\$18,076.41	708.49	\$60,221.65	578.13	\$47,864.71
TOTAL FY 11-12						\$126,162.77

The center has seen an increase in usage for Bulky Waste and Municipal Solid Waste while costs have decreases slightly. Last FY reported a combined total usage fees of \$158,498.64 compared to the \$126,162.77 shown above. A breakdown of other recycling items follows:

Bags MSW	Appliances	Freon Units	Batteries	Tires	Tanks
29595	141	321	16	224	63

Scrap metal revenue has continued to increase year to year. The 11/12 Revenue was \$64,984.23.

There were approximately 2353 stickers issued for access to the Center for New Milford residents of which approximately 1547 were paid stickers. Sherman and Brookfield residents obtain a sticker from their Town Hall and we do not receive those numbers.

**Registrar of Voters
Annual Town Report
2011 – 2012**

The Registrar of Voters Office (ROV) is located in the lower level of Town Hall. There is a Republican Registrar and Deputy Republican Registrar, and a Democratic Registrar and Deputy Democratic Registrar. Although each major party is represented, the ROVs serve to help any and all citizens of New Milford, regardless of party affiliation or non-affiliation. The office is officially open every Thursday afternoon.

The Registrar maintains a list of all voters in the Town of New Milford and constantly updates their records both in the Secretary of the State's (SOTS) Election Division computer system and the individual voter registration cards filled out by the resident voters. With the help of the State Department of Motor Vehicles, the office is informed of voters who have changed their address within New Milford, who have moved out of New Milford as well as notifications from other states for those who have relocated. The ROV office also removes voters from the voter rolls who have died and, upon notification from the state, people who have committed a felony. They also work closely with the Town Clerk's office in regard to Absentee Voters, ordering necessary materials (ballots, etc.), keeping all the necessary documentation and the recording of such. The Registrars' Office would like to recognize and thank the Town Clerk's office for all the help and professionalism that they constantly extend.

The Registrars conduct an annual canvass. This is done by reviewing and updating voting lists based on information received from the National Address system, and this information is maintained for four (4) years. This canvass consists of a mailing to voters who may have moved within the town or have relocated elsewhere within the state and also out of state.

Registrars attend all town meetings and are prepared to take a count if a vote is taken, attend Spring and Fall conferences sponsored by the Secretary of the State (and county seminars when requested), attend courses to learn and teach others on all new practices or procedures SOTS has put into effect and laws enacted by the State legislature this year, make themselves available to the public when required to accept petitions, conduct Poll Workers training sessions prior to primary and General Elections, conduct tests to insure the integrity of all voting machines and telecommunications prior to each referendum and election conducted, and prepare an annual budget.

The Registrars attend a special year-end session at the New Milford High School every year in May or June for the purpose of registering new voters who are either 18 or are 17 and will be 18 by the time the General Election is conducted. These new voters are read the oath and get sworn

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in. This year we are happy to report that 155 high school seniors registered. One of the prime reasons this annual drive is so successful is because of the cooperation of the New Milford High School staff.

The Registrars visited two nursing homes during the November election season to help the voters cast their absentee ballots.

Registrar's records show a total voting population of 17,669 as of July 17, 2011. The breakdown is as follows:

DEMOCRATS = 4,069 REPUBLICANS = 4,839 UNAFFILIATED = 8,594 OTHER= 167

During each fiscal year, the Registrars conduct a Budget Referendum, a Primary (if necessary) and a General Election and are prepared to conduct other referendums as needed. After each election/referendum, the Registrars update their records which are linked to the Secretary of the State's Election Division computers with every resident who voted and file their report with accompanying documentation with the Town Clerk. To conduct these elections, the ROVs office prepares Master Voting lists for their office and for each political party, prepares voting lists for each voting district, hires approximately seventy (70) people as Poll Workers, prepares pay slips and arranges for the polling places to be clean and available.

Marcel Grenier, Democratic Registrar
Barbara Payne, Democratic Deputy Registrar

Robert Driscoll, Republican Registrar
Eleanor Florio, Republican Deputy Registrar

**NEW MILFORD SENIOR CENTER
2011 - 2012 ANNUAL REPORT**

The Commission on Aging: established in 1973 to study the local needs of the aged and to create, coordinate and foster programs to promote the health, education, welfare, independence, and wellbeing of Seniors in the Town of New Milford. There are **5,093** individuals over 60 years of age in New Milford (2010 census); over **2400** individuals were served by the Senior Center.

SENIOR SERVICES COUNSELORS:

The role of the Counselors is to maintain a body of information on issues of importance to elders, to help with access to programs, to advocate, and to resolve problems. The statistics for the 2011-12 fiscal year indicate that the counselors served about 1,000 people providing a total of about 6,000 units of service. This was up over 1,000 units from last year.

In February of 2011, the Senior Center counselors began using the “My Senior Center” program to document all assistance they provided. The program allows the Senior Center staff to document the use of services and activities it provides in a timely and efficient manner. It has also allowed the counselors to easily view trends in service.

For the most part, the Senior Services Counselors have seen similar trends as in years past. The statistical categories have been slightly modified to best describe the services provided, but with that in mind, medical insurance issues were still the leading service provided to New Milford Seniors (1,212). With the change in health insurance policies and laws, this category is predicted to continue to be the most sought after service for several years to come.

Some other trends that appear this year are the increase in public assistance for food (SNAP – 87 applications and inquiries) and medical/financial (Medicare Savings Programs, State Supplement, and Medicaid Title XIX (287 applications and inquiries). Along with this is an increase in New Milford Seniors who are seeking employment (27). This may likely be attributed to the rising costs of medical services, food, etc. and the inability to maintain financial stability on a fixed income in light of the rising cost of living

TRANSPORTATION:

Bus service is provided within the Town of New Milford, Monday through Friday. Over 7500 rides were provided for work, shopping, and, social; in addition, more than 1900 rides were provided to medical appointments. A grant from *Connecticut Community Foundation*, which is facilitated by New Milford Hospital, affords free transportation for 12-14 Seniors to the NM Hospital Senior Suppers Educational/Social Program two nights per month.

NUTRITION:

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New Opportunities, Inc. is responsible for congregate lunches served at the Center and *Meals on Wheels*, a delivery of a meal with a snack to homebound recipients. A total of over 4100 congregate meals were served to over 90 seniors at the Center in the past year. During the same period, over 30,000 meals were delivered to 100 homebound seniors by volunteers who contributed 700 hours and drove over 10,000 miles in the course of the year. A dietitian from New Opportunities, Inc. also provides quarterly Nutrition Education programs through out the year with a total of over 120 participants.

PROGRAM ACTIVITIES: The Senior Center provides a full range of programs which are designed to respond to a broad spectrum of needs and interests. They include:

Ann Potter Health and Wellness Center

Our expanded health promotion programs, classes, screenings, education and exercise opportunities were developed in collaboration with the New Milford Health Department, NM Visiting Nurse Association, New Milford and Danbury Hospital, Alzheimer's Association, Western CT Area Agency on Aging, the Health & Wellness Advisory Board, and the Senior Center staff. Overall, total participants in all programs were over 4300.

Education

Information and public affair programs presented throughout the year were offered in partnership with the New Milford Library, Historical Society and other NM Town Agencies, TRIAD, Connecticut Community Foundation, AARP, and varied community professionals and civic organizations. Participants in these programs totaled over 1550.

Support Groups

A variety of support groups are available including Alzheimer's, Diabetes, "Going Solo", Hearing Impaired, and Visually Impaired. The group size allows for conversational interaction, providing members the ability to share personal relevant information and establishing social networks and advocacy. Group size varies from 8 – 15 members; some groups are facilitated by professionals, others by members who volunteer their time totaling 750 volunteer hours.

Jim Palmer Computer Lab

The Computer Center's success is due to the dedication of our instructors and Steering Committee members who volunteered over 1000 hours offering introductory, advanced classes, and workshops. The AARP tax aide program submitted over 175 tax returns. A partnership with both the NM Library and Park and Recreation department's class offerings added additional exposure to advancement in technology. Volunteers assisting with Medicare Med D enrollment totaled over 75 computer entry hours.

Social/Recreation

Activities offered at the Center, include occasion and theme parties, musical events, dances and monthly birthday parties. Hobby groups include: Handwork Circle, Quilting, Senior Singers, Mah Jongg, Scrabble, BINGO, Bridge, Crafts, Wood Carving, Wii Bowling, and new to the Center this year were Mexican Train Dominoes, Bocce Ball, Pinochle. There are also Cards and Puzzles, Book Exchange and Discussions, Writing Group, Foreign Language Classes and Bible discussions. Outside groups include Independent Walkers; Outside Excursions involve day trips and overnight trips. These groups collectively had over 7550 participants.

Volunteers

The New Milford Senior Center is most fortunate to have many individuals who volunteer their time. Everyone at the Center appreciates the ongoing contribution of all our volunteers. Using the current dollar amounts (\$25.00 per hour) to calculate the value of 6000 volunteer hours during 2011-2012, the Center was the recipient of volunteer assistance valued at \$150,000.00.

**New Milford Sewer Commission
Water Pollution Control Authority
Annual Report 2011-2012**

Members:	Frank Bidetti, Chairman	Michael Ferguson
	John Heaton, Vice Chairman	Michael Bensema
	William Buckbee	Peter Bass, Alt.
	Gary Pfaff	

The Sewer Commission staff includes the Superintendent, Office Manager/Bookkeeper, Shift Supervisor, two office staff and five operating, maintenance and laboratory staff.

The office staff generated and processed several thousand sewer use, benefit assessment and connection fee bills this fiscal year.

The annual operating budget for 2011-2012 was \$1,907,439 and the sewer use rates remained constant. Septage rates were reduced in an effort to encourage haulers to use our facility and also allow septage from other towns to be treated here.

During the year, the treatment plant processed over 233 million gallons of waste including nearly 2.3 million gallons of septic tank waste. In addition, more than 1,400 wet tons of dewatered sludge was processed and shipped to Synagro in Waterbury for disposal by incineration.

The Sewer Commission continues to be very busy with the pending construction of pump stations on Route 7 South. With the additional pump stations, the staff will operate and maintain fourteen pump stations and over 42 miles of collection system piping.

The old Willow Springs treatment building was demolished due to safety concerns.

Construction of the Water Pollution Control Facility upgrade and expansion is complete and operating very well. Operating staff has been learning the new processes and are doing an exceptional job in doing so. The facility is meeting or exceeding the limits of phosphorus and nitrogen allowed in our NPDES discharge permit.

Included with the expansion, the Facility has the ability to receive and treat Fat, Oil & Grease from food service establishments. This will reduce the amount of material that builds up in the collection

system causing blockages and meets the requirements of the Department of Energy and Environmental Protection “FOG” program.

New Milford Department of Social Services



2011 – 2012 Annual Report

**Peg Molina, LCSW, Director Andrina Santana, Secretary Ivana Butera, MSW Leah Pullaro, MSW
40 Main St. New Milford, CT. 06776 (860)355-6079 socialservices@newmilford.org**

We all make choices. What if your choices were to buy groceries or have the money for your medications? What if this week’s choice was to pay the rent/mortgage *or* to make the car payment and utility bill? Sadly, these are some of the choices that pre-occupy many households that visit Social Services. Economic hardship continues for hundreds of New Milford residents and we see little sign of abatement. In fact, while the economy slowly improves other factors continue to work against us: huge state and federal deficits have led to cuts in programs that help people in need. (The SNAP—or food stamp—program is currently facing a 4.5 billion dollar cut) Non-profit agencies have merged, dissolved and cut programs such as housing supports, job training and mental health services. In this climate, we find that the need to be strong advocates for residents: helping to push state applications through, reach workers and link people to resources, is more important than ever.

The department’s mission is to help residents meet basic needs of food, housing, clothing, maintenance of health and well-being, and to help provide various seasonal goods and programs for residents experiencing financial hardship. Promotion of self-sufficiency through such programs as financial education, Family First!, and referrals to the Community Culinary School (job training and placement) is a priority of the department. Still, our staff has met with a great number of people who never expected to walk through our doors and would gladly be working and self-sufficient if the opportunity were there. Last year we provided services to approximately 800 households from all parts of town, the common denominator being residence in New Milford and financial hardship.

The work of this department is carried out by four people: a full-time Director, full-time Admin. Assistant, 30-hour Social Worker and a 19-hour Social Worker. Additionally, our office could not function to the degree it does without the contributions of many volunteers and community partners. Our efforts are focused upon both assistance to families and individuals, and working toward wider system changes that can positively impact the social fabric of our community. This report details our activities in matters of energy/utility assistance, food, housing, financial assistance, seasonal programs and coordination with other community agencies and initiatives.

ENERGY ASSISTANCE: The largest program that New Milford Social Services handles is the Energy Assistance Program. Given the significant cost of home heating in the northern states, this program is meeting a critical need for New Milford residents. A combination of local, state and federal dollars comprise the resources of this program. Social Services is the intake site for residents under age 60 who apply for energy assistance. Due to significant federal budget cuts and an unusually mild winter, applications for the CT Energy Assistance Program were down for the first time in many years. A total of

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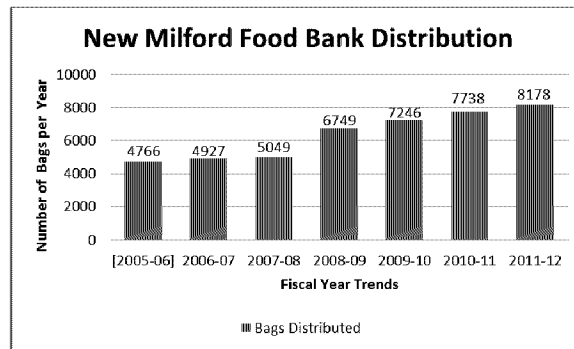
540 New Milford households applied at our office (down 8%). The department was able to access \$390,000 of federal dollars in home heating assistance (down 30%). Budget cuts also impacted program administration, slowing down the rate at which our regional Community Action Agency could process applications. As a result, our staff worked hard to advocate for residents and access other resources.

Operation Fuel, a non-profit fuel assistance agency funded by private and corporate contributions and some government dollars, also chipped in to help residents. While available funds were restricted, 42 local families received \$13,137 in aid through Operation Fuel.

Hearing the news of cuts to energy assistance, our own community rallied! The “Cold Homes, Warm Hearts 5-K Walk” for the New Milford Community Fuel Bank raised over \$25,000 from sponsoring businesses, participants and donors. The weather was lovely and mild and a great new event was launched! Local generosity enabled our Community Fuel Bank of New Milford to assist 40 Social Services households (up 39%) with an additional \$12,600 (up 76% over last year) in fuel assistance. (The Fuel Bank also assisted many Seniors in town) All told, Social Services enabled 622 applicant households to have help toward heating costs totaling just under \$416,000 this past year. Another very busy winter!

FOOD: Hunger is another telling indicator of economic struggle. In the years between 2007 and 2010, Connecticut saw large gains in residents’ use of SNAP (formerly called Food Stamps), mostly from small towns and suburbs. New Milford’s SNAP (Supplemental Nutrition Assistance Program) use rose by 132% during this time period and was up another 21% the following year. To help address this problem on the local level our Food Bank is open weekly to provide a bag of non-perishable groceries to qualified households. Emergency food vouchers were also given out to 79 households. Senior citizen usage of the Food Bank continues to rise with a 36% increase over last year in unduplicated seniors visiting the food bank.

The following chart graphs usage figures over the past seven years (up 72% in that time):



The Food Bank could not exist without the help of our larger community. We team with food vendors and growers, Big Y Foods, Stop and Shop, Sugar Hoot, Fort Hill Farm and Washington’s Judea Community Garden project among others. They enable us to provide bakery products and fresh produce, conduct food drives and special events, make special contributions and are always willing helpers in our efforts. Great appreciation also goes to the Community Culinary School, which donated 8565 homemade meals for clients. All together, we make a significant impact on abating hunger in this community!

Among the many donors of food and financial support, we thank: The New Milford Women’s Club, NM Moms Club, NM Lions Club, Paradise Cruisers (“Thanksgiving in July” car show), the Rotary Club, AARP (New Milford and Brookfield chapters), the VFW Women’s Auxiliary, NM Postal Workers, The Odd Fellows and Palm Rebekah Lodge, Ch. 55 Order of the Eastern Star, The NM Police Dept., Curves for Women, Northville Baptist Church, Temple Sholom, Our Lady of the Lakes RC Church, the United Methodist Church (for it’s extended hours pantry “Our Daily Bread”), and Bible Baptist Church. Local

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corporations, Pepsi-Co, Kimberly Clark, WalMart and Chemical Marketing have offered key help to keep the Food Bank going. In the schools, Northville Elementary, Canterbury School, The Kent School (weekend lunch pack program) and Sarah Nobel Intermediate School deserve a big three cheers for their extra efforts. We so appreciate the helping hands of many religious groups, Girl and Boy Scout troops (of special note, Boy Scout Troop 432) and other youth groups, businesses that hold events or food drives and our loyal individual donors. We appreciate and count on all of you!

As the Food Bank has grown, we have increased our reliance on volunteers to carry out the work. Operating on Wednesday mornings and all day on Thursdays, we have an awesome team of 20+ loyal volunteers who fill orders and distribute goods to the clients. In addition, volunteers sort goods and restock shelves (a never-ending job!), pick up or package fresh goods, prepare and process order slips and a myriad of other tasks. We are ever so grateful to these amazing women, men and even a few special teenagers!

HOUSING: Social Services handles numerous calls for help with costs and problems related to housing. With fair market rent for a two-bedroom apartment \$1226/month in CT (\$1063 for Litchfield County) many *moderate* wage earners are challenged to handle the cost of housing. For many, this largest single expense presents a continual budgetary challenge. This office is often a starting point as people search for housing or for ways to remain in their homes when financial hardship strikes. We spend a tremendous amount of time working to provide residents with information, referrals, advocacy and some direct assistance grants for housing needs.

The Hope Fund is our assistance fund to help clients with grants toward security deposits or with preventive rent/mortgage assistance during extraordinary circumstances such as illness or unemployment. Last year, we were able to assist 40 residents with slightly under \$10,000 through this fund that is supported privately through contributions and grants. Large gifts to the fund were received from The Thrift Mart of New Milford, The Connecticut Community Foundation's Wolcott B. and Iris K. Jones Fund and the Archbishop's Annual Appeal, (thanks to our local Catholic parishes), and three anonymous donors.

The office assisted sixty-two disabled clients with applications for renter's rebates from the State of CT.

FINANCIAL ASSISTANCE: When New Milford residents experience financial hardship, Social Services is a place people can turn to. Our assistance includes counseling and budget guidance as well as concrete financial aid when appropriate. In addition to the forms of financial help described elsewhere, the department administers the Good Samaritan Fund, a charitable crisis fund used for services or items not provided by other available resources. During the past year 182 grants totaling \$28,452 (down 12%) were distributed to households in distress. Like the Food Bank and Hope Fund, the Good Samaritan Fund is completely funded through private contributions and grants. Examples of assistance include payments to utilities in order to continue service, car repairs, help with prescriptions and other medical needs, and funding for children's activities and programs.

We are very grateful to the Thrift Mart and N.M. Rotary for their on-going support to this fund. The First Congregational Church, the Goldring Family Foundation, and the New Milford Hospital Registered Nurses Federation made special gifts last year. In addition, many groups and individuals donate sums large and small to help their neighbors.

Financial education is a growing priority for the department in conjunction with client financial aid and through workshops offered to the public. We use the FDIC Money Smart curriculum and other tools to help clients address credit problems, learn budgeting principles, explore "emotional spending" patterns and set goals to gain financial security. In the year ahead, Social Services plans to increase our "financial

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fitness” program using a psychosocial model developed by the Center for Financial Social Work as inspiration.

FAMILY FIRST: Nine years ago, New Milford Social Services developed a program aimed at enhancing the quality of family life for lower-income residents known as “Family First!”. Started by a generous grant from the Harcourt Foundation, it is a weekend retreat experience with periodic follow-up meetings, offering workshops for parents on stress management, parenting and financial education, and recreational activities for both parents and children. Over the years, a total of 255 adults and 410 kids have been able to participate in this special program. Among this year’s comments: “We are not alone in our struggles”, “The friendship and experiences my boys and I had will last with us for a lifetime” and “I’m stronger than I think I am”. To improve feelings of self-worth and hope is some of the best work we can do at Social Services. We are thrilled that this program has received the support of MVP-SOS (to fund children’s participation), the Harcourt Foundation and another anonymous donor (to cover the parent’s costs) and the Goldring Family Foundation (for all of the important “extras” like staff and transportation!) this past year. We hope to continue to offer “Family First!” for years to come.

COMMUNITY PARTNERSHIPS: The Social Services Department could never accomplish its work without the support and partnership of the greater New Milford community. Our office is the referral point for many a “211-InfoLine” call, yet we act as the hub of a great “support wheel” consisting of other agencies, service providers, civic groups, charitable organizations, youth groups, churches, town departments, businesses and individuals. We are indebted to all for the support and teamwork provided!

Four “special mentions” this year:

(1) The New Milford Lion’s Club, a longstanding supporter of this department and the wider community, this civic group continues to go the extra mile for The Food Bank. In addition to making monthly trips to the CT Food Bank to procure goods, the club arranged and executed a huge delivery of paper goods from Kimberly-Clark to benefit residents. (each family with babies and toddlers received a *case* of diapers at Christmas!) Later in the year the club replaced our aged refrigerator and freezer with brand new appliances, and chose one of our loyal volunteers as their first community hero!

(2) Four years ago, the Judea Garden was created in neighboring Washington to grow and donate healthy produce to area food banks. Our food bank clients have been grateful recipients of their on-going bounty.

(3) For several years, the NMHS French Honor Society led by Barbara Polley has teamed with Social Services during the winter holidays to make a big contribution to the welfare of local kids. They organize donations of winter boots and books for 85 children and raise money to purchase several hundred dollars worth of gift cards for “Sibling Shopping” gifts. We applaud their holiday spirit!

(4) St. Francis Xavier Church’s “Martha & Mary” program, has been a true teammate by helping to match and stretch support dollars, when appropriate, to families in need. We are grateful!

In the community, the department convenes meetings of the New Milford Social Service Providers Group, an informational exchange between area service providers. Time permitting, we participate in regional and statewide organizations that advocate or follow issues related to poverty, health care, housing, food insecurity, financial literacy and family strengthening. Efforts are made to maintain contact with state legislators who represent New Milford, and with town boards and commissions to share information and budgetary concerns.

Volunteerism is alive and well!: The Social Services Department provides volunteer opportunities for students in need of community service through their school or church and for a full range of people whose

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TAX ASSESSOR

ANNUAL TOWN REPORT
2011-2012

The Gross Grand List increased from \$2,939,828,035 to \$2,940,068,535

The Net Collectible Grand List went from \$2,872,901,260 to \$2,867,098,845

There were 147 Real Estate Accounts transferred by Warranty Deed

There were 155 Real Estate Accounts increased as a result of Building Permits and Certificate of Occupancy.

The number of Motor Vehicles decreased from 26,945 to 26,662

Personal Property Accounts decreased from 2073 to 2060

The number of Town Elderly Accounts increased from 528 to 551

The Grand List was signed and turned over to the Town Clerk on February 27,2012

TOP TAXPAYERS – 2011 GRAND LIST

Name	Type	Total Assessment	Percent Of Total
Kimbery Clark	Factory	\$ 92,732,250	3.342%
CL&P	Utility	\$ 42,071,390	1.489%
Firstlight Generating Co	Utility	\$ 15,161,645	0.532%
Home Depot USA	Shop Ctr	\$ 10,082,090	0.353%
O&G Industries	Gravel Mine	\$ 7,838,960	0.274%
Danbury Road Dev.	Shop Ctr	\$ 6,885,270	0.241%
United Water Connecticut	Utility	\$ 5,842,015	0.204%
UB NM Fairfield Plaza	Shop Ctr	\$ 5,681,060	0.199%
UB New Milford	Shop Ctr	\$ 5,274,010	0.184%
Yankee Gas Services	Leased Equip	\$ 4,989,810	0.174%
Candlewood N M	Nursing Home	\$ 4,003,160	0.140%
Overlook @ Fort Hill	Apartments	\$ 3,168,550	0.111%
TOTAL		\$203,730,210	7.243%

Tax Collector's Annual Report 2011/2012

The Tax Collector's office is run strictly by CT State Statutes.

Activities at the Tax Collector's office include processing all information generated by the Tax Assessor's office in order to generate tax bills, print and mail bills, and collect on all bills and delinquencies. The Tax Office reports to the State of Connecticut Office of Policy and Management, and locally to the Director of Finance, Board of Finance, Town Council and Mayor. The Tax Office balances all daily, monthly and yearly work to reconcile with all bank reports with the Finance Office. The Tax Office coordinates with the Tax Assessor and Building Departments regarding transfers and subdivisions and all land divisions to property bills, also through Certificates of Occupancy. Taxes are paid in two semi-annual installments during the year, July for the first installment and January of the following year for the second installment which are the heaviest months of collection. We advertise our tax doings in the local newspapers per State Statute.

The Tax Office pursues delinquencies and follows State Statutes for collections in the following ways: The Tax Office pursues all delinquent accounts through statements, legal demands, legal tax warrants, and tax sales with assistance of the Town Attorney at no cost to the town. The Tax Office also pursues delinquent bankruptcies through the Bankruptcy Courts in conjunction with Specialized Bankruptcy Attorneys. The tax office files liens on real estate through the land records at the Town Clerk's Office to protect the Town when real estate taxes are not paid. The Tax Office files U.C.C. Liens at the Secretary of State's Office against delinquent personal property taxes (business, equipment, furniture, and fixtures). The Tax Office uses a Collection Agency – American National Recovery Group located in Nyack, New York to assist in pursuing all old and moved away motor vehicle delinquent accounts. Additionally, our State Marshal has pursued some delinquent accounts with Tax Collector's Tax Warrants, all of which has benefited the Town with no fees for the town.

The Tax office reports all paid and delinquent motor vehicle accounts regularly to the DMV for a fee determined by the State of Connecticut for each municipality. This year's fee was \$6,624.88.

The Tax Collector also has continuing education and certification which keeps collectors abreast of new legislation through seminars and courses made available to them through the Connecticut Tax Collector's Association and the County Association, through the direction of the Office of Policy and Management at the State level.

The 2010 Grand List taxes for year ending 6/30/12:

- Gross tax amount collected: \$70,671,764.44 of which \$69,109,559.73 was current taxes.
- Delinquent taxes and interest collected was \$1,562,204.71.

**ANNUAL REPORT
TOWN CLERK
2011/2012**

Statistics of the Town Clerk's office

Vital Statistics	Births	Marriages	Deaths	Fetal Deaths
	351	143	278	4
Land Recordings – 7,648	documents			
Postage – 156,163 pcs	Cost - \$ 72,478.53			

	Number Issued	State Fees	Town Fees
Fish & Games Licenses	704	\$ 20,241	\$ 704
Dog licenses	2503	\$ 19,101	\$ 2,503
Marriage Licenses	88	\$ 1,672	\$ 968
Recycling Fees	110		\$ 2,682
Recording, copy, etc. fees			\$ 281,202
Passports	589		\$ 14,725
Historic Document Sur-charge fees			\$ 5,783
Transfer of Departmental fees Per CGS 7-34a, 12-176			\$ 13,360
Farmland PA 09-229	5783	\$ 208,188	\$ 5,783
LOCIP			\$ 17,349
Conveyance tax		\$ 650,440	\$ 216,813
Maps Recorded - 48			\$ 490
Trade Names Recorded – 169			\$ 845
Totals		\$ 899,642	\$ 563,207

Total Operating Budget	\$ 323,981
Total Revenue	\$ 563,207
Grants Received	\$ 6,000

Projects and Accomplishments started and/or completed:

- Completed and updated availability of Docuware System of map storage and availability on computer to Public Works and Tax Assessor.
- Updated the Five-Year Plan.
- Preserved and restored multiple volumes of Land Records, Vital Statistics, Land Record Index Books, and various other historical books.
- Continuing long term computerization of old Land Record indexes back to 1/1/1963.
- Received a \$ 6,000 grant for the preservation and restoration of land records.
- Rearrange the vault minute book storage.
- Applied for competitive Grants from the Connecticut State Library.
- Searched for a new dog program.
- Computerized marriage license application.
- Transferred map index's to Cott system.

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- Installed security cameras in the vault and in the lobby.
- Scan all agendas and minutes of all town committees that are required to file with this office according to FOI rules, archive minutes to CD's and to microfilm.
- Expand the 2nd floor mail room including the inserter/folder machine.
- Expand the use of E-Certified Mail for savings
- Obtained a large format map copier/plotter/scanner.
- Ongoing restoration and preservation of Land Records, Vital Statistics, Veterans Records, and Town Meeting Records.
- Expanding library of genealogical research books.
- Continued to scan old vital records to create an archival copy.
- Expand scanning of Vital Records.
- Revise plans to insure the long-term survival of historical records according to the survey by the Northeast Document Conservation Center.
- Scan Land Record images into the computer.
- Upgrade indexing system at counterline.
- Move all map indexes to Cott system.
- Prepare plans for expansion.
- Convert more minutes to new storage plan.
- Review work-flow pattern for the office and job descriptions of staff.
- Promote use of large format copier.

Special Town Meeting – September 12, 2011

Resolution: “Shall the Town of New Milford grant a Transmission Easement at 12 Scovill Street to Connecticut Light & Power for electrical transmission wires and facilities?” Resolution passed unanimously after discussion.

Municipal Election – November 8, 2011

Mayor

Patricia A, Murphy	Republican	3207 Elected
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Town Council

Mary Jane Lundgren	Democrat	1727 Elected
Mary Jane Lundgren	New Milford First	450
Mary Jane Lundgren	Unknown	124
Joseph Failla	Republican	2110 Elected
John E. Lillis	Democrat	1832
Cecilia Buck-Taylor	Republican	2608 Elected
Robert Copolla	Democrat	1915
Katy Francis	Republican	2461 Elected
Walter M. Bayer	Democrat	1834
Peter Bass	Republican	2523 Elected
Frank E. Wargo	Democrat	1614 Elected
Frank E. Wargo	New Milford First	428
Frank E. Wargo	Unknown	103

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Thomas Esposito	Republican	2401
Peter Mullen	Democrat	1769 Elected
Peter Mullen	New Milford First	470
Peter Mullen	Unknown	158
Raymond O'Brien	Republican	2363 Elected

Town Clerk

George C. Buckbee	Republican	3302 Elected
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Tax Collector

Catherine M. Reynolds	Democrat	2830 Elected
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Board of Finance, 4 year Term

George T. Barnett	Democrat	1398 Elected
Larry Tripp	Republican	2374 Elected
Larry Tripp	New Milford First	277
Larry Tripp	Unknown	108
Gale M. Alexander	Democrat	1422
Gale M. Alexander	New Milford First	416
Gale M. Alexander	Unknown	23
Beth Falder	Republican	2235 Elected
Shelly Pruss	Democrat	1874 Elected

Board of Education, 4 year Term

David R. Schaffer	Democrat	1760 Elected
David R. Schaffer	New Milford First	378
David R. Schaffer	Unknown	92
Thomas Brant	Republican	2100 Elected
David A. Lawson	Democrat	1638 Elected
David A. Larson	New Milford First	410
David A. Larson	Unknown	48
Daniel W. Nichols	Republican	2126 Elected
Lawrence B. Stillman	Democrat	1404
Lawrence B. Stillman	New Milford First	326
Lawrence B. Stillman	Unknown	34
Daniele Florio Shook	Republican	2329 Elected
Elizabeth D. Finney	Democrat	1928
Rod M. Weinberg	Democrat	1397
Rod M. Weinberg	New Milford First	349
Rod M. Weinberg	Unknown	11

Board of Assessment Appeals

Anne F. Cutter	Democrat	1429 Elected
Anne F. Cutter	New Milford First	260
Anne F. Cutter	Unknown	10
Allen Brant	Republican	1989 Elected

Planning Commission, 4 year Term

Robert Rush	Democrat	1645 Elected
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Robert Rush	New Milford First	401
Robert Rush	Unknown	66
Joseph Girardot	Republican	2134 Elected
Andrew Grossman	Democrat	1574
Andrew Grossman	New Milford First	409
Andrew Grossman	Unknown	62
Brian Waterman	Republican	2361 Elected

Zoning Commission, 4 year Term

Sharon L. Ward	Democrat	1776 Elected
Sharon L. Ward	New Milford First	436
Sharon L. Ward	Unknown	116
Jim Volinski	Republican	2380 Elected
Alex Ince	Democrat	1338
Alex Ince	New Milford First	352
Alex Ince	Unknown	26
Eleanor Florio	Republican	2448 Elected

Zoning Commission, 2 year Term

Janice Vance	Democrat	1437 Elected
Janice Vance	New Milford First	237
Janice Vance	Unknown	17
Paul Scorza	Republican	2047 Elected

Zoning Board of Appeals

Terry C. Ellis	Democrat	1585 Elected
Terry C. Ellis	New Milford First	496
Terry C. Ellis	Unknown	105
Charles Bogie	Republican	2230 Elected
Lisa Alexander	Democrat	1994
Bradley Huntington	Republican	2325 Elected

Included are write-in votes cast for candidates for any office, provided the write-in vote on any single ballot doesn't result in two votes being cast for the same candidate for the same office. The "Unknown" vote is one-half the voters that cast a vote for the same candidate on the Republican & New Milford First, or Democrat & New Milford First for the same office

Special Town Meeting – December 12, 2011

Resolution 1. The New Milford Code, Article II, Division 2A, Pension Committee, Section 2-51, shall be revised and amended to stagger the terms of the five appointed members of the committee such that two of the members shall serve two year terms (commencing and ending with the current term of appointment) and three of the members shall serve three year terms (commencing at the current term of appointment and ending on November 30,2014) with future appointments continuing in such staggered fashion thereafter. Motion passed unanimously.

Resolution 2. The New Milford Code, Article II, Division 2B, Section 2-54 shall be enacted so as to approve, authorize and create a permanent board comprised of the Pension Committee, the

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Director of Finance and a mayoral appointee to serve as trustees of a trust agreement to facilitate the funding of certain retiree benefits other than pension payments. Motion passed unanimously.

Special Town Meeting – January 9, 2012

Resolution:

The Town of New Milford shall transfer and convey for the sum of \$120,000.00, by way of a contract for sale to be executed by the Mayor, real property known as 29 and 31 Church Street, New Milford, CT, owned by the Town of New Milford located at 29-31 Church Street, New Milford to 29-31 Church Street, LLC. Resolution passed unanimously.

Republican Presidential Primary – April 24, 2012

A Republican Primary for President was held at all polling places from 6:00am to 8:00pm

Newt Gingrich	69	Rick Santorum	53
Ron Paul	91	Uncommitted	1
Mitt Romney	445		

Annual Town Meeting – May 15, 2012

Resolution 1. To receive public comment and discuss the proposed Town Government portion of the budget as prepared by the Board of Finance in and for said Town for the ensuing fiscal year, July 1, 2012 to and including June 30, 2013, no vote shall be taken.

Resolution 2. To receive public comment and discuss the proposed Board of Education portion of the budget as prepared by the Board of Finance in and for said Town for the ensuing fiscal year, July 1, 2012 to and including June 30, 2013, no vote shall be taken.

Resolution 3. To consider and vote upon the following question: “Shall real estate and non-motor vehicle personal property taxes for property on the October 1, 2011 Grand List be payable in two equal installments due on July 1, 2012 and January 1, 2013, except that motor vehicle property taxes and any property tax not in excess of \$100.00 shall be due in a single payment as authorized by Connecticut law”

Resolutions 1 and 2 adjourned to a referendum on May 18, 2012
Resolution 3 passed unanimously.

Referendum for Adjourned Annual Town Meeting–May 18,2012

1. Shall the sum of \$34,959,353.00 be appropriated as the annual town government budget for the 2012-2013 fiscal year?
2. Shall the sum of \$57,557,533.00 be appropriated as the annual Board of Education budget for the 2012-2013 fiscal year?
3. Advisory only, if the budget is defeated, do you wish to see the amount of \$34,959,353.00 appropriated for general town government increased?
4. Advisory only, if the budget is defeated, do you wish to see the amount of \$57,557,533.00 appropriated for education increased?

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Question 1 passed	YES 1095	NO 890	Question 3 failed	YES 423	NO 1520
Question 2 passed	YES 1036	NO 951	Question 4 failed	YES 587	NO 1289

Special Town Meeting – June 11, 2012

Resolution 1. To receive communications with respect to, and to consider and act upon, the resolution entitled “Resolution Appropriating \$2,535,000 for the planning, acquisition and construction of road improvements (2012) and authorizing the issue of \$2,535,000 bonds of the town to meet said appropriation and pending the issuance thereof the making of temporary borrowings therefor”

Resolution 2. To receive communications with respect to, and to consider and act upon, the resolution entitled “Resolution appropriating \$3,050,000 for phase II-Route 7 pump station project and authorizing the issue of \$2,250,000 bonds of the town to meet said appropriation and pending the issuance thereof the making of temporary borrowings therefor”

Resolution 3. To receive communications with respect to, and to consider and act upon, the resolution entitled “Resolution appropriating \$2,260,000 for public works program (2012) consisting of bridge, dam and fueling station improvements and authorizing the issue of \$2,260,000 bonds of the town to meet said appropriation and pending the issuance thereof the making of temporary borrowings therefor”

Resolution 4. To receive communications with respect to, and to consider and act upon, the resolution entitled “Resolution appropriating \$3,630,000 for New Milford Police, Fire, E.M.S. and Department of Public Works Communication improvements and authorizing the issue of \$3,630,000 bonds of the town to meet said appropriation and pending the issuance thereof the making of temporary borrowings for such purpose”

Resolution 1. 44 YES 34 NO	Resolution 3 passed unanimously
Resolution 2 passed unanimously	Resolution 4 passed unanimously

Ordinances – New & Revised

Town Meeting of December 12, 2011:

Published December 22, 2011 and Effective January 13, 2012

- Pension Committee, Part I, Subpart A, Article I, Division 2A, Section 2-51
- Article I, Division 2B, Section 2-53, 2-54, 2-55 - Other Post-Employment Benefits Trust

Town Council Meeting of June 25, 2012:

Published July 13, 2012 and Effective Aug 2, 2012

- Offenses and Miscellaneous Provisions, Fireworks - Part II, Chapter 13, Section 13-1
- Part II, Chapter 2B - Alcoholic Beverages
- Aquifer Protection Agency - Part II, Chapter 2, Article XIV, Section 2-151
- Pension Plan Administration - Chapter 2, Article II, Division 2, Section 2-49

YOUTH AGENCY
Annual Report 2011/2012

The Youth Agency's main office is located at 50 East Street in New Milford. The Agency is staffed by 9 full time professionals, a part time office coordinator, and 2 part time counselors and provided employment for a seasonal/part time staff of 65. The Town of New Milford funded the Agency's fiscal year 2011-2012 in the amount of \$1,003,692 of which 62% was returned in the form of revenue. (The Agency is under the auspices of the State Department of Education.) A ten member Board of Directors is responsible for the operation of the Agency in accordance with the town ordinance that created the Agency. During the past year the Agency provided services and programs that reached over 14,650 participants.

The Agency's mission statement is to study the local needs of the youth and their families and where feasible to create, coordinate and foster programs to promote the protection, health, education, welfare and well being of the youth of the Town of New Milford, in accordance with the general statute of the State of Connecticut and the charter of the Town of New Milford.

The following programs were offered during the 2011 - 2012 fiscal year:

YOUTH & FAMILY COUNSELING SERVICES – provides professional crisis intervention assessment and referral services at the Agency's offices and in the schools at no cost to the clients.

SUPPORT GROUPS – Held at the Youth Agency, the Maxx and New Milford schools. Parenting Education, Teen Support, Teen Mom Workshops and Grant Funded programming directed at youth and family development, education and support.

JUVENILE REVIEW PANEL – run in cooperation with the New Milford Police Department. Offers local youth offenders the opportunity to receive local counseling, community service, restitution and other programming designed to offer an alternative to contact with the court system.

WORKSHOPS – The Youth Agency's counselors offer a number of different groups and workshops every year. Some examples are shown below:

- Parenting
- Anger Management
- Girl Empowerment
- 8th Graders entering high school
- High Schoolers Going to College
- Life Skills
- Bullying
- Effective Habits of Teens

ASK A COUNSELOR For teens and parents to email questions about relationships, stress, substance abuse and other issues. You can tell us your name or stay anonymous. askacounselor@youthagency.org

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SUBSTANCE ABUSE PREVENTION COUNCIL - Comprised of members from the New Milford Youth Agency, New Milford Hospital, New Milford High School and the Police Department. The group meets on a monthly basis to allocate state money back into the community to prevent substance abuse within the town of New Milford. Some of the programs that have been funded include; Health Fair, DIRT Presentation, Parent University, Career Fair at New Milford High School, Community Speakers, Parenting Forums, Liquor License Retailer Forum and an Educational Campaign educating community parents.

SUBSTANCE ABUSE RESOURCE WEBSITE- Easily accessible on-line information for parents, youth and professionals seeking information on substance abuse. Free printed materials are also available at the Agency's office. <http://nmsubstanceabusecouncil.org>.

BEFORE & AFTER SCHOOL CHILDCARE – Childcare program for grades K-6, also available on vacations, snow days and during the summer. The Latchkey Program is school based with sites at all three elementary schools and the Sarah Noble Intermediate School.

COMMUNITY PROJECTS – collaboration with Town of New Milford, Schools, Nature Conservancies' and other youth serving organizations to collaborate and assist with community projects such as "Earth Day", Trails Day, Bike Day, Grad Party, Career Fair, Health Fair, Healthy Community 2020, United Way Youth Leadership and Childhood Nutrition Programs.

YOUTH EMPLOYMENT - One of the largest employers of teens in the Town of New Milford, with young employees involved in diverse work experiences, including Sullivan Farm, The Maxx and Latchkey Program.

HIGH SCHOOL AFTERSCHOOL PROGRAM– These programs offer after school activities for high school students such as skiing, hiking, photography, Snaxx at the Maxx, trail cleanups and other programs driven by teen feedback.

STUDENT ADVISORY BOARD – consists of 12 members, 3 from each grade at the HS. The Board oversees evaluations of Agency programming and acts as advisors to the YA. They actively participate in a wide range of Agency sponsored projects as well as community projects.

MAXX ADVISORY BOARD – Made up of 10 New Milford High School students in grades 9 – 12, the Board Members act as teen advisors to the Maxx. Helping to develop new program ideas ranging from events to menu items, the Advisory Board actively participates in promoting and attending Maxx functions and events.

THE MAXX – A youth run restaurant and music venue, open to high school age teens. The Maxx catering project also accommodates birthday parties, award dinners and many other special occasions such as fundraisers for cancer survivors, United Way Breakfast, New Milford Idol, High School Graduation party and more. Some of the other activities held at the Maxx are the Red Cross Blood Drives, Rotary meetings, Karate classes, cooking classes, Father's Day Breakfast, Girl Scout and Boy Scout Troops meetings. During the school year, afternoon activities centering on culinary skills, music and the arts are available to high school students.

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MAPLE SYRUP PROGRAM – A complete Maple Syrup program including: Historical tours for school and youth groups, Open House weekend, and hands-on activities for all ages. A seasonal must! 25 student workers and volunteers.

COMMUNITY SERVICE – the Agency provides opportunities for teenagers to perform volunteer and mandated community service under the supervision of Agency staff.

WEBSITES – The Agency maintains three different web sites for use by youth and community.

www.YouthAgency.org – The New Milford Youth Agency’s website created by a New Milford High School student is now a major source of information on the Agency including up-coming events and programs. Besides this information, the website provides links to: the Teen Yellow pages, Resource Directory, Substance Abuse Prevention Council and the Maxx website.

www.nmsubstanceabusecouncil.org - A local substance abuse task force made up of staff from the Youth Agency, New Milford Police, New Milford Hospital and New Milford schools. The group meets once a month to create and fund local substance abuse prevention programming. The web site contains substance abuse prevention information as well as a community calendar of events.

www.themaxxclubonline.com – This web site provides schedule of events at the Maxx as well as information about the facility, catering availability and rental information.

WORK CREW – 17 high school students Maintaining graveyards, trail renovations, bridge construction, assisting nonprofit organizations in town with projects.

MENTORING PROGRAM – A free weekly homework club matching exemplary high school volunteers who are screened and trained with 4th – 6th graders who are referred by teachers, staff and parents to improve on study skills, organization, reading and math skills.

SUMMER THURSDAYS – Open to 4th to 9th graders who can benefit from social, physical and creative activities, free of charge. Older student volunteers and Youth Agency staff offer crafts, supervision, sports and games every Thursday, with times convenient for working parents.

CULINARY PROGRAMS – High School age students learn the business of the culinary arts from the ground up. Students participate in all aspects of running a restaurant, as well as food preparation and serving at catering events at the Maxx.

POLICE & YOUTH GRANTS – The Agency, in conjunction with New Milford Police, run leadership and outdoor adventure based programming that bridges the gap between our town’s youth and police department. A community service project is involved with each year’s grant. Last year, the group constructed a fishing dock at Sega Meadows Park. This year, the group will construct an agility course at the Town’s dog park.

ZONING COMMISSION 2011/2012

Zoning was adopted in the Town of New Milford in December, 1971. The purpose of the Zoning Regulations is to guide the growth and development of the Town of New Milford so as to promote beneficial and convenient relationships among residential, commercial, industrial and public areas within the town, considering the suitability of each area for such uses, as indicated by existing conditions, trends in population, mode of living, and future needs for various types of development.

The Zoning Commission consists of five elected members and three appointed alternates. Meetings are held the second and fourth Tuesday of each month. The Zoning Commission reviews all applications for commercial development through the site plan and special permit approval processes. The Commission also reviews all requests for amendments to the zoning map and zoning regulations. The office staff is comprised of a full-time Enforcement Officer, a Land Use Inspector and an Office Coordinator. Both the Land Use Inspector and Office Coordinator split their time between the Zoning and Inland Wetlands offices. The Zoning Enforcement Officer represents the Zoning Commission and is responsible for enforcement of the regulations, review of all site plan, special permit, zone change and regulation amendment applications brought before the Zoning Commission and review of subdivision applications brought before the Planning Commission. The Enforcement Officer also works closely with the Zoning Commission on the regulation amendments initiated by the Commission. The Enforcement Officer or Land Use Inspector also reviews all residential permit applications to determine conformity with the regulations. The Zoning and Inland Wetlands offices continue to collect and release all sedimentation and erosion control (S&E) bonds. Inspections are primarily performed by the Land Use Inspector and follow-up paperwork is completed by the Office Coordinator. In January, 2009 the Zoning/Inland Wetlands Office Coordinator and Land Use Inspector assumed responsibility for the processing of variance applications, preparation and follow-up of Board meetings as well as the daily office operations for the Zoning Board of Appeals.

During fiscal year 2011-2012, 126 applications not requiring individual permits were processed and 312 zoning permits were issued with a total of \$42,896.08 in permit fees collected. Additional revenue of \$9,368.50 was generated through fees for site plan review, special permit applications, municipal citations and the sale of copies of the zoning regulations and zone map. A total of 61 Site Plan Applications were received and reviewed and 32 Special Permit Applications were received and public hearings held. There was 1 zone change application; 0 regulation amendments applications and 0 regulation amendments initiated by the Commission. Gross engineering fees for review totaled \$4,840.00. 23 written complaints dealing with issues such as prohibited uses, unregistered motor vehicles, illegal apartments, non-permitted signs and improper erosion controls were received and reviewed. Inspections, sometimes multiple inspections, were made of these sites and the appropriate follow-up action taken. Additional inspections were conducted on several dozen verbal complaints.

**Zoning Board of Appeals
Annual Report
2011-2012**

The Zoning Board of Appeals is charged with hearing appeals for relief from any requirement of the Zoning Regulations as well as requests to appeal the decision of the Zoning Enforcement Officer. The Board is made up of five regular members and three alternates and has the power to grant variances under Section 8-6(3) of the Connecticut General Statutes. The concurring vote of four members of the Zoning Board of Appeals is necessary to reverse any order, requirement, decisions of the Zoning Enforcement Officer or to vary the Zoning Regulations.

The Zoning Board of Appeals meetings are scheduled for the third Wednesday of each month and are generally held in the E. Paul Martin Meeting Room located on the second floor of Town Hall.

In January, 2009 the Zoning/Inland Wetlands Office Coordinator and Land Use Inspector assumed responsibility for the processing of variance applications, preparation and follow-up of Board meetings as well as the daily office operations for the Zoning Board of Appeals.

During the 2011 – 2012 fiscal year the Zoning Board of Appeals heard 35 appeals for variance requests and 1 appeal for a decision made by the Zoning Enforcement Officer. The Board collected \$5,670.00 in application fees.

**Management's
Discussion and
Analysis**

Taken from the 2011/ 2012 Audit

*Town of New Milford
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The management of the Town of New Milford, Connecticut (the “Town”) offers the readers of its financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2012.

Financial Highlights

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$176,711,967 (net assets). Of this amount, \$36,131,843 represents unrestricted net assets. Of this amount, \$3,850,480 represents unrestricted net assets attributed to the operations of the Town’s Water Pollution Control Authority (business-type activities).
- The Town’s total net assets decreased by \$6,125,399 during the current fiscal year, which consisted of a current year decrease of \$30,192,955 relating to the Town’s governmental activities and an increase of \$24,067,556 relating to the Town’s business-type activities.
- As of the close of the current fiscal year, the Town’s governmental funds reported a combined ending fund balance of \$1,809,865, a current year decrease of \$3,108,411 in comparison with the prior year. Of this amount, there was a current year decrease of \$254,752 in the General Fund, an increase of \$1,068,570 in the Waste Management Ordinance Fund, a decrease of \$2,668,232 in the Sewer Expansion Fund, a decrease of \$488,770 in the Capital Reserve Fund and a current year decrease of \$765,227 in the other governmental funds.
- At the close of the current fiscal year, unassigned fund balance of the General Fund was \$11,898,850 or 12.0% of total general fund expenditures and net other financing sources. Expressed another way, unassigned fund balance for the General Fund was sufficient to cover 1.4 months of general fund operating expenditures and transfers out.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

The statement of net assets presents information on all of the Town’s assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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The statement of activities presents information showing how the Town's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements are intended to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include activities such as: general government, public safety, public works, health and welfare, library, culture and recreation, and education. The business-type activities of the Town include the Water Pollution Control Authority activities.

The government-wide financial statements can be found on pages 95 and 96 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

The Town maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Waste Management Ordinance Fund, the Sewer Expansion Fund, and the Capital Reserve Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 97-101 of this report.

Fund Financial Statements (Continued)

Proprietary Funds

Enterprise funds are used to report the same functions presented as business type activities in the government-wide financial statements. The Town uses an enterprise fund to account for the operations of the Town's Water Pollution Control Authority. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its risk management activities. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 102-104 of this report.

Fiduciary Funds

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

The basic fiduciary fund financial statements can be found on pages 105 and 106 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 108-141 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information and combining and individual fund statements and schedules which can be found on pages 64 and 65 - 92 of the full audit report, which is available in the Finance Office of Town Hall.

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Government-wide Financial Analysis

Net Assets

Over time, net assets may serve as one measure of a government's financial position. Total net assets of the Town (governmental and business type activities combined) totaled \$176,711,967 and \$182,766,786 as of June 30, 2012 and 2011 and are summarized as follows:

Town of New Milford, Connecticut
Net Assets
June 30, 2012

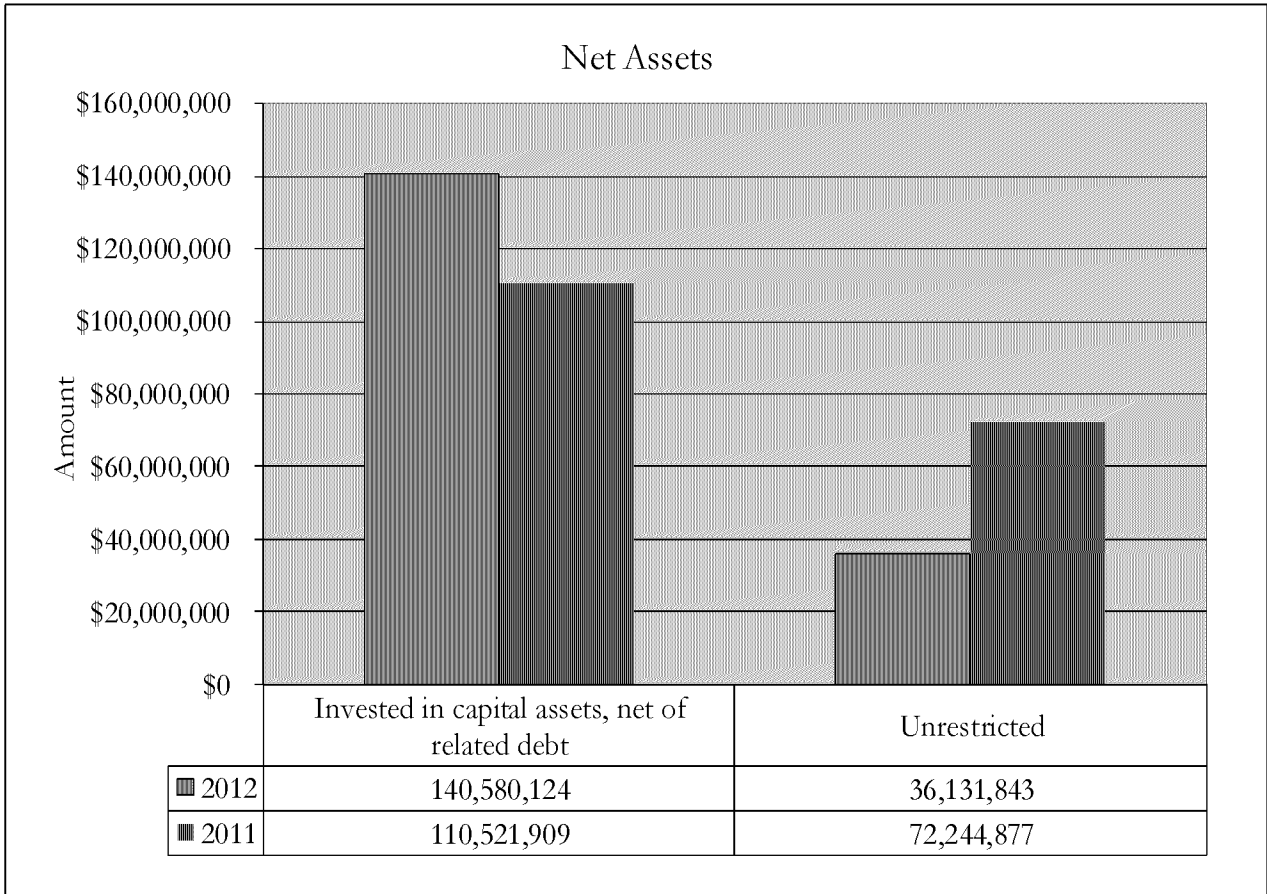
	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 71,905,725	\$ 4,125,499	\$ 76,031,224
Capital assets	132,113,247	41,102,499	173,215,746
Total assets	<u>204,018,972</u>	<u>45,227,998</u>	<u>249,246,970</u>
Other liabilities	32,726,540	275,019	33,001,559
Long-term liabilities	35,802,691	3,730,753	39,533,444
Total liabilities	<u>68,529,231</u>	<u>4,005,772</u>	<u>72,535,003</u>
Net assets:			
Invested in capital assets, net of related debt	103,208,378	37,371,746	140,580,124
Unrestricted	32,281,363	3,850,480	36,131,843
Total net assets	<u>\$ 135,489,741</u>	<u>\$ 41,222,226</u>	<u>\$ 176,711,967</u>

Town of New Milford, Connecticut
Net Assets
June 30, 2011

	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 81,548,277	\$ 4,485,937	\$ 86,034,214
Capital assets	158,208,117	17,087,392	175,295,509
Total assets	<u>239,756,394</u>	<u>21,573,329</u>	<u>261,329,723</u>
Other liabilities	35,627,982	171,056	35,799,038
Long-term liabilities	38,563,547	4,200,352	42,763,899
Total liabilities	<u>74,191,529</u>	<u>4,371,408</u>	<u>78,562,937</u>
Net assets:			
Invested in capital assets, net of related debt	97,634,869	12,887,040	110,521,909
Unrestricted	67,929,996	4,314,881	72,244,877
Total net assets	<u>\$ 165,564,865</u>	<u>\$ 17,201,921</u>	<u>\$ 182,766,786</u>

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Net Assets (Continued)



As of June 30, 2012, 76.2% of the Town’s net assets reflect its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The remainder of the Town’s net assets are considered unrestricted.

Overall, net assets decreased by current year net income of \$6,125,399 in comparison with the prior year.

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Changes in Net Assets

Changes in net assets for the years ended June 30, 2012 and 2011 are as follows:

Town of New Milford, Connecticut
Changes in Net Assets
For The Year Ended June 30, 2012

	Governmental Activities	Business-type Activities	Total
Revenues			
Program revenues:			
Charges for services	\$ 9,431,110	\$ 1,882,493	\$ 11,313,603
Operating grants and contributions	23,111,542	-	23,111,542
Capital grants and contributions	3,236,954	-	3,236,954
General revenues:			
Property taxes, levied for general purposes	70,597,618	-	70,597,618
Grants and contributions not restricted to specific programs	824,363	-	824,363
Income from investments	69,886	(199,415)	(129,529)
Loss on disposal of assets	(206,239)	(4,334,211)	(4,540,450)
Total revenues	<u>107,065,234</u>	<u>(2,651,133)</u>	<u>104,414,101</u>
Expenses			
General government	10,802,858	-	10,802,858
Public safety	6,941,758	-	6,941,758
Public works	10,037,031	-	10,037,031
Health and welfare	2,663,795	-	2,663,795
Library	1,096,164	-	1,096,164
Culture and recreation	1,507,343	-	1,507,343
Education	74,168,344	-	74,168,344
Interest on long-term debt	1,172,293	-	1,172,293
Water Pollution Control Authority	-	2,149,914	2,149,914
Total expenses	<u>108,389,586</u>	<u>2,149,914</u>	<u>110,539,500</u>
Change in net assets before transfers	<u>(1,324,352)</u>	<u>(4,801,047)</u>	<u>(6,125,399)</u>
Transfers	<u>(28,868,603)</u>	<u>28,868,603</u>	<u>-</u>
Change in net assets	<u>(30,192,955)</u>	<u>24,067,556</u>	<u>(6,125,399)</u>
Net assets, beginning	165,564,865	17,201,921	182,766,786
Adjustments	117,831	(47,251)	70,580
Net assets - beginning, as adjusted	<u>165,682,696</u>	<u>17,154,670</u>	<u>182,837,366</u>
Net assets, ending	<u>\$ 135,489,741</u>	<u>\$ 41,222,226</u>	<u>\$ 176,711,967</u>

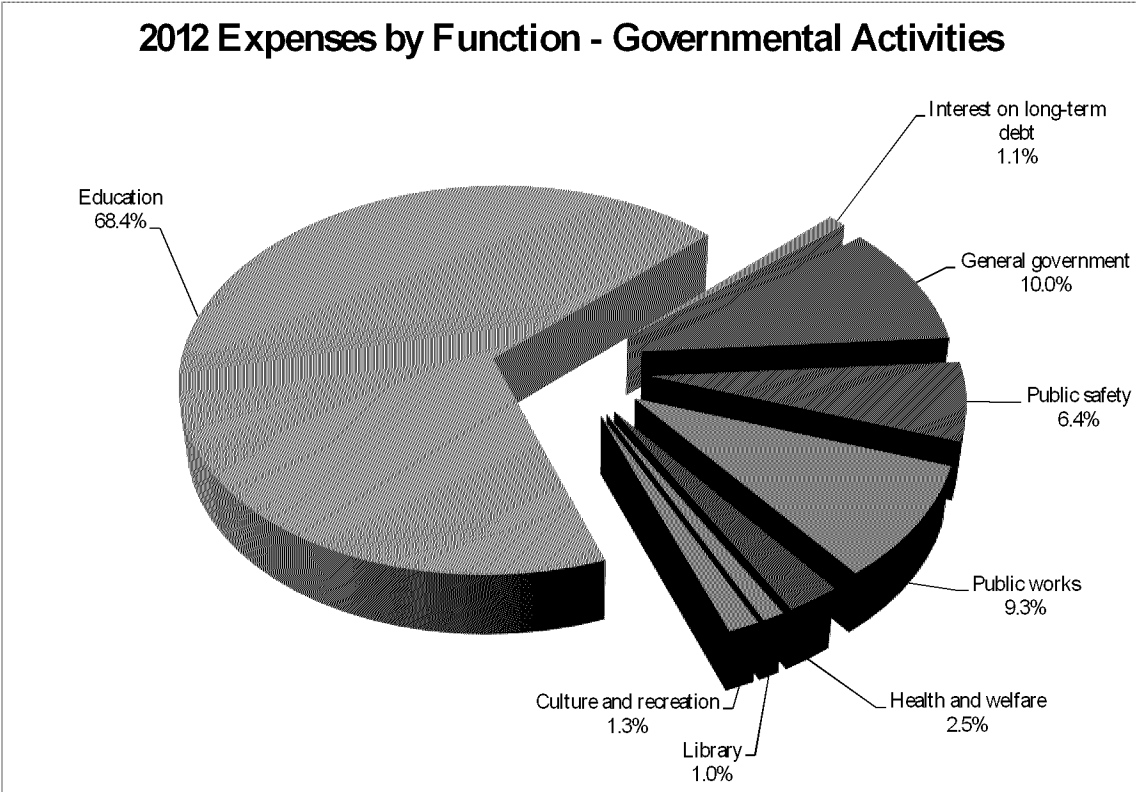
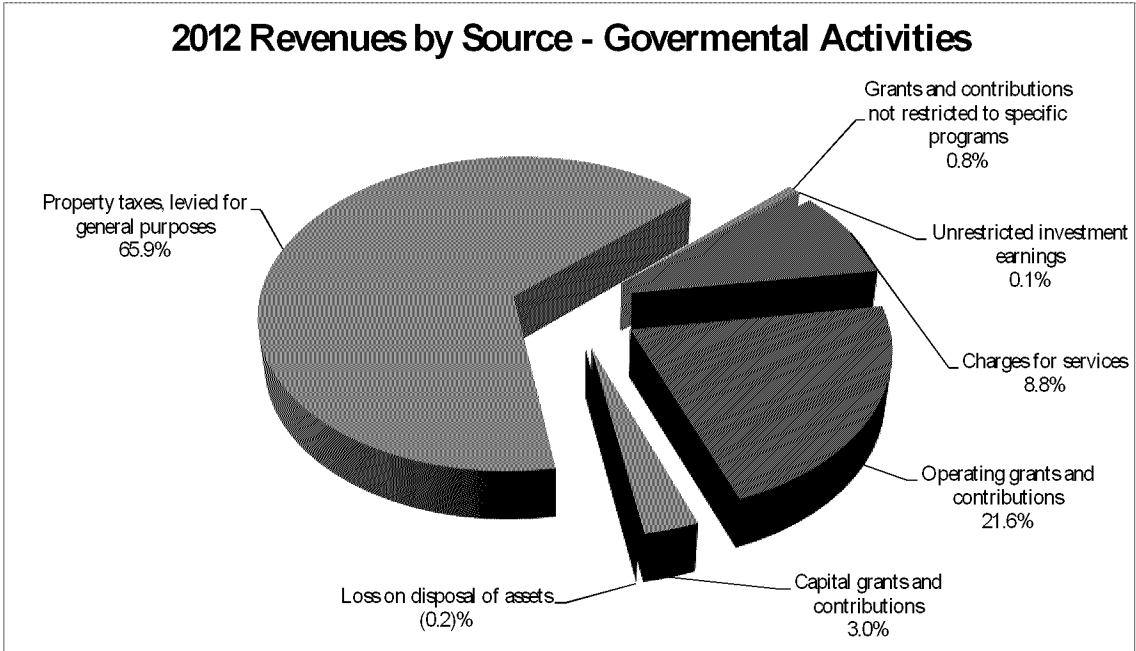
Town of New Milford
Annual Report 11/12

Change in Net Assets (Continued)

Town of New Milford, Connecticut
Changes in Net Assets
For The Year Ended June 30, 2011

	Governmental Activities	Business-type Activities	Total
Revenues			
Program revenues:			
Charges for services	\$ 8,128,793	\$ 1,988,963	\$ 10,117,756
Operating grants and contributions	24,644,922	-	24,644,922
Capital grants and contributions	4,332,095	-	4,332,095
General revenues:			
Property taxes, levied for general purposes	69,440,320	-	69,440,320
Grants and contributions not restricted to specific programs	1,627,693	-	1,627,693
Income from investments	359,203	84,525	443,728
Total revenues	<u>108,533,026</u>	<u>2,073,488</u>	<u>110,606,514</u>
Expenses			
General government	10,209,398	-	10,209,398
Public safety	6,162,853	-	6,162,853
Public works	9,575,081	-	9,575,081
Health and welfare	2,524,076	-	2,524,076
Library	959,713	-	-
Culture and recreation	1,684,871	-	1,684,871
Education	73,465,256	-	73,465,256
Interest on long-term debt	1,110,300	-	1,110,300
Water Pollution Control Authority	-	2,290,350	2,290,350
Total expenses	<u>105,691,548</u>	<u>2,290,350</u>	<u>107,022,185</u>
Change in net assets	2,841,478	(216,862)	3,584,329
Net assets, beginning	162,723,387	17,418,783	180,142,170
Net assets, ending	<u>\$ 165,564,865</u>	<u>\$ 17,201,921</u>	<u>\$ 183,726,499</u>

Change in Net Assets (Continued)



Governmental Activities

Governmental activities decreased the Town's net assets by a current year change of \$30,192,955. This decrease is mainly attributable the transfer of approximately \$28 million in capital assets to the Water Pollution Control Facility, related to the building upgrade funded through Clean Water Loans by the Town.

Business-type Activities

Business-type activities increased the Town's net assets by a current year change of \$24,067,556. The current year increase was primarily caused by the transfer in of capital assets of approximately \$28 million, offset by current year losses on asset disposals of approximately \$4 million.

Financial Analysis of the Town's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$1,809,865.

General Fund

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was \$11,898,850. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 12.0% of total general fund expenditures and transfers out. Expressed another way, unassigned fund balance for the general fund was sufficient to cover 1.4 months of general fund operating expenditures and transfers out.

The fund balance of the Town's general fund decreased by \$371,561 during the current fiscal year, which was primarily due to certain unfavorable intergovernmental revenue variances as well as prior period restatements totaling \$115,809.

Waste Management Fund

The fund balance of the Waste Management Fund increased by \$1,068,570 during the current fiscal year. This increase was primarily due to proceeds received related to the long-term settlement receivable discussed in Note E found on page 121 of this report.

Sewer Expansion Fund

The fund balance of the Sewer Expansion Fund decreased by \$2,434,592 during the current fiscal year. This decrease was primarily due to capital outlays related to the sewer expansion project. These costs are expected to be funded by Clean Water Loans in the future. In addition, there was an increase in fund balance due to a prior period adjustment in the amount of \$233,640. See Note Q on page 139 of this report for additional discussion regarding prior period restatements.

Capital Reserve Fund

The fund balance of the Capital Reserve Fund decreased by \$488,770 during the current fiscal year. This decrease was primarily due to various capital outlay projects in excess of current year revenues.

General Fund Budgetary Highlights

The actual net change in fund balance of the General Fund on a budgetary basis was an increase of \$1,289,442. Of this amount, \$1,066,202 pertains to prior period adjustments, as discussed in Note Q. Expenditures were \$2,579,514 less than budgeted, and total budgetary revenues were \$46,235 less than expected. During the year ended June 30, 2012, the Town Council approved additional appropriations of \$1,325,025 from fund balance.

Capital Asset and Debt Administration

Capital Assets

The Town's investment in capital assets for its governmental and business type activities as of June 30, 2012 totaled \$173,215,746 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings and improvements, infrastructure, land improvements, and machinery and equipment. The total decrease in the Town's investment in capital assets for the current fiscal year was \$2,032,930 or 1.2%. This decrease consisted primarily of capital asset additions of approximately \$8.5 million, offset by depreciation expense of approximately \$6 million and asset disposals of approximately \$4.5 million. Major capital asset events during the current fiscal year included the following:

- Outlays of approximately \$3.6 million to complete the facility upgrade at the Water Pollution Control Authority.
- Disposals of approximately \$4.3 million from the Water Pollution Control Authority relating to the facility upgrades and various disposals that occurred during the upgrade.
- Outlays for various road construction and improvements totaling \$2,149,220.
- Outlays of \$662,882 pertaining to the police dispatcher center.
- Outlays for various machinery and equipment and vehicles totaling approximately \$1.2 million.

Town of New Milford
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Capital Assets (Continued)

The following are tables of the investment in capital assets presented for both governmental and business-type activities:

Town of New Milford, Connecticut
Capital Assets, Net
June 30, 2012

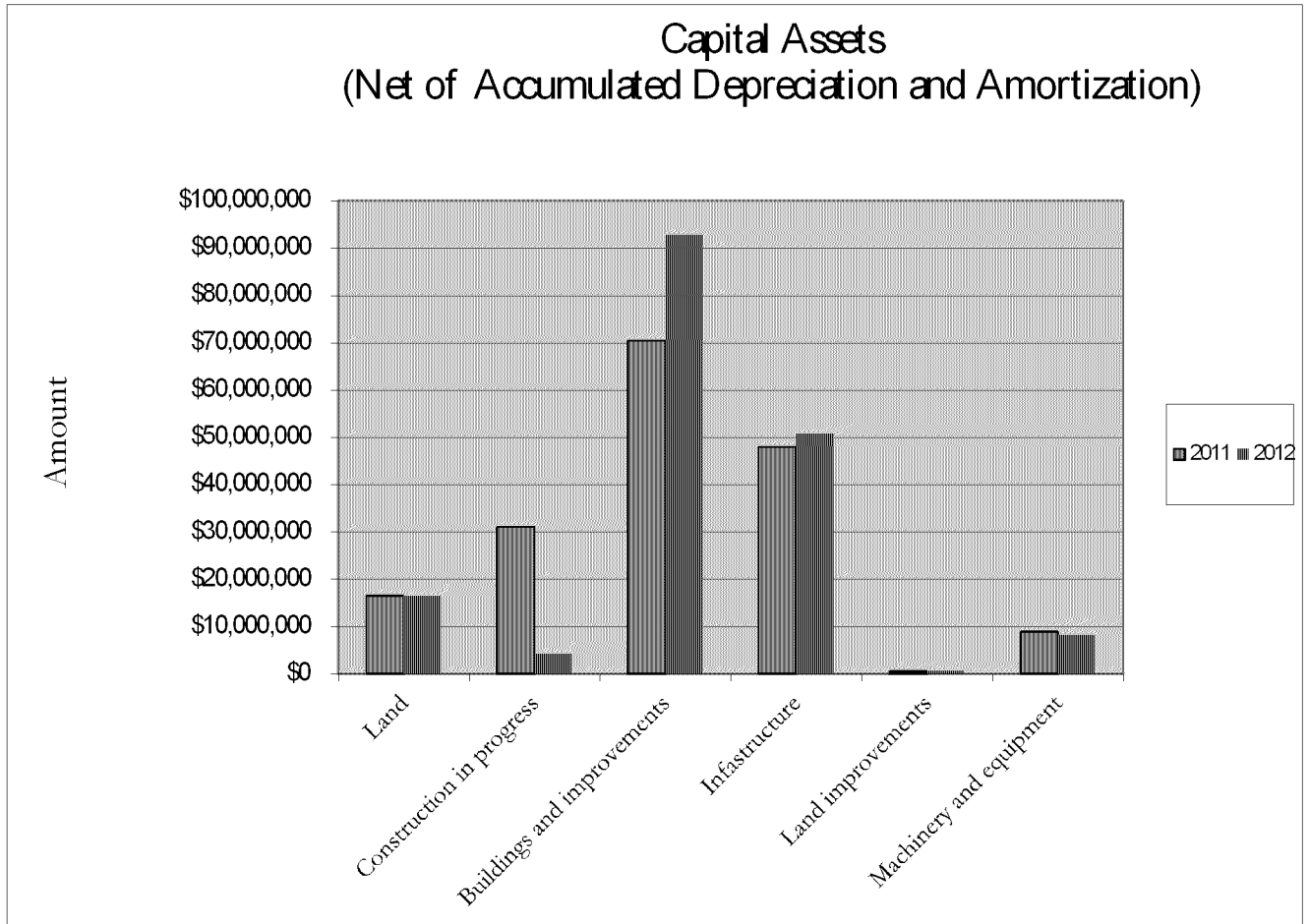
	Governmental Activities	Business-type Activities	Total
Land	\$ 16,478,453	\$ 5,000	\$ 16,483,453
Construction in progress	3,833,204	431,594	4,264,798
Buildings and improvements	63,787,793	29,049,462	92,837,255
Infrastructure	42,325,636	8,480,263	50,805,899
Land improvements	576,368	-	576,368
Machinery and equipment	5,111,793	3,136,180	8,247,973
Totals	<u>\$ 132,113,247</u>	<u>\$ 41,102,499</u>	<u>\$ 173,215,746</u>

Town of New Milford, Connecticut
Capital Assets, Net
June 30, 2011

	Governmental Activities	Business-type Activities	Total
Land	\$ 16,478,453	\$ 5,000	\$ 16,483,453
Construction in progress	28,189,705	2,830,820	31,020,525
Buildings and improvements	65,496,129	4,893,700	70,389,829
Infrastructure	42,074,053	5,866,714	47,940,767
Land improvements	532,604	-	532,604
Machinery and equipment	5,437,173	3,491,158	8,928,331
Totals	<u>\$158,208,117</u>	<u>\$ 17,087,392</u>	<u>\$175,295,509</u>

Capital Asset and Debt Administration (Continued)

Capital Assets (Continued)



Additional information on the Town's capital assets can be found in Note D on pages 120 -121 of this report.

Long-term Debt

At the end of the current fiscal year, the Town had total debt outstanding of \$55,825,000. This entire amount is comprised of debt backed by the full faith and credit of the Town. The Town's total debt decreased by \$4,149,947 or 7.4% during the current fiscal year due primarily scheduled principal repayments.

State statutes limit the amount of general obligation debt the Town may issue to seven times its annual receipts from taxation, as defined by the statutes. The current debt limitation for the Town is \$494,715,214, which is in excess of the Town's outstanding general obligation debt.

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Long-term Debt (Continued)

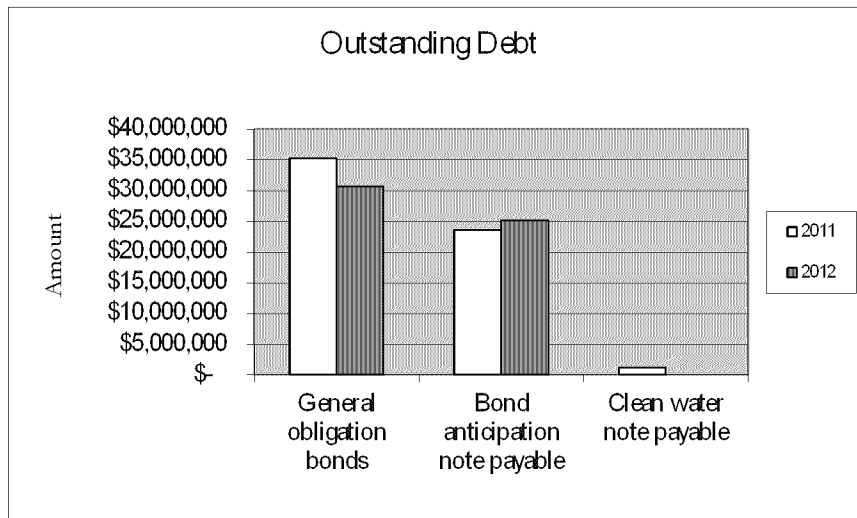
The following are tables of long-term bonded debt:

**Town of New Milford, Connecticut
Long-term Debt
June 30, 2012**

	Governmental Activities	Business-type Activities	Total
General obligation bonds	\$ 27,631,146	\$ 3,053,854	\$30,685,000
Bond anticipation note payable	25,140,000	-	25,140,000
Clean water note payable	240,838	676,899	917,737
Totals	\$ 52,771,146	\$ 3,053,854	\$55,825,000

**Town of New Milford, Connecticut
Long-term Debt
June 30, 2011**

	Governmental Activities	Business-type Activities	Total
General obligation bonds	\$ 31,914,534	\$ 3,330,466	\$35,245,000
Bond anticipation note payable	23,550,000	-	23,550,000
Clean water note payable	310,061	869,886	1,179,947
Totals	\$ 55,774,595	\$ 4,200,352	\$59,974,947



Additional information on the Town's long-term debt can be found in Note I on pages 123-127 of this report.

Economic Factors and Next Year's Budget and Rates

A summary of key economic factors affecting the Town are as follows:

- The unemployment rate for the Town is currently 7.1%, while the state's average unemployment rate is 8.1% and the national unemployment rate is 8.2%.
- Unassigned fund balance of the General Fund totals \$11,898,850 at June 30, 2012.
- Significant estimates affecting next year's budget that are subject to change in the near term consist of the following:
 - For purposes of calculating property tax revenues for fiscal year 2013, the assessor's grand list was used along with an estimated tax rate, and an estimated rate of collection, with deductions for taxes to be paid by the State on behalf of certain taxpayers.
 - Intergovernmental grants were based on estimates from the State. Connecticut's economy moves in the same general cycle as the national economy, which may affect the amount of intergovernmental revenues the Town will receive in fiscal year 2013 and thereafter.
 - It is unknown how changes in market interest rates will impact real estate activity and related revenues collected by the Town Clerk and the amount of conveyance taxes and interest income.

All of these factors were considered in preparing the Town's budget for fiscal year 2013.

**Basic
Financial
Statements**

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TOWN OF NEW MILFORD, CONNECTICUT

STATEMENT OF NET ASSETS

JUNE 30, 2012

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and cash equivalents	\$ 30,839,005	\$ 3,880,491	\$ 34,719,496
Investments	1,164,365	-	1,164,365
Receivables:			
Property taxes, net of allowance for uncollectibles of \$238,000	2,111,129	-	2,111,129
Interest on property taxes and assessments, net of allowance for uncollectibles of \$288,000	600,931	-	600,931
Sewer user charges receivable	-	155,326	155,326
Special assessment and connection fees	-	516,720	516,720
Grants and contracts receivable	-	-	-
Intergovernmental	2,347,071	-	2,347,071
Settlement	1,600,000	-	1,600,000
Other	807,820	13,000	820,820
Internal balances	2,750,129	(2,750,129)	-
Inventories	44,590	105,436	150,026
Net pension asset	583,915	-	583,915
Noncurrent assets:			
Receivables:			
Special assessment and connection fees, net of allowance for uncollectibles of \$9,941	-	2,204,655	2,204,655
Intergovernmental	5,356,770	-	5,356,770
Settlement	23,700,000	-	23,700,000
Other	-	-	-
Capital assets:			
Non-depreciable	20,311,657	436,594	20,748,251
Depreciable, net	111,801,590	40,665,905	152,467,495
Total assets	<u>204,018,972</u>	<u>45,227,998</u>	<u>249,246,970</u>
LIABILITIES			
Accounts payable	3,597,749	18,424	3,616,173
Accrued liabilities:			
Salaries and benefits payable	344,799	13,913	358,712
Accrued interest	530,777	63,055	593,832
Other accrued liabilities	254,334	179,627	443,961
Claims payable	1,039,400	-	1,039,400
Unearned revenue	479,278	-	479,278
Due to funding source	19,460	-	19,460
Notes payable	1,310,743	-	1,310,743
Bond anticipation note payable	25,140,000	-	25,140,000
Noncurrent liabilities:			
Due within one year:			
Bonds and notes payable	4,352,553	469,657	4,822,210
Capital lease obligations	323,308	-	323,308
Compensated absences	209,372	-	209,372
Early retirement incentive	364,000	-	364,000
Due in more than one year:			
Bonds and notes payable	23,990,729	3,261,096	27,251,825
Capital lease obligations	238,279	-	238,279
Compensated absences	226,638	-	226,638
Early retirement incentive	624,000	-	624,000
Pollution remediation obligation	4,330,000	-	4,330,000
Net OPEB obligation	1,143,812	-	1,143,812
Total liabilities	<u>68,529,231</u>	<u>4,005,772</u>	<u>72,535,003</u>
NET ASSETS			
Invested in capital assets, net of related debt	103,208,378	37,371,746	140,580,124
Restricted for:			
Grant program purposes	-	-	-
Other purposes	-	-	-
Unrestricted	32,281,363	3,850,480	36,131,843
Total net assets	<u>\$ 135,489,741</u>	<u>\$ 41,222,226</u>	<u>\$ 176,711,967</u>

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TOWN OF NEW MILFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

Functions/ Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental activities:							
General government	\$ 10,802,858	\$ 1,412,225	\$ -	\$ -	\$ (9,390,633)	\$ -	\$ (9,390,633)
Public safety	6,941,758	733,391	191,581	-	(6,016,786)	-	(6,016,786)
Public works	10,037,031	371,448	1,170,822	2,385,795	(6,108,966)	-	(6,108,966)
Health and welfare	2,663,795	149,738	348,873	-	(2,165,184)	-	(2,165,184)
Library	1,096,164	37,011	27,193	-	(1,031,960)	-	(1,031,960)
Culture and recreation	1,507,343	1,054,546	21,778	-	(431,019)	-	(431,019)
Education	74,168,344	5,672,751	21,351,295	851,159	(46,293,139)	-	(46,293,139)
Interest on long-term debt	1,172,293	-	-	-	(1,172,293)	-	(1,172,293)
Total governmental activities	108,389,586	9,431,110	23,111,542	3,236,954	(72,609,980)	-	(72,609,980)
Business-type activities:							
Sewer	2,149,914	1,882,493	-	-	-	(267,421)	(267,421)
Total primary government	\$ 110,539,500	\$ 11,313,603	\$ 23,111,542	\$ 3,236,954	(72,609,980)	(267,421)	(72,877,401)
General revenues:							
Property taxes, levied for general purposes						70,597,618	-
Grants and contributions not restricted to specific programs						824,363	-
Income from investments						69,886	(199,415)
Loss on disposal of assets						(206,239)	(4,334,211)
Total general revenues						71,285,628	(4,533,626)
Transfers							
Total general revenues and transfers					(28,868,603)	28,868,603	-
Change in net assets					(30,192,965)	24,067,556	(6,125,399)
Net assets - beginning, as originally reported					165,564,865	17,201,921	182,766,786
Prior period adjustments (See Note Q)					117,831	(47,251)	70,580
Net assets - beginning, as adjusted					165,682,696	17,154,670	182,837,366
Net assets - ending					\$ 135,489,741	\$ 41,222,226	\$ 176,711,967

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TOWN OF NEW MILFORD, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2012

	General Fund	Waste Management Ordinance	Sewer Expansion Fund	Capital Reserve Fund	Other Govment'l Funds	Total Govment'l Funds
ASSETS						
Cash and cash equivalents	\$ 15,336,759	\$ 6,498,355	\$ 1,718,494	\$ 1,068,219	\$ 5,214,477	\$ 29,836,304
Investments	-	-	-	-	1,164,365	1,164,365
Receivables:						
Property taxes, net of allowance for net of allowance for uncollectibles of \$238,000	2,111,129	-	-	-	-	2,111,129
Interest on property taxes and assessments, net of allowance for uncollectibles of \$288,000	600,931	-	-	-	-	600,931
Intergovernmental	877,573	-	-	-	150,924	1,028,497
Other	629,609	-	-	-	139,711	769,320
Due from other funds	3,853,079	-	-	-	249,022	4,102,101
Inventories	34,105	-	-	-	10,485	44,590
Prepaid items	-	-	-	-	-	-
Total assets	\$ 23,443,185	\$ 6,498,355	\$ 1,718,494	\$ 1,068,219	\$ 6,928,984	\$ 39,657,237
LIABILITIES AND FUND BALANCES (DEFICIT)						
Liabilities:						
Accounts payable and accrued expenses	\$ 1,023,327	\$ -	\$ -	\$ -	\$ 146,349	\$ 1,169,676
Bond anticipation notes payable	-	-	-	-	-	-
Notes payable	-	-	-	-	-	-
Accrued liabilities:						
Salaries and benefits payable	344,799	-	-	-	-	344,799
Other accrued liabilities	235,394	-	-	-	28,940	264,334
Due to other funds	5,373,636	-	-	-	1,178,131	6,551,767
Due to the State of Connecticut	-	-	-	-	19,460	19,460
Unearned/ deferred revenue	2,912,254	-	-	-	134,339	3,046,593
Notes payable	-	-	1,310,743	-	-	1,310,743
Bond anticipation note payable	-	-	22,350,000	530,000	2,260,000	25,140,000
Total liabilities	9,889,410	-	23,660,743	530,000	3,767,219	37,847,372
Fund Balances (deficit):						
Nonspendable:						
Inventory	34,105	-	-	-	10,485	44,590
Restricted for:						
Grant program purposes	-	-	-	-	4,349	4,349
External	-	-	-	-	9,030	9,030
Committed to:						
Public safety	-	-	-	-	32,243	32,243
Public Works	-	-	-	-	177,293	177,293
Health and welfare	-	-	-	-	89,338	89,338
Library	-	-	-	-	1,208,843	1,208,843
Culture and recreation	-	-	-	-	138,352	138,352
Education	-	-	-	-	475,389	475,389
Capital outlays	-	6,498,355	-	538,219	3,037,461	10,074,035
Volunteer fire	179,109	-	-	-	-	179,109
Unreserved, designated for:						
Assigned to:						
Subsequent appropriations	651,294	-	-	-	-	651,294
General government	54,957	-	-	-	-	54,957
Public safety	50,384	-	-	-	-	50,384
Public works	78,073	-	-	-	-	78,073
Health and welfare	7,409	-	-	-	-	7,409
Culture and recreation	48,899	-	-	-	-	48,899
Education	429,888	-	-	-	-	429,888
Capital outlays	120,807	-	-	-	-	120,807
Unassigned	11,898,850	-	(21,942,249)	-	(2,021,018)	(12,064,417)
Total fund balances (deficit)	13,553,775	6,498,355	(21,942,249)	538,219	3,161,765	1,809,865
Total liabilities and fund balances (deficit)	\$ 23,443,185	\$ 6,498,355	\$ 1,718,494	\$ 1,068,219	\$ 6,928,984	\$ 39,657,237

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TOWN OF NEW MILFORD, CONNECTICUT

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS

TO THE STATEMENT OF NET ASSETS

JUNE 30, 2012

Total fund balances (deficit) for governmental funds		\$ 1,809,865
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:		
Land	\$ 16,478,453	
Construction in progress	3,833,204	
Buildings and improvements	93,046,020	
Infrastructure	100,282,436	
Land improvements	1,023,491	
Machinery and equipment	18,401,827	
Less accumulated depreciation and amortization	(100,952,184)	
Total capital assets, net		132,113,247
Annual required pension contributions not contributed or expected to be liquidated with expendable available resources are not reported as fund liabilities. Such liabilities are applicable to the Town's governmental activities and are reported in the statement of net assets.		
		(2,428,073)
The net pension asset resulting from contributions in excess of the annual required contributions are not financial resources and therefore are not reported in the funds.		
		583,915
Some of the Town's taxes, assessments, interest and other receivables will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds:		
		2,567,315
Long-term receivables are not available soon enough to pay for the current periods expenditures, and therefore are not reported in the funds:		
School construction receivable	6,675,344	
Settlement receivable	25,300,000	
		31,975,344
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets.		
Accrued interest payable	(530,777)	
Long-term debt:		
Bonds and note payable	(28,343,282)	
Other long-term liabilities:		
Capital lease obligations	(561,587)	
Compensated absences	(436,010)	
Early retirement incentive	(988,000)	
Pollution remediation obligation	(4,330,000)	
Net OPEB obligation	(1,143,812)	
Total long-term liabilities		(36,333,468)
An internal service fund is used by the Town to charge the cost of risk management activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		
		5,201,596
Net assets of governmental activities		\$ 135,489,741

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TOWN OF NEW MILFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Waste Management Ordinance	Sewer Expansion Fund	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 70,524,083	\$ -	\$ -	\$ -	\$ -	\$ 70,524,083
Interest and lien fees						
Intergovernmental	22,747,545	-	766,971	194,000	3,736,485	27,445,001
Charges for services	4,713,044	-	-	-	3,667,448	8,380,492
Donations	-	-	-	-	247,123	247,123
Licenses and permits						
Investment earnings	34,371	12,470	7,398	2,681	12,566	69,486
Miscellaneous	-	1,600,000	-	-	60,943	1,660,943
Total revenues	98,019,043	1,612,470	774,369	196,681	7,724,565	108,327,128
EXPENDITURES						
Current:						
General government	10,254,674	-	-	-	-	10,254,674
Land use						
Finance and taxation						
Public safety	6,288,514	-	-	-	46,323	6,334,837
Public works	6,421,227	-	-	-	46	6,421,273
Health and welfare	2,510,539	-	-	-	14,630	2,525,169
Social services						
Library	-	-	-	-	1,096,164	1,096,164
Culture and recreation	1,199,988	-	-	-	13,603	1,213,591
Education	64,012,160	-	-	-	5,782,839	69,794,999
Debt service:						
Principal payments	4,693,666	-	-	-	-	4,693,666
Interest and fiscal charges	1,423,136	-	-	-	-	1,423,136
Capital outlays	2,036,499	-	3,638,015	685,451	2,333,152	8,693,117
Total expenditures	98,840,403	-	3,638,015	685,451	9,286,757	112,450,626
Excess (deficiency) of revenues						
over expenditures	(821,360)	1,612,470	(2,863,646)	(488,770)	(1,562,192)	(4,123,498)
OTHER FINANCING SOURCES (USES)						
Proceeds from capital lease	484,673	-	-	-	-	484,673
General obligation bonds						
Premium on bonds						
Refunding bonds						
Payment to escrow						
Proceeds from note payable						
Premium on BAN						
Sale of capital assets						
Premium on bond anticipation notes			195,414			195,414
Transfers in	1,481,147	-	-	-	1,399,212	2,880,359
Transfers out	(1,399,212)	(543,900)	-	-	(602,247)	(2,545,359)
Total other financing sources (uses)	566,608	(543,900)	195,414	-	796,965	1,015,087
Net change in fund balances	(254,752)	1,068,570	(2,668,232)	(488,770)	(765,227)	(3,108,411)
Fund balances (deficit) - beginning, as originally reported	13,924,336	5,429,785	(19,507,657)	1,026,989	3,926,992	4,800,445
Prior period adjustments (See Note Q)	(115,809)	-	233,640	-	-	117,831
Fund balances (deficit) - beginning, as adjusted	13,808,527	5,429,785	(19,274,017)	1,026,989	3,926,992	4,918,276
Fund balances (deficit) - ending	\$ 13,553,775	\$ 6,498,355	\$ (21,942,249)	\$ 538,219	\$ 3,161,765	\$ 1,809,865

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TOWN OF NEW MILFORD, CONNECTICUT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2012

Net change in fund balances (deficit) - total governmental funds		\$ (3,108,411)
Total change in net assets reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which depreciation expense and transfers exceeded capital outlays in the current period is as follows:		
Expenditures for capital assets	\$ 8,414,856	
Depreciation and amortization expense	(5,434,884)	
Transfer of assets to Water Pollution Control Authority	(28,868,603)	
Net adjustment		(25,888,631)
In the statement of activities, only the gain (loss) on the sale of capital assets is reported whereas the proceeds from the sale increase financial resources in the governmental funds.		
		(206,239)
Capital assets acquired through foreclosure increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.		
		-
Inventories are reported as expenditures in the governmental funds when purchased. However, in the statement of activities, the cost of these assets is recognized when those assets are consumed. This is the amount by which purchases exceeded consumption of inventories.		
Interest on property taxes receivable are not susceptible to accrual and therefore are only reported as revenue in the funds when the cash is received by the Town. The change in interest receivable during the year reduced revenues recognized in the funds.		
Certain revenues are not susceptible to accrual and therefore are only reported as revenue in the funds when the cash is received by the Town. In the government-wide financial statements, the cash received reduces the receivable recognized in the government-wide statement of net assets.		
School construction receivable	(517,156)	
Settlement receivable	(1,600,000)	
		(2,117,156)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. The net effect of these differences in the treatment of long-term obligation is as follows:		
Debt issued or incurred:		
Bond anticipation notes payable refinanced subsequent to year end		
Capital lease obligation	(484,673)	
Capital lease financing	-	
Bonds issued		
Refunding bonds issued		
Premium on bonds issued		
Discount on bonds issued		
Principal repayments:		
Bonds and note payable	4,693,666	
Payments to refunded bond escrow agent		
Net adjustment		4,208,993
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The net effect of such items is as follows:		
Accrued interest	62,107	
Deferred charges	-	
Unamortized bond premium	82,561	
Unamortized gain on refunding	(89,239)	
Compensated absences	(15,985)	
Early retirement incentive	(796,000)	
Landfill postclosure	(480,000)	
Net OPEB obligations	(149,474)	
Net pension asset	234,236	
Annual required pension contribution	(451,106)	
		(1,602,900)
Certain revenues reported in the statement of activities do not provide current financial resources and therefore are reported as deferred revenues in governmental funds.		
		73,535
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of a certain internal service fund is reported with governmental activities.		
		(1,552,146)
Change in net assets of governmental activities	\$	<u><u>(30,192,955)</u></u>

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TOWN OF NEW MILFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Property taxes	\$ 70,072,334	\$ 70,072,334	\$ 70,524,083	451,749
Licenses and permits	461,000	461,000	535,596	74,596
Intergovernmental	15,425,745	15,543,823	14,758,286	(785,537)
Charges for goods and services	3,506,061	3,530,733	3,810,037	279,304
Investment earnings	100,000	100,000	33,653	(66,347)
Total revenues	89,565,140	89,707,890	89,661,655	(46,235)
EXPENDITURES				
Current:				
General government	10,659,623	10,546,832	10,009,734	(537,098)
Public safety	5,954,676	6,343,146	6,027,083	(316,063)
Public works	5,002,574	5,782,999	5,631,392	(151,607)
Health and welfare	2,170,234	2,319,793	2,200,795	(118,998)
Culture and recreation	1,408,634	1,414,760	1,313,379	(101,381)
Education	57,194,266	57,194,266	57,013,057	(181,209)
Debt service:				
Principal payments	5,222,210	5,222,210	4,354,053	(868,157)
Interest and fiscal charges	1,683,615	1,683,615	1,399,673	(283,942)
Capital outlays	1,192,451	1,438,071	1,417,012	(21,059)
Total expenditures	90,488,283	91,945,692	89,366,178	(2,579,514)
Excess (deficiency) of revenues over expenditures	(923,143)	(2,237,802)	295,477	2,533,279
OTHER FINANCING SOURCES (USES)				
Cancellation of prior year encumbrances	-	-	230,828	230,828
Appropriation of fund balance	-	1,325,025	-	(1,325,025)
Transfers out	(1,144,557)	(1,154,923)	(1,784,212)	(629,289)
Transfers in	2,067,700	2,067,700	1,481,147	(586,553)
Total other financing sources (uses)	923,143	2,237,802	(72,237)	(2,310,039)
Net change in fund balances	\$ -	\$ -	\$ 223,240	\$ 223,240
Fund balance - beginning, as originally reported			11,294,807	
Prior period adjustments (See Note Q)			1,066,202	
Fund balance - beginning			12,361,009	
Fund balance - ending			\$ 12,584,249	

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TOWN OF NEW MILFORD, CONNECTICUT

STATEMENT OF NET ASSETS-

PROPRIETARY FUNDS

JUNE 30, 2012

	Business-type Activities	Governmental Activities
	Water Pollution Control Authority	Internal Service Fund
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,880,491	\$ 1,002,701
Receivables:		
Sewer usage charges	155,326	-
Connection fees	138,340	-
Assessments	378,380	-
Other	13,000	-
Due from other funds	-	5,238,295
Inventories	105,436	-
Total current assets	<u>4,670,973</u>	<u>6,240,996</u>
Noncurrent assets:		
Receivables:		
Connection fees, net allowance for doubtful accounts of \$9,941	278,044	-
Assessments	1,926,611	-
Capital assets:		
Non-depreciable	436,594	-
Depreciable, net	40,665,905	-
Total noncurrent assets	<u>43,307,154</u>	<u>-</u>
Total assets	<u>47,978,127</u>	<u>6,240,996</u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	18,424	-
Accrued liabilities:		
Salaries and benefits payable	13,913	-
Accrued interest	63,055	-
Other accrued liabilities	179,627	-
Claims payable	-	1,039,400
Due to other funds	2,750,129	-
Total current liabilities	<u>3,025,148</u>	<u>1,039,400</u>
Non-current liabilities:		
Due within one year:		
Bonds and notes payable	469,657	-
Due in more than one year:		
Bonds and notes payable	3,261,096	-
Total non-current liabilities	<u>3,730,753</u>	<u>-</u>
Total liabilities	<u>6,755,901</u>	<u>1,039,400</u>
NET ASSETS		
Invested in capital assets, net of related debt	37,371,746	-
Unrestricted	3,850,480	5,201,596
Total net assets	<u>\$ 41,222,226</u>	<u>\$ 5,201,596</u>

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TOWN OF NEW MILFORD, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Business-type Activities	Governmental Activities
	Water Pollution Control Authority	Internal Service Fund
OPERATING REVENUES		
Charges for services and premiums	\$ 1,882,493	\$ 10,807,761
Total operating revenues	1,882,493	10,807,761
OPERATING EXPENSES		
Personnel services	527,019	-
Employee benefits	310,939	-
Utilities	241,817	-
Laboratory	17,236	-
Maintenance and repairs	53,539	-
Process expense	291,200	-
Claims incurred	-	11,561,198
Administration	85,836	464,109
Depreciation	622,328	-
Total operating expenses	2,149,914	12,025,307
Operating loss	(267,421)	(1,217,546)
NON-OPERATING INCOME (EXPENSE)		
Loss on disposal of capital assets	(4,334,211)	-
Interest income	105,200	400
Interest expense	(304,615)	-
Total non-operating income (expense)	(4,533,626)	400
Change in net assets before transfers and capital contributions	(4,801,047)	(1,217,146)
Capital contributions	28,868,603	-
Transfer out	-	(335,000)
Change in net assets	24,067,556	(1,552,146)
Net assets - beginning, as originally reported	17,201,921	6,753,742
Prior period adjustments (See Note Q)	(47,251)	-
Net assets - beginning, as adjusted	17,154,670	6,753,742
Net assets - ending	\$ 41,222,226	\$ 5,201,596

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TOWN OF NEW MILFORD, CONNECTICUT

STATEMENT OF CASH FLOWS- PROPRIETARY FUNDS- FOR THE YEAR ENDED JUNE 30, 2012

	Business-type Activities	Governmental Activities
	Water Pollution Control Authority	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received for the following:		
Customers and users	\$ 2,300,378	\$ 11,561,497
Cash paid for the following:		
Personnel services	(513,106)	-
Employee benefits	(310,939)	-
Utilities	(109,608)	-
Laboratory	(17,236)	-
Maintenance and repairs	(55,119)	-
Process expense	(232,881)	-
Claims incurred	-	(11,914,707)
Administration	(85,836)	(464,109)
Net cash provided by (used in) operating activities	<u>975,653</u>	<u>(817,319)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer out	-	(335,000)
Net cash used in noncapital financing activities	<u>-</u>	<u>(335,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(150,294)	-
Interest paid on capital debt	(272,884)	-
Principal paid on capital debt	(469,599)	-
Net cash used in capital and related financial activities	<u>(892,777)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	105,200	400
Net cash provided by investing activities	<u>105,200</u>	<u>400</u>
Net increase (decrease) in cash and cash equivalents	188,076	(1,151,919)
Cash and cash equivalents, beginning of year	3,692,415	2,154,620
Cash and cash equivalents, end of year	<u>\$ 3,880,491</u>	<u>\$ 1,002,701</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Operating loss	\$ (267,421)	\$ (1,217,546)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation expense	622,328	-
Changes in assets and liabilities:		
Decrease in receivables	417,885	6,568
Increase in inventory	(1,580)	-
Decrease in accounts payable	(12,421)	-
Increase in accrued payroll	13,913	-
Increase in other accruals	70,740	-
Decrease in due from other funds	132,209	747,168
Decrease in claims payable	-	(353,509)
Net cash provided by (used in) operating activities	<u>\$ 975,653</u>	<u>\$ (817,319)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Increase in depreciable capital assets through capital contributions	\$ 28,868,603	\$ -
Loss on disposal of capital assets	\$ (4,334,211)	\$ -

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TOWN OF NEW MILFORD, CONNECTICUT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2012

	Pension and Other Post Employment Benefits Trust Funds	Private Purpose Trust Funds	Agency Funds
ASSETS			
Cash and cash equivalents	\$ 235,000	\$ 68,589	\$ 2,659,654
Investments, at fair value:			
Guaranteed annuity contract	2,820,065	-	-
Pooled separate accounts	37,613,905	-	-
Mutual funds	-	42,715	368,958
Corporate bonds	-	-	303,929
Common stock	-	14,774	-
Contributions receivable:			
Employer	2,193,073	-	-
Total assets	<u>42,862,043</u>	<u>126,078</u>	<u>\$ 3,332,541</u>
LIABILITIES			
Due to other funds	-	-	38,500
Due to student groups	-	-	539,187
Due to others	-	-	2,754,854
Total liabilities	<u>-</u>	<u>-</u>	<u>\$ 3,332,541</u>
NET ASSETS			
Held in trust for pension benefits			
and other purposes	<u>\$ 42,862,043</u>	<u>\$ 126,078</u>	

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TOWN OF NEW MILFORD, CONNECTICUT
STATEMENT OF CHANGES
IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

	Pension and Other Post Employment Benefits Trust Funds	Private Purpose Trust Funds
ADDITIONS		
Contributions:		
Employer	\$ 2,428,073	\$ -
Plan members	1,084,512	-
Total contributions	3,512,585	-
Investment earnings:		
Interest	213,136	915
Net increase in the fair value of investments	2,105,514	1,663
Total investment earnings	2,318,650	2,578
Total additions	5,831,235	2,578
DEDUCTIONS		
Benefit payments	2,931,714	-
Awards expense	-	1,150
Administrative expenses	139,857	219
Total deductions	3,071,571	1,369
Change in net assets	2,759,664	1,209
Net assets - beginning	40,102,379	124,869
Net assets - ending	\$ 42,862,043	\$ 126,078

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of New Milford, Connecticut (the "Town") conform to accounting principles generally accepted in the United States of America, as applicable to governmental organizations. The following is a summary of significant accounting policies:

Financial Reporting Entity

The Town of New Milford, Connecticut was originally settled in 1706 and was granted the powers and privileges of a township by the General Assembly of Connecticut in 1712. The current charter in use was approved and has been amended as recently as 2007. The Town operates under a Town Council and Board of Finance form of government and provides the following services as authorized by its charter: public safety, public works, health and welfare, library, culture and recreation, education, and sewers.

Accounting principles generally accepted in the United States of America 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 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 and therefore, data from these units are combined with data of the primary government. Based on these criteria, the New Milford Public Library has been included in the Town's financial statements.

The New Milford Public Library ("NMPL") was established in 1898 for the purposes of circulation of library materials to the public. The Town of New Milford currently subsidizes a portion of the entity's operations within its General Fund budget on an annual basis. NMPL activity is reported as part of the Town's Financial Statements under the Library Memorial Trust and Library Expansion nonmajor special revenue funds, as well as the Woolsey-Pepper and Egbert Marsh private purpose trust funds.

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the Town and include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. The statements are intended to distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

Fund Financial Statements

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds and enterprise funds, each displayed in a separate column. All remaining governmental funds and enterprise funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

General Fund - This fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Waste Management Ordinance Fund - This fund is used to account for monies set aside for the acquisition of land and building for public recreation, public education, or public library facilities. The major source of revenue for this fund is settlement proceeds from certain zoning violations relating to a municipal solid waste facility.

Sewer Expansion Fund - This fund is used to account for expenditures incurred for the renovation and improvement of the sewer treatment plant.

Capital Reserve Fund - This fund is used to account for expenditures incurred for any purposes for which the Town issues bonds.

The Town reports the following major proprietary funds:

Water Pollution Control Authority - This fund is used to account for revenues and expenses associated with the sewer collection and processing services for the Town's residences and businesses.

In addition, the Town reports the following fund types:

Internal Service Fund (proprietary) - This fund accounts for activities that provide goods or services to other funds, departments, or agencies of the Town on a cost-reimbursement basis. The Town utilizes an internal service fund to account for risk management activities.

Pension and Other Post Employment Benefits Trust Funds - These funds are used to account for resources held in trust for the members and beneficiaries of the Town's pension plan, which is a defined benefit pension plan, and the Other Post Employment Benefits Program, which is a defined benefit plan. These plans are discussed more fully in Notes K and L.

Private Purpose Trust Funds - This fund type is used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments. There is no requirement that any portion of the resources be preserved as capital. The Town utilizes a private purpose trust fund to account for activities of various specified purposes.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Government-wide and Fund Financial Statements (Continued)

Agency Funds - These funds are used to account for resources held by the Town in a purely custodial capacity. The Town utilizes these funds to account for assets of the student activities funds, performance bonds, fuel bank, community food bank, good samaritan, firefighter, and flex spending.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

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

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when the cash is received.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connections with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise fund consist of charges to customers for services relating to sewer usage. Operating expenses of the Town's enterprise fund include the cost of operations and maintenance, administrative expenses, and depreciation of capital assets. The principal operating revenues of the Town's internal service fund consist of charges for premiums. Operating expenses of the Town's internal service fund consist of claims incurred and administrative expenses. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise fund financial statements subject to the same limitation. The Town has elected not to follow subsequent private-sector guidance.

Assets, Liabilities and Fund Equity

Cash Equivalents

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

Investments

Investments for the Town are reported at fair value (generally based on quoted market prices) except as described below.

The Town invests in the State Treasurer's Short-Term Investment Fund (STIF), which is an investment pool managed by the State Treasurer's Office, and the Cooperative Liquid Asset Security Systems Fund (CLASS), which is an investment pool managed by Cutwater Asset Management. STIF and CLASS operate in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, STIF and CLASS qualify as a 2a7-like pools and are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. STIF and CLASS are subject to regulatory oversight even though they are not registered by the SEC.

Inventories

Inventories are reported at cost using the first-in first-out (FIFO) method, except for USDA donated commodities, which are recorded at market value. Inventories are recorded as expenditures when consumed rather than when purchased.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Assets, Liabilities and Fund Equity *(Continued)*

Property Taxes, Sewer Usage Charges and Sewer Assessment Fees

Property taxes are assessed as of October 1. Real estate and personal property taxes are billed in the following July and are due in two installments, July 1 and January 1. Motor vehicle taxes are billed in July and are due in one installment, July 1, and supplemental motor vehicle taxes are due in full January 1. Taxes become delinquent thirty days after the installment is due. Liens are effective on the assessment date and are continued by filing before the end of the year following the due date. Based on historical collection experience and other factors, the Town has established an allowance for uncollectible taxes and interest of \$526,000 as of June 30, 2012.

Upon completion of projects, sewer assessments are levied to users. Once levied, annual assessments are made to users periodically throughout the year, based on the start date of the levy. Usage charges are billed semi-annually. Assessments and user charges are due and payable within 30 days and delinquent amounts are subject to interest at prevailing rates. Liens are filed on all properties until the assessments and usage charges are paid in full. Based on historical collection experience and other factors, the Town has established an allowance for uncollectible assessment of \$9,941 as of June 30, 2012.

Loans Receivable

The Town records loans receivable in the special revenue funds as the loan proceeds are advanced, net of an allowance for uncollectible amounts.

Capital Assets

Capital assets, which include land, buildings and improvements, improvements other than buildings, machinery and equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$300 and an estimated useful life in excess of one year. Such assets are recorded at historical cost, or estimated historical cost, when purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of a capital asset or materially extend capital asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred net of interest earned on project specific debt during the construction phase of capital assets of business-type activities and enterprise funds are included as part of the capitalized cost of the assets constructed.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	50
Improvements other than buildings	15 - 20
Machinery and equipment	5 - 15
Infrastructure	15 - 50

Capital assets acquired under capital lease are amortized over the life of the lease term or estimated useful life of the asset, as applicable.

Unearned/ Deferred Revenue

In the government-wide and fund financial statements, this liability represents resources that have been received but not yet earned. In the fund financial statements, this liability also represents revenues considered measurable but not available during the current period.

Compensated Absences

Town employees accumulate vacation and sick leave hours for subsequent use or payment upon termination based upon length of employment. Expenditures for compensated absences are recognized in the governmental fund financial statements in the current year to the extent they are paid during the year, or the vested amount is expected to be paid with available resources. All compensated absences are accrued when incurred in the government-wide, proprietary fund and fiduciary fund financial statements. Expenditures for compensated absences are recognized in the governmental fund financial statements in the current year to the extent they have matured (i.e. due to resignation or retirement).

Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges.

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

Net Assets and Fund Balance

The government-wide statement of net assets presents the Town's non-fiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

Invested in capital assets, net of related debt - This category consists of capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of capital assets.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Fund Equity (Continued)

Net Assets and Fund Balance (Continued)

Restricted net assets - This category consists of net assets whose use is restricted either through external restrictions imposed by creditors, grantors, contributors, and the like, or through restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets - This category consists of net assets which do not meet the definition of the two preceding categories.

The Town's governmental funds report the following fund balance categories:

Nonspendable – Amounts that cannot be spent because they are not in spendable form or they are legally or contractually required to be maintained intact.

Restricted – Constraints are placed on the use of resources that are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through enabling legislation.

Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town Council (the highest level of decision making authority of the Town) and cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same formal action.

Assigned – Amounts are constrained by the government's intent to be used for specific purposes, but are not restricted or committed. Amounts may be constrained to be used for a specific purpose by a governing board or body or official that has been delegated authority to assign amounts by the Town Charter.

Unassigned – Residual classification for the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories.

The Town does not have a formal policy over the use of fund balance. The Town uses restricted resources first, then unrestricted resources as needed. Unrestricted resources are used in the following order: committed; assigned; then unassigned.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Interfund Activities

Interfund activities are reported as follows:

Interfund Receivables and Payables

Activity between funds that are representative of lending/ borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Interfund Services Provided and Used

Sales and purchases of goods and services between funds for a price approximating their external exchange value are reported as revenues and expenditures, or expenses, in the applicable funds.

Interfund Transfers

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after non-operating revenues and expenses.

Interfund Reimbursements

Interfund reimbursements represent repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

NOTE B - BUDGETARY INFORMATION AND DEFICIT FUND BALANCES

Budgetary Information

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements, in accordance with provision of its Town Charter.

o The Mayor, with the approval of the Town Council, presents to the Board of Finance an annual budget by the third Tuesday in March. The Board of Finance holds one or more public hearings on the budget by the third Tuesday in April. Within fifteen days of the last public hearing, the Board of Finance approves the budget for submission to the annual Budget Meeting.

o The annual Budget Meeting adopts the budget by the second Tuesday in May, which provides for appropriations by major object of the following categories: personal services, contractual services, materials and supplies, fixed charges, capital outlays and revenues other than property taxes to be collected in the ensuing fiscal year.

o Expenditures are budgeted by function, department and object. The legal level of budgetary control, the level at which expenditures may not exceed appropriations, is established at the department level.

o Transfers of budgeted amounts between departments must be approved by the Board of Finance. Management may transfer amounts between line items within a department. The Board of Finance may approve additional appropriations for a department, provided such additional appropriations do not exceed, in the aggregate in any one year, an amount in excess of 1/5th of one mill per each one thousand dollars of the last completed Grand List. Appropriations in excess of the amount which the Board of Finance may approve must be approved by vote of a Town Meeting. During the year ended June 30, 2012, the Board of Finance and, where required, Town meetings approved additional appropriations from fund balance of \$1,325,025.

o Any portion of an annual appropriation remaining unexpended and unencumbered at the close of the fiscal year lapses unless continued upon recommendation of the Director of Finance and approved by the Board of Finance, except those for Capital Projects Funds. Appropriations for Capital Projects Funds are continued until completion of the applicable projects, which often last more than one fiscal year, but cannot exceed five years.

o Formal budgetary integration is employed as a management control device during the year.

o The budget is prepared on the modified accrual basis of accounting. Intergovernmental revenues and other reimbursement for certain special education costs are recorded as reductions to expenditures for budgetary purposes and "on behalf" payments made by the State of Connecticut into the State Teacher's Retirement System (see *Note K*) are not recorded for budgetary purposes. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures of the current year.

NOTE B - BUDGETARY INFORMATION AND DEFICIT FUND BALANCES
(Continued)

Budgetary Information (Continued)

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP basis"). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2012:

	<u>Total</u> <u>Revenues</u>	<u>Total</u> <u>Expenditures</u>	<u>Other</u> <u>Financing Sources -</u> <u>Transfers, Net</u>	<u>Net Change</u> <u>in</u> <u>Fund Balance</u>
Budgetary basis	\$ 89,661,655	\$ 89,366,178	\$ (72,237)	\$ 223,240
"On-behalf" payments - State Teachers Retirement Fund (see Note K)	5,586,546	5,586,546	-	-
Encumbrances	-	241,067	-	(241,067)
Cancellation of prior year encumbrances	-	(230,828)	(230,828)	-
Reimbursement for certain costs recorded as a reduction to expenditures for budgetary purposes	2,770,124	2,770,124	-	-
Certain items recorded as transfers for budgetary purposes	-	235,000	235,000	-
Volunteer Fire Fund	718	387,643	150,000	(236,925)
Noncash capital lease financing activity	-	484,673	484,673	-
GAAP basis	<u>\$ 98,019,043</u>	<u>\$ 98,840,403</u>	<u>\$ 566,608</u>	<u>\$ (254,752)</u>

NOTE B - BUDGETARY INFORMATION AND DEFICIT FUND BALANCES
(Continued)

Deficit Fund Balances

The following funds have deficit fund balances as of June 30, 2012, none of which constitutes a violation of statutory provisions:

Fund	Amount
Sewer Expansion Fund	\$ 21,942,249
Special Education Grants	13,626
Education Services	35,624
Drug Education Prevention	869
1995 Small Cities	4,800
Capital Road Project Fund	1,869,857
Great Brook Interceptor	62,519
Lanesville Road Connector	25,963
Elementary School	7,760

The deficits are expected to be eliminated through future revenue sources, transfers from the General Fund and bonding.

NOTE C - CASH DEPOSITS AND INVESTMENTS

A reconciliation of the Town's cash and cash equivalents as of June 30, 2012 is as follows:

Government-wide statement of net assets:	
Cash and cash equivalents	\$ 34,719,496
Statement of fiduciary net assets:	
Cash and cash equivalents	2,963,243
	37,682,739
Less: cash equivalents considered investments under GASB Statement No. 40	(6,944,552)
	\$ 30,738,187

Cash Deposits – Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2012, \$30,911,778 of the Town's bank balance of \$32,407,630 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 27,820,600
Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the Town's name	3,091,178
	\$ 30,911,778

NOTE C - CASH DEPOSITS AND INVESTMENTS (Continued)

Cash Deposits – Custodial Credit Risk (Continued)

All of the Town's deposits were in qualified public institutions as defined by Connecticut state statute. Under this statute, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

Investments

A reconciliation of the Town's investments as of June 30, 2012 is as follows:

Government-wide statement of net assets:	
Investments	\$ 1,164,365
Statement of fiduciary net assets:	
Investments	41,164,346
	42,328,711
Add: cash equivalents considered investments under GASB Statement No. 40	
	6,944,552
	\$ 49,273,263

As of June 30, 2012, the Town's investments consist of the following:

Investment type	Credit Rating	Fair Value	Investment Maturities (In Years)		
			Less Than 1	1 to 5	6 to 10
Debt Securities:					
Pooled fixed income accounts	AAA	\$ 6,633,883	\$ 6,633,883	\$ -	\$ -
Corporate bonds	AAA	12,120	-	-	12,120
Corporate bonds	AA	55,895	-	55,895	-
Corporate bonds	AA-	20,016	20,016	-	-
Corporate bonds	A+	113,776	-	54,475	59,301
Corporate bonds	A	102,122	49,362	16,866	35,894
Corporate bonds	BBB-	48,908	-	48,908	-
Money market mutual funds	Unrated	310,669	310,669	-	-
		7,297,389	\$ 7,013,930	\$ 176,144	\$ 107,315
Other investments:					
Pooled separate accounts		37,613,905			
Guarenteed annuity contract		2,820,065			
Equity mutual funds		1,527,130			
Common stock		14,774			
		\$ 49,273,263			

NOTE C - CASH DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Interest Rate Risk

The Town does not have a formal investment policy that limits Town investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, its practice is to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Credit Risk

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut state statutes. Connecticut state statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service.

The Town's investments in pooled fixed income accounts and corporate bonds, whose ratings are required to be disclosed, were rated by Standard & Poor's as presented above.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investments are not exposed to custodial credit risk at June 30, 2012, as they are held by a trustee in the Town's name.

Concentrations of Credit Risk

The Town places no limit on the amount of investment in any one issuer. More than 5 percent of the Town's investments are in pooled fixed income accounts, pooled separate accounts and guaranteed annuity contracts. Investments in this type of account are considered diversified by nature.

NOTE D - CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2012 consisted of the following:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 16,478,453	\$ -	\$ -	\$ 16,478,453
Construction in progress	28,189,705	6,566,612	(30,923,113)	3,833,204
Total capital assets, not being depreciated	<u>44,668,158</u>	<u>6,566,612</u>	<u>(30,923,113)</u>	<u>20,311,657</u>
Capital assets, being depreciated:				
Buildings and improvements	92,864,265	181,755	-	93,046,020
Infrastructure	97,846,559	2,435,877	-	100,282,436
Land improvements	939,494	83,997	-	1,023,491
Machinery and equipment	18,310,966	1,201,125	(1,110,264)	18,401,827
Total capital assets, being depreciated	<u>209,961,284</u>	<u>3,902,754</u>	<u>(1,110,264)</u>	<u>212,753,774</u>
Less accumulated depreciation and amortization for:				
Buildings and improvements	27,368,136	1,890,091	-	29,258,227
Infrastructure	55,772,506	2,184,294	-	57,956,800
Land improvements	406,890	40,233	-	447,123
Machinery and equipment	12,873,793	1,320,266	(904,025)	13,290,034
Total accumulated depreciation and amortization	<u>96,421,325</u>	<u>5,434,884</u>	<u>(904,025)</u>	<u>100,952,184</u>
Total capital assets, being depreciated, net	<u>113,539,959</u>	<u>(1,532,130)</u>	<u>(206,239)</u>	<u>111,801,590</u>
Governmental activities capital assets, net	<u>\$ 158,208,117</u>	<u>\$ 5,034,482</u>	<u>\$ (31,129,352)</u>	<u>\$ 132,113,247</u>

Depreciation and amortization expense was charged to functions of the Town as follows:

Governmental Activities:	
General government	\$ 164,705
Public safety	393,152
Public works	2,623,119
Health and welfare	39,537
Culture and recreation	137,243
Education	2,077,128
Total depreciation and amortization expense - governmental activities	<u>\$5,434,884</u>

NOTE D - CAPITAL ASSETS (Continued)

Capital asset activity for business-type activities for the year ended June 30, 2012 consisted of the following:

	Beginning Balance (as restated)	Increases	Decreases	Ending Balance
Business-type Activities				
Capital assets, not being depreciated:				
Land	\$ 5,000	\$ -	\$ -	\$ 5,000
Construction in progress	2,831,025	142,944	(2,542,375)	431,594
Total capital assets, not being depreciated	<u>2,836,025</u>	<u>142,944</u>	<u>(2,542,375)</u>	<u>436,594</u>
Capital assets, being depreciated:				
Buildings and improvements	9,073,332	28,868,603	(8,739,900)	29,202,035
Infrastructure	7,975,585	2,542,375	(900)	10,517,060
Machinery and equipment	8,359,807	6,932	(467,942)	7,898,797
Total capital assets, being depreciated	<u>25,408,724</u>	<u>31,417,910</u>	<u>(9,208,742)</u>	<u>47,617,892</u>
Less accumulated depreciation and amortization for:				
Buildings and improvements	4,468,276	193,956	(4,509,659)	152,573
Infrastructure	1,867,265	170,432	(900)	2,036,797
Machinery and equipment	4,868,649	257,940	(363,972)	4,762,617
Total accumulated depreciation and amortization	<u>11,204,190</u>	<u>622,328</u>	<u>(4,874,531)</u>	<u>6,951,987</u>
Total capital assets, being depreciated, net	<u>14,204,534</u>	<u>30,795,582</u>	<u>(4,334,211)</u>	<u>40,665,905</u>
Business-type activities capital assets, net	<u>\$ 17,040,559</u>	<u>\$ 30,938,526</u>	<u>\$ (6,876,586)</u>	<u>\$ 41,102,499</u>

NOTE E – SETTLEMENT RECEIVABLE

The Town executed a twenty-four year settlement agreement dated September 21, 1998 in the amount of \$43,100,000 in connection with certain zoning violations relating to a municipal solid waste facility. Annual installments are due to the Town in various amounts, as stipulated in the settlement agreement. The balance of the settlement receivable as of June 30, 2012 totaled \$25,300,000. Future annual installments collectible under the settlement agreement are as follows as of June 30, 2012:

Year ending	Amount
June 30:	Amount
2013	\$ 1,600,000
2014	1,600,000
2015	1,600,000
2106	1,600,000
2017	2,700,000
2018-2022	13,500,000
2023	2,700,000
	<u>\$25,300,000</u>

NOTE F - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2012 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental Funds:		
General Fund	Water Pollution Control Authority	\$ 2,750,129
	Agency funds	38,500
	Other governmental funds	1,064,450
		<u>3,853,079</u>
Other governmental funds	General Fund	135,341
	Other governmental funds	113,681
		<u>249,022</u>
		<u>\$ 4,102,101</u>
Proprietary Funds:		
Internal Service Fund	General Fund	\$ 5,238,295
		<u>\$ 5,238,295</u>

The above balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE G - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2012 consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Waste Management Ordinance Fund	\$ 543,900
	Internal Service Fund	335,000
	Other governmental funds	602,247
		<u>1,481,147</u>
Other governmental funds	General Fund	1,399,212
Total transfers		<u>\$ 2,880,359</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE H – BOND ANTICIPATION NOTES PAYABLE

In July 2011, the Town retired \$23,500,000 in bond anticipation notes payable through the issuance of a new \$25,140,000 bond anticipation note payable. The note bore a coupon rate of 1.0% and matured in April 2012. In April 2012, the Town retired the \$25,140,000 bond anticipation note payable through the issuance of another \$25,140,000 bond anticipation note payable. The note bears a coupon rate of 1.0% and matures in July 2012. The purpose of the note is to provide short-term financing to fund ongoing construction projects. As discussed more fully in Note P, the note was subsequently retired through the issuance of new debt. The following is a summary of changes in short-term debt for the year ended June 30, 2012:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Bond anticipation notes payable	\$ 23,550,000	\$ 50,280,000	\$ (48,690,000)	\$ 25,140,000
	<u>\$ 23,550,000</u>	<u>\$ 50,280,000</u>	<u>\$ (48,690,000)</u>	<u>\$ 25,140,000</u>

NOTE I - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2012:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
Bonds payable:					
General obligation bonds	\$ 31,914,534	\$ -	\$ (4,283,388)	\$ 27,631,146	\$ 4,283,330
Unamortized premium	1,038,900	-	(82,561)	956,339	-
Deferred amounts on refunding	(574,280)	-	89,239	(485,041)	-
Total bonds payable	<u>32,379,154</u>	<u>-</u>	<u>(4,276,710)</u>	<u>28,102,444</u>	<u>4,283,330</u>
Other liabilities:					
Notes payable	310,061	-	(69,223)	240,838	69,223
Capital leases	417,969	484,673	(341,055)	561,587	323,308
Compensated absences	420,025	37,559	(21,574)	436,010	209,372
Early retirement obligations	192,000	988,000	(192,000)	988,000	364,000
Pollution remediation obligation	3,850,000	480,000	-	4,330,000	-
Net OPEB obligation	994,338	149,474	-	1,143,812	-
	<u>\$ 38,563,547</u>	<u>\$ 2,139,706</u>	<u>\$ (4,900,562)</u>	<u>\$ 35,802,691</u>	<u>\$ 5,249,233</u>
Business-type Activities					
General obligation bonds	\$ 3,330,466	\$ -	\$ (276,612)	\$ 3,053,854	\$ 276,670
Notes payable	869,886	-	(192,987)	676,899	192,987
	<u>\$ 4,200,352</u>	<u>\$ -</u>	<u>\$ (469,599)</u>	<u>\$ 3,730,753</u>	<u>\$ 469,657</u>

Long - term liabilities above typically have been liquidated by the General Fund for governmental activities and the Water Pollution Control Authority for business-type activities.

NOTE I - LONG-TERM LIABILITIES (Continued)

General Obligation Bonds and Notes Payable

A summary of general obligation bonds and note payable outstanding at June 30, 2012 is as follows:

Purpose of Bonds	Date of Issue	Original Issue	Interest Rates	Maturity Date	Amount Outstanding
Governmental Activities					
Bonds Payable					
General Obligation Bonds	1992	\$ 11,000,000	4.5% - 6.5%	2012	\$ 550,000
General Obligation Bonds	2004	11,162,645	2.0% - 5.0%	2017	6,177,381
General Obligation Bonds	2004	6,472,120	2.0% - 5.0%	2020	4,798,765
General Obligation Bonds	2008	16,963,000	4.0% - 5.0%	2028	12,480,000
General Obligation Bonds	2010	3,865,000	2.0% - 4.0%	2030	3,625,000
					27,631,146
Notes Payable					
State of Connecticut Clean Water Fund	1996	1,682,814	2.0%	2015	240,838
					\$ 27,871,984
Business-type Activities					
Bonds Payable					
General Obligation Bonds	2004	170,235	2.0% - 5.0%	2017	\$ 100,854
General Obligation Bonds	2004	4,630,000	2.0% - 5.0%	2024	2,778,000
General Obligation Bonds	2008	242,000	4.0% - 5.0%	2028	175,000
					3,053,854
Notes Payable					
State of Connecticut Clean Water Fund	1996	4,561,394	2.0%	2015	676,899
					\$ 3,730,753

Annual debt service requirements to maturity on general obligation bonds and the note payable are as follows as of June 30, 2012:

Year ending June 30:	Governmental Activities				
	Bonds Payable		Notes Payable		Total
	Principal	Interest	Principal	Interest	
2013	\$ 4,283,330	\$ 1,145,685	\$ 69,223	\$ 4,211	\$ 5,502,449
2014	3,723,330	965,945	69,223	2,827	4,761,325
2015	3,688,329	803,778	69,223	1,441	4,562,771
2016	3,678,329	643,259	33,169	195	4,354,952
2017	3,673,328	482,731	-	-	4,156,059
2018-2022	6,417,500	842,460	-	-	7,259,960
2023-2027	1,367,000	287,113	-	-	1,654,113
2028	800,000	63,315	-	-	863,315
	\$ 27,631,146	\$ 5,234,286	\$ 240,838	\$ 8,674	\$ 33,114,944

NOTE I - LONG-TERM LIABILITIES (Continued)

General Obligation Bonds and Notes Payable (Continued)

Year ending June 30:	Business-type Activities					Total
	Bonds Payable		Notes Payable			
	Principal	Interest	Principal	Interest		
2013	\$ 276,670	\$ 137,574	\$ 192,987	\$ 11,740	\$ 618,971	
2014	276,670	123,990	192,987	7,880	601,527	
2015	276,671	110,407	192,987	4,021	584,086	
2016	276,671	96,823	97,938	570	472,002	
2017	276,672	83,240	-	-	359,912	
2018-2022	1,207,500	247,253	-	-	1,454,753	
2023-2024	463,000	30,211	-	-	493,211	
	<u>\$ 3,053,854</u>	<u>\$ 829,498</u>	<u>\$ 676,899</u>	<u>\$ 24,211</u>	<u>\$ 4,584,462</u>	

Clean Water Funds

The State of Connecticut Department of Environmental Protection has provided Clean Water financing in the form of serial notes to the Town of New Milford for sewer system upgrades under project CWF 143-C. The Town continues to repay this debt with a 2% interest rate directly to the State of Connecticut. The total outstanding principal balance is \$917,737 as of June 30, 2012.

During 2011, the Town started participation in capital projects under the State of Connecticut Clean Water Fund established in accordance with Section 22a-477 of the General Statutes of Connecticut. The Clean Water Fund is administered by the State Department of Environmental Protection and provides grant and loan funds to municipalities for “eligible water quality project costs”. At the end of the year, the Town had \$1,310,743 of Clean Water Fund loans outstanding at an interest rate of 2%. The balance is recorded as a short-term liability in the Sewer Expansion Fund until it is converted to a permanent loan.

School Bond Reimbursements

The State of Connecticut reimburses the Town for eligible school bond principal and interest costs. The amount of reimbursement for the year ended June 30, 2012 was \$1,368,315. Additional reimbursements of principal and interest aggregating \$5,939,191 and \$736,153, respectively, are expected to be received through the applicable bonds’ maturity dates. The Town has recorded a receivable relating to the principal and interest portion of these payments in the accompanying statement of net assets. Remaining amounts will be realized by the Town through fiscal year 2020.

Legal Debt Limit

Connecticut General Statutes Section 7-374(b) provides that debt of the Town shall not exceed seven times base receipts, as defined in the Statute, or \$494,715,214 as of June 30, 2012. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2012.

NOTE I - LONG-TERM LIABILITIES *(Continued)*

Capital Leases

A summary of assets acquired through capital leases is as follows as of June 30, 2012:

	Governmental Activities
Equipment	\$ 1,277,178
Less: accumulated amortization	529,176
	\$ 748,002

Amortization expense relative to leased property under capital leases totaled \$154,874 for the year ended June 30, 2012 and is included in depreciation and amortization expense disclosed in Note D.

Future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2012 is as follows:

	Governmental Activities
Year Ending June 30:	
2013	\$ 323,308
2014	253,002
2015	21,658
Total minimum lease payments	597,968
Less: amount representing interest	36,381
Present value of minimum lease payments	\$ 561,587

Early Retirement Obligations

The Town provides early retirement incentives to certain contracted certified employees who have attained the age of 50 and who have completed at least 15 years of service with the Town. The provisions of the plan are based on union contract and the discretion of the Board of Education, when the contract expires.

Payments for the early retirement incentive program totaled \$192,000 for the year ended June 30, 2012. These payments are funded on an annual basis by General Fund appropriations. The remaining payments to be made to participants in the early retirement incentive program at June 30, 2012 total \$988,000.

NOTE I - LONG-TERM LIABILITIES (Continued)

Pollution Remediation Obligation

Pursuant to local laws, the Town has recorded a liability of \$4,330,000 for remediation at the Century Enterprise Center. Management has estimated this liability based on the current understanding of the site and experience and discussion with contractors. This amount has been recorded as a liability in the government-wide financial statements.

Amounts provided for pollution remediation are based on current costs. These costs may be adjusted each year due to changes in the remediation plan, inflation or deflation, technology, or applicable laws or regulations. It is at least reasonably possible that these estimates and assumptions could change in the near term and that the change could be material.

NOTE J- UNEARNED/ DEFERRED REVENUE

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

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
General Fund:			
Property taxes and accrued interest on delinquent property taxes	\$ 2,567,315	\$ -	\$ 2,567,315
Advance collection on property taxes	-	48,368	48,368
Grant drawdowns prior to meeting all eligibility requirements	-	20,135	20,135
Other receivables	-	276,436	276,436
Nonmajor Governmental Funds:			
Revenue drawdowns received prior to meeting all eligibility requirements	-	134,339	134,339
	<u>\$ 2,567,315</u>	<u>\$ 479,278</u>	<u>\$ 3,046,593</u>

NOTE K – EMPLOYEE RETIREMENT PLANS

Pension Trust Fund

Plan Description and Benefit Provisions

The Town sponsors and administers the Town of New Milford Pension Plan (the “Plan”) which is a single employer, contributory, defined benefit plan. The Plan covers substantially all full time employees of the Town and Board of Education personnel other than certified teachers, who are covered under the State Teacher’s Retirement System. Plan benefits and contribution requirements are established by the plan document. All full time employees eligible to participate in the plan become a plan participant with their date of hire. The Plan does not issue stand-alone financial statements and is part of the Town’s financial reporting entity. As such, the Plan is accounted for in the fiduciary fund financial statements as a pension trust fund.

NOTE K – EMPLOYEE RETIREMENT PLANS (Continued)

Pension Trust Fund (Continued)

Summary of Significant Accounting Policies

The Plan is accounted for using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments are recorded at fair value. Short-term investments are reported at cost, which approximates fair value. Fair value of other securities is determined by the mean of the most recent bid and asked process as obtained from dealers that make markets in such securities. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the Town, with the assistance of a valuation service. Securities traded on national exchanges are valued at the last reported sales price. Investment income is recognized when earned and gains and losses on sales or exchanges are recognized on the transaction date.

Plan Membership

Membership of the Plan consisted of the following as of the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	186
Terminated plan members entitled to but not yet receiving benefits	70
Active plan members	430
	686

Contributions

The contribution requirements of plan members and the Town are established and may be amended by the Town Council. The employer’s contributions were based on normal cost and an amortization of the unfunded actuarial accrued liability. The Town’s actuary determines annual contributions to the plan.

Benefit Provisions

Benefit provisions are established and may be amended by the Town Council and vary by class of employees covered, per terms of the Plan agreement. The following is a summary of the provisions for each type of class covered:

Non-union employees: All full time regular employees are eligible for participation in the Plan and become fully vested in the Plan upon completion of 10 years of service. The normal retirement benefit is calculated as 1.6% (for general government employees and library employees), 2.0% (for sewer employees) and 1.33% (for Board of Education employees) of the participant’s highest average annual compensation in the five years during the last ten years of service, multiplied by the number of years of service. The normal retirement age is the earlier of age 65 with 5 years of service or the attainment of age 60 and age plus service equals or exceeds 85. Employees are eligible for early retirement (within ten years of the normal retirement date but not earlier than age 55). Benefits are reduced by ½% per month for each month that the early retirement date precedes the normal retirement date. Employees are not required to contribute to the plan.

NOTE K – EMPLOYEE RETIREMENT PLANS (Continued)

Pension Trust Fund (Continued)

Benefit Provisions (Continued)

Teamsters: All full time regular employees are eligible for participation in the Plan and become fully vested in the Plan upon completion of 10 years of service. The normal retirement benefit is calculated as 1.8% (amended in 2007 from 1.7%) of the participant’s highest average annual compensation in the three years during the last ten years of service, multiplied by the number of years of service. The normal retirement age is the earlier of age 65 with 5 years of service or age plus service equals or exceeds 84, regardless of age. Employees are eligible for early retirement (within ten years of the normal retirement date but not earlier than age 55). Benefits are reduced by ½% per month for each month that the early retirement date precedes the normal retirement date. Employees are required to contribute 2% of compensation under a salary reduction agreement to the Plan.

AFSCME: All full time regular employees are eligible for participation in the Plan and become fully vested in the Plan upon completion of 10 years of service. The normal retirement benefit is calculated as 1.6% of the participant’s highest average annual compensation in the three years during the last ten years of service, multiplied by the number of years of service. The normal retirement age is the earlier of age 65 with 5 years of service or the attainment of age 60 and age plus service equals or exceeds 84. Employees are eligible for early retirement (within ten years of the normal retirement date but not earlier than age 55). Benefits are reduced by ½% per month for each month that the early retirement date precedes the normal retirement date. Employees are required to contribute 2% of compensation under a salary reduction agreement to the Plan.

Police: All full time regular employees are eligible for participation in the Plan and become fully vested in the Plan upon the completion of 10 years of service. The normal retirement benefit is calculated as 2.5% (amended during 2007 from 2.25%) of the participant’s highest average annual compensation in the three years during the last five years of service, multiplied by the number of years of service, up to a 30 year maximum, plus 1.0% of the participant’s highest average annual compensation in the three years during the last five years of service, multiplied by the number of years of service, up to a 35 year maximum. The normal retirement age is the earlier of age 55 with 5 years of service or the completion of 25 years of service. Employees are required to contribute 6% of compensation to the Plan, until 35 years of service are attained, at which point, contributions are not required. There are no early retirement provisions.

Concentrations

The following individual securities represent five percent or more of the Plan’s net assets:

Investment Type	Issuer	Fair Value
Guaranteed annuity contract	John Hancock	\$ 2,820,065
Pooled separate accounts	Principal	37,613,905

NOTE K – EMPLOYEE RETIREMENT PLANS (Continued)

Pension Trust Fund (Continued)

Funded Status and Funding Progress

The funded status of the Plans as of July 1, 2010 (the most recent actuarial date) is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (B)	(Overfunded) Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2010	\$ 39,514,944	\$ 47,147,722	\$ 7,632,778	83.8%	\$ 17,046,486	44.8%

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of the plan assets are increasing or decreasing over time relative to the AALs for benefits.

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contributions	Actual Contributions	Percentage Contributed
2007	\$ 1,778,562	\$ 1,808,030	101.7%
2008	1,641,640	1,672,692	101.9%
2009	1,641,640	1,800,670	109.7%
2010	1,782,241	2,021,513	113.4%
2011	1,993,893	1,976,967	99.2%
2012	1,955,423	2,193,073	112.2%

Additional Information and Actuarial Assumptions

Valuation date:	July 1, 2010
Actuarial cost method:	Entry Age Normal Cost
Amortization method:	Level Percent
Remaining amortization period:	15 years
Asset valuation method:	Market Value with future gains and losses recognized over five year
Actuarial assumptions:	
Investment rate of return	8.00%
Projected salary increases	4.50%

NOTE K – EMPLOYEE RETIREMENT PLANS (Continued)

Pension Trust Fund (Continued)

Annual Pension Cost and Net Pension Obligations

Annual required contribution	\$ 1,955,423
Interest on net pension obligation	(27,974)
Adjustment to annual required contribution	31,388
Annual pension cost	1,958,837
Contributions made	2,193,073
Increase in net pension obligation	(234,236)
Net pension asset, beginning of year	(349,679)
Net pension asset, end of year	\$ (583,915)

Three-Year Trend Information

Year Ended June 30	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Asset
2010	\$ 1,789,000	\$ 2,021,513	113.0%	\$ (383,755)
2011	2,011,043	1,976,967	98.3%	(349,679)
2012	1,958,837	2,193,073	112.0%	(583,915)

Plan Financial Statements

**TOWN OF NEW MILFORD, CONNECTICUT
STATEMENT OF PLAN NET ASSETS
JUNE 30, 2012**

	Pension Trust Fund
ASSETS	
Investments, at fair value:	
Guarenteed annuity contract	\$ 2,820,065
Pooled separate accounts	37,613,905
Contribution receivable	2,193,073
Total assets	42,627,043
NET ASSETS	
Held in trust for pension benefits	\$ 42,627,043

(See Schedule of Funding Progress on page 64)

NOTE K – EMPLOYEE RETIREMENT PLANS *(Continued)*

Pension Trust Fund *(Continued)*

Plan Financial Statements *(Continued)*

**TOWN OF NEW MILFORD, CONNECTICUT
STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012**

	Pension Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 2,193,073
Plan members	278,512
Total contributions	2,471,585
Investment income:	
Interest	213,136
Net decrease in the fair value of investments	2,105,514
Total investment income	2,318,650
Total additions	4,790,235
DEDUCTIONS	
Benefit payments	2,125,714
Administrative expenses	139,857
Total deductions	2,265,571
NET INCREASE	2,524,664
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
Beginning of year	40,102,379
End of year	\$ 42,627,043

NOTE K – EMPLOYEE RETIREMENT PLANS (Continued)

Teacher' Retirement System

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board.

Certain part-time and all full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not and is not legally responsible to contribute to the plan. After five years of service, teachers are fully vested in their own contributions. After ten years of service, teachers are fully vested in the monthly pension benefit which is payable at the age of sixty. The State of Connecticut contributes based on actuarially determined amounts. The funding level was determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual Town basis. For the year ended June 30, 2012, Town teachers contributed \$1,971,882 to the plan and covered payroll for the year was \$27,198,373.

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 24, the Town has reported "on behalf" payments of \$5,586,546 made by the State of Connecticut into the plan as intergovernmental revenues and education expenditures of the General Fund in the accompanying statement of revenues, expenditures and changes in fund balances of governmental funds.

NOTE L - DEFERRED COMPENSATION PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of the plan participants and their beneficiaries. In addition, the Town has no liability for losses under the plan.

Therefore, the accounts of the deferred compensation plan are not reported in the basic financial statements of the Town in accordance with GASB Statement No. 32.

NOTE M - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

The Town of New Milford administers an Other Post-Employment Benefits Plan (the "Plan"), which is a single-employer defined benefit healthcare plan. The Plan provides healthcare insurance benefits for eligible retirees and their spouses through the Town's group health insurance plan, which covers both active and retired members, as well as certain life insurance benefits. Benefit provisions are established through negotiations between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Plan is considered to be part of the Town's financial reporting entity. The Plan does not issue a publicly available financial report and is not included in the financial statements of another entity.

NOTE M - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Summary of Significant Accounting Policies

The Plan is accounted for using the accrual basis of accounting. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plans.

Investments are recorded at fair value. Securities traded on national exchanges are valued at the last reported sales price. Investment income is recognized when earned and gains and losses on sales or exchanges are recognized on the transaction date.

Administrative costs of the Plan are generally financed through investment earnings.

Plan Provisions

Contribution requirements of the plan members and the Town are established in the Plan document and may be amended through negotiations between the Town and the unions. Retired program members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums. Currently, the Town contributes the following for various classes of employees covered:

Board of Education Teachers: Teachers retiring under the Connecticut State Teachers Retirement system are eligible to receive health benefits for self and spouse. Normal retirement for teachers is the earlier of age 60 with 20 years of services, or completion of 35 years of service regardless of age. Individuals receiving benefits contribute 100% of their premium costs.

Police: Police Officers who retire under the Town's pension plan with at least 25 years of service, shall be eligible to continue receiving health benefits for self and spouse. All retirees under the age of 65 are required to contribute 100% of their premium costs. Individuals receiving benefits contribute 10% of their premium costs.

Funding Policy

Contribution requirements of the plan members and the Town are established in the provisions of the program and in accordance with the General Statutes of the State of Connecticut. For fiscal year 2012, plan member contributions totaled \$806,000. For fiscal year 2012, Town contributions totaled \$235,000. The Town is funding these benefits in an Other Post Employment Benefits Trust Fund.

NOTE M - OTHER POST-EMPLOYMENT BENEFITS(OPEB) (Continued)

Annual OPEB Cost and Net OPEB Obligation

The Town's annual OPEB cost (expense) is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The Town's annual OPEB cost is entirely attributed to an implicit rate subsidy, whereby retirees are considered to be receiving a benefit from the Town for access to premium rates offered to the Town's active employees. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation.

Annual required contribution	\$ 1,170,000
Interest on net OPEB obligation	79,547
Adjustment to annual required contribution	(59,073)
Annual OPEB cost (expense)	1,190,474
Contributions made	1,041,000
Increase in net OPEB obligation	149,474
Net OPEB obligation, beginning of year	994,338
Net OPEB obligation, end of year	\$ 1,143,812

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the past three years is as follows:

Year Ended June 30	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 1,039,669	\$ 745,000	71.7%	\$ 669,669
2011	1,103,669	779,000	70.6%	994,338
2012	1,190,474	1,041,000	87.4%	1,143,812

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2010 (the date of the most recent actuarial valuation) was as follows:

Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Entry Age Actuarial Cost Method (B)	Overfunded (Unfunded) AAL (UAAL) (B-A)	Funded Ratio (A/ B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/ C)
\$ -	\$ 12,899,000	\$ (12,899,000)	0.0%	N/ A	N/ A

NOTE M - OTHER POST-EMPLOYMENT BENEFITS(OPEB) *(Continued)*

Funded Status and Funding Progress *(Continued)*

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the Town are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

Valuation date:	July 1, 2010
Actuarial cost method:	Projected Unit Credit Cost
Amortization method:	Level Percent
Remaining amortization period:	28 years
Asset valuation method:	N/A
Actuarial assumptions:	
Investment rate of return	8.00%
Projected salary increases	4.50%
Healthcare cost trend rate	6.4% initial 4.7% final

NOTE M - OTHER POST-EMPLOYMENT BENEFITS(OPEB) (Continued)

Plan Financial Statements

**TOWN OF NEW MILFORD, CONNECTICUT
STATEMENT OF PLAN NET ASSETS
JUNE 30, 2012**

	Other Post Employment Benefits Fund
ASSETS	
Cash and cash equivalents	\$ 235,000
Total assets	235,000
NET ASSETS	
Held in trust for other post employment benefits	\$ 235,000

(See Schedule of Funding Progress on page 64)

**TOWN OF NEW MILFORD, CONNECTICUT
STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012**

	Other Post Employment Benefits Fund
ADDITIONS	
Contributions:	
Employer	\$ 235,000
Employee	806,000
Total additions	1,041,000
DEDUCTIONS	
Benefit payments	806,000
Total deductions	806,000
NET INCREASE	235,000
NET ASSETS HELD IN TRUST FOR OTHER POST EMPLOYMENT BENEFITS	
Beginning of year	-
End of year	\$ 235,000

NOTE N - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God for which the Town carries commercial insurance. During 2011, deductibles paid by the Town were insignificant. Neither the Town nor its insurers have settled any claims which exceeded the Town's insurance coverage during the past three years. There have been no significant reductions in any insurance coverage from amounts in the prior year.

The Medical Reserve Account, an internal service fund, was established to account for and finance employee medical benefits claims for eligible full-time employees and qualified retirees of both the Town and the Board of Education. The Town retains the risk of loss under the plan. A third party processes the claims filed under the self-insured health plan, for which the Town is charged an administrative fee. The Town has purchased a stop-loss policy for total claims in any one year exceeding an aggregate of 125% of expected claims and for individual claims exceeding \$125,000 for combined hospital and major medical.

The Town establishes claims liabilities based on estimates of claims that have been incurred but not reported at June 30, 2012. Claims liabilities are recorded in accordance with GASB Statements No. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of possible loss can be reasonably estimated. The amount of the claims accrual is based on the ultimate costs of settling the claims, which include past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claims accrual does not include other allocated or unallocated claims adjustment expenses.

A summary of claims activity for the years ended June 30, 2011 and 2012 is as follows:

Year Ended June 30	Claims Payable, Beginning of Year	Claims and Changes in Estimates	Claims Paid	Claims Payable, End of Year
2011	\$ 1,358,321	\$ 11,707,516	\$ 11,672,928	\$ 1,392,909
2012	1,392,909	11,561,198	11,914,707	1,039,400

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 ("CCM") 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. The Town is a member of CIRMA's worker's compensation pool, a risk sharing pool, which commenced operations on July 1, 1980. The worker's compensation pool provides statutory benefits pursuant to the provisions of the Connecticut Worker's Compensation Act. The Town pays an annual premium for its coverage. CIRMA is to be self-sustaining through members premiums but reinsures in excess of \$1,000,000 for each insured occurrence. Members may be subject to supplemental assessment in the event of deficiencies; however, potential assessments are limited pursuant to the by-laws.

The Town purchases commercial insurance for all other risks of loss, including blanket and umbrella Coverage has not been materially reduced, nor have settled claims exceeded commercial coverage in any of the past three years.

NOTE O - COMMITMENTS AND CONTINGENCIES

There are several lawsuits pending against the Town. The outcome and eventual liability to the Town, if any, in these cases is not known by management. The Town's management believes it has meritorious defenses against these lawsuits and estimates that potential claims against the Town, not covered by insurance, resulting from such litigation would not have a material adverse effect on the financial condition of the Town.

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

The Town may be subject to rebate penalties to the federal government relating to various bond and note issues. The Town expects such amounts, if any, to be immaterial.

As of June 30, 2012, the Town has recorded \$790,417 in encumbrances. Such encumbrances have been included as part of the assigned fund balance designation in accordance with the provisions of GASB Statement No. 54.

NOTE P - SUBSEQUENT EVENT

In July 2012, the \$25,140,000 bond anticipation note matured and was retired with proceeds from the issuance of a new bond anticipation note. The \$35,050,000 bond anticipation note issued bears an interest rate of 1.0% and will mature in July 2013.

NOTE Q – ADJUSTMENTS – CORRECTION OF PRIOR PERIODS

The financial statement accounts described below have been restated to correct for the impact of the errors identified in connection with the Town's financial statement close process as of June 30, 2012. The effect of the prior period adjustments on the change in net assets and the change in fund balances (deficits) for the year ended June 30, 2011 cannot be readily determined. Net assets and fund balances as of July 1, 2011 has been adjusted as follows:

Description:	Government-wide		Governmental Funds		Budgetary Funds
	Governmental Activities	Business-type Activities	General Fund	Sewer Expansion Fund	General Fund
Adjustment to record FY2010 change in budgetary fund balance not properly included in prior year	\$ -	\$ -	\$ -	\$ -	\$ 1,182,011
Adjustment to remove Town vacation accrual which was overstated in prior year	205,538	-	205,538	-	205,538
Adjustment to reduce overstatement of assets in the prior year	(321,347)	-	(321,347)	-	(321,347)
Adjustment to properly recognize premium on bond anticipation note	233,640	-	-	233,640	-
Adjustment to properly record capital assets	-	(47,251)			
	<u>\$ 117,831</u>	<u>\$ (47,251)</u>	<u>\$ (115,809)</u>	<u>\$ 233,640</u>	<u>\$ 1,066,202</u>

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NOTE Q – ADJUSTMENTS– CORRECTION OF PRIOR PERIODS *(Continued)*

	Government-wide		Governmental Funds		Budgetary
	Governmental Activities	Business-type Activities	General Fund	Sewer Expansion Fund	Funds General Fund
Fund balance - beginning, as originally reported	\$ 165,564,865	\$ 17,201,921	\$ 13,924,336	\$ (19,507,657)	\$ 11,294,807
Total adjustments	<u>117,831</u>	<u>(47,251)</u>	<u>(115,809)</u>	<u>233,640</u>	<u>1,066,202</u>
Fund balance - beginning, as adjusted	<u>\$ 165,682,696</u>	<u>\$ 17,154,670</u>	<u>\$ 13,808,527</u>	<u>\$ (19,274,017)</u>	<u>\$ 12,361,009</u>

NOTE R - RECENTLY ISSUED ACCOUNTING STANDARDS

The GASB has issued several new accounting standards that will become effective in future years. Management is currently evaluating the effect implementation of these standards, as applicable, will have on its financial statements. A summary of recently issued accounting standards that will become effective in future years is as follows:

In December 2010, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. Statement No. 62 incorporates into the GASB authoritative literature certain accounting and financial reporting guidance that is included in FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the AICPA Committee on Accounting Procedure that were issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. The provisions of GASB 62 are effective for financial statements for periods beginning after December 15, 2011 and early adoption is permitted.

The GASB has issued GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, which provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). GASB 63 requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. GASB 63 also amends certain provisions of GASB Statement No. 34, Basic Financial Statements -- and Management's Discussion and Analysis -- for State and Local Governments, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets. The provisions of GASB 63 are effective for financial statements for periods beginning after December 15, 2011 and early adoption is permitted.

The GASB has issued GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, which clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. GASB Concepts Statement (CON) No. 4, Elements of Financial Statements, specifies that recognition of deferred outflows and deferred inflows should be limited to those instances specifically identified in authoritative GASB pronouncements. Consequently, guidance was needed to determine which balances being reported as assets and liabilities should actually be reported as deferred outflows of resources or deferred inflows of resources, according to the definitions in CON 4. Based on those definitions, GASB 65 reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, GASB 65 recognizes certain items currently being reported as assets and

liabilities as outflows of resources and inflows of resources. The provisions of GASB 65 are effective for periods beginning after December 15, 2012 and early adoption is permitted.

The GASB has issued Statement No. 66, Technical Corrections – 2012, which amends GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, by modifying the specific guidance on accounting for 1) operating lease payments that vary from a straight-line basis, 2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and 3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes would eliminate any uncertainty regarding the application of GASB Statement No. 13, Accounting for Operating Leases with Scheduled Rent Increases, and result in guidance that is consistent with the requirements in GASB Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues. The provisions in GASB 66 are effective for periods beginning after December 15, 2012 and early adoption is permitted.

The GASB has issued Statement No. 67, Financial Reporting for Pension Plans - An amendment of GASB Statement No. 25, which replaces the requirements of GASB Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and GASB Statement No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. GASB 67 builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. GASB 67 enhances note disclosures and required supplementary information for both defined benefit and defined contribution pension plans. The provisions in GASB 67 are effective for financial statements for periods beginning after June 15, 2013 and early adoption is permitted.

The GASB has issued Statement No. 68, Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27, which replaces the requirements of GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, and GASB Statement No. 50, Pension Disclosures, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. GASB 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. GASB 68 also enhances accountability and transparency through revised and new note disclosures and required supplementary information. The provisions in GASB 68 are effective for fiscal years beginning after June 15, 2014 and early adoption is permitted.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Finance Director, New Milford Town Hall, 10 Main Street, New Milford, Connecticut 06776.