

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

of the

**TOWN OF ENFIELD,
CONNECTICUT**

FOR THE YEAR ENDED

JUNE 30, 2004

PREPARED BY:

DEPARTMENT OF FINANCE

**GREGORY SIMMONS
DIRECTOR OF FINANCE**

TOWN OF ENFIELD, CONNECTICUT

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TOWN OF ENFIELD, CONNECTICUT

PRINCIPAL OFFICIALS
JUNE 30, 2004

COUNCIL - MANAGER FORM OF GOVERNMENT

TOWN COUNCIL

Patrick L. Tallarita, Mayor
Lewis S. Fiore, Deputy Mayor
Patrick Joseph Crowley
Frank P. Dodd, Sr.
William J. Edgar, Jr.
Alice Egan
Scott R. Kaupin
Cynthia Mangini
Brian H. Peruta
John A. Reveruzzi
John T. Tait

Town Manager	Scott Shanley
Assistant Town Manager	Daniel Vindigni
Town Clerk	Suzanne Olechnicki
Director of Economic Development.....	Raymond L. Warren
Director of Finance	Gregory Simmons
Director of Human Resources	Willam Mahoney
Director of Information Systems.....	Charlene Bond
Director of Library	Henry Dutcher
Director of Planning/Community Development.....	Jose Giner
Director of Public Works	John Kazmarski
Director of Social Services	Dorothy Allen
Chief of Police.....	Ronald Marcotte
Town Attorney.....	Christopher W. Bromson

BOARD OF EDUCATION

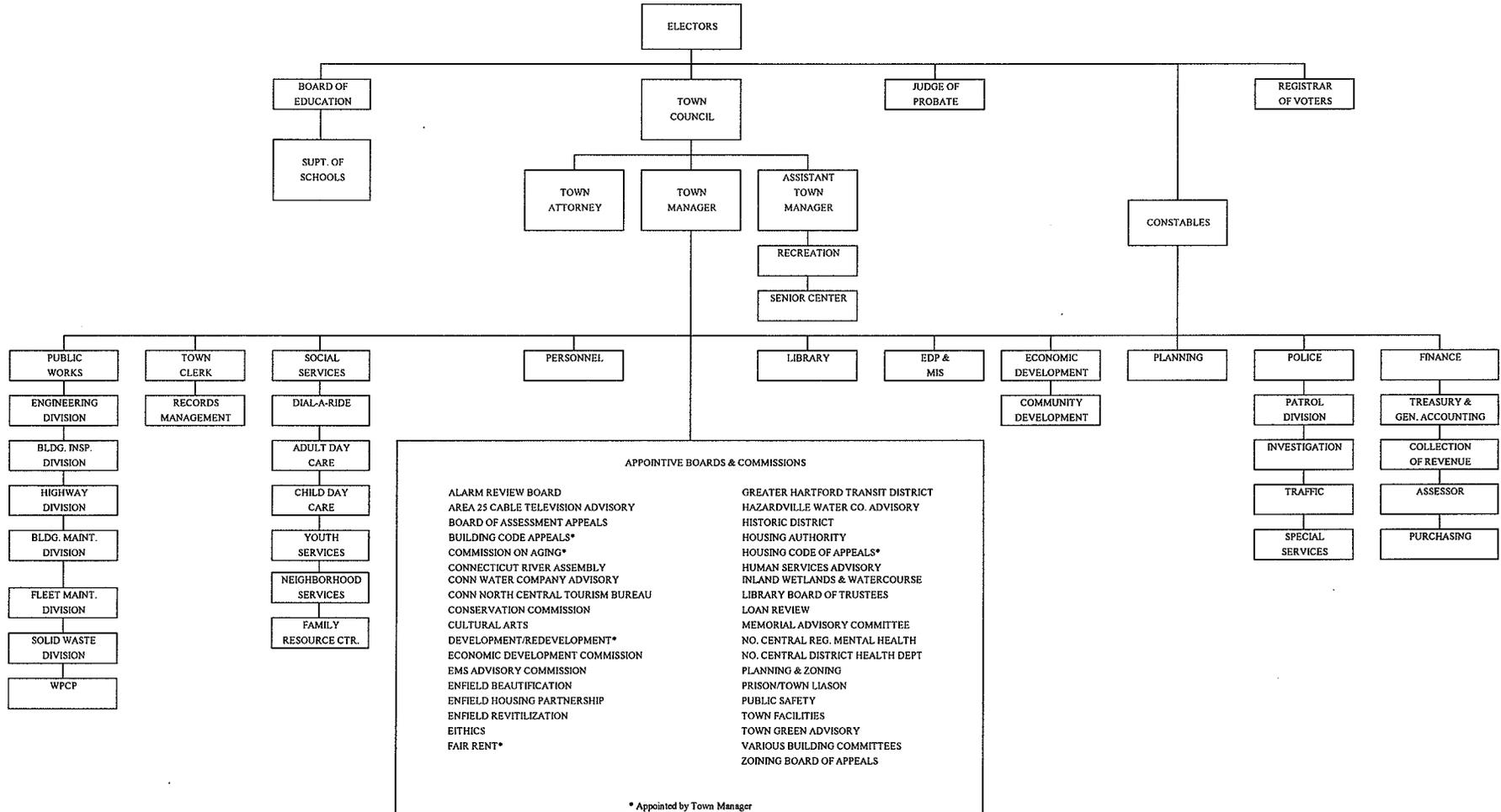
Kenneth Hilinski, Chairman
Kristen Provencher Hamilton, Vice-Chairman
Roger W. Jones, Secretary
Albert B. Harrison
Sharon A. Racine
Carol S. Santoski
Lynn A. Scull
Nicholas D. Sinsigalli, Jr.
Donna J. Corbin Sobinski

Superintendent of Schools.....	John Gallacher
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TOWN OF ENFIELD, CONNECTICUT

ORGANIZATIONAL CHART
JUNE 30, 2004

11





TOWN OF ENFIELD

December 3, 2004

Mr. Scott Shanley
Town Manager
Town of Enfield
Enfield, Connecticut 06082

Dear Mr. Shanley:

In accordance with Chapter V, Section 8 of the adopted charter for the Town of Enfield, I am submitting herewith the Comprehensive Annual Financial Report (CAFR) of the Town of Enfield for the fiscal year ended June 30, 2004.

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Town of Enfield for the fiscal year ended June 30, 2004.

This report consists of management's representations concerning the finances of the Town of Enfield. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Enfield has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town of Enfield's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town of Enfield's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Enfield's financial statements have been audited by Scully & Wolf, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Enfield for the fiscal year ended June 30, 2004, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Enfield's financial statements for the fiscal year ended June 30, 2004, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

820 Enfield Street/Enfield, Connecticut 06082/(860) 253-6300

The independent audit of the financial statements of the Town of Enfield was part of a broader, federally mandated "single audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited Town's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Town of Enfield's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Enfield's MD&A can be found immediately following the report of the independent auditors.

Profile of the Town of Enfield

The Town of Enfield is a suburb consisting of 33.8 square miles and located east of the Connecticut River along the Interstate 91 corridor, 18 miles north of Hartford, Connecticut, and 9 miles south of Springfield, Massachusetts, with a July 1, 2003 population of 45,539. Centrally located between Boston and New York City, and just a 15-minute drive from Bradley International Airport, Enfield is a short commute between major northeast economic markets.

Enfield's location, transportation access, quality work force, land, and business services have attracted many first-rate corporate citizens both large and small. The Town has a diversified commercial/industrial base of numerous manufacturing, research, engineering, distribution, service and retail facilities. These industries have enabled Enfield to enjoy an unemployment rate less than that of the State average in recent months.

The Town of Enfield operates under a council-manager form of government. Policy-making and legislative authority rest with a Town Council consisting of the mayor and ten other members. The Town Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the Town Manager and Town attorney. The Town Manager, among other things, is responsible for carrying out the policies and ordinances of the Town Council, overseeing the day-to-day operations of the town, and for appointing the various department heads.

The Town of Enfield provides a full range of services, including police protection; the construction and maintenance of highways, streets, sanitation and other infrastructure; and recreational activities and cultural events.

The annual budget serves as the foundation for the Town of Enfield's financial planning and control. All agencies of the Town of Enfield are required to submit requests for appropriations to the Town Manager. The Town Manager uses these requests as the starting point for developing a proposed budget for presentation to the Town Council. The proposed budget is due to the Town Council no later than seventy-five days prior to the end of the fiscal year. The Town Council holds one or more public hearings on the budget not later than sixty days before the end of the fiscal year. Within twenty days of the final hearing, the Town Council adopts the budget by resolution.

Factors Effecting Financial Condition

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the Town of Enfield operates.

Local Economy - The Town of Enfield enjoys a favorable economic environment, which when coupled with a broad and diverse commercial and industrial base, points to continued economic stability. The Town of Enfield has several industries with headquarters or divisions located within its boundaries including greeting cards and plastic game assembly plus a wide variety of retail venues and a local college. Currently, a superior financial services company is in the process of renovating an existing site capable of becoming a world headquarters location.

Long-Term Financial Planning - Prepared as part of the annual budget process, a comprehensive six-year plan of capital improvement projects attempts to identify and provide a responsible funding/execution plan for public betterments to ensure a stable community infrastructure. This multi-million dollar plan is designed to support an operation, which has evolved from a fix-up mode to one able to anticipate short and long-term requirements. While many projects are funded with a single annual appropriation of .0002 of the current grand list (the Town charter annual limit per project), which computes to \$403,000 for fiscal year 2003-04, or less, larger more costly undertakings are funded over a multi-year period unless authorized by referendum to exceed such restriction.

Additionally, the Town of Enfield is in the process of completing recently approved bond projects for renovations to most of the Town's elementary schools, one of the high schools, a new senior center and town-wide roadwork, all of which will benefit residents and visitors for years to come. In November of 2004 residents approved, at referendum, additional bonding capacity of \$19,000,000 with a total authorization of \$24,000,000 for the continuation of the roadwork being done across town.

Cash management policies and practices - Cash temporarily idle during the year was invested in certificates of deposit, obligations of the U.S. Treasury, commercial paper, corporate bonds, and the State Treasurer's investment fund. The rates of interest earned on investments range from .68% to 4.87%. The highest yields being part of the pension plans due to the long-term character of some of its investment holdings. Investment income includes appreciation of the fair value of investments. Increases in fair value during the current year, however, do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the Town intends to hold to maturity.

Risk Management - The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Insurance coverage is purchased from the commercial insurance market with the exception of workers' compensation and heart and hypertension. To provide workers' compensation coverage, the Town participates in the Connecticut Interlocal Risk Management Agency (CIRMA), a risk sharing pool created by a Special Act of the Connecticut General Assembly. Coverage for heart and hypertension and post-employment benefits is funded by an annual appropriation for actual payments.

Pension and other post-employment benefits - The Town of Enfield offers two single employer defined benefit pension plans, one for non-police employees and one for police employees. Each year an independent actuary engaged by the pension plans calculates the amount of the annual contribution that the Town of Enfield must make to the pension plans to ensure that the plans will be able to fully meet their obligations to retired employees on a timely basis. As a matter of policy, the Town of Enfield fully funds each year's annual required contribution to the pension plan as determined by the actuary.

The Town of Enfield also provides post-retirement health care benefits for certain retirees and their dependents. As of the end of the current fiscal year, there were 75 retired employees receiving these benefits, which are financed on an annual basis. GAAP do not currently require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits.

Additional information on the Town of Enfield's pension plans and post-employment benefits can be found in Notes IV. C. and IV. D. in the notes to the basic financial statements.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for the fiscal year ended June 30, 2003. This was the thirteenth consecutive year the Town has received this prestigious award, which is valid for a one year period. In order to be awarded a certificate of achievement, the Town published an easily readable and efficiently organized comprehensive annual financial report. This report satisfies both generally accepted accounting principles and applicable legal requirements.

The Town believes its current comprehensive annual financial report continues to meet the program requirements, and will be submitting it to the GFOA to be considered for another certificate of achievement.

The preparation of this annual financial report could not have been accomplished without a major effort and commitment from all members of the finance department. I would also like to thank you and members of the Town Council for the continued interest and support in planning and conducting the financial affairs of the Town of Enfield in a responsible and progressive manner.

The Finance Department will continue pursuit of its goals: to promote the highest degree of public credibility and confidence in its operations; working to foster and maintain a local government environment which demonstrates fiscal accountability, efficiency, integrity, stability, and relevant equity; and of course, the overall strive towards excellence.

Respectfully submitted,



Gregory Simmons, CPA
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Enfield,
Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

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



Nancy L. Zielle

President

Jeffrey R. Enow

Executive Director



Scully & Wolf, LLP / Certified Public Accountants / Glastonbury, Connecticut 06033

INDEPENDENT AUDITORS' REPORT

Members of the Town Council
Town of Enfield, Connecticut

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Enfield, Connecticut, as of and for the year ended June 30, 2004, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Enfield, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2004 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis and budgetary comparison information on pages 8 through 15 and 46 through 52 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

December 2, 2004

A handwritten signature in black ink that reads "Scully & Wolf LLP". The signature is written in a cursive, flowing style.

TOWN OF ENFIELD, CONNECTICUT

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2004**

This discussion and analysis of the Town of Enfield, Connecticut's ("Town") financial performance is provided by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2004. Please read this MD&A in conjunction with the transmittal letter beginning on page 5 and the Town's financial statements, Exhibits I to VI. All amounts in this section are reported in thousands unless otherwise noted.

FINANCIAL HIGHLIGHTS

- Net assets of our governmental activities increased by \$12,409, or nearly 11.7 percent.
- During the year, the Town had expenses that were \$12,409 less than the \$122,485 generated in tax and other revenues for governmental programs.
- Total cost of all of the Town's programs was \$110,076 with one new program for Emergency Medical Services added this year.
- The General Fund reported a fund balance this year of \$17,697.
- The resources available for appropriation were \$237 more than budgeted for the General Fund. Expenditures were kept within spending limits.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The statement of net assets and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements are presented in Exhibit III to IX. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The analysis of the Town as a whole begins on Exhibit I and II. The statement of net assets and the statement of activities report information about the Town as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net assets and changes in them. The Town's net assets, the difference between assets and liabilities, is one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net assets are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall health of the Town.

In the statement of net assets and the statement of activities, the Town reports its activities:

- *Governmental activities* – The Town's basic services are reported here, including general government, public safety, recreation, public works, health/social services, library, planning and development, and education. Property taxes and intergovernmental revenues finance most of these activities.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds – not the Town as a whole. Some funds are required to be established by Charter. However, the town administration establishes many other funds to help control and manage financial activities for particular purposes like the General Government Grants Fund. The Town's funds are divided into two categories; governmental and fiduciary.

- *Governmental funds (Exhibit III and IV)* – Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.
- *Fiduciary funds (Exhibit V and IV)* – The Town is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Town’s combined net assets increased from a year ago increasing from \$105,389 to \$117,798. The analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Town’s governmental activities.

	Governmental Activities	
	<u>2004</u>	<u>2003*</u>
Table 1 Net Assets		
Current and other assets.....	\$ 57,175	\$ 62,919
Capital assets	<u>103,838</u>	<u>91,439</u>
Total assets	<u>161,013</u>	<u>154,358</u>
Long-term debt outstanding.....	38,137	41,354
Other liabilities	<u>5,078</u>	<u>7,615</u>
Total liabilities	<u>43,215</u>	<u>48,969</u>
Net assets:		
Invested in capital assets, net of debt	75,912	72,664
Restricted.....	61	60
Unrestricted (deficit)	<u>41,825</u>	<u>32,665</u>
Total net assets	<u>\$117,798</u>	<u>\$105,389</u>
*Restated		

Net assets of the Town’s governmental activities increased by 11.7 percent. Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – changed from \$32,665 at June 30, 2003 to \$41,285 at the end of this year.

This change in unrestricted governmental net assets resulted primarily because of capital grants received on several construction projects.

Table 2
Changes In Net Assets

	Governmental	
	Activities	
	<u>2004</u>	<u>2003</u>
Revenues:		
Program revenues:		
Charges for services	\$ 6,790	\$ 6,257
Operating grants and contributions	31,580	31,391
Capital grants and contributions	11,054	8,145
General revenues:		
Property taxes	68,035	64,972
Unrestricted investment earnings	1,226	1,399
Grants and contributions not restricted to specific purposes	3,625	3,932
Other general revenues	<u>175</u>	<u> </u>
Total revenues	<u>122,485</u>	<u>116,096</u>
Program expenses:		
General government	5,065	4,875
Public safety	8,742	9,071
Recreation	1,124	1,194
Public works	12,152	13,776
Health/Social services	6,319	4,445
Library	1,709	1,449
Planning and Development	679	585
Intergovernmental and Interagency	442	376
Education	72,542	69,544
Interest on long-term debt	<u>1,302</u>	<u>1,371</u>
Total program expenses	<u>110,076</u>	<u>106,686</u>
Increase (decrease) in net assets	<u>\$ 12,409</u>	<u>\$ 9,410</u>

The Town's total revenues was \$122,485. The total cost of all programs and services was \$110,076. Our analysis below considers the operations of governmental activities.

Governmental Activities

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

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
General government	\$ 5,065	\$ 4,875	\$ 3,844	\$ 3,719
Public safety	8,742	9,071	8,497	8,634
Public works	12,152	13,776	10,564	12,140
Education	72,542	69,544	28,938	29,300
Health/Social services.....	6,319	4,445	3,809	2,308
All others	5,256	4,975	5,000	4,792
Totals.....	<u>\$110,076</u>	<u>\$106,686</u>	<u>\$60,652</u>	<u>\$60,893</u>

TOWN FUNDS FINANCIAL ANALYSIS

Governmental Funds

As the Town completed the year, its governmental funds (as presented in the balance sheet – Exhibit III) reported a combined fund balance of \$47,273, which is a decrease from last year's total of \$49,949.

Approximately 77% of this total amount (\$36,483) constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period (\$4,066), 2) to pay commitments (\$6,119), 3) to account for long-term receivable items (\$198), 4) for endowments (\$337), or 5) for inventory (\$71,192).

The General Fund is the operating fund of the Town. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$14,987. Of this amount, \$6,193 was designated for debt service payments, capital fund projects and next year's budget, while total fund balance was \$17,697. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 15.4% of total General Fund expenditures.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor and represent transfers to cover negotiated/approved salary increases and miscellaneous items. Investment income was significantly below estimates due to the low rates, but this was offset by less than budgeted spending in the public works, employee benefits and debt service functions.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2004, the Town had \$103,838 invested in a broad range of capital assets, including land, buildings, building improvements, machinery and equipment, vehicles, infrastructure (roads, sewer lines, sidewalks) – Table 4. This amount represents a net increase (including additions and deductions) of \$12,399 or 14 percent, over last year.

Table 4
Capital Assets at Year-end (Net of Depreciation)

	Governmental Activities	
	<u>2004</u>	<u>2003</u>
Land	\$ 10,358	\$10,325
Buildings and system	22,372	22,470
Building improvements	6,408	4,267
Machinery and equipment	2,540	2,356
Vehicles	4,466	4,416
Infrastructure	482	431
Construction in progress	<u>57,212</u>	<u>47,174</u>
Totals	<u>\$103,838</u>	<u>\$91,439</u>

This year’s major additions included:

- Construction was substantially completed on the Enfield High School Library; the total construction cost for the fiscal year was \$4,068.
- A variety of street construction projects in existing and new residential developments continued under the Town's Road 2000 program; construction in progress during the fiscal year amounted to \$3,418.
- Various school building additions and improvements were completed during the year at a cost of \$1,304.

The Town’s fiscal-year 2004-05 capital budget calls for it to spend another \$3,690 for capital projects, principally for major equipment/systems and road/walk improvements. More detailed information about the Town’s capital assets is presented in Note 1 to the financial statements.

Long-term debt

At June 30, 2004 the Town had \$31,500 in bonds and notes outstanding versus \$34,500 last year – a decrease of 8.6 percent – as shown in Table 5.

Table 5		
Outstanding Debt, at Year-end		
	Governmental Activities	
	<u>2004</u>	<u>2003</u>
General obligation bonds Town.....	\$14,075	\$15,725
General obligation bonds – School improvements	<u>17,425</u>	<u>18,775</u>
Total.....	<u>\$31,500</u>	<u>\$34,500</u>

The Town’s total debt decreased by \$3,000 (8.6%) during the current fiscal year. No new debt was issued this year.

The Town maintains an “AA” rating from Standard Poor’s and an “Aa3” rating from Moody’s for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7 times total tax collections including interest and lien fees and the tax relief for elderly freeze grant. The current debt limitation for the Town is \$522,674, which is significantly in excess of the Town’s outstanding general obligation debt.

Other obligations include accrued vacation pay and sick leave. More detailed information about the Town’s long-term liabilities is presented in Note8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The Town’s elected and appointed officials considered many factors when setting the fiscal-year 2005 budget tax rates. One of those factors is the economy. The Town’s employment growth has improved, averaging annual increases of 1 percent. Unemployment in the Town now stands at 4.2 percent versus 4.5 percent a year ago. This compares with the State’s unemployment rate of 4.2 percent and the national rate of 5.1 percent.

These indicators were taken into account when adopting the General Fund budget for 2004-05. Amounts available for appropriation in the General Fund budget are \$102,338, a increase of 2 percent over the final 2003-04 budget of \$100,366. Property taxes (benefiting from the 2004 rate increases and increases in assessed valuations) and intergovernmental revenue are expected to lead this increase.

The Town will use these increases in revenues to finance programs currently offered and to off-set the effect that we expect inflation to have on program costs. Budgeted expenditures are expected to rise nearly 2 percent, to \$102,338 from \$100,366 in 2004. Increased personal services are the largest increments.

If these estimates are realized, the Town's budgetary General Fund balance is expected to decrease by June 30, 2005.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director, Gregory Simmons, CPA, Town of Enfield, 820 Enfield Street, Enfield, Connecticut, 06082.

TOWN OF ENFIELD, CONNECTICUTSTATEMENT OF NET ASSETS
JUNE 30, 2004

	GOVERNMENTAL ACTIVITIES
ASSETS:	
Cash and cash equivalents	\$ 34,533,565
Investments	12,349,415
Receivables, net	9,728,562
Due from Fiduciary Funds	4,641
Inventories	71,192
Deferred charges	34,561
Other current assets	53,034
Net pension asset	399,608
Capital assets, net	<u>103,838,023</u>
Total assets	<u>161,012,601</u>
LIABILITIES:	
Accounts and other payables	4,035,010
Unearned revenue	804,741
Due to Fiduciary Funds	238,358
Noncurrent liabilities:	
Due within one year	4,220,193
Due in more than one year	<u>33,916,576</u>
Total liabilities	<u>43,214,878</u>
NET ASSETS:	
Invested in capital assets, net of related debt	75,912,088
Restricted for:	
Trust purposes	61,096
Unrestricted	<u>41,824,539</u>
Total net assets	<u>\$117,797,723</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF ENFIELD, CONNECTICUT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES.....			NET (EXPENSE) REVENUE AND ..CHANGES IN NET ASSETS..
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
Governmental activities:					
General government	\$ 5,065,311	\$1,189,707	\$ 31,735		\$ (3,843,869)
Public safety	8,741,635	221,642	23,311		(8,496,682)
Recreation	1,124,190	152,002			(972,188)
Public works	12,152,054	1,134,089	453,755		(10,564,210)
Health/social services	6,319,309	1,045,481	963,996	\$ 500,000	(3,809,832)
Library	1,708,787	19,210	19,761		(1,669,816)
Planning and development	679,092	63,430			(615,662)
Intergovernmental and interagency	441,934				(441,934)
Education	72,542,303	2,965,001	30,084,862	10,554,734	(28,937,706)
Interest on long-term debt	1,301,944		2,190		(1,299,754)
Total.....	\$110,076,559	\$6,790,562	\$31,579,610	\$11,054,734	(60,651,653)
General revenues:					
Property taxes.....					68,034,760
Grants and contributions not restricted to specific programs.....					3,624,798
Unrestricted investment earnings.....					1,225,941
Miscellaneous.....					<u>174,967</u>
Total general revenues.....					<u>73,060,466</u>
Change in net assets					12,408,813
Net assets, July 1, 2003, as restated (Note 1L)					<u>105,388,910</u>
Net assets, June 30, 2004					<u>\$117,797,723</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF ENFIELD, CONNECTICUT

GOVERNMENTAL FUNDS

BALANCE SHEET
JUNE 30, 2004

	GENERAL	WATER POLLUTION CONTROL	INSURANCE FUND	BONDED PROJECTS	CAPITAL NONRECURRING	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>A S S E T S</u>							
Cash and cash equivalents	\$12,689,990	\$2,613,121	\$2,312,182	\$8,652,441	\$4,674,409	\$3,591,422	\$34,533,565
Investments		1,223,114	5,595,429		5,109,302	421,570	12,349,415
Receivables, net:							
Property taxes	2,583,015						2,583,015
Assessments/use charges		690,169					690,169
Accounts	1,102,246					2,425	1,104,671
Loans						1,348,335	1,348,335
Notes	198,085						198,085
Intergovernmental				3,369,239	281,224	153,824	3,804,287
Due from other funds	7,125,573		100,582		4,958	206,418	7,437,531
Other	53,034					71,192	124,226
TOTAL	<u>\$23,751,943</u>	<u>\$4,526,404</u>	<u>\$8,008,193</u>	<u>\$12,021,680</u>	<u>\$10,069,893</u>	<u>\$5,795,186</u>	<u>\$64,173,299</u>
<u>L I A B I L I T I E S A N D F U N D B A L A N C E S</u>							
Liabilities:							
Accounts payable	\$ 837,741	\$ 482,666	\$ 595	\$ 963,085	\$ 37,595	\$ 140,118	\$ 2,461,800
Accrued payroll and compensated absences	630,575						630,575
Legal contingencies	611,180						611,180
Due to other funds	550,316	3,273,703		2,251,914	1,332,287	263,028	7,671,248
Deferred revenue	3,425,514	690,169				1,409,384	5,525,067
Total liabilities	<u>6,055,326</u>	<u>4,446,538</u>	<u>595</u>	<u>3,214,999</u>	<u>1,369,882</u>	<u>1,812,530</u>	<u>16,899,870</u>
Fund balances (deficit):							
Reserved for:							
Encumbrances	2,511,150	2,415,127				105,849	5,032,126
Inventory						71,192	71,192
Receivables	198,085						198,085
Commitments				5,201,426	917,550		6,118,976
Endowments						336,517	336,517
Unreserved, reported in:							
General Fund	14,987,382						14,987,382
Special Revenue Funds		(2,335,261)	8,007,598			3,449,323	9,121,660
Capital Projects Funds				3,605,255	7,782,461		11,387,716
Permanent Funds						19,775	19,775
Total fund balances	<u>17,696,617</u>	<u>79,866</u>	<u>8,007,598</u>	<u>8,806,681</u>	<u>8,700,011</u>	<u>3,982,656</u>	<u>47,273,429</u>
TOTAL	<u>\$23,751,943</u>	<u>\$ 4,526,404</u>	<u>\$8,008,193</u>	<u>\$12,021,680</u>	<u>\$10,069,893</u>	<u>\$5,795,186</u>	
Amounts reported for governmental activities in the statement of net assets are different because:							
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds							103,838,023
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds							5,119,934
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds							(38,433,663)
Net assets of governmental activities							<u>\$117,797,723</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF ENFIELD, CONNECTICUT

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

	GENERAL	WATER POLLUTION CONTROL	INSURANCE FUND	BONDED PROJECTS	CAPITAL NONRECURRING	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:							
Property taxes	\$ 68,362,689						\$ 68,362,689
Intergovernmental	30,159,267			\$10,216,335	\$ 558,636	\$ 4,923,070	45,857,308
Charges for services	2,711,533	\$ 607,717				3,642,354	6,961,604
Contribution		346,000				96,787	442,787
Income from investments	423,241	31,695	\$ 606,161		124,859	39,985	1,225,941
Other income						44,049	44,049
Total revenues	101,656,730	985,412	606,161	10,216,335	683,495	8,746,245	122,894,378
Expenditures:							
Current:							
General government	3,385,017					1,100	3,386,117
Public safety	6,694,518					111,031	6,805,549
Recreation	500,068						500,068
Public works	7,978,411	3,314,812					11,293,223
Health/social services			172,052			4,270,323	4,442,375
Library	1,054,099					19,912	1,074,011
Planning and development	635,524						635,524
Intergovernmental and interagency	441,934						441,934
Education	65,267,466					6,449,314	71,716,780
Nondepartmental	7,041,558						7,041,558
Debt service	4,334,424						4,334,424
Capital outlay				10,079,052	3,819,570		13,898,622
Total expenditures	97,333,019	3,314,812	172,052	10,079,052	3,819,570	10,851,680	125,570,185
Excess (deficiency) of revenues over expenditures	4,323,711	(2,329,400)	434,109	137,283	(3,136,075)	(2,105,435)	(2,675,807)
Other financing sources (uses):							
Transfers in	229,000	1,500,000	113,692	550,000	1,697,260	1,967,194	6,057,146
Transfers out	(5,253,146)	(100,000)			(704,000)		(6,057,146)
Total other financing sources (uses)	(5,024,146)	1,400,000	113,692	550,000	993,260	1,967,194	
Net change in fund balances	(700,435)	(929,400)	547,801	687,283	(2,142,815)	(138,241)	(2,675,807)
Fund balance, July 1, 2003 (as restated Note 1L)	18,397,052	1,009,266	7,459,797	8,119,398	10,842,826	4,120,897	
Fund balance, June 30, 2004	\$ 17,696,617	\$ 79,866	\$8,007,598	\$ 8,806,681	\$ 8,700,011	\$ 3,982,656	

Amounts reported for governmental activities in the statement of activities (Exhibit II) are 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 as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	12,517,058
In the statement of activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold	(118,373)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(564,272)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount of repayments	3,008,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds	242,207
Change in net assets of governmental activities (Exhibit II)	\$12,408,813

The accompanying notes are an integral part of these financial statements.

TOWN OF ENFIELD, CONNECTICUTFIDUCIARY FUNDSSTATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2004

	PENSION FUND	AGENCY FUNDS
ASSETS:		
Cash and cash equivalents		\$1,214,875
Investments:		
Certificates of deposit		105,869
Guaranteed interest contracts	\$24,837,299	
U.S. Government bonds	1,684,839	
Domestic stocks	26,497,935	
International stocks	5,854,673	
Due from other funds		<u>238,358</u>
Total assets	<u>58,874,746</u>	<u>\$1,559,102</u>
LIABILITIES:		
Accounts payable		\$1,554,461
Due to other funds		<u>4,641</u>
Total liabilities		<u>\$1,559,102</u>
NET ASSETS:		
Held in trust for pension benefits	<u>\$58,874,746</u>	

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The accompanying notes are an integral part of these financial statements.

TOWN OF ENFIELD, CONNECTICUTFIDUCIARY FUNDSSTATEMENT OF CHANGES IN PLAN NET ASSETS
PENSION TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2004

Additions:	
Contributions:	
Employer.....	\$ 1,354,716
Plan members.....	<u>955,269</u>
Total contributions.....	2,309,985
Investment income:	
Net appreciation in fair value of investments .	\$4,663,118
Interest and dividends.....	<u>1,771,696</u>
Total.....	6,434,814
Less investment expense.....	<u>202,776</u>
Net investment income.....	<u>6,232,038</u>
Total additions.....	8,542,023
Deductions:	
Benefits.....	2,153,619
Administration.....	<u>129,680</u>
Total deductions.....	<u>2,283,299</u>
Net increase.....	6,258,724
Net assets held in trust for pension benefits, July 1, 2003..	<u>52,616,022</u>
Net assets held in trust for pension benefits, June 30, 2004 .	<u>\$58,874,746</u>

The accompanying notes are an integral part
of these financial statements.

TOWN OF ENFIELD, CONNECTICUT

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town of Enfield, Connecticut was settled in 1683. The Town operates under a Council-Manager form of government and provides the following services as authorized by its charter (last revised 1996): police, highways and streets, sanitation, social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the significant accounting policies.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

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

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

The various funds included in the financial statements are described below:

Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed.

General Fund - the primary operating fund of the Town. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for service, and interest income.

Special Revenue Funds - account for revenue derived from specific sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities.

Capital Project Funds - account for all financial resources used for the acquisition or construction of major capital facilities not being financed by proprietary funds.

Permanent Funds - used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, and other governments. Fiduciary funds are not included in the government-wide statements. The fiduciary funds are as follows:

Pension Trust Fund - accounts for the Enfield Employee Retirement System.

Agency Funds - are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

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

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

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

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

The Town reports the following major governmental funds:

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

The Water Pollution Control Fund accounts for collection of user charges in relation to the cost of water pollution control and the financing of sanitary sewer improvements or services deemed to benefit the properties against which special assessments are levied.

The Insurance Fund accounts for reimbursements from insurance companies which may become a basis for potential self-insurance in the future.

The Bonded Projects Fund accounts for the financial revenues to be used for major capital asset construction and/or purchases.

The Capital Nonrecurring Fund accounts for the accumulation of monies for future capital projects.

Additionally, the Town reports the following fund types:

The Pension Trust Funds account for the activities of the Enfield Employees Retirement System, which accumulates resources for pension benefit payments to qualified employees.

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

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Deposits and Investments

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

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and certain other investments as described in Note 4-A.

Investments for the Town are reported at fair value.

E. Receivables and Payables

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

All trade, property tax, sewer use, sewer assessment, and loan receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 2 to 26 percent of outstanding receivable balances at June 30, 2004, and are calculated based upon prior collections.

Loan receivables consist of Community Development Block Grant loans. The Town provides low interest loans for residential rehabilitation as well as loans to local businesses for facility improvements.

Property taxes are assessed on property as of October 1. Real estate and personal property taxes are due and payable in two installments on July 1 and the following January 1. Motor vehicle taxes are due and payable July 1, and motor vehicle supplemental taxes are due and payable January 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date. An amount of \$506,626 has been established as an allowance for uncollectible taxes. At June 30, 2004, this represented 16.40% of all property tax receivables.

F. Inventories and Prepaid Items

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

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

G. Restricted Assets

The Library Trust Funds are restricted to expenditure of the investment income only for the donor designated purpose.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment, \$20,000 for improvements (and \$100,000 for infrastructure) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	50 - 75
Building improvements	20 - 75
Machinery and equipment	10 - 30
Vehicles	10 - 30
Infrastructure:	
Roads	50
Sidewalks	25
Drainage	50
Sewer lines	100

The Town has recorded capital assets on a prospective basis only.

I. Compensated Absences

Town employees are granted vacation leave based upon length of employment. In the event of termination, employees are compensated for accumulated vacation time.

The Board of Education has employment contracts, which provide for the accrual of sick pay based on length of service.

J. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities 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 any significant applicable bond premium or discount. Significant bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

K. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

L. Restatements

The General Fund fund balance has been increased by \$1,139,730 to properly reflect 1) property tax revenue considered available of \$477,485 on June 30, 2003, 2) to properly reduce accounts payable for June 30, 2003 by \$295,651, and 3) to remove accrued interest payable for \$366,594. In addition, the Scholarship Fund has been recategorized as a special revenue fund. Prior year fund balance for nonmajor governmental funds has been increased by \$295,365.

Unrestricted net assets changed from \$104,431,300 to \$105,388,910.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds”. The details of this (\$38,433,663) difference are as follows:

Bonds payable	\$(31,500,000)
Less: Deferred charge for issuance costs (to be amortized over life of debt).....	34,561
Accrued interest payable	(331,455)
Landfill closure.....	(360,000)
Employee retirement incentive.....	(13,333)
Compensated absences	(6,000,966)
Net pension obligation.....	<u>(262,470)</u>
 Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	 <u><u>\$(38,433,663)</u></u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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 details of this \$12,517,058 difference are as follows:

Capital outlay	\$13,763,659
Depreciation expense.....	<u>(1,246,601)</u>
 Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	 <u><u>\$12,517,058</u></u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities”. The details of this \$3,008,000 difference are as follows:

Principal repayments:	
General obligation debt	\$3,000,000
Early retirement incentive	<u>8,000</u>
 Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	 <u><u>\$3,008,000</u></u>

Another element of that reconciliation states that “some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds”. The details of this \$242,207 difference are as follows:

Compensated absences.....	\$ 90,806
Net pension obligation	103,921
Accrued interest	35,139
Landfill closure	15,000
Amortization of issuance costs	<u>(2,650)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$242,207</u></u>

3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund and Water Pollution Control Plant Fund financial statements.

By Charter, the Town Manager submits proposed budgets for the General Fund and Water Pollution Control Plant Fund to the Town Council 75 days prior to fiscal year end. The operating budgets include proposed expenditures and the means of financing them.

- Prior to July 1, the budget is legally enacted through passage of a resolution.
- Management is authorized to transfer amounts without approval of the Town Council within departments. Transfers between departments (within functions) can only be made by the Town Council and only within the last three months of the fiscal year.
- The Department of Education is not a separate legal entity, but a separate function of the Town. Its Board is authorized under State law to make any transfers required within their budget at their discretion. Any additional appropriations must have Town Council approval and, if necessary, approval at a public hearing or referendum.
- Formal budgetary integration is employed as a management control device during the year.
- The budget is prepared on the modified accrual basis of accounting.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level for the General Fund and at the fund level for the Water Pollution Control Plant Fund.
- Budgeted amounts shown are as amended by the Town Council during the course of the year. There were additional appropriations totaling \$319,000 during the year.
- Generally, all appropriations lapse at year end, except those for the Capital Projects Fund. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in budgetary reports (RSI-2 and RSI-3) as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

B. Deficit Fund Equity

At June 30, 2004 the nonmajor governmental Dog Fund had a deficit fund balance of \$3,923 which will be funded from General Fund appropriations.

4. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds does not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

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

A. Cash and Cash Equivalents

The following is a summary of cash and cash equivalents at June 30, 2004

Deposits:	
Demand accounts	\$14,327,398
Money Markets	1,712,108
Other savings accounts.....	<u>1,155,940</u>
 Total deposits	 17,195,446
Petty cash	2,975
Other cash equivalents*:	
State Short-Term Investment Fund (STIF)	16,655,800**
MBIA, Inc. Cooperative Liquid Assets Security System (CLASS).....	<u>1,894,219**</u>
 TOTAL CASH AND CASH EQUIVALENTS.	 <u>\$35,748,440</u>

* Short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity.

** Risk Category (defined below) cannot be determined since the Town does not own identifiable securities but invests as a shareholder of the investment pool.

B. Deposits

At June 30, 2004 the carrying amount of the Town deposits was \$17,669,778, including certificates of deposits of \$474,332 classified as investments and the bank balance was \$18,908,668. Of the bank balance, \$989,348 was covered by Federal Depository Insurance. Section 36a-333 of the Connecticut General Statutes requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk based capital ratio. A minimum of \$1,867,868 based on June 30, 2004 deposits was collateralized at Risk Category 3 as defined below. The balance of deposits of \$16,051,452 were uninsured and uncollateralized.

C. Investments

The Town's investments are categorized below to give an indication of the level of risk assumed by the entity at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Town or its agent in the Town's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Town's name. Category 3 includes uninsured and unregistered investments for which securities are held by the counterparty, or by its trust department or agent but not in the Town's name.

Category 3:	
Bonds and notes	\$ 1,313,632
Common stock	<u>2,259,779</u>
Total.....	<u>3,573,411</u>
Non-categorized investments - pool accounts*:	
Guaranteed Interest Contracts	24,837,299
Mutual Funds	6,332,416
Fixed Income Accounts	4,217,367
Equities Fund	27,454,951
Government Securities Fund.....	3,388,761
Prisa Fund	<u>1,051,493</u>
Total.....	<u>67,282,287</u>
Deposits**:	
Long-Term Certificate of Deposits	<u>474,332</u>
TOTAL.....	<u>\$71,330,030</u>

* Categorization is not applicable since the Town does not own identifiable securities, but invests as a shareholder of the investment pool.

** Covered by collateralization under Section 36a-333 of the Connecticut General Statutes as described under "deposits" above.

5. RECEIVABLES

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

	<u>General</u>	<u>Water Pollution Control</u>	<u>Bonded Projects</u>	<u>Capital Nonrecurring</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:						
Interest	\$1,224,767	\$233,728				\$ 1,458,495
Taxes	3,089,641					3,089,641
Accounts	252,605				\$ 2,425	255,030
Special assessments ...		463,335				463,335
Intergovernmental.....	141,398		\$3,369,239	\$281,224	153,824	3,945,685
Housing loans					1,348,335	1,348,335
Gross receivables	4,708,411	697,063	3,369,239	281,224	1,504,584	10,560,521
Less: allowance for uncollectibles	<u>(825,065)</u>	<u>(6,894)</u>				<u>(831,959)</u>
Net total receivables	<u>\$3,883,346</u>	<u>\$690,169</u>	<u>\$3,369,239</u>	<u>\$281,224</u>	<u>\$1,504,584</u>	<u>\$ 9,728,562</u>

Allowances for uncollectibles are as follows:

Property taxes	\$506,626
Accrued interest on property taxes	318,439
Assessments.....	2,219
Accrued interest on assessments	<u>4,675</u>
TOTAL.....	<u>\$831,959</u>

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>
Delinquent property taxes receivable.....	\$2,984,614	
Special assessments not yet due.....	337,800	
Grant drawdowns prior to meeting all eligibility requirements ..		\$ 61,049
Advance tax collections		256,639
Other		134,684
Notes and loan receivable not yet due	1,360,893	
School Building Grants.....	37,019	
Deferred assessments		<u>352,369</u>
Total deferred/ unearned revenue for governmental funds	<u>\$4,720,326</u>	<u>\$804,741</u>

6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2004 was as follows:

	Beginning Balance	Increases*	Decreases*	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land.....	\$ 10,324,965	\$ 32,600		\$ 10,357,565
Construction in progress.....	47,173,809	10,038,679		57,212,488
Total capital assets, not being depreciated.....	57,498,774	10,071,279		67,570,053
Capital assets, being depreciated:				
Buildings	36,168,046	475,104		36,643,150
Building improvements	4,629,642	2,264,841		6,894,483
Machinery and equipment	3,015,150	1,898,908	\$(1,616,871)	3,297,187
Vehicles	6,443,094	503,074	(251,218)	6,694,950
Infrastructure	432,939	49,349		482,288
Total capital assets being depreciated	50,688,871	5,191,276	(1,868,089)	54,012,058
Less accumulated depreciation for:				
Buildings	(13,697,729)	(573,002)		(14,270,731)
Building improvements	(362,925)	(123,438)		(486,363)
Machinery and equipment	(658,791)	(128,542)	30,549	(756,784)
Vehicles	(2,027,447)	(421,352)	220,271	(2,228,528)
Infrastructure	(1,415)	(267)		(1,682)
Total accumulated depreciation.....	(16,748,307)	(1,246,601)	250,820	(17,744,088)
Total capital assets, being depreciated, net.....	33,940,564	3,944,675	(1,617,269)	36,267,970
Governmental activities capital assets, net.....	\$ 91,439,338	\$14,015,954	\$(1,617,269)	\$103,838,023

*Includes transfers of \$1,498,896 between departments.

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

Governmental activities:	
General administration.....	\$ 103,698
Public safety.....	181,681
Public works.....	530,834
Health/social services.....	30,048
Libraries	14,478
Recreation	32,196
Education	353,666
Total depreciation expense - governmental activities.....	\$1,246,601

Construction Commitments

The Town has active construction projects as of June 30, 2004. The projects include schools, roads, and the senior center. At year end the Town’s commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Elementary School.....	\$30,237,641	\$208,635
Enfield High School Library.....	5,208,353	186,016
Roads	<u>18,481,193</u>	<u>224,331</u>
 TOTAL	 <u>\$53,927,187</u>	 <u>\$618,982</u>

The commitments are being financed through various bond issues.

7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

A summary of interfund balances as of June 30, 2004 is as follows:

	<u>Corresponding Fund</u>	<u>Due From</u>	<u>Due To</u>
Major Funds:			
General Fund:			
Insurance Fund.....			\$ 100,582
Water Pollution Control.....	N/A	\$3,273,703	
Bonded Projects	N/A	2,251,914	
Capital And Nonrecurring Expenditure Fund	N/A	1,332,287	4,958
General Government Grants	N/A		20,042
Dog Fund	N/A		8,929
Open Space Acquisition.....	N/A		15,614
Revaluation	N/A	1,100	
Community Development.....	N/A		75,472
Social Services Fund.....	N/A	220,920	
Emergency Fuel Bank.....	N/A		5,441
Drug Enforcement Education Grants.....	N/A		19,449
Town Memorial Fund	N/A		22,866
Recreation Programs.....	N/A		22,662
Performance Bonds.....	N/A		234,051
Cultural Arts Commission	N/A	4,641	
Purple Heart Museum Fund	N/A		4,307
School Miscellaneous Fund	N/A	41,008	
Emergency Medical Services.....	N/A	<u> </u>	<u>15,943</u>
 Total General Fund.....		 <u>7,125,573</u>	 <u>550,316</u>

	Corresponding Fund	<u>Due From</u>	<u>Due To</u>
Major Funds (continued):			
Water Pollution Control Fund	General Fund	_____	<u>\$3,273,703</u>
Bonded projects	General Fund	_____	<u>2,251,914</u>
Capital Nonrecurring	General Fund	<u>\$ 4,958</u>	<u>1,332,287</u>
Insurance Fund	General Fund	<u>100,582</u>	_____
Nonmajor Funds:			
Special Revenue Funds:			
General Government Grants	General Fund	20,042	
Dog Fund	General Fund	8,929	
School Miscellaneous Fund	General Fund		41,008
Open Space Acquisition	General Fund	15,614	
Revaluation	General Fund		1,100
Community Development	General Fund	75,472	
Social Services Fund	General Fund		220,920
Emergency Fuel Bank	General Fund	5,441	
Drug Enforcement Grants	General Fund	19,449	
Town Memorial Fund	General Fund	22,866	
Recreation Programs	General Fund	22,662	
Emergency Medical Service	General Fund	<u>15,943</u>	_____
Total Special Revenue Funds		<u>206,418</u>	<u>263,028</u>
Total Governmental Funds		<u>7,437,531</u>	<u>7,671,248</u>
Fiduciary Funds:			
Performance bonds	General Fund	234,051	
Cultural Arts Commission	General Fund		4,641
National Purple Heart Museum Fund	General Fund	<u>4,307</u>	_____
Total Fiduciary Funds		<u>238,358</u>	<u>4,641</u>
TOTAL		<u>\$7,675,889</u>	<u>\$7,675,889</u>

All interfund balances resulted from the time lag between the date payments occurred between funds for various activities.

A summary of interfund transfers as of June 30, 2004 is as follows:

	Corresponding Fund	Transfers In	Transfers Out
Major Funds:			
General Fund:			
Water Pollution Control	N/A	\$ 100,000	\$1,500,000
Capital Nonrecurring	N/A	129,000	1,697,260
General Government Grants	N/A		98,000
Emergency Medical Services.....	N/A		130,000
Social Services Fund.....	N/A		1,699,194
Insurance Fund.....			113,692
Dog Fund			<u>15,000</u>
Total General Fund		<u>229,000</u>	<u>5,253,146</u>
Water Pollution Control Fund	General Fund	<u>1,500,000</u>	<u>100,000</u>
Insurance Fund	General Fund	<u>113,692</u>	
Bonded Projects	Capital Nonrecurring	<u>550,000</u>	
Capital Nonrecurring:			
Capital and Nonrecurring.....	Open Space Acquisition		25,000
Capital and Nonrecurring.....	General Fund	1,697,260	129,000
Capital and Nonrecurring.....	Bonded Projects		<u>550,000</u>
Total Capital Nonrecurring.....		<u>1,697,260</u>	<u>704,000</u>
Nonmajor Funds:			
Open Space Acquisition	Capital Nonrecurring	25,000	
Revaluation.....	General Fund	98,000	
Social Services Fund	General Fund	1,699,194	
Dog Fund	General Fund	15,000	
Emergency Medical Services	General Fund	<u>130,000</u>	
Total Nonmajor Funds.....		<u>1,967,194</u>	
TOTAL		<u>\$6,057,146</u>	<u>\$6,057,146</u>

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

8. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2004, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$34,500,000		\$3,000,000	\$31,500,000	\$3,000,000
Net pension obligation	366,392		103,922	262,470	
Early retirement incentive..	21,333	\$ 8,333	16,333	13,333	5,000
Compensated absences.....	6,091,772	60,303	151,109	6,000,966	1,200,193
Landfill closure costs	375,000		15,000	360,000	15,000
	<hr/>				
Governmental activity long-term liabilities	<u>\$41,354,497</u>	<u>\$68,636</u>	<u>\$3,286,364</u>	<u>\$38,136,769</u>	<u>\$4,220,193</u>

Bonds payable at June 30, 2004 comprise the following:

<u>Description</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance June 30, 2004</u>
<u>Bonds</u>					
General Purpose:					
Improvement bond.....	\$10,000,000	10/15/99	2009	4.1%-6%	\$ 6,000,000
Improvement bond.....	\$4,025,000	03/01/02	2016	3%-5%	3,425,000
Improvement bond.....	\$5,000,000	04/01/03	2018	2.5%-4.5%	<u>4,650,000</u>
Total General Purpose					<u>14,075,000</u>
Schools:					
School bond	9,975,000	03/01/02	2016	3%-5%	8,575,000
School bond	9,500,000	04/01/03	2018	2.5%-4.5%	<u>8,850,000</u>
Total Schools					<u>17,425,000</u>
Total bonds					<u>\$31,500,000</u>

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

The following is a summary of bond maturities:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2005	\$ 3,000,000	\$1,207,625
2006	3,000,000	1,087,500
2007	3,000,000	973,000
2008	3,000,000	867,500
2009	2,950,000	756,000
2010	2,950,000	630,000
2011	1,950,000	537,500
2012	1,950,000	466,625
2013	1,950,000	393,375
2014	1,950,000	317,688
2015	1,950,000	239,562
2016	1,950,000	160,188
2017	950,000	77,188
2018	<u>950,000</u>	<u>39,187</u>
TOTAL	<u>\$31,500,000</u>	<u>\$7,752,938</u>

Legal Debt Limit

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose.....	\$168,002,588	\$16,935,000	\$151,067,588
Schools	\$336,005,177	\$17,425,000	\$318,580,177
Sewers.....	\$280,004,314		\$280,004,314
Urban renewal	\$242,670,405		\$242,670,405
Pension deficit	\$224,003,451		\$224,003,451

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$522,674,719.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds/notes issued by the fire districts located within the Town boarders.

Landfill Closure and Post-Closure Care Costs

State and Federal laws and regulations require landfill closures to meet certain standards. The Town landfill is closed. Monitoring costs for the next 24 years at \$15,000 per year total \$360,000. This amount is based on estimates, which are subject to change due to inflation, technology or applicable laws and regulations.

Authorized/Unissued Bonds

As of June 30, 2004, the Town had no authorized unissued general obligation bonds.

Fund Balance Designations

Fund balance designations in the General Fund at June 30, 2004 are as follows:

<u>Designated for</u>	<u>General Fund</u>
Subsequent year’s budget	\$1,700,000
Capital fund.....	1,492,983
Debt service	<u>3,000,000</u>
TOTAL	<u>\$6,192,983</u>

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Pension Plans

A. Plan Description

The Town of Enfield administers two single-employer, contributory defined benefit pension plans (Town and Police Plans). The two plans, Town and Police, are included in the financial statements as pension trust funds. The plans do not issue stand alone financial statements. Plan contribution requirements and benefits are established by the Town Council through adoption of plan documents.

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The pension trust fund’s financial statements are prepared using the accrual basis of accounting. Revenues (contributions and investment income) are recognized when earned and expenses (benefits, administration, and refunds of contributions) are recognized when incurred.

Valuation of Investments

All funds are invested and administered through a Group Annuity Contract with the Group Pension Division of the Connecticut General Life Insurance Company and are reported at fair value. There are no investments in any one organization that represents 5% or more of net assets available for benefits.

C. Classes of Employees Covered

The membership of the Plan consisted of the following as of June 30, 2004:

	<u>Town</u>	<u>Police</u>
Retirees and beneficiaries currently receiving benefits	168	37
Terminated Plan members entitled to benefits but not yet receiving them	35	3
Active Plan members.....	472	94
Inactive with vested benefits	<u>4</u>	<u>—</u>
Total	<u>679</u>	<u>134</u>

D. Benefit Provisions

Town Plan

The Town of Enfield Pension Plan covers all employees working more than nineteen hours a week and for more than five (5) months per calendar year except teachers covered under the State of Connecticut Teachers' Retirement System and Police. The Town provides all retirement benefits through a single employer, contributory, defined benefit plan. All employees are 100% vested after five (5) years of continuous service. Employees who retire at normal retirement at age 65 receive a retirement benefit.

Police Plan

The Town of Enfield Police Pension Plan covers all employees working more than thirty-five hours a week and for more than five (5) months per calendar year. The Town provides all retirement benefits through a single employer, contributory, defined benefit plan. All employees are 100% vested after ten (10) years of continuous service. Employees who retire at normal retirement age of the later of age 50 or 20 years of service receive a retirement benefit.

Contributions

Town employees contribute 3.5% of earnings and Police employees contribute 7% of earnings. The Town is required to contribute the amounts necessary to finance the benefits for its employees. Administration costs are financed from investment earnings.

E. Actuarial Assumptions

Town Plan

The annual required contribution for the current year was determined as part of the July 1, 2003 actuarial valuation using the frozen entry age normal actuarial cost method. The actuarial assumptions included (a) 8% investment rate of return and (b) 5% projected salary increases. Both (a) and (b) included an inflation component of 3.5%. The assumptions do not include post-retirement benefit increases. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability was fully amortized as of June 30, 2004.

Police Plan

The annual required contribution for the current year was determined as part of the July 1, 2003 actuarial valuation using the frozen entry age normal actuarial cost method. The actuarial assumptions included (a) 8% investment rate of return and (b) 5% projected salary increases. Both (a) and (b) included an inflation component of 3.5%. The assumptions do not include post-retirement benefit increases. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period as of July 1, 2003 was 15 years.

F. Annual Pension Cost and Net Pension Obligation (Asset)

	<u>Town</u>	<u>Police</u>
Annual required contribution	\$1,015,806	\$ 338,910
Interest on net pension obligation	(45,050)	29,311
Adjustment to annual required contribution	<u>208,564</u>	<u>(133,232)</u>
Annual pension cost	1,179,320	234,989
Contributions made	<u>1,015,806</u>	<u>338,910</u>
Increase (decrease) in net pension obligation	163,514	(103,921)
Net pension obligation (asset), July 1, 2003	<u>(563,122)</u>	<u>366,391</u>
Net pension obligation (asset), June 30, 2004	<u><u>\$ (399,608)</u></u>	<u><u>\$ 262,470</u></u>

The required and actual contributions for the past three years were as follows:

Town Plan

<u>Fiscal Year Ending</u>	<u>Annual Pension Costs (APC)</u>	<u>Actual Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
6/30/02	\$764,265	\$643,032	84.14%	\$(701,953)
6/30/03	947,583	808,752	85.35%	(563,122)
6/30/04	\$1,179,320	\$1,015,806	86.13%	\$(399,608)

Police Plan

<u>Fiscal Year Ending</u>	<u>Annual Pension Costs (APC)</u>	<u>Actual Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/02	\$279,899	\$359,180	128.32%	\$457,161
6/30/03	215,875	306,645	142.05%	366,392
6/30/04	234,989	338,910	144.22%	262,470

G. Pension Plan Required Supplementary Information

Town Plan

Schedule of Funding Progress

Actuarial Valuation Date <u>July 1,</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability(AAL) Projected Unit Credit <u>(b)</u>	Over (Under) Funded AAL <u>(a-b)</u>	Funded AAL Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	Over/Under Funded AAL As A Percentage of Covered Payroll <u>((b-a)/c)</u>
1998	\$19,742,250	\$18,730,476	\$1,011,774	105.40%	\$9,542,750	10.60%
1999	21,803,475	19,795,269	2,008,206	110.14	10,429,931	19.25
2000	24,082,243	21,786,951	2,295,292	110.54	11,236,269	20.43
2001	25,926,452	23,348,089	2,578,363	111.04	11,992,767	21.50
2002	27,331,204	25,634,232	1,696,972	106.62	13,599,793	12.48
2003	28,682,927	27,492,369	1,190,558	104.33	15,240,161	7.81

Schedule of Employer Contributions

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
6/30/98	\$498,008	100%
6/30/99	\$539,727	100%
6/30/00	\$583,163	100%
6/31/01	\$611,792	100%
6/30/02	\$643,032	100%
6/30/03	\$808,752	100%

Police Plan

Schedule of Funding Progress

Actuarial Valuation Date <u>July 1,</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability(AAL) Projected Unit Credit <u>(b)</u>	Over (Under) Funded AAL <u>(a-b)</u>	Funded AAL Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	Over/Under Funded AAL As A Percentage of Covered Payroll <u>((b-a)/c)</u>
1998	\$19,978,387	\$20,524,355	\$ (545,968)	97.34%	\$3,995,114	(13.67)%
1999	22,002,595	23,048,588	(1,045,993)	95.46	4,390,773	(23.82)
2000	24,391,034	24,805,811	(414,777)	98.33	4,765,994	(8.70)
2001	26,329,788	26,184,976	144,812	100.55	4,886,868	2.96
2002	27,706,112	27,046,127	659,985	102.44	5,020,845	13.14
2003	28,798,745	27,764,173	1,034,572	103.73	4,891,901	21.15

Schedule of Employer Contributions

<u>Fiscal Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/98	\$434,609	75%
6/30/99	\$334,526	100%
6/30/00	\$521,718	100%
6/30/01	\$422,778	100%
6/30/02	\$359,180	100%
6/30/03	\$338,910	100%

H. Separate Plan Financial Information

Schedule of Plan Net Assets			
.....June 30, 2004.....			
	<u>Employees' Pension Trust</u>	<u>Police Pension Trust</u>	<u>Total</u>
Assets:			
Investments:			
Guaranteed interest contracts.....	\$13,107,570	\$11,729,729	\$24,837,299
U.S. Government bonds.....	753,487	931,352	1,684,839
Domestic stocks.....	12,846,189	13,651,746	26,497,935
International stocks.....	2,914,644	2,940,029	5,854,673
	<u>\$29,621,890</u>	<u>\$29,252,856</u>	<u>\$58,874,746</u>
Net assets:			
Net assets held in trust for:			
Employees' pension benefits	<u>\$29,621,890</u>	<u>\$29,252,856</u>	<u>\$58,874,746</u>

**Schedule of Changes in Plan Net Assets
...For The Year Ended June 30, 2004...**

	Employees' Pension Trust	Police Pension Trust	Total
Additions:			
Contributions:			
Employer	\$ 1,015,806	\$ 338,910	\$ 1,354,716
Plan members	585,808	369,461	955,269
	<hr/>	<hr/>	<hr/>
Total contributions	1,601,614	708,371	2,309,985
Investment income:			
Net appreciation in fair value of investments	2,305,075	2,358,043	4,663,118
Interest and dividends	905,209	866,487	1,771,696
	<hr/>	<hr/>	<hr/>
Total investment income	3,210,284	3,224,530	6,434,814
Less investment expenses	(99,120)	(103,656)	(202,776)
	<hr/>	<hr/>	<hr/>
Net investment income	3,111,164	3,120,874	6,232,038
	<hr/>	<hr/>	<hr/>
Total additions	4,712,778	3,829,245	8,542,023
Deductions:			
Benefits	1,243,919	909,700	2,153,619
Administration	73,530	56,150	129,680
	<hr/>	<hr/>	<hr/>
Total deductions	1,317,449	965,850	2,283,299
	<hr/>	<hr/>	<hr/>
Net increase	3,395,329	2,863,395	6,258,724
Net assets held in trust for employees' pension benefits, July 1, 2003	26,226,561	26,389,461	52,616,022
	<hr/>	<hr/>	<hr/>
Net assets held in trust for employee's pension benefits, June 30, 2004.....	\$29,621,890	\$29,252,856	\$58,874,746
	<hr/>	<hr/>	<hr/>

I. Teachers' Retirement

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

The Town withholds seven percent (7%) of all teachers annual salaries and transmits the funds to the State Teachers' Retirement Board. Teacher payroll subject to retirement amounted to \$33,778,224 or 80.8% of the total Education payroll of \$41,760,015.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. The Town does not have any liability for teacher pensions. For the year ended June 30, 2004 the Town has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$2,197,943 as payments made by the State of Connecticut on-behalf of the Town.

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

10. RESTRICTED ASSETS

The Library Trust Funds are restricted to expenditure of the investment income only for the donor designated purposes.

11. OTHER POSTEMPLOYMENT BENEFITS

The Town provides post-employment benefits to retirees. The benefit consists of medical insurance for all retirees age 65 and over. For the fiscal year 2004, the payments totaled \$154,651 for the 75 eligible retirees. The amount is funded on an annual basis by General Fund appropriations, which are approved under the authority of the Town Council.

The Town currently is a member in Connecticut Interlocal Risk Management Agency (CIRMA), a public entity risk pool established for the purpose of administering an interlocal risk management program pursuant to the provisions of Section 7-479a et. seq. of Connecticut General Statutes, for workers' compensation coverage. The Town pays an annual premium for its coverage. CIRMA is to be self-sustaining through members' premiums but reinsures in excess of \$750,000 for each insured occurrence.

12. RISK MANAGEMENT

The Town is exposed to various risks of loss related to public officials' liability, police liability, theft or impairment of assets, errors and omissions, injury to employees and natural disasters. The Town purchases commercial insurance for all risks of loss except workers' compensation. Neither the Town nor its insurer has settled any claims, which exceeded insurance coverage in the last three years, and there have been no significant reductions in insurance from amounts held in prior years.

13. COMMITMENTS AND LITIGATION

There are various suits and claims pending against the Town, none of which, individually or in the aggregate, is believed by legal counsel to be likely to result in a judgment or judgments, which would materially affect the Town's financial position.

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 expenditures disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

TOWN OF ENFIELD, CONNECTICUT

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2004

	.....BUDGETED AMOUNTS.....			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
<u>PROPERTY TAXES</u>				
Real estate	\$ 52,794,088	\$ 52,794,088	\$ 53,362,492	\$ 568,404
Motor vehicle	7,776,291	7,776,291	7,369,676	(406,615)
Personal property	5,037,043	5,037,043	5,090,630	53,587
Prior year levy	900,000	900,000	1,360,069	460,069
Penalties and interest	675,000	675,000	807,117	132,117
Lien fees	12,000	12,000	12,552	552
Suspense list collections	50,000	50,000	49,113	(887)
Telephone access line	426,606	426,606	311,040	(115,566)
Total property taxes.....	67,671,028	67,671,028	68,362,689	691,661
<u>INTERGOVERNMENTAL REVENUES</u>				
Hospital - PILOT	36,476	36,476	36,440	(36)
Department of Housing - PILOT			155,966	155,966
Tax loss - State property	1,636,811	1,636,811	1,639,020	2,209
Tax loss - boat registration	10,471	10,471	10,471	
Tax relief - elderly frozen	32,000	32,000	17,162	(14,838)
Tax relief - elderly circuit breaker	335,000	335,000	326,656	(8,344)
Tax relief - disability exemption	8,000	8,000		(8,000)
Mashantucket Pequot Indians	474,853	474,853	869,618	394,765
Civil preparedness	10,000	10,000	8,000	(2,000)
Tax relief - veterans additional	90,000	90,000	36,620	(53,380)
Manufacturers PILOT	550,000	550,000	449,578	(100,422)
Tax loss - bingo permits	1,000	1,000	696	(304)
Town Aid Road Grant	121,912	121,912	121,461	(451)
Education block Grant	22,304,034	22,304,034	22,765,919	461,885
School building Grants	346,000	346,000	346,000	
School transportation	712,467	712,467	697,684	(14,783)
Health services private schools	59,878	59,878	59,195	(683)
Miscellaneous State Grants			1,815	1,815
FEMA Grants			73,036	73,036
Total intergovernmental revenues.....	26,728,902	26,728,902	27,615,337	886,435

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TOWN OF ENFIELD, CONNECTICUT
 GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS), ETC.

	.....BUDGETED AMOUNTS.....			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
<u>CHARGES FOR SERVICES</u>				
Recording legal documents	\$ 225,000	\$ 225,000	\$ 406,047	\$ 181,047
Conveyance tax	140,000	140,000	506,954	366,954
Vital statistics	13,000	13,000	14,252	1,252
Planning and zoning fees	20,000	20,000	60,974	40,974
Zoning board of appeal fees	3,000	3,000	2,456	(544)
Miscellaneous clerk fees	35,000	35,000	49,952	14,952
Photocopy charges	4,000	4,000	4,791	791
Fire district tax collection	200,000	200,000	200,620	620
Communication Center	50,000	50,000		(50,000)
Accident reports	4,000	4,000	4,273	273
Police outside services	30,000	30,000	31,159	1,159
Blind program	25,000	25,000	29,675	4,675
Environment recycling programs			15,297	15,297
Bulky waste fees	275,000	275,000	115,450	(159,550)
Park/recreation program fees	139,534	139,534	152,002	12,468
Medicaid school based health	104,073	104,073	197,323	93,250
School tuition - other towns		90,000	198,651	108,651
Other charges	5,000	5,000	5,724	724
Building and mechanical	300,000	300,000	395,625	95,625
Pistol permits	3,500	3,500	2,130	(1,370)
Vendor permits	1,000	1,000	570	(430)
Amusements	500	500	535	35
Dog licenses	4,800	4,800	4,537	(263)
Hunting and fishing	3,000	3,000	2,254	(746)
Marriage licenses	2,500	2,500	2,799	299
Sewer permits	3,000	3,000	4,250	1,250
Dump permits	60,000	60,000	89,035	29,035
Parking fines	10,000	10,000	11,735	1,735
Library fines	10,000	10,000	12,153	2,153
Alarm fines			34,200	34,200
Rental - Town owned property	15,000	15,000	16,944	1,944
Sale - equipment and property	10,000	10,000	32,773	22,773
Insurance claims and refunds	150,000	150,000	64,390	(85,610)
Contributions/donations	1,000	1,000	770	(230)
Vehicle insurance reimbursement	45,000	45,000	12,915	(32,085)
Miscellaneous	450,000	450,000	1,289,743	839,743
Total charges for services.....	2,341,907	2,431,907	3,972,958	1,541,051

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TOWN OF ENFIELD, CONNECTICUT
 GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS), ETC.

	.....BUDGETED AMOUNTS.....			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
<u>USE OF MONEY AND PROPERTY</u>				
Interest on investments	\$ 1,000,000	\$ 1,000,000	\$ 423,241	\$ (576,759)
Total revenues	<u>97,741,837</u>	<u>97,831,837</u>	<u>100,374,225</u>	<u>2,542,388</u>
<u>OTHER FINANCING SOURCES</u>				
Other financing sources:				
Appropriation of fund balance	2,000,000	2,000,000		(2,000,000)
Transfers in	305,463	534,463	229,000	(305,463)
Total other financing sources	<u>2,305,463</u>	<u>2,534,463</u>	<u>229,000</u>	<u>(2,305,463)</u>
TOTAL	<u>\$100,047,300</u>	<u>\$100,366,300</u>	100,603,225	<u>\$ 236,925</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut "on-behalf" contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			2,197,943	
Special Education Excess Cost Grant not budgeted			345,987	
Cancellation of prior year encumbrances are recognized as budgetary revenue			<u>(1,261,425)</u>	
Total revenues and other financing sources as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds - Exhibit IV			<u>\$101,885,730</u>	

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TOWN OF ENFIELD, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2004

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BUDGETED AMOUNTS.....			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
General government:				
Town Council	\$ 61,000	\$ 151,000	\$ 108,870	\$ 42,130
Town Manager	332,887	337,562	326,446	11,116
Data Processing and MIS	1,012,968	1,021,173	990,741	30,432
Town Attorney	278,495	281,045	275,795	5,250
Probate Court	11,990	11,990	11,447	543
Election/voter registration	90,500	95,395	75,487	19,908
Town Clerk	296,929	316,267	308,964	7,303
Records Manager	58,935	60,379	59,655	724
Personnel Office	265,019	286,431	278,837	7,594
Finance Administration	185,344	196,708	195,753	955
Treasury	286,285	293,390	286,190	7,200
Collection of revenues	209,555	219,207	213,450	5,757
Assessor	236,811	242,058	230,349	11,709
General services	83,775	85,787	83,859	1,928
Board of Assessment Appeals	4,350	4,350	4,132	218
Enfield Revitalization Committee	5,000	5,000		5,000
Ethics Commission	500	500	124	376
Fish and Game Program	4,850	4,850	4,509	341
Keep Enfield Beautiful	4,000	4,000	3,992	8
Historic District Commission	6,150	6,150	5,307	843
Fair Rent Commission	600	600	70	530
Cultural Arts Commission	12,000	12,000	12,000	
Prison/Town Liaison Committee	900	900	210	690
Loan Review Committee	200	200		200
Economic Development Commission	1,850	1,850	555	1,295
Total general government.....	3,450,893	3,638,792	3,476,742	162,050
Public safety:				
Protection of life and property	6,578,412	6,745,412	6,683,590	61,822
Emergency management	8,500	8,500	5,784	2,716
Total public safety.....	6,586,912	6,753,912	6,689,374	64,538
Recreation:				
Administration	322,561	348,428	304,377	44,051
Programs	128,034	128,034	109,516	18,518
Swim Program	149,451	149,451	115,193	34,258
Total recreation.....	600,046	625,913	529,086	96,827

TOWN OF ENFIELD, CONNECTICUT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS), ETC.

	.....BUDGETED AMOUNTS.....			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
Public Works:				
Public works administration	\$ 389,785	\$ 398,824	\$ 393,172	\$ 5,652
Engineering	345,846	347,585	313,812	33,773
Building inspection	233,505	234,836	230,747	4,089
Maintenance/buildings and grounds	1,871,616	1,872,203	1,780,597	91,606
Highway and sanitation supervision	1,327,711	1,621,798	1,604,935	16,863
Equipment maintenance and repair	1,271,777	1,359,277	1,163,980	195,297
Refuse collection	2,805,405	2,908,155	2,892,358	15,797
Total public works	8,245,645	8,742,678	8,379,601	363,077
Library:				
Public library	1,079,953	1,082,147	1,063,642	18,505
Planning and development:				
Town Planner	291,780	295,224	287,303	7,921
Planning and zoning policy	30,950	30,950	22,758	8,192
Zoning review	7,000	7,000	6,132	868
Conservation Commission	3,350	3,350	846	2,504
Inland wetlands Commission	10,650	10,650	8,916	1,734
Community development	197,588	198,617	172,525	26,092
Economic development	137,363	141,103	133,097	8,006
Total planning and development	678,681	686,894	631,577	55,317
Intergovernmental and interagency:				
Capital Region Council of Governments	23,382	23,382	23,381	1
Capital Region Growth Council	9,100	9,100	8,590	510
Enfield Cemetery Association	25,759	25,759	25,759	
Enfield Historical Society	9,840	9,840	9,840	
Connecticut Conference of Municipalities	32,500	32,500	32,457	43
National League of Cities	3,200	3,200	3,000	200
Enfield Veterans' Council	33,000	33,000	33,000	
District Fire Marshal fees	1,000	1,000	416	584
North Central Health District	143,959	143,959	143,959	
Celebrations and special events	30,345	30,345	29,183	1,162
High school safe graduation	1,000	1,000	1,000	
Greater Hartford Transit District	3,165	3,165	3,165	
PVTA subsidy	64,700	122,400	122,386	14
Housing education resource	7,000	7,000	7,000	
Connecticut River Assembly	500	500	500	
Athletic Hall of Fame	1,200	1,200	1,200	
Total intergovernmental and interagency	389,650	447,350	444,836	2,514

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TOWN OF ENFIELD, CONNECTICUT
 GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS), ETC.

	.....BUDGETED AMOUNTS.....			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
Board of Education	\$ 61,475,791	\$ 61,475,791	\$ 61,473,551	\$ 2,240
Nondepartmental:				
Insurance and bond charges	537,000	543,000	429,308	113,692
Employee benefits	5,395,025	5,405,025	5,380,909	24,116
Miscellaneous charges	1,654,000	1,273,100	1,253,628	19,472
Total nondepartmental.....	7,586,025	7,221,125	7,063,845	157,280
Debt service	4,354,250	4,354,250	4,334,424	19,826
Total expenditures	94,447,846	95,028,852	94,086,678	942,174
Other financing uses:				
Transfers out	5,599,454	5,337,448	5,253,146	84,302
TOTAL	<u>\$100,047,300</u>	<u>\$100,366,300</u>	99,339,824	<u>\$1,026,476</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut "on-behalf" payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			2,197,943	
Special Education Excess Cost Grant not budgeted.....			345,987	
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes ...			<u>702,411</u>	
Total expenditures and other financing sources as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds - Exhibit IV.....			<u>\$102,586,165</u>	

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TOWN OF ENFIELD, CONNECTICUT

WATER POLLUTION CONTROL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	.....BUDGETED AMOUNTS.....			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
Revenues:				
Intergovernmental	\$ 550,000	\$ 550,000	\$ 346,000	\$ (204,000)
Charges for services	1,050,000	1,050,000	607,717	(442,283)
Other	50,000	50,000	368,496	318,496
Total revenues.....	1,650,000	1,650,000	1,322,213	(327,787)
Expenditures:				
Current:				
Public works	5,324,789	5,324,789	4,591,936	732,853
Excess (deficiency) of revenues over expenditures	(3,674,789)	(3,674,789)	(3,269,723)	405,066
Other financing sources (uses):				
Appropriation of fund balance	2,174,789	2,274,789		(2,274,789)
Transfers in	1,500,000	1,500,000	1,500,000	
Transfers out		(100,000)	(100,000)	
Total other financing sources.....	3,674,789	3,674,789	1,400,000	(2,274,789)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ - 0 -	\$ - 0 -	(1,869,723)	<u>\$(1,869,723)</u>
Fund balance (deficit), July 1, 2003			(465,538)	
Fund balances (deficit), June 30, 2004			<u>\$(2,335,261)</u>	
 <u>RECONCILIATION OF GAAP BASIS - EXHIBIT IV</u>				
	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>FUND BALANCE</u>	
Balance, budgetary basis, June 30, 2004	\$1,322,213	\$ 4,591,936	\$ (2,335,261)	
Encumbrances outstanding at June 30, 2003:				
Liquidated during the year ended, June 30, 2004		171,800		
Encumbrances outstanding at June 30, 2003 and June 30, 2004			966,203	
Encumbrances outstanding at June 30, 2004, charged to budgetary expenditures		(1,448,924)	1,448,924	
Cancellation of encumbrances	(336,801)			
Balance, GAAP Basis, June 30, 2004	<u>\$ 985,412</u>	<u>\$ 3,314,812</u>	<u>\$ 79,866</u>	

GENERAL FUND

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

TOWN OF ENFIELD, CONNECTICUTGENERAL FUNDCOMPARATIVE BALANCE SHEET
JUNE 30, 2004 AND 2003

	2004	2003
<u>A S S E T S</u>		
Cash and cash equivalents	\$12,689,990	\$13,558,007
Receivables, net:		
Property taxes	2,583,015	2,815,178
Accounts	1,102,246	1,222,473
Notes	198,085	194,820
Due from other funds	7,125,573	8,825,362
Other	<u>53,034</u>	<u>74,442</u>
TOTAL ASSETS	<u>\$23,751,943</u>	<u>\$26,690,282</u>
 <u>L I A B I L I T I E S</u> A N D <u>F U N D B A L A N C E</u>		
Liabilities:		
Accounts payable	\$ 837,741	\$ 340,598
Accrued payroll	630,575	775,771
Legal contingencies	611,180	690,990
Due to other funds	550,316	2,707,715
Deferred revenue	<u>3,425,514</u>	<u>3,778,156</u>
Total liabilities	<u>6,055,326</u>	<u>8,293,230</u>
Fund balance:		
Reserved for encumbrances	2,511,150	4,474,986
Reserved for long-term receivables	198,085	194,820
Unreserved:		
Designated for subsequent year's budget	1,700,000	2,000,000
Designated for capital fund	1,492,983	1,697,260
Designated for debt service	3,000,000	3,000,000
Undesignated	<u>8,794,399</u>	<u>7,029,986</u>
Total fund balance	<u>17,696,617</u>	<u>18,397,052</u>
TOTAL LIABILITIES AND FUND BALANCE ..	<u>\$23,751,943</u>	<u>\$26,690,282</u>

TOWN OF ENFIELD, CONNECTICUT
 REPORT OF TAX COLLECTOR
 FOR THE YEAR ENDED JUNE 30, 2004

GRAND LIST YEAR	BALANCE UNCOLLECTED JULY 1, 2003	CURRENT LEVY	..LAWFUL CORRECTIONS..		TRANSFERS TO SUSPENSE*	BALANCE TO BE COLLECTED	.....COLLECTIONS.....			BALANCE UNCOLLECTED JUNE 30, 2004
			ADDITIONS	DEDUCTIONS			TAXES	INTEREST AND LIEN FEES	TOTAL	
TOWN:										
2002		\$67,804,396	\$166,376	\$551,248		\$67,419,524	\$65,868,344	\$262,513	\$66,130,857	\$1,551,180
2001	\$1,597,421		4,849	16,898		1,585,372	897,849	199,730	1,097,579	687,523
2000	647,677			8,630	\$209,958	429,089	225,450	99,043	324,493	203,639
1999	226,540			5,523	27,478	193,539	92,357	61,348	153,705	101,182
1998	103,780			3,060		100,720	36,725	32,771	69,496	63,995
1997	60,987			2,988		57,999	17,994	19,839	37,833	40,005
1996	43,245			2,987		40,258	10,934	16,987	27,921	29,324
1995	42,216			2,987		39,229	11,305	17,719	29,024	27,924
1994	37,780			2,879		34,901	9,711	16,732	26,443	25,190
1993	47,942			2,889		45,053	7,874	15,054	22,928	37,179
1992	25,150			2,982		22,168	6,970	16,392	23,362	15,198
1991	24,531			3,281		21,250	7,013	19,019	26,032	14,237
1990	22,742			2,984		19,758	7,013	19,369	26,382	12,745
1989	15,235			3,688		11,547	3,145	10,955	14,100	8,402
1988	11,247			688		10,559	1,409	7,432	8,841	9,150
1987	7,915					7,915	1,232	4,178	5,410	6,683
TOTAL	2,914,408	67,804,396	171,225	613,712	237,436	70,038,881	67,205,325	819,081	68,024,406	2,833,556
FIRE:										
2002		6,687,066	13,199	48,955		6,651,310	6,511,236		6,511,236	140,074
2001	142,857		866	2,665		141,058	71,397		71,397	69,661
2000	67,484			1,264	24,931	41,289	23,207		23,207	18,082
1999	21,314			756	3,288	17,270	8,499		8,499	8,771
1998	7,994			621		7,373	3,313		3,313	4,060
1997	5,570			620		4,950	2,059		2,059	2,891
1996	4,271			577		3,694	1,211		1,211	2,483
1995	3,698			490		3,208	986		986	2,222
1994	3,048			464		2,584	822		822	1,762
1993	4,093			465		3,628	767		767	2,861
1992	1,971			409		1,562	634		634	928
1991	2,017			449		1,568	640		640	928
1990	1,600			410		1,190	632		632	558
1989	1,293			451		842	426		426	416
1988	505			36		469	225		225	244
1987	339					339	195		195	144
TOTAL	268,054	6,687,066	14,065	58,632	28,219	6,882,334	6,626,249		6,626,249	256,085
GRAND TOTAL										
TOTAL	\$3,182,462	\$74,491,462	\$185,290	\$672,344	\$265,655	\$76,921,215	\$73,831,574	\$819,081	74,650,655	\$3,089,641
									60 day collection, June 30, 2003.....	(477,485)
									60 day collection, June 30, 2004.....	504,728
									TOTAL	\$74,677,898

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* Amount reported is net of suspense collections of \$43,447.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes. The Special Revenue Funds utilize the modified accrual basis of accounting. The nature and purpose of each Special Revenue Fund is as follows:

Fund	Funding Source	Function
Cafeteria	Sales and grants	School lunch program
General Government Grants		
Dog	License fees, fines and Town appropriation	Operation of animal control
School Miscellaneous	Fees and local funding	Rental of school facilities, drivers education, non-grant portion of adult education and retiree insurance co-pays
Open Space Acquisition	Local funding	
Emergency Medical Services	Fees for services	Emergency medical aid and transportation
Revaluation	Local funding	Funding of ten year revaluations
Community Development	Federal Grants	Federal housing funds
Social Services	Local funding	Operation of Social Service divisions
Public Library	State funds and public gifts	Library support
Emergency Fuel Bank	Local funding and donations	Fuel to needy families
Drug Enforcement Education Grants	State grant	Drug enforcement activities
Town Memorial	Donations	Town Green and Memorial
Recreation Programs	Local funding	Recreation activities
Educational Grants	State and Federal grants	Special Education programs
Scholarship	Donations	Student Scholarships

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes as categorized by the fund title. The Library Trust Fund is the Town's only permanent fund. It accounts for the funds endowed to the Town to benefit the Town's Library services. (Phelps Fund, H.F. Fletecher Fund, J. Pickens Fund, C. P. Cope Fund, H.A. Mosley Fund and Wrona Fund).

TOWN OF ENFIELD, CONNECTICUT

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2004

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.....SPECIAL REVENUE.....						
	CAFETERIA	GENERAL GOVERNMENT GRANTS	DOG	SCHOOL MISCELLANEOUS	OPEN SPACE ACQUISITION	EMERGENCY MEDICAL SERVICES
<u>A S S E T S</u>						
Cash and cash equivalents	\$251,290	\$ 5,354	\$14,181	\$320,526	\$611,094	
Investments						
Receivables:						
Loans						
Accounts	1,238					
Intergovernmental	93,868					
Due from other funds		20,042	8,929		15,614	\$15,943
Other	71,192					
TOTAL.....	<u>\$417,588</u>	<u>\$25,396</u>	<u>\$23,110</u>	<u>\$320,526</u>	<u>\$626,708</u>	<u>\$15,943</u>
 <u>L I A B I L I T I E S</u> <u>A N D</u> <u>F U N D B A L A N C E S</u>						
Liabilities:						
Accounts payable	\$ 26,275		\$27,033			
Due to other funds				\$ 44,637		
Deferred revenue						
Total liabilities	<u>26,275</u>		<u>27,033</u>	<u>44,637</u>		
Fund balances (deficit):						
Reserved for inventory	71,192					
Reserved for encumbrances		\$ 22	453		\$ 1,912	
Reserved for endowments						
Unreserved and undesignated	<u>320,121</u>	<u>25,374</u>	<u>(4,376)</u>	<u>275,889</u>	<u>624,796</u>	<u>\$15,943</u>
Total fund balances (deficit)	<u>391,313</u>	<u>25,396</u>	<u>(3,923)</u>	<u>275,889</u>	<u>626,708</u>	<u>15,943</u>
TOTAL.....	<u>\$417,588</u>	<u>\$25,396</u>	<u>\$23,110</u>	<u>\$320,526</u>	<u>\$626,708</u>	<u>\$15,943</u>

TOWN OF ENFIELD, CONNECTICUT

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2004

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SPECIAL REVENUE.....						
	REVALUATION	COMMUNITY DEVELOPMENT	SOCIAL SERVICES	PUBLIC LIBRARY	EMERGENCY FUEL BANK	DRUG ENFORCEMENT EDUCATION GRANTS	TOWN MEMORIAL
<u>A S S E T S</u>							
Cash and cash equivalents	\$512,970	\$1,058,454	\$607,364	\$ 99,995	\$4,490		
Investments		78,878		52,608			
Receivables:							
Loans		1,348,335					
Accounts		1,187					
Intergovernmental							
Due from other funds		75,472			5,441	\$19,449	\$22,866
Other							
TOTAL.....	<u>\$512,970</u>	<u>\$2,562,326</u>	<u>\$607,364</u>	<u>\$152,603</u>	<u>\$9,931</u>	<u>\$19,449</u>	<u>\$22,866</u>
 <u>L I A B I L I T I E S</u> <u>A N D</u> <u>F U N D B A L A N C E S</u>							
Liabilities:							
Accounts payable		\$ 19,790	\$ 46,488				
Due to other funds	\$ 1,100		220,920				
Deferred revenue		1,348,335					
Total liabilities	<u>1,100</u>	<u>1,368,125</u>	<u>267,408</u>				
Fund balances (deficit):							
Reserved for inventory							
Reserved for encumbrances	5,150		84,838	\$ 13,474			
Reserved for endowments							
Unreserved and undesignated	506,720	1,194,201	255,118	139,129	\$9,931	\$19,449	\$22,866
Total fund balances (deficit)	<u>511,870</u>	<u>1,194,201</u>	<u>339,956</u>	<u>152,603</u>	<u>9,931</u>	<u>19,449</u>	<u>22,866</u>
TOTAL.....	<u>\$512,970</u>	<u>\$2,562,326</u>	<u>\$607,364</u>	<u>\$152,603</u>	<u>\$9,931</u>	<u>\$19,449</u>	<u>\$22,866</u>

TOWN OF ENFIELD, CONNECTICUT

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2004

	SPECIAL REVENUE.....				PERMANENT ..FUND...		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	RECREATION PROGRAMS	EDUCATIONAL GRANTS	SCHOLARSHIP	TOTAL	LIBRARY TRUST	INTERFUND ELIMINATIONS	
<u>A S S E T S</u>							
Cash and cash equivalents		\$ 43,125	\$ 1,982	\$3,530,825	\$60,597		\$3,591,422
Investments			289,585	421,071	499		421,570
Receivables:							
Loans				1,348,335			1,348,335
Accounts				2,425			2,425
Intergovernmental		59,956		153,824			153,824
Due from other funds	\$22,662		3,629	210,047		\$(3,629)	206,418
Other				71,192			71,192
TOTAL.....	<u>\$22,662</u>	<u>\$103,081</u>	<u>\$295,196</u>	<u>\$5,737,719</u>	<u>\$61,096</u>	<u>\$(3,629)</u>	<u>\$5,795,186</u>
<u>L I A B I L I T I E S</u> <u>A N D</u> <u>F U N D B A L A N C E S</u>							
Liabilities:							
Accounts payable		\$ 20,532		\$ 140,118			\$ 140,118
Due to other funds				266,657		\$(3,629)	263,028
Deferred revenue		61,049		1,409,384			1,409,384
Total liabilities		<u>81,581</u>		<u>1,816,159</u>		<u>(3,629)</u>	<u>1,812,530</u>
Fund balances (deficit):							
Reserved for inventory				71,192			71,192
Reserved for encumbrances				105,849			105,849
Reserved for endowments			\$295,196	295,196	\$41,321		336,517
Unreserved and undesignated	\$22,662	21,500		3,449,323	19,775		3,469,098
Total fund balances (deficit)	<u>22,662</u>	<u>21,500</u>	<u>295,196</u>	<u>3,921,560</u>	<u>61,096</u>		<u>3,982,656</u>
TOTAL.....	<u>\$22,662</u>	<u>\$103,081</u>	<u>\$295,196</u>	<u>\$5,737,719</u>	<u>\$61,096</u>	<u>\$(3,629)</u>	<u>\$5,795,186</u>

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TOWN OF ENFIELD, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

.....SPECIAL REVENUE.....						
	CAFETERIA	GENERAL GOVERNMENT GRANTS	DOG	SCHOOL MISCELLANEOUS	OPEN SPACE ACQUISITION	EMERGENCY MEDICAL SERVICES
Revenues:						
Intergovernmental	\$ 618,942	\$43,752			\$ 15,614	\$ 14,820
Charges for services	972,006		\$ 23,379	\$1,597,021		5,184
Contribution		1,560			2,416	
Income from investments	1,328				6,462	
Other income			16			
Total revenues	1,592,276	45,312	23,395	1,597,021	24,492	20,004
Expenditures:						
Current:						
General government						
Public safety			65,615			
Health/social services		45,884				134,061
Library						
Education	1,632,484			1,447,904		
Total expenditures	1,632,484	45,884	65,615	1,447,904		134,061
Excess (deficiency) of revenues over expenditures	(40,208)	(572)	(42,220)	149,117	24,492	(114,057)
Other financing sources (uses):						
Transfer in			15,000		25,000	130,000
Net change in fund balances	(40,208)	(572)	(27,220)	149,117	49,492	15,943
Fund balances, July 1, 2003	431,521	25,968	23,297	126,772	577,216	
Fund balances (deficit), June 30, 2004	\$ 391,313	\$25,396	\$ (3,923)	\$ 275,889	\$626,708	\$ 15,943

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TOWN OF ENFIELD, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2004

	.....SPECIAL REVENUE.....						
	REVALUATION	COMMUNITY DEVELOPMENT	SOCIAL SERVICES	PUBLIC LIBRARY	EMERGENCY FUEL BANK	DRUG ENFORCEMENT EDUCATION GRANTS	TOWN MEMORIAL
Revenues:							
Intergovernmental			\$ 839,112	\$ 6,695		\$ 20,208	
Charges for services		\$ 131,937	910,561	2,266			
Contribution			76,355	13,066	\$ 397	1,288	\$ 1,705
Income from investments	\$ 4,464	7,010	7,847	7,179			
Other income			37,139	3,290			
Total revenues	4,464	138,947	1,871,014	32,496	397	21,496	1,705
Expenditures:							
Current:							
General government	1,100						
Public safety						45,416	
Health/social services		144,388	3,944,913				1,077
Library				19,912			
Education							
Total expenditures	1,100	144,388	3,944,913	19,912		45,416	1,077
Excess (deficiency) of revenues over expenditures	3,364	(5,441)	(2,073,899)	12,584	397	(23,920)	628
Other financing sources (uses):							
Transfer in	98,000		1,699,194				
Net change in fund balances	101,364	(5,441)	(374,705)	12,584	397	(23,920)	628
Fund balances, July 1, 2003	410,506	1,199,642	714,661	140,019	9,534	43,369	22,238
Fund balances (deficit), June 30, 2004	\$511,870	\$1,194,201	\$ 339,956	\$152,603	\$9,931	\$ 19,449	\$22,866

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TOWN OF ENFIELD, CONNECTICUT

SOCIAL SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2004

	.....BUDGETED AMOUNTS.....			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
Revenues:				
Intergovernmental	\$ 936,023	\$ 915,692	\$ 839,112	\$ (76,580)
Charges for goods and services	968,520	990,520	910,561	(79,959)
Other	129,300	143,010	121,341	(21,669)
Total revenues.....	2,033,843	2,049,222	1,871,014	(178,208)
Expenditures:				
Current:				
Health/social services	4,155,633	4,207,884	3,956,816	251,068
Excess (deficiency) of revenues over expenditures	(2,121,790)	(2,158,662)	(2,085,802)	72,860
Other financing sources:				
Appropriation of fund balance	422,596	459,468		(459,468)
Transfers in	1,699,194	1,699,194	1,699,194	
Total other financing sources.....	2,121,790	2,158,662	1,699,194	(459,468)
Net change in fund balances	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	(386,608)	<u>\$(386,608)</u>
Fund balance, July 1, 2003			641,726	
Fund balance, June 30, 2004			<u>\$ 255,118</u>	

FIDUCIARY FUNDS

Agency Funds

Agency funds are custodial in nature, and do not involve measurement of results of operations, but are merely clearing accounts. There is no fund equity. The Town has eight agency funds: The Student Activity Funds, Performance Bonds Fund, Senior Center Fund, Cultural Arts Commission Fund, Smyth Bus Contract Bond Fund, Asnuntuck Community College Fund, Tax Sale Account Fund, and National Purple Heart Museum Fund. The Student Activity Funds account for monies generated by student activities in the Enfield School System.

TOWN OF ENFIELD, CONNECTICUT

AGENCY FUNDS

COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2004

	STUDENT ACTIVITIES	EMPLOYEE INSURANCE BOARD OF EDUCATION	PERFORMANCE BONDS	SENIOR CENTER	CULTURAL ARTS COMMISSION	ASNUNTUCK COMMUNITY COLLEGE	SMYTH BUS CONTRACT BOND	NATIONAL PURPLE HEART MUSEUM	BALANCE JUNE 30, 2004
<u>A S S E T S</u>									
Cash	\$347,277	\$6,065	\$602,962	\$33,605	\$21,160	\$203,806			\$1,214,875
Investments	5,869						\$100,000		105,869
Due from other funds			234,051					\$4,307	238,358
TOTAL ASSETS.....	<u>\$353,146</u>	<u>\$6,065</u>	<u>\$837,013</u>	<u>\$33,605</u>	<u>\$21,160</u>	<u>\$203,806</u>	<u>\$100,000</u>	<u>\$4,307</u>	<u>\$1,559,102</u>
<u>L I A B I L I T I E S</u>									
Accounts Payable	\$353,146	\$6,065	\$837,013	\$33,605	\$16,519	\$203,806	\$100,000	\$4,307	\$1,554,461
Due to other funds					4,641				4,641
TOTAL LIABILITIES.....	<u>\$353,146</u>	<u>\$6,065</u>	<u>\$837,013</u>	<u>\$33,605</u>	<u>\$21,160</u>	<u>\$203,806</u>	<u>\$100,000</u>	<u>\$4,307</u>	<u>\$1,559,102</u>

TOWN OF ENFIELD, CONNECTICUTAGENCY FUNDSCOMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2004

	BALANCE JULY 1, 2003	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2004
ASSETS:				
Cash:				
Student activity funds	\$ 293,610	\$ 807,902	\$ 754,235	\$ 347,277
Employee insurance - Board of Education	5,759	21,529	21,223	6,065
Performance bonds	644,472	26,356	67,866	602,962
Senior Center	45,595	108,614	120,604	33,605
Cultural Arts Commission	16,720	4,440		21,160
Asnuntuck Community College	168,691	35,115		203,806
Total cash.....	1,174,847	1,003,956	963,928	1,214,875
Investments:				
Student activity funds	26,899	174	21,204	5,869
Senior Center	40,019	382	40,401	
Smyth Bus Contract Bond	100,000			100,000
Total investments.....	166,918	556	61,605	105,869
Due from other funds:				
Performance bonds	174,767	84,732	25,448	234,051
National Purple Heart Museum	4,307			4,307
Total due from other funds.....	179,074	84,732	25,448	238,358
TOTAL ASSETS.....	<u>\$1,520,839</u>	<u>\$1,089,244</u>	<u>\$1,050,981</u>	<u>\$1,559,102</u>
LIABILITIES:				
Accounts payable:				
Student activity funds	\$ 320,509	\$ 808,076	\$ 775,439	\$ 353,146
Employee insurance - Board of Education	5,759	21,529	21,223	6,065
Performance bonds	819,239	111,088	93,314	837,013
Senior Center	85,614	108,996	161,005	33,605
Cultural Arts Commission	14,928	1,591		16,519
Asnuntuck Community College	168,691	35,115		203,806
Smyth Bus Contract Bond	100,000			100,000
National Purple Heart Museum	4,307			4,307
Total accounts payable.....	1,519,047	1,086,395	1,050,981	1,554,461
Due to other funds:				
Cultural Arts Commission	1,792	2,849		4,641
TOTAL LIABILITIES.....	<u>\$1,520,839</u>	<u>\$1,089,244</u>	<u>\$1,050,981</u>	<u>\$1,559,102</u>

**CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS**

The following schedules present only the capital asset balances related to governmental funds. The assets are reported at historical cost or estimated historical cost.

The Town's capitalization policy requires the recording of capital assets with an initial, individual cost of more than \$5,000 for equipment, \$20,000 for improvements. Infrastructure assets are recorded based on a threshold of \$100,000. Provision for depreciation is not included in the schedules.

TOWN OF ENFIELD, CONNECTICUTCAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDSCOMPARATIVE SCHEDULE BY SOURCE
JUNE 30, 2004 AND 2003

	2004	2003
Governmental funds capital assets:		
Land	\$ 10,357,565	\$ 10,324,965
Buildings	36,643,150	36,168,046
Building improvements	6,894,483	4,629,642
Machinery and equipment	3,297,187	3,015,150
Vehicles	6,694,950	6,443,094
Infrastructure	482,288	432,939
Construction in progress	<u>57,212,488</u>	<u>47,173,809</u>
TOTAL	<u>\$121,582,111</u>	<u>\$108,187,645</u>
Investments in governmental funds capital assets by source:		
General fund	\$ 50,830,318	\$ 49,796,661
Special revenue	3,797,769	1,475,639
Capital projects	65,788,018	55,749,339
Donations	<u>1,166,006</u>	<u>1,166,006</u>
TOTAL	<u>\$121,582,111</u>	<u>\$108,187,645</u>

TOWN OF ENFIELD, CONNECTICUTCAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDSSCHEDULE BY FUNCTION AND ACTIVITY
JUNE 30, 2004

	TOTAL	LAND	BUILDINGS	BUILDING IMPROVEMENTS	VEHICLES	MACHINERY AND EQUIPMENT	INFRASTRUCTURE	CONSTRUCTION IN PROGRESS
GENERAL GOVERNMENT:								
Town Council	\$ 10,469,529	\$ 6,126,383	\$ 3,379,863	\$ 954,942		\$ 8,341		
Town Manager	26,986		21,531			5,455		
Data processing and MIS	937,956					937,956		
Town attorney	5,095					5,095		
Town Clerk	13,194					13,194		
Records manager	5,107					5,107		
Treasury	7,730					7,730		
General services	5,880					5,880		
Total general government	11,471,477	6,126,383	3,401,394	954,942		988,758		
PUBLIC SAFETY:								
Protection of life and property ...	5,257,644	298,437	3,400,781	66,740	\$ 992,450	499,236		
Civil preparedness	27,400					27,400		
Total public safety	5,285,044	298,437	3,400,781	66,740	992,450	526,636		
RECREATION:								
Administration	2,765,371	723,190	679,129	633,061	175,596	73,882	\$ 5,258	\$ 475,255
Maintenance	91,764					41,957		49,807
Total recreation	2,857,135	723,190	679,129	633,061	175,596	115,839	5,258	525,062
PUBLIC WORKS:								
Public works administration	1,987,757	1,472,955	428,825	69,184	16,793			
Engineering	767,100				33,261	15,755		718,084
Building inspection	21,169				21,169			
Maintenance/buildings and grounds .	1,610,629	82,600	949,060	224,297	216,280	138,392		
Highway and sanitation supervision	20,231,272		350,000	222,943	1,923,120	104,095	477,030	17,154,084
Equipment maintenance and repair ..	350,735		17,297	27,865	155,754	149,819		
Refuse collection	1,999,762		6,985		1,975,497	17,280		
Water pollution	13,986,649	106,000	8,350,806	4,350,553	784,266	395,024		
Total public works	40,955,073	1,661,555	10,102,973	4,894,842	5,126,140	820,365	477,030	17,872,168
HEALTH/SOCIAL SERVICES:								
Human services	143,325		104,189	5,875	33,261			
Adult day care	563,046		557,437	5,609				
Child day care	65,360		45,376	19,984				
Senior center	4,847,553	5,000	638,194			5,895		4,198,464
Family resource center	145,000		145,000					
Total health/social services ..	5,764,284	5,000	1,490,196	31,468	33,261	5,895		4,198,464

(Continued) - 1.

TOWN OF ENFIELD, CONNECTICUT
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY, ETC.

	TOTAL	LAND	BUILDINGS	BUILDING IMPROVEMENTS	VEHICLES	MACHINERY AND EQUIPMENT	INFRASTRUCTURE	CONSTRUCTION IN PROGRESS
Public Library	\$ 864,494	\$ 100,000	\$ 520,433	\$ 22,867		\$ 221,194		
PLANNING AND DEVELOPMENT:								
Community development	109,709				\$ 13,997			\$ 95,712
Board of Education	54,274,895	1,443,000	17,048,244	290,563	353,506	618,500		34,521,082
TOTAL.....	<u>\$121,582,111</u>	<u>\$10,357,565</u>	<u>\$36,643,150</u>	<u>\$6,894,483</u>	<u>\$6,694,950</u>	<u>\$3,297,187</u>	<u>\$482,288</u>	<u>\$57,212,488</u>

TOWN OF ENFIELD, CONNECTICUTCAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDSSCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2004

	GOVERNMENTAL FUNDS CAPITAL ASSETS			GOVERNMENTAL FUNDS CAPITAL ASSETS
	JULY 1, 2003	ADDITIONS	DELETIONS	JUNE 30, 2004
GENERAL GOVERNMENT:				
Town Council	\$ 10,469,529			\$ 10,469,529
Town Manager	5,455	\$ 21,531		26,986
Data processing and MIS	866,846	71,110		937,956
Town attorney		5,095		5,095
Town Clerk	7,410	5,784		13,194
Records manager	10,891		\$ 5,784	5,107
Treasury	7,730			7,730
General services	104,195		98,315	5,880
Total general government	11,472,056	103,520	104,099	11,471,477
PUBLIC SAFETY:				
Protection of life and property	5,047,724	209,920		5,257,644
Civil preparedness ...	27,400			27,400
Total public safety .	5,075,124	209,920		5,285,044
RECREATION:				
Administration	2,259,895	547,683	42,207	2,765,371
Maintenance	49,807	41,957		91,764
Total recreation	2,309,702	589,640	42,207	2,857,135
PUBLIC WORKS:				
Public works admin- istration	514,802	1,521,304	48,349	1,987,757
Engineering	767,100			767,100
Building inspection ...	21,169			21,169
Maintenance/buildings and grounds	1,230,933	379,696		1,610,629
Highway and sanitation supervision	16,050,745	4,180,527		20,231,272

(Continued) - 1.

TOWN OF ENFIELD, CONNECTICUT
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
 FOR THE YEAR ENDED, ETC.

	GOVERNMENTAL FUNDS CAPITAL ASSETS			GOVERNMENTAL FUNDS CAPITAL ASSETS
	JULY 1, 2003	ADDITIONS	DELETIONS	JUNE 30, 2004
PUBLIC WORKS: (cont.)				
Equipment maintenance and repair	\$ 329,660	\$ 21,075		\$ 350,735
Refuse collection	3,653,039		\$1,653,277	1,999,762
Water pollution	11,921,708	2,064,941		13,986,649
Total public works ..	<u>34,489,156</u>	<u>8,167,543</u>	<u>1,701,626</u>	<u>40,955,073</u>
HEALTH/SOCIAL SERVICES:				
Human services	117,293	26,032		143,325
Adult day care	504,164	58,882		563,046
Child day care	65,360			65,360
Senior center	4,328,788	518,765		4,847,553
Family resource center	145,000			145,000
Dial-a-ride	20,157		20,157	
Total health/social services	<u>5,180,762</u>	<u>603,679</u>	<u>20,157</u>	<u>5,764,284</u>
PUBLIC LIBRARY	<u>846,740</u>	<u>17,754</u>		<u>864,494</u>
PLANNING AND DEVELOPMENT:				
Community development .	<u>109,709</u>			<u>109,709</u>
BOARD OF EDUCATION	<u>48,704,396</u>	<u>5,570,499</u>		<u>54,274,895</u>
TOTAL	<u>\$108,187,645</u>	<u>\$15,262,555</u>	<u>\$1,868,089</u>	<u>\$121,582,111</u>

(Concluded - 2.)

TOWN OF ENFIELD, CONNECTICUT
 GOVERNMENT-WIDE EXPENSES BY FUNCTION
 LAST TWO FISCAL YEARS

FISCAL YEAR	GENERAL GOVERNMENT	PUBLIC SAFETY	RECREATION	PUBLIC WORKS	HEALTH/ SOCIAL SERVICES	LIBRARY	PLANNING AND DEVELOPMENT	INTERGOVERNMENTAL AND INTERAGENCY	EDUCATION	INTEREST
2004 ...	\$5,065,311	\$8,741,635	\$1,124,190	\$12,152,054	\$6,319,309	\$1,708,787	\$679,092	\$441,934	\$72,542,303	\$1,301,944
2003 ...	4,874,822	9,071,418	1,194,270	13,776,416	4,445,159	1,448,510	584,850	375,528	69,543,946	1,371,420

TOWN OF ENFIELD, CONNECTICUT

GOVERNMENT-WIDE REVENUES
LAST TWO FISCAL YEARS

FISCAL YEAR	.....PROGRAM REVENUES.....			.....GENERAL REVENUES.....				TOTAL
	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PROPERTY TAXES	GRANTS AND CONTRIBUTIONS NOT RESTRICTED TO SPECIFIC PROGRAMS	INVESTMENT INCOME	OTHER	
2004	\$6,790,562	\$31,579,610	\$11,054,734	\$68,034,760	\$3,624,798	\$1,225,941	\$174,967	\$122,485,372
2003	6,257,255	31,390,896	8,145,092	64,971,573	3,932,299	1,399,562		116,096,677

TOWN OF ENFIELD, CONNECTICUTGENERAL FUND EXPENDITURES AND OTHER FINANCING USES BY FUNCTION (1)
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	GENERAL GOVERNMENT	PUBLIC SAFETY	(2) PUBLIC WORKS AND RELATED ACTIVITIES	(3) HUMAN AND CULTURAL	EDUCATION	DEBT SERVICE AND TRANSFERS OUT	TOTAL
2004	\$3,476,742	\$6,689,374	\$16,075,023	\$2,037,564	\$61,473,551	\$9,587,570	\$99,339,824
2003	3,338,989	6,830,805	15,604,099	1,951,822	60,935,401	8,273,298	96,934,414
2002	3,502,110	6,681,316	14,479,389	2,042,055	59,215,843	8,004,900	93,925,613
2001	3,086,385	6,372,881	13,745,924	1,868,864	56,869,033	8,340,635	90,283,722
2000	3,073,547	6,046,757	13,190,850	1,851,464	54,218,926	9,440,644	87,822,188
1999	2,777,520	5,935,822	13,396,424	2,211,635	51,631,847	8,469,063	84,422,311
1998	2,489,768	5,375,893	12,283,959	2,650,933	49,419,098	9,033,280	81,252,931
1997	2,300,612	5,101,878	12,352,099	3,188,918	48,055,527	8,412,005	79,411,039
1996	2,414,066	4,811,078	12,663,369	3,124,531	47,262,841	7,586,172	77,862,057
1995	2,416,804	4,588,579	12,204,010	3,098,291	46,759,195	7,111,286	76,178,165

(1) Includes General Fund only. Data is reported on a budgetary basis.

(2) Includes public works, planning and development, and nondepartmental.

(3) Includes recreation, library, intergovernmental and interagency.

TOWN OF ENFIELD, CONNECTICUTGENERAL FUND REVENUES AND OTHER FINANCING SOURCES BY SOURCE (1)
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	(2) TAXES	INTERGOVERNMENTAL	CHARGES FOR SERVICES	(3) MISCELLANEOUS	OTHER FINANCING SOURCES	TOTAL
2004	\$68,362,689	\$27,615,337	\$3,972,958	\$ 423,241	\$229,000	\$100,603,225
2003	64,766,397	28,125,011	2,033,119	519,688	260,548	95,704,763
2002	60,541,513	30,336,072	1,132,689	1,812,343	369,078	94,191,695
2001	56,459,258	28,961,468	796,772	3,432,718	44,592	89,694,808
2000	53,488,745	29,171,493	806,003	3,842,549	40,696	87,349,486
1999	50,824,009	30,088,531	841,177	3,527,958		85,281,675
1998	50,396,953	28,891,011	701,039	3,527,958		83,516,961
1997	49,564,987	28,334,315	812,229	2,386,924		81,098,455
1996	46,905,454	28,278,528	727,296	2,268,570		78,179,848
1995	46,351,340	25,897,163	722,148	2,186,502		75,157,153

(1) Includes General Fund only. Data is reported on a budgetary basis.

(2) Includes interest, lien fees, and suspense items.

(3) Includes use of money and property, licenses, permits and fees, fines, forfeitures and penalties, and other for fiscal years 2002 and prior. For fiscal years 2003 and later includes interest on investments only, the remaining items are classified as charges for service.

TOWN OF ENFIELD, CONNECTICUT

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	TAX RATE IN MILLS	GRAND LIST OF OCTOBER 1	TOTAL ADJUSTED TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	TOTAL TAX COLLECTIONS AS A PERCENT OF CURRENT LEVY	OUTSTANDING DELINQUENT TAXES	OUTSTANDING DELINQUENT TAXES AS A PERCENT OF CURRENT LEVY
2004	33.43	2002	\$67,419,524	\$65,868,344	97.7%	\$1,336,981	\$67,205,325	99.7%	\$2,833,556	4.2%
2003	32.15	2001 (2)	63,963,795	62,366,374	97.5%	1,265,886	63,632,260	99.5%	2,914,408	4.6%
2002	32.60	2000	59,713,609	58,301,071	97.6%	1,090,158	59,391,229	99.5%	2,827,711	4.7%
2001	30.87	1999	55,837,413	54,504,436	97.6%	1,186,396	55,690,832	99.7%	2,725,464	4.9%
2000	29.62	1998	52,595,231	51,343,988	97.6%	1,139,114	52,483,102	99.8%	3,018,386	5.7%
1999	28.95	1997	49,986,606	48,766,634	97.6%	1,109,515	49,876,149	99.8%	3,146,023	6.3%
1998	28.95	1996	49,499,567	48,207,187	97.4%	1,294,656	49,501,843	100.0%	3,236,494	6.5%
1997	28.95	1995	48,880,338	47,465,451	97.1%	1,224,719	48,690,170	99.6%	3,553,988	7.3%
1996	27.90	1994	46,345,737	44,851,536	96.8%	1,180,897	46,032,433	99.3%	3,454,624	7.5%
1995	28.00	1993 (1)	45,741,044	44,169,534	96.6%	1,549,909	45,719,443	99.9%	3,534,472	7.7%

(1) Revaluation completed effective October 1, 1993. The basis of assessment is 70% of the 1993 fair market value.

(2) Revaluation completed effective October 1, 2001. The basis of assessment is 70% of the 2001 fair market value.

Note: Taxes for the fiscal year are levied based on the Grand List of October 1 and are due July 1 payable in two installments, one-half July 1 and one-half January 1 with the exception of motor vehicles which are due on July 1. Failure to pay any installment within one month of the installment due date makes the installment delinquent and subject to an interest charge of 1-1/2% per month or \$2.00 minimum interest charge, whichever is greater. Real estate is liened for delinquent taxes unpaid one year after the due date. The amount collected to the end of each fiscal year represents collections of twelve months.

Tax levy is per \$1,000 of the assessed value of taxable property.

TOWN OF ENFIELD, CONNECTICUT

ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED,	.....REAL PROPERTY.....		.....PERSONAL PROPERTY.....		EXEMPTIONS TOTAL PROPERTY	.....TOTAL.....		RATIO OF TOTAL ASSESSED VALUE TO TOTAL ESTIMATED ACTUAL VALUE
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE		ASSESSED VALUE	ESTIMATED ACTUAL VALUE	
2004	\$1,658,833,760	\$2,369,762,514	\$390,050,483	\$557,214,976	\$30,496,480	\$2,018,387,763	\$2,926,977,490	70%
2003 (2)	1,646,518,270	2,352,168,957	384,209,886	548,871,266	38,677,430	1,992,050,726	2,901,040,223	70%
2002	1,488,001,090	2,125,715,843	382,355,144	546,221,634	40,778,155	1,829,578,079	2,671,937,477	70%
2001	1,480,917,160	2,115,595,943	366,873,005	524,104,293	42,730,140	1,805,060,025	2,639,700,236	70%
2000	1,460,047,380	2,085,781,971	344,858,450	492,654,929	38,459,580	1,766,446,250	2,578,436,900	70%
1999	1,442,904,750	2,061,292,500	325,804,057	465,434,367	41,165,650	1,727,543,157	2,526,726,867	70%
1998	1,434,449,945	2,049,214,207	325,959,069	465,655,813	44,448,650	1,715,960,364	2,514,870,020	70%
1997	1,424,619,570	2,035,170,814	315,795,759	451,136,799	44,578,185	1,695,837,144	2,486,307,613	70%
1996	1,421,032,240	2,030,046,057	296,255,893	423,222,704	45,397,550	1,671,890,583	2,453,268,761	70%
1995 (1)	1,415,412,210	2,022,017,443	273,772,816	391,104,023	41,439,480	1,647,745,546	2,413,121,466	70%

(1) Revaluation completed effective October 1, 1993. The basis of assessment is 70% of the 1993 fair market value.

(2) Revaluation completed effective October 1, 2001. The basis of assessment is 70% of the 2001 fair market value.

TOWN OF ENFIELD, CONNECTICUT

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

FISCAL YEAR ENDED	TOWN OF ENFIELD MILL RATE	.....FIRE DISTRICTS (2).....				
		ENFIELD #1 MILL RATE	THOMPSONVILLE #2 MILL RATE	HAZARDVILLE #13 MILL RATE	NORTH THOMPSONVILLE #10 MILL RATE	SHAKER PINES #5 MILL RATE
2004	33.43	2.74	6.90	1.85	2.75	1.80
2003 (3)	32.15	2.74	6.90	1.85	2.75	1.80
2002	32.60	2.74	6.90	1.85	2.75	1.80
2001	30.87	2.45	6.00	1.75	2.75	1.80
2000	29.62	2.35	6.00	1.75	2.50	1.80
1999	28.95	1.99	6.00	1.75	2.50	1.80
1998	28.95	1.99	5.60	1.75	2.50	1.80
1997	28.95	1.86	4.75	1.75	2.30	1.80
1996	27.90	1.74	4.50	1.75	2.30	1.80
1995 (1)	28.00	1.57	4.50	1.75	2.30	1.40

(1) Revaluation was completed and effective for October 1, 1993 Grand List.

(2) Taxpayers in the Town pay the Town mill rate and one of the five fire district's mill rates depending on location of residence.

(3) Revaluation was completed and effective for October 1, 2001 Grand List.

TOWN OF ENFIELD, CONNECTICUTPRINCIPAL TAXPAYERS
2002 GRAND LIST
(UNAUDITED)

NAME OF TAXPAYER	NATURE OF BUSINESS	ASSESSMENT AS OF OCTOBER 1, 2002	PERCENT OF TAXABLE GRAND LIST
Lego Building Corporation	Plastic Game Assembly	\$ 63,558,840	3.15%
Phoenix Home Life Mutual	Insurance	34,761,760	1.72
Hallmark Cards, Inc.	Greeting Cards	34,512,440	1.71
Enfield Square, LLC	Retail	26,903,288	1.33
Casual Corner Group, Inc.	Retail	22,834,550	1.13
Connecticut Light and Power	Utility - Gas and Electric	17,515,800	0.87
Gateway Conn Properties	Retail	12,854,100	0.64
Northland Bigelow Com, Ltd.	Apartments/Commercial	11,560,850	0.57
Parkside Assoc. Ltd. Partnership	Retail	11,086,600	0.55
Connecticut Water Company	Public Utility	<u>8,042,100</u>	<u>0.40</u>
TOTAL		<u>\$243,630,328</u>	<u>12.09%</u>

TOWN OF ENFIELD, CONNECTICUT

SEWER ASSESSMENT COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	ASSESSMENT RECEIVABLE JULY 1,	ADJUSTMENTS	BALANCE TO BE COLLECTED	COLLECTIONS	ASSESSMENT (1) RECEIVABLE JUNE 30,
2004	\$112,068	\$ 10,800	\$122,868	\$11,902	\$110,966
2003	108,964	32,198	141,162	29,094	112,068
2002	120,456	68	120,524	11,560	108,964
2001	144,330	852	145,182	24,726	120,456
2000	169,298	1,187	170,485	26,155	144,330
1999	231,439		231,439	62,141	169,298
1998	296,105		296,105	64,666	231,439
1997	419,874	(46,626)	373,248	77,143	296,105
1996	526,686	20,453	547,139	127,265	419,874
1995	645,196	34,196	679,392	152,706	526,686

(1) The balance outstanding represents amounts being paid over a twenty year period and delinquent accounts. Information on annual billings is not available.

TOWN OF ENFIELD, CONNECTICUT

SCHEDULE OF DEBT LIMITATION

JUNE 30, 2004

(UNAUDITED)

Total tax collections (including interest and lien fees) for the year ended June 30, 2004.....						\$74,650,655
Reimbursement for revenue loss on:						
Elderly freeze.....						<u>17,162</u>
BASE						<u>\$74,667,817</u>
	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>		<u>Pension Deficit</u>
Debt limitation:						
2-1/4 times base..	\$168,002,588					
4-1/2 times base..		\$336,005,177				
3-3/4 times base..			\$280,004,314			
3-1/4 times base..				\$242,670,405		
3 times base.....						224,003,451
Total	<u>168,002,588</u>	<u>336,005,177</u>	<u>280,004,314</u>	<u>242,670,405</u>		<u>224,003,451</u>
Indebtedness:						
Bonds payable.....	14,075,000	17,425,000				
Fire District debt	<u>2,860,000</u>					
Total indebtedness	<u>16,935,000</u>	<u>17,425,000</u>				
Debt limitation in excess of outstanding and authorized debt...	<u>\$151,067,588</u>	<u>\$318,580,177</u>	<u>\$280,004,314</u>	<u>\$242,670,405</u>		<u>\$224,003,451</u>
Total capacity of borrowing (7 times base)						\$522,674,719
Total present indebtedness						<u>34,360,000</u>
Margin for additional borrowing						<u>\$488,314,719</u>

TOWN OF ENFIELD, CONNECTICUT

RATIO OF BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS
 (UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	(1) POPULATION	(3) ASSESSED VALUE	(2) BONDED DEBT	RATIO OF BONDED DEBT TO ASSESSED VALUE	BONDED DEBT PER CAPITA
2004	45,539	\$2,018,387,763	\$31,500,000	1.6%	\$692
2003	45,379	1,992,050,726	34,500,000	1.7%	760
2002	45,246	1,829,578,079	22,000,000	1.2%	486
2001	45,212	1,805,060,025	9,000,000	0.5%	199
2000	43,099	1,766,446,250	10,000,000	0.6%	232
1999	43,136	1,727,543,157	3,350,000	0.2%	78
1998	45,187	1,715,960,364	6,700,000	0.4%	148
1997	45,925	1,695,837,144	10,050,000	0.6%	219
1996	46,010	1,671,890,583	13,400,000	0.8%	291
1995	45,925	1,647,745,546	16,500,000	1.0%	359

(1) State of Connecticut Health Department estimates.

(2) Includes bonded debt only.

(3) From Table 6.

TOWN OF ENFIELD, CONNECTICUT

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	(2) PRINCIPAL	INTEREST	(1) OTHER	TOTAL DEBT SERVICE	(3) TOTAL GENERAL FUND EXPENDITURES AND TRANSFERS OUT	RATIO OF DEBT SERVICE TO GENERAL FUND EXPENDITURES
2004	\$3,000,000	\$1,329,250	\$ 5,174	\$4,334,424	\$99,339,824	4.36%
2003	2,000,000	737,125	565,598	3,302,723	96,934,414	3.41%
2002	1,000,000	380,250	55,889	1,436,139	93,925,613	1.53%
2001	1,000,000	431,250	14,448	1,445,698	90,283,722	1.60%
2000	3,350,000	409,125	48,465	3,807,590	87,822,188	4.34%
1999	3,350,000	346,500	28,731	3,725,231	84,422,311	4.41%
1998	3,350,000	510,000	3,146	3,863,146	81,252,931	4.75%
1997	3,350,000	667,922		4,017,922	79,411,039	5.06%
1996	3,100,000	834,000	16,575	3,950,575	77,862,057	5.07%
1995	2,425,000	1,010,275	40,000	3,475,275	76,178,165	4.56%

(1) Other represents bond counsel and fiscal agent payments, accrual of debt interest and buy down of current year issue.

(2) General obligation debt paid by Special Assessment Fund has been excluded.

(3) From Table 3.

TOWN OF ENFIELD, CONNECTICUT

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	(1) POPULATION	(1) PER CAPITA INCOME	(2) MEDIAN AGE	(3) SCHOOL ENROLLMENT	(1) UNEMPLOYMENT RATE
2004	45,539	\$21,967	37.30	6,723	5.1%
2003	45,379	21,967	37.30	6,853	4.5%
2002	45,246	27,152	35.30	6,752	3.5%
2001	45,212	27,152	35.30	6,771	2.3%
2000	43,099	27,152	35.30	6,809	3.3%
1999	43,136	27,152	35.30	6,847	3.8%
1998	45,187	27,152	35.30	6,767	3.2%
1997	45,925	16,723	33.10	6,739	5.3%
1996	46,010	16,723	33.10	6,787	4.6%
1995	45,925	16,723	33.10	6,645	6.7%

- (1) State of Connecticut, Office of Policy and Management.
- (2) U.S. Department of Commerce, Bureau of the Census estimates.
- (3) Town of Enfield School Administration.

RETAIL SALES ACTIVITY
LAST TEN YEARS
(DOLLARS EXPRESSED IN THOUSANDS)

FISCAL YEAR ENDED JUNE 30,	TOTAL STATE RETAIL SALES	ENFIELD RETAIL SALES
2004		
2003	53,813,922 (1)	(1)
2002	51,268,906	642,314
2001	50,727,898	791,802
2000	47,287,149	851,863
1999	36,469,458	686,904
1998	34,660,585	664,443
1997	31,829,441	696,401
1996	31,843,653	648,428
1995	(1)	(1)

Source: Sales and marketing management. Town of Enfield - Public Library

- (1) Information unavailable.

TOWN OF ENFIELD, CONNECTICUT

PROPERTY ASSESSMENT, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	.....PROPERTY ASSESSMENT.....						
	RESIDENTIAL	COMMERCIAL AND INDUSTRIAL	LAND	PERSONAL PROPERTY	MOTOR VEHICLE	EXEMPTIONS	TOTAL
2004	\$1,184,164,650	\$455,011,070	\$19,658,040	\$175,219,383	\$214,831,100	\$30,496,480	\$2,018,387,763
2003	1,175,888,090	449,717,950	20,912,230	174,400,236	209,809,650	38,677,430	1,992,050,726
2002	1,068,721,940	400,231,650	19,047,500	177,106,829	205,248,315	40,778,155	1,829,578,079
2001	1,062,304,650	398,366,030	20,246,480	171,486,665	195,386,340	42,730,140	1,805,060,025
2000(1)	1,049,628,150	389,625,860	20,793,370	165,226,410	179,632,040	38,459,580	1,766,446,250
1999	663,639,415	285,621,883	493,643,452	155,294,542	170,509,515	41,165,650	1,727,543,157
1998	655,604,615	286,375,066	492,470,264	155,831,534	170,127,535	44,448,650	1,715,960,364
1997	652,157,230	280,882,770	491,579,570	150,808,267	164,987,492	44,578,185	1,695,837,144
1996	649,320,170	277,785,480	493,926,590	148,980,703	147,275,190	45,397,550	1,671,890,583
1995	649,060,450	276,761,700	489,590,060	143,812,226	129,960,590	41,439,480	1,647,745,546

(1) Starting with the 1998 Grand List the State of Connecticut changed the categorical breakdown of use codes.

FISCAL YEAR ENDED JUNE 30,	.....CONSTRUCTION VALUES.....						
	NUMBER	RESIDENTIAL	NUMBER	COMMERCIAL	NUMBER	OTHER	BANK DEPOSITS
2004	680	\$14,663,669	107	17,308,575	1,676	\$13,640,879	\$608,275,000
2003	526	12,315,580	102	10,881,968	1,329	6,750,646	579,433,000
2002	520	10,577,418	106	17,661,993	1,457	15,067,484	556,974,000
2001	465	6,777,385	114	16,702,693	1,370	9,444,843	540,974,000
2000	479	5,890,410	91	5,965,984	1,415	7,365,356	514,830,000
1999	582	10,073,343	136	15,106,202	1,353	9,259,203	489,025,000
1998	551	9,594,734	127	20,200,175	1,320	8,636,536	448,634,000
1997	552	8,648,275	134	12,729,709	1,356	6,437,045	357,410,000
1996	482	6,287,692	101	14,054,522	1,150	5,125,947	455,236,000
1995	461	5,058,095	144	12,021,193	1,259	5,909,926	458,034,000

(1) Not available from the State Banking Commissioners Office.

TOWN OF ENFIELD, CONNECTICUTSUPPLEMENTAL DATA
JUNE 30, 2004
(UNAUDITED)

Date of Incorporation	May 16, 1683
Form of Government	Council-Manager
First Charter Adopted	December 5, 1962
Present Charter Amended	December 5, 1996
Area of Town	33.8 Square Miles

PUBLIC WORKS INFORMATION

Miles of Streets	180	Miles of Sidewalks	110
Private	2	Miles of Curbs	121
State Highways	30		
Miles of Sanitary Sewers	300		
Miles of Storm Sewers	400		

RECREATION INFORMATION:

Community Centers	1
Neighborhood Parks	16
Public Greens	1
Nature Areas	2
Acres of Park Land	205
Playground Programs (1 mobile)	10
Golf Courses	1
Swimming Pools	
Indoor	2
Outdoor	1
Outdoor Ice Skating	1
Tennis Courts (18 Lighted)	23
Athletic Diamonds	30
Basketball Courts (2 Lighted)	12
Senior Center	1

EDUCATION SYSTEM INFORMATION:

Senior High Schools	2
Students	2,155
Middle School	1
Students	1,076
Elementary Schools	9
Students	3,471
Special Education Students	21
Instructional Staff	546
Administrative and Other Staff	282

ELECTIONS INFORMATION:

Registered Voters	
Votes Cast in:	
Last National Election	18,384
Last State Election	13,739
Last Municipal Election	7,012
Percent of Voters Voting in:	
Last National Election	71.0%
Last State Election	55.0%
Last Municipal Election	28.0%

POLICE PROTECTION:

Police Cars	46
Employees	143

FIRE PROTECTION:

Stations	6
Pieces of Equipment	30
Employees-Full Time	40
Volunteers	149

LIBRARY:

Branches	2
Volumes	135,459
Employees	34

TOWN EMPLOYEES:

Town	477*
Board of Education	828**

* Includes Full Time and seasonal

** Includes Full and Part Time Aides