

# Town of Enfield Connecticut



## Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2014

**TOWN OF ENFIELD, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL**  
**REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Department of Finance

Lynn Nenni  
Director of Finance

# **Introductory Section**

**TOWN OF ENFIELD**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**TABLE OF CONTENTS**

<b>Introductory Section</b>		<b>Page</b>
	Table of Contents	i-iii
	Letter of Transmittal	iv-vii
	GFOA Certificate of Achievement	viii
	Organizational Chart	ix
	List of Principal Officials	x
<b>Financial Section</b>		
	Independent Auditors' Report	1-3
	Management's Discussion and Analysis	4-13
<u>Basic Financial Statements</u>		
<u>Exhibit</u>		
	<u>Government-Wide Financial Statements</u>	
I	Statement of Net Position	14
II	Statement of Activities	15
	<u>Fund Financial Statements</u>	
III	Balance Sheet - Governmental Funds	16-17
IV	Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18-19
V	Statement of Net Position - Proprietary Funds	20
VI	Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	21
VII	Statement of Cash Flows - Proprietary Funds	22
VIII	Statement of Fiduciary Net Position - Fiduciary Funds	23
IX	Statement of Changes in Fiduciary Net Position - Fiduciary Funds	24
	Notes to the Financial Statements	25-53

<u>Exhibit</u>		<u>Page</u>
	<u>Required Supplementary Information</u>	
RSI-1	Schedule of General Fund Revenues and Other Financing Sources - Budget and Actual	54-56
RSI-2	Schedule of General Fund Expenditures and Other Financing Uses - Budget and Actual	57-59
RSI-3	Schedule of Changes in Net Pension Liability and Related Ratios - Town	60
RSI-4	Schedule of Changes in Net Pension Liability and Related Ratios - Police	61
RSI-5	Schedule of Employer Contributions - Town	62
RSI-6	Schedule of Employer Contributions - Police	63
RSI-7	Schedule of Investment Returns	64
	 <u>Supplemental, Combining and Individual Fund Statements and Schedules</u>	
	<u>General Fund</u>	
A-1	Combining Balance Sheet - General Fund	65-66
A-2	Combining Schedule of Revenues Expenditures and Changes in Fund Balance - General Fund	67-68
A-3	Report of the Tax Collector	69
A-4	Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis - Budget and Actual - Social Services Fund	70
A-5	Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis - Budget and Actual - Emergency Medical Services Fund	71
	<u>Nonmajor Governmental Funds</u>	
B-1	Combining Balance Sheet - Nonmajor Governmental Funds	72
B-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	73
B-3	Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis - Budget and Actual - Water Pollution Control Fund	74
	<u>Internal Service Funds</u>	
C-1	Combining Statement of Net Position - Internal Service Funds	75
C-2	Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds	76
C-3	Combining Statement of Cash Flows - Internal Service Funds	77
	<u>Fiduciary Funds</u>	
D-1	Statement of Changes in Assets and Liabilities - Agency Funds	78

Table	Statistical Section	Page
	Financial Trends:	
1	Net Position by Component	79
2	Changes in Net Position	80
3	Fund Balances of Governmental Funds	81
4	Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	82
	Revenue Capacity:	
5	Assessed and Estimated Actual Value of Taxable Property	83
6	Direct and Overlapping Property Tax Rates	84
7	Principal Taxpayers	85
8	Property Tax Levies and Collections	86
	Debt Capacity:	
9	Ratio of Outstanding Debt by Type	87
10	Direct and Overlapping Governmental Activities Debt	88
11	Schedule of Debt Limitation	89
12	Legal Debt Margin Information	90
	Demographic and Economic Statistics:	
13	Demographic and Economic Statistics	91
14	Principal Employers	92
	Operating Information:	
15	Full-Time Government Employees by Function/Program	93
16	Operating Indicators by Function/Program	94
17	Capital Asset Statistics by Function/Program	95



# TOWN OF ENFIELD

## LETTER OF TRANSMITTAL

December 10, 2014

Mr. Matthew Coppler  
Town Manager  
Town of Enfield  
Enfield, Connecticut 06082

Dear Mr. Coppler:

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, 2014.

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 accounting principles generally accepted in the United States of America (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, 2014.

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 Blum, Shapiro & Company, P.C., 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, 2014 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 unmodified opinion that the Town of Enfield's financial statements for the fiscal year ended June 30, 2014 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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 Reports.

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, 2014 population of 44,654. 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.

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 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 75 days prior to the end of the fiscal year. The Town Council holds one or more public hearings on the budget not later than 60 days before the end of the fiscal year. Within 20 days of the final hearing, the Town Council adopts the budget by resolution.



## **Local Economy**

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. A total of 1,600 businesses are located in Enfield, including the corporate headquarters for Massachusetts Mutual, and Retail Brand Alliance, Inc. Other major employers include Mass Mutual, LEGO Inc., Hallmark Cards and Eppendorf.

The 2012 Grand List, upon which the 2013-2014 budget was prepared, was relatively unchanged from the prior year. Currently, there are no major projects on the horizon that would significantly impact, either positively or negatively, the value of the Grand List.

## **Long Range Planning**

The Town updates its five year capital plan every year, as part of the annual budget process. Town staff evaluate the condition of the town's buildings and infrastructure in order to identify and prioritize projects that will require funding outside of the regular operating budget. The updated capital plan is included in the Annual Operating and Capital Budget. In fiscal year 2014 and 2015 the Town Officials budgeted \$3.092 million and \$2.115 million respectively for capital projects. In November 2014 voters approved spending an additional \$60 million on road reconstruction projects. For the last 14 years road reconstruction and maintenance has been and continues to be a top priority with Town Officials and the general public. Since fiscal year 2000 and most recently in November of 2014, voters have four times approved by referendum, borrowing for road reconstruction for a total of \$114 million. In the last ten years the town has borrowed to maintain school buildings and built a Senior Center in addition to the road reconstruction projects.

The Town also received referendum approval in November 2012 for borrowing to merge the two existing high schools to one location. The state has approved the school building project and will cover 72.14% of allowable costs. The Town share of the project is approximately \$35 million.

## **Awards and Acknowledgements**

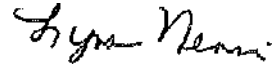
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the twenty-first consecutive year the Town has received this prestigious 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,

A handwritten signature in black ink that reads "A. Lynn Nenni". The signature is written in a cursive, flowing style.

A. Lynn Nenni  
Director of Finance



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Town of Enfield  
Connecticut**

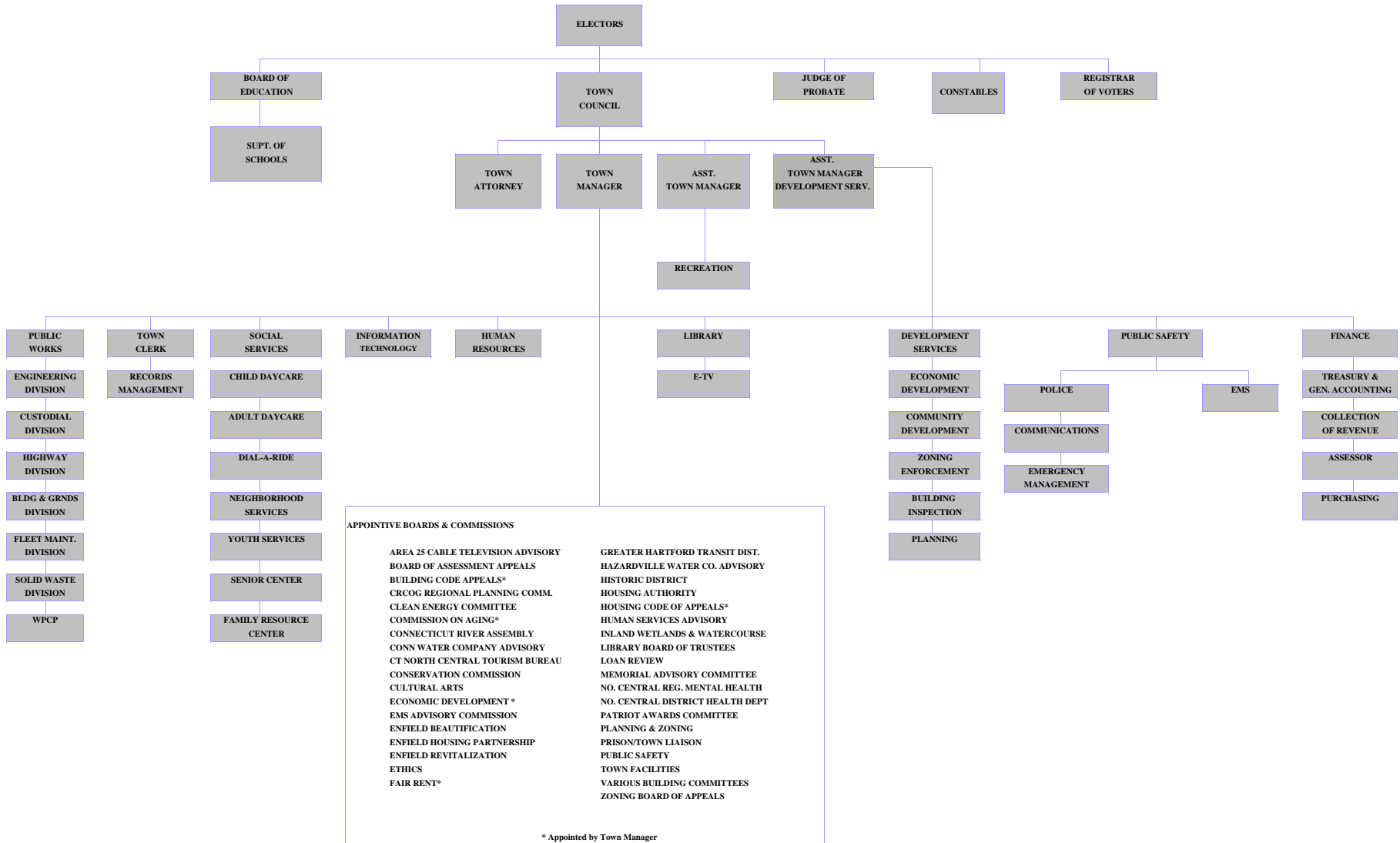
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

**TOWN OF ENFIELD, CONNECTICUT  
ORGANIZATIONAL CHART  
JUNE 30, 2014**

XI



**TOWN OF ENFIELD, CONNECTICUT  
PRINCIPAL OFFICIALS  
JUNE 30, 2014**

**TOWN COUNCIL**

Scott R. Kaupin, Mayor  
William Lee, Deputy Mayor  
Joseph C. Bosco  
William J. Edgar, Jr.  
Edward N. Deni  
Thomas Arnone  
Gina L. Cekala  
Carol A. Hall  
Cynthia Mangini  
Gregory T. Stokes, Sr.  
Donna H. Szewczak

Town Manager  
Assistant Town Manager  
Director of Economic Development/Community Development  
Director of Emergency Medical Services  
Director of Finance  
Director of Human Resources  
Director of Information Systems  
Directory of Library  
Director of Public Safety  
Director of Public Works  
Director of Social Services  
Chief of Police  
Town Attorney

Matthew Coppler  
Derrick Kennedy  
Courtney Hendricson  
Gary Wiemokly  
Lynn Nenni  
Steven Bielenda  
Paul Russell  
Henry Dutcher  
Christopher W. Bromson  
Jonathan Bilmes  
Pam Brown  
Carl Sferrazza  
Kevin M. Deneen

**BOARD OF EDUCATION**

Thomas J. Sirard, Chairman  
David Wawer, Vice Chairman  
Vincent M. Grady, Secretary  
Stacy Thurston  
Peter Jonaitis  
Tina LeBlanc  
Lori Unghire  
Robert Peabody  
Timothy Neville  
Dr. Jeffrey A. Schumann, Superintendent of Schools

## **Financial Section**

# BlumShapiro

Accounting | Tax | Business Consulting

## Independent Auditors' Report

To the Members of the Town Council  
Town of Enfield, Connecticut

### Report on the Financial Statements

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

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditors' Responsibility*

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

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

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

## *Opinions*

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

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13, the budgetary comparison information on pages 54 through 59, the schedule of changes in net pension liability and related ratios (Employee's Pension Plan and Police Pension Plan) on pages 60 and 61, the schedule of employer contributions (Employee's Pension Plan and Police Pension Plan) on pages 62 and 63 and the schedule of investment returns on page 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

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



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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2014 on our consideration of the Town of Enfield, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Enfield, Connecticut's internal control over financial reporting and compliance.

*Blum, Shapiro & Company, P.C.*

West Hartford, Connecticut  
December 10, 2014

**TOWN OF ENFIELD, CONNECTICUT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2014**

This discussion and analysis of the Town of Enfield, Connecticut's (the Town) financial performance is provided by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2014. Please read this MD&A in conjunction with the transmittal letter and the Town's financial statements. All amounts in this section are reported in thousands unless otherwise noted.

**Financial Highlights**

- Net position of our governmental activities increased by \$2,284 or 1.03%.
- During the year, the Town had expenses and transfers that were \$2,284 less than the \$153,251 generated in tax and other revenues for governmental programs.
- Total cost of all of the Town's programs was \$150,967
- The General Fund reported a fund balance this year of \$23,465, an increase of \$4,038 or 21% over the prior year.
- General fund revenues exceed budgetary estimates by \$1,049. Expenditures were kept within spending limits, with a positive variance of \$1,666.

**Overview of the Financial Statements**

This annual report consists of a series of financial statements. The statement of net position and the statement of activities on pages 14 and 15 provide information about the activities of the Town as a whole and present a long-term view of the Town's finances. Fund financial statements are presented on pages 16 and 18. For governmental activities, the statements show how 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 pages 14 and 15. The statement of net position 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 position and changes in them. The Town's net position, 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 indicators 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 financial health of the Town.

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

Governmental Activities - The Town's basic services are reported here, including general government, public safety, public works, health and 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 on page 16 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 Capital Nonrecurring fund and Community Development fund. The Town's funds are divided into three categories: governmental, proprietary and fiduciary.

- **Governmental Funds** (*pages 16 and 18*) - 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 differences between governmental activities reported in the statement of net position and the statement of activities and governmental funds is described in a reconciliation between fund balances - all governmental funds and net position of governmental activities on pages 17 and 19.
- **Proprietary Funds** (*pages 20, 21 and 22*) - When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. Internal service funds (a component of proprietary funds) are used to report activities that provide supplies and services for the Town's other programs and activities - such as the Town's Information Technology Fund.
- **Fiduciary Funds** (*pages 23 and 24*) - 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 position and changes in fiduciary net position. 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 total net position increase by \$2,284 from a year ago, changing from \$220,780 to \$223,064. The following analysis focuses on the net position (Table 1) and changes in net position (Table 2) of the Town’s governmental activities.

**TABLE 1  
NET POSITION**

	<b>Governmental Activities</b>	
	<b>2014</b>	<b>2013</b>
Current and other assets	\$ 56,267	\$ 53,233
Capital assets	225,261	222,143
Total assets	<u>281,528</u>	<u>275,376</u>
Current liabilities	24,333	18,025
Noncurrent liabilities	33,328	35,969
Total liabilities	<u>57,661</u>	<u>53,994</u>
Deferred inflows of resources	<u>803</u>	<u>602</u>
Net investment in capital assets	192,678	189,574
Restricted	1,782	1,852
Unrestricted	<u>28,604</u>	<u>29,354</u>
Total Net Position	<u>\$ 223,064</u>	<u>\$ 220,780</u>

The largest component of the net position is the investment in capital assets (buildings, infrastructure and equipment), which is presented less outstanding debt related to acquiring the assets. This portion of the net position is not available for spending. Unrestricted net position - the part of net position that can be used to finance day to day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, decreased \$750 from the prior fiscal year.

The change in net position can also be analyzed by looking at the difference between revenues and program expenses. The Town’s total revenues were \$153,251, an increase of \$9,827 over the prior year. The total cost of all programs and services was \$150,967, an increase of \$8,125 over the prior year. A more detailed discussion of fiscal year 2014 activity follows in the next sections.

**TABLE 2  
CHANGE IN NET POSITION**

	<b>Governmental Activities</b>	
	<u>2014</u>	<u>2013</u>
Revenues:		
Program revenues:		
Charges for services	\$ 14,640	\$ 10,310
Operating grants and contributions	48,368	45,565
Capital grants and contributions	3,986	4,622
General revenues:		
Property taxes	84,360	79,475
Grants and contributions not restricted to specific programs	1,708	3,333
Investment income	189	119
Total revenues	<u>153,251</u>	<u>143,424</u>
Expenses:		
General government	9,552	7,333
Public safety	16,121	13,134
Public works	25,829	25,388
Health and social services	9,157	8,837
Library	1,809	1,789
Planning and development	1,234	1,326
Education	86,343	84,160
Interest on long-term debt	922	875
Total expenses	<u>150,967</u>	<u>142,842</u>
Change in Net Position	<u>\$ 2,284</u>	<u>\$ 582</u>

Table 3 presents the cost of each of the Town's five largest programs - public safety, public works, education, and health and social services - 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.

**TABLE 3  
GOVERNMENTAL ACTIVITIES**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
General	\$ 9,552	\$ 7,304	\$ 3,077	\$ 5,503
Public safety	16,121	13,134	15,401	12,543
Public works	25,829	25,388	23,384	18,511
Education	86,343	84,160	35,421	38,753
Health and social services	9,157	8,837	2,759	3,288
All others	<u>3,965</u>	<u>4,019</u>	<u>3,931</u>	<u>3,747</u>
Total	\$ <u>150,967</u>	\$ <u>142,842</u>	\$ <u>83,973</u>	\$ <u>82,345</u>

The net cost of services increased \$1,628 or 2% from 2013 to 2014. There was no change in services provided by the Town. The primary cost drivers for the fiscal year were due to increases in General Government, Public Safety and Board of Education spending.

**Town Funds Financial Analysis**

*Governmental Funds*

As the Town completed the year, its governmental funds (as presented in the balance sheet – page 16) reported a combined total fund balance of \$15,833 which is a 9% decrease from last year’s total of \$17,484. The fund balance in the general fund increased \$4,038 from the prior year. Page 41 shows the details of the governmental fund balances. More detail with respect to activity in the General Fund is presented in the General Fund Budgetary Highlights section.

There continues to be a deficit in the Water Pollution Control Fund, which decreased by \$17 during the year. \$2,492 is reserved in the General Fund nonspendable fund balance to cover part of the deficit. In fiscal year 2013-2014 the Council voted to convert the funding basis for the WPCA from ad valorem to user fee, in order to raise revenue to foot the cost of approximately \$35 million in upgrades to the plant. The change to user fee went into effect January 1, 2014. The rates were structured to provide enough revenue to pay back the general fund \$300 a year over a ten year period, and to support anticipated debt repayment of approximately \$31 million for plant upgrades and repairs.

The fund balance in the Bonded Projects Fund has a deficit of \$10,854, an increase of \$4,686 over the prior year. The deficit is a result of spending associated with the “Roads 2010” paving program and the High School Consolidation project. Bond anticipation notes were issued during the year in the amount of \$16,500 to cover deficits in cash flows. The deficit will be covered in fiscal year 2014-2015 with the issuance of a bond for \$25 million.

The fund balance in the Capital Nonrecurring Fund decreased \$1,002, to \$3,846. Spending in the Capital and Nonrecurring Fund in fiscal year 2014 was \$6,101 compared to \$5,639 in fiscal year 2013. The Town records purchase of equipment, capital grants and major maintenance projects in this fund. Spending has decreased from prior years as one time grants are completed.

The fund balances in the Nonmajor Governmental Funds is \$2,937, a decrease of \$18 over the prior year. Pages 72-73 show the activity details for Nonmajor governmental funds. Spending activity is primarily education related and pertains to grants, student activity and cafeteria expenditures and revenues.

Fund balance in the governmental funds is classified according to the strength of the spending constraints for which it can be used, and are listed on the balance sheet according to the strength of the restriction, from most to least restrictive. Nonspendable fund balance represents 30% of the total fund balance. Amounts classified in this category include inventory and the corpus of endowment funds, prepaid interest and \$2,492 that has been advanced to the Water Pollution Control Fund. Restricted fund balance is 5% of the total fund balance and represents donations and grants whose spending is restricted to a particular purpose by the donor or granting authority. Committed fund balance is 50% of the total fund balance and represents amounts committed by the Town Council for a particular purpose. The amounts in this category are committed primarily through the budget making process or by resolution. Assigned fund balance represents encumbrances outstanding at year end, the remaining Board of Education budget that will be appropriated in fiscal year 2015 and the amount used to balance the fiscal year 2015 budget. Assigned fund balance represents 4% of the total fund balance. The unassigned fund balance, which is available for spending, is 10%. As mentioned earlier in this discussion, the WPCA fund and Bonded Projects fund are currently running deficits thereby reducing the unassigned fund balance to \$1,626. The deficit in the Bonded Projects Fund will be eliminated with future bonding and the deficit in the Water Pollution Control Fund will be eliminated over the next ten years through revenue raised by user fees.

#### *Proprietary Funds*

The Town of Enfield utilizes internal service funds to report the costs associated with liability insurance, health insurance and information technology for the Board of Education and the Town. Details of the activities in these funds are shown on pages 75-77. The net position of these funds decreased \$1,638 or 20%, to \$6,646. The decrease was primarily due to higher than estimated health insurance claims.

#### **General Fund Budgetary Highlights**

General fund revenues and expenditures are presented on a budgetary basis on pages 54-59. Note that for budgetary purposes, the general fund excludes the funds that were previously classified as special revenue, prior to the implementation of GASB 54.

#### *Revenue Variances*

Better than expected collections resulted in a positive variance of \$910 for all tax collections. Tax collections are currently budgeted on a cash basis and included \$300 for prior year collections. During the year the tax office conducted a "Tax Collector" sale. The proceeds of the sale contributed an additional \$1,152 to delinquent taxes and interest collected. Real estate collections were budgeted at 98.5%, motor vehicle at 94% and personal property at 97%. The blended tax collection rate for current year taxes was 97.95%, which represents a slight increase from the prior year collection rate of 97.75%. The line item called "new revenue sources" was budgeted in anticipation of the state levying new taxes on area businesses that did not make it through the state legislature.

Variances in intergovernmental revenue were caused by changes made by the state during the year to individual grant line items. In addition, the Town adopts their budget prior to the States adoption of their budget. Therefore, changes made by the State to grant allocations after the Town adopts its budget can result in variances. Intergovernmental revenue had a net positive variance of \$1,073.

Charges for services had a total positive variance of \$878. Budgets in this category are estimated based on historical averages and normally vary from year to year. The largest variance occurred in the building and mechanical permit budget. Expansions by Mass Mutual and Advanced Auto Parts fueled a positive variance of \$878 from the original budget.

Interest on investments had a negative variance of \$75. General fund investments are limited by state statute to risk free instruments as specified in Note 3. Unfavorable economic conditions have kept investment interest rates low.

The negative variance of \$159 in transfers in was the result of an overestimate in the amount allocated from the WPC fund for in kind services contributed by general fund departments.

The general fund had a total positive revenue variance of \$1,049.

#### *Expenditure Variances*

Budgetary expenditures had a total positive variance of \$1,666. The largest variances occurred in the departments that have the largest budgets, which are the Public Safety, Public Works, and the Board of Education. Variances also occurred in smaller budgets; the Personnel Office had a variance of \$107 due to less than expected unemployment costs and the Planning and Development department had a variance of \$140 due to several vacancies that were not filled during the year.

Nondepartmental charges had a total positive variance of \$384 primarily the result of contingency accounts that were unspent.

Additional appropriations from fund balance in the amount of \$848 were made as follows:

During 2013-2014 council deliberations the Town Council agreed they would allow the Board of Education to roll forward the remaining balance of their 2013 budget to 2014, resulting in an additional appropriation of \$218. Additional appropriations were also made for radio tower improvements (\$325), road salt (\$55), tipper barrels (\$21.5), school security officers (\$132), busing for the child day care center (\$30) and demolition of a house to make way for a parking lot (\$65).

### **Capital Asset and Debt Administration**

#### **Capital Assets**

At June 30, 2014, the Town had \$225,261 invested in a broad range of capital assets, including land, buildings, building improvements, machinery and equipment, vehicles and infrastructure (roads, sewer lines, sidewalks) - Note 3(C). This amount represents a net increase (including additions and deductions) of \$3,118 over the prior year.



**TABLE 4**  
**CAPITAL ASSETS (Net of Depreciation)**

	<b>Governmental Activities</b>	
	<b>2014</b>	<b>2013</b>
Land	\$ 12,255	\$ 12,255
Construction in progress	7,732	4,330
Buildings	16,150	16,711
Building improvements	48,847	50,205
Machinery and equipment	8,821	9,731
Vehicles	7,677	6,691
Infrastructure	<u>123,779</u>	<u>122,220</u>
Total	<u>\$ 225,261</u>	<u>\$ 222,143</u>

This year's major additions included:

- The continuation of a variety of road rehabilitation projects - "Roads 2010" in the amount of \$4,000.
- Purchase of nine police vehicles in the amount of \$254.
- Purchase of two buses for the fixed bus route (grant funded) for \$140.
- Purchase of six refuse collection and dump trucks for \$1,298.
- Purchase of four lawn mowers for the buildings and grounds department for \$53.
- Upgrade of the town wide wireless communications in the amount of \$586.

More detailed information about the Town's capital assets is presented in Note 3(C) in the financial statements.

**Long-Term Debt**

At June 30, 2014, the Town had \$19,450 in bonds outstanding compared to 21,975 last year - a decrease of 11% as shown in Table 5.

**TABLE 5  
OUTSTANDING DEBT**

	<b>Governmental Activities</b>	
	<b>2014</b>	<b>2013</b>
General obligation bonds - Town	\$ 15,168	\$ 16,756
General obligation bonds - School improvements	<u>4,282</u>	<u>5,219</u>
Total	<u>\$ 19,450</u>	<u>\$ 21,975</u>

The Town maintains an “AA/Stable” rating from Standard Poor’s and an “Aa2” rating from Moody’s for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven 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 \$663,733 which significantly exceeds the Town’s outstanding general obligation debt.

At the end of fiscal 2014 the Town was authorized to bond an additional \$60 million for the Roads 2010 road reconstruction program and High School Consolidation projects, both of which are currently underway.

In November 2014, voters approved borrowing an additional \$60 million for the Roads 2015 road reconstruction program.

Other obligations include accrued vacation pay and sick leave. More detailed information about the Town’s long term liabilities is presented in Note 3(E) of 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 2014-2015 budget. Overall economic conditions as well as citizens’ ability to sustain an increase in taxes continue to be primary concerns of town officials. The mill rate for the Town was unchanged at 23.88 for fiscal years 2008-2012. The mill rate for the 2012-2013 budget increased to 27.84. The increase in the mill rate was the result of a town wide revaluation in which property values dropped an average of 13%. Property values for residential property dropped an average of 15% and commercial property values dropped an average of 10%. After factoring in the change in the grand list, the increase in the mill rate was .90 mills.

Council set the mill rate for the 2013-2014 budget at 29.26, an increase of \$1.42 mills over the prior year. In addition the Town transitioned from funding the WPC on an ad valorem to user fee basis. Town staff estimate the average home will pay approximately \$216 in sewer use fees.

The mill rate for fiscal year 2014-2015 is set at 29.13, a slight decrease from the prior year. General fund spending increased to \$119,979, an increase of 1.29% over the fiscal year 2014 budget. The slight increase in spending was necessary to maintain current services; departmental spending is consistent with 2014. Debt service payments increased \$1.3 million, and account for most of the spending increase.

The grand list has remained stable, with no meaningful growth or property transfers.

Unemployment (not seasonally adjusted) in the Town as of October 2014 was 5.8% versus 6.8% a year ago. The State's unemployment rate is 6.3% and the national rate is 5.5% for the same time period.

### **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, Lynn Nenni, Town of Enfield, 820 Enfield Street, Enfield, Connecticut, 06082.

# **Basic Financial Statements**

## TOWN OF ENFIELD, CONNECTICUT

## STATEMENT OF NET POSITION

**JUNE 30, 2014**  
**(In Thousands)**

		<b>Governmental Activities</b>
		<u>          </u>
Assets:		
Cash and cash equivalents	\$	36,450
Investments		5,037
Receivables, net		12,520
Prepaid items		2,134
Inventories		112
Net pension asset		14
Capital assets, nondepreciable		19,987
Capital assets, net of accumulated depreciation		<u>205,274</u>
Total assets		<u>281,528</u>
Liabilities:		
Accounts payable and accrued liabilities		7,539
Unearned revenue		294
Bond anticipation notes payable		16,500
Noncurrent liabilities, due within one year		5,995
Noncurrent liabilities, due in more than one year		<u>27,333</u>
Total liabilities		<u>57,661</u>
Deferred Inflows of Resources:		
Deferred charge on refunding		330
Advance property tax collections		<u>473</u>
Total deferred inflows of resources		<u>803</u>
Net Position:		
Net investment in capital assets		192,678
Restricted for:		
Trust purposes:		
Expendable		26
Non-expendable		37
Loans		1,719
Unrestricted		<u>28,604</u>
Total Net Position	\$	<u><u>223,064</u></u>

The accompanying notes are an integral part of the financial statements

## TOWN OF ENFIELD, CONNECTICUT

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

Functions/Programs	Program Revenues			Net Revenues (Expenses) and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General government	\$ 9,552	\$ 4,035	\$ 2,440	\$	(3,077)
Public safety	16,121	451	247	22	(15,401)
Public works	25,829	2,268	171	6	(23,384)
Health and social services	9,157	4,070	182	2,146	(2,759)
Library	1,809	18	16		(1,775)
Planning and development	1,234				(1,234)
Education	86,343	3,798	45,312	1,812	(35,421)
Interest expense	922				(922)
Total governmental activities	<u>150,967</u>	<u>14,640</u>	<u>48,368</u>	<u>3,986</u>	<u>(83,973)</u>
Total	<u>\$ 150,967</u>	<u>\$ 14,640</u>	<u>\$ 48,368</u>	<u>\$ 3,986</u>	<u>(83,973)</u>
General revenues:					
Property taxes					84,360
Grants and contributions not restricted to specific programs					1,708
Investment income					189
Total general revenues					<u>86,257</u>
Change in net position					2,284
Net Position at Beginning of Year					<u>220,780</u>
Net Position at End of Year					<u>\$ 223,064</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF ENFIELD, CONNECTICUT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**

JUNE 30, 2014  
(In Thousands)

	<u>General</u>	<u>Water Pollution Control</u>	<u>Bonded Projects</u>	<u>Capital Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 16,257	\$ 361	\$ 8,470	\$ 2,073	\$ 3,304	\$ 30,465
Investments	1,412			2,437	59	3,908
Receivables, net	7,676	1,139	1,211	396	2,060	12,482
Due from other funds	4,894			285		5,179
Advances to other funds	2,492					2,492
Prepaid items	2,132					2,132
Inventory					112	112
Total Assets	<u>\$ 34,863</u>	<u>\$ 1,500</u>	<u>\$ 9,681</u>	<u>\$ 5,191</u>	<u>\$ 5,535</u>	<u>\$ 56,770</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable and accrued liabilities	\$ 3,021	\$ 294	\$ 1,669	\$ 804	\$ 88	\$ 5,876
Due to other funds	1,252	2,013	2,051	145	685	6,146
Advances from other funds		2,492				2,492
Bond anticipation notes payable			16,500			16,500
Unearned revenue	77		131		86	294
Total liabilities	<u>4,350</u>	<u>4,799</u>	<u>20,351</u>	<u>949</u>	<u>859</u>	<u>31,308</u>
Deferred Inflows of Resources:						
Unavailable revenue - property taxes	5,603					5,603
Unavailable revenue - sewer user fees		262				262
Unavailable revenue - EMS receivable	721					721
Unavailable revenue - grants receivables	251		184	396	20	851
Unavailable revenue - loans receivables					1,719	1,719
Advance property tax collections	473					473
Total deferred inflows of resources	<u>7,048</u>	<u>262</u>	<u>184</u>	<u>396</u>	<u>1,739</u>	<u>9,629</u>
Fund balances:						
Nonspendable	4,624				149	4,773
Restricted					732	732
Committed	1,968			3,846	2,056	7,870
Assigned	832					832
Unassigned	16,041	(3,561)	(10,854)			1,626
Total fund balances	<u>23,465</u>	<u>(3,561)</u>	<u>(10,854)</u>	<u>3,846</u>	<u>2,937</u>	<u>15,833</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 34,863</u>	<u>\$ 1,500</u>	<u>\$ 9,681</u>	<u>\$ 5,191</u>	<u>\$ 5,535</u>	<u>\$ 56,770</u>

(Continued on next page)

## TOWN OF ENFIELD, CONNECTICUT

## BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

**JUNE 30, 2014**  
**(In Thousands)**

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

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different from the governmental fund balance sheet. The details of this difference are as follows:

Total fund balances (Exhibit III)	\$	15,833
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 338,422		
Less accumulated depreciation	<u>(113,161)</u>		225,261

Internal service funds are used by management to charge costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.			6,646
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Other long-term assets and deferred inflows of resources are not available to pay for current period expenditures and, therefore, are unavailable in the funds:

Property tax receivables			3,738
Interest on property taxes			1,865
Sewer use receivable			262
EMS receivable			721
Grants receivable			851
Housing loans			1,719
Net pension asset			14

Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds and sewer notes payable			(19,450)
Deferred charge on refunding			(330)
Compensated absences			(6,984)
Accrued interest payable			(188)
Capital lease			(4,633)
Landfill closure			(210)
Claims payable			(707)
Net OPEB obligation			<u>(1,344)</u>

Net Position of Governmental Activities (Exhibit I)	\$		<u><u>223,064</u></u>
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The accompanying notes are an integral part of the financial statements



**TOWN OF ENFIELD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<u>General</u>	<u>Water Pollution Control</u>	<u>Bonded Projects</u>	<u>Capital Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 83,092	\$ 1,346	\$ 1,812	\$ 989	\$ 5,054	\$ 84,438
Intergovernmental	46,613	241	1,812	989	5,054	54,709
Charges for services	10,940	1,620		105	1,266	13,931
Contributions and donations	181				72	253
Investment income	75		13	92	9	189
Other revenues					10	10
Total revenues	<u>140,901</u>	<u>3,207</u>	<u>1,825</u>	<u>1,186</u>	<u>6,411</u>	<u>153,530</u>
Expenditures:						
Current:						
General government	6,279				405	6,684
Public safety	12,815				159	12,974
Public works	16,494	3,111				19,605
Health and social services	8,557					8,557
Library	1,615				15	1,630
Planning and development	1,204					1,204
Intergovernmental and interagency	435					435
Education	77,039				5,863	82,902
Non-departmental	5,453					5,453
Capital outlay	389		7,511	5,101		13,001
Debt service	3,519					3,519
Total expenditures	<u>133,799</u>	<u>3,111</u>	<u>7,511</u>	<u>5,101</u>	<u>6,442</u>	<u>155,964</u>
Excess (Deficiency) of Revenues over Expenditures	<u>7,102</u>	<u>96</u>	<u>(5,686)</u>	<u>(3,915)</u>	<u>(31)</u>	<u>(2,434)</u>
Other Financing Sources (Uses):						
Capital lease issuance	389			394		783
Transfers in	126		1,000	3,519	60	4,705
Transfers out	(3,579)	(79)		(1,000)	(47)	(4,705)
Net other financing sources (uses)	<u>(3,064)</u>	<u>(79)</u>	<u>1,000</u>	<u>2,913</u>	<u>13</u>	<u>783</u>
Net Change in Fund Balances	4,038	17	(4,686)	(1,002)	(18)	(1,651)
Fund Balances at Beginning of Year	<u>19,427</u>	<u>(3,578)</u>	<u>(6,168)</u>	<u>4,848</u>	<u>2,955</u>	<u>17,484</u>
Fund Balances at End of Year	<u>\$ 23,465</u>	<u>\$ (3,561)</u>	<u>\$ (10,854)</u>	<u>\$ 3,846</u>	<u>\$ 2,937</u>	<u>\$ 15,833</u>

(Continued on next page)

## TOWN OF ENFIELD, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to  
Statement of Activities:

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (1,651)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlay	10,401
Depreciation expense	(6,984)

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	22
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The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.	(321)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

Property tax receivable - accrual basis change	197
Property tax interest revenue - accrual basis change	(141)
Sewer use receivable - accrual basis change	262
EMS receivable - accrual basis change	222
Grants receivable - accrual basis change	(725)
Loans receivable - accrual basis change	(70)

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

Bond principal payments	2,525
Capital lease issuance	(783)
Capital lease payments	1,696

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:

Compensated absences	(378)
Change in accrued interest	18
Amortization of deferred charge on refunding	52
Claims payable	336
Landfill closure	15
Net OPEB expense	(771)

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities	<u>(1,638)</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 2,284</u>
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The accompanying notes are an integral part of the financial statements

## TOWN OF ENFIELD, CONNECTICUT

## STATEMENT OF NET POSITION

## PROPRIETARY FUNDS

JUNE 30, 2014

(In Thousands)

	<u>Governmental Activities</u>	<u>Internal Service Funds</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ 5,985	
Investments	1,129	
Accounts receivable	38	
Prepaid expenses	2	
Due from other funds	<u>1,252</u>	
Total assets		<u>8,406</u>
Liabilities:		
Current liabilities:		
Accounts payable		179
Claims payable		1,296
Due to other funds		<u>285</u>
Total liabilities		<u>1,760</u>
Net Position:		
Unrestricted	\$	<u><u>6,646</u></u>

The accompanying notes are an integral part of the financial statements

## TOWN OF ENFIELD, CONNECTICUT

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

## PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
Operating Revenues:	
Charges for services	\$ <u>22,430</u>
Operating Expenses:	
Health insurance claims	19,136
Risk management claims	1,116
Technology services	3,828
Total operating expenses	<u>24,080</u>
Operating Loss	(1,650)
Nonoperating Revenue:	
Investment income	<u>12</u>
Change in Net Position	(1,638)
Net Position at Beginning of Year	<u>8,284</u>
Net Position at End of Year	<u>\$ 6,646</u>

The accompanying notes are an integral part of the financial statements

## TOWN OF ENFIELD, CONNECTICUT

## STATEMENT OF CASH FLOWS

## PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
Cash Flows from Operating Activities:	
Receipts from charges for services	\$ 23,295
Payments for claims, premiums and fees	(24,859)
Net cash used in operating activities	<u>(1,564)</u>
Cash Flows from Investing Activities:	
Purchases of investments	(33)
Investment income	12
Net cash used in investing activities	<u>(21)</u>
Net Decrease in Cash	(1,585)
Cash at Beginning of Year	<u>7,552</u>
Cash at End of Year	<u>\$ 5,967</u>
Reconciliation of Operating Loss to Net Cash	
Used in Operating Activities:	
Operating loss	\$ (1,650)
Adjustments to reconcile operating loss to net cash	
used in operating activities:	
Increase in accounts receivable	(34)
Decrease in prepaid expenses	11
Decrease in due from other funds	888
Decrease in accounts payable and other payables	(40)
Increase in claims payable	154
Decrease in due to other funds	<u>(893)</u>
Net Cash Used in Operating Activities	<u>\$ (1,564)</u>

The accompanying notes are an integral part of the financial statements

## TOWN OF ENFIELD, CONNECTICUT

## STATEMENT OF NET POSITION

## FIDUCIARY FUNDS

JUNE 30, 2014

(In Thousands)

	<u>OPEB Trust Fund</u>	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
Assets:			
Cash and cash equivalents	\$ 185	\$	\$ 1,657
Investments:			
Stocks	2,375		
Municipal bonds	631		
Corporate bonds	268		
Deferred retirement option program		513	
Mutual funds	552		
Guaranteed deposit		27,890	
Insurance company-pooled separate account		76,334	
Real estate funds		6,394	
Total investments	<u>3,826</u>	<u>111,131</u>	<u>-</u>
Total assets	4,011	111,131	1,657
Liabilities:			
Accounts payable			<u>1,657</u>
Net Position:			
Held in Trust for Other Purposes	<u>\$ 4,011</u>	<u>\$ 111,131</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

## TOWN OF ENFIELD, CONNECTICUT

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

## FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

	<u>OPEB</u> <u>Trust Fund</u>	<u>Pension</u> <u>Trust Funds</u>
Additions:		
Contributions:		
Employer contributions	\$ 1,266	\$ 3,617
Employee contributions		1,154
Total contributions	<u>1,266</u>	<u>4,771</u>
Investment earnings:		
Interest and dividends	108	3,072
Net increase in fair value of investments	260	11,850
Total investment earnings	<u>368</u>	<u>14,922</u>
Less investment expenses:		
Investment management fees		379
Net investment earnings	<u>368</u>	<u>14,543</u>
Total additions	<u>1,634</u>	<u>19,314</u>
Deductions:		
Benefits paid	1,116	4,967
Administration expenses	37	155
Total deductions	<u>1,153</u>	<u>5,122</u>
Change in Net Position	481	14,192
Net Position at Beginning of Year, as Restated	<u>3,530</u>	<u>96,939</u>
Net Position at End of Year	<u>\$ 4,011</u>	<u>\$ 111,131</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF ENFIELD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**(In Thousands)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town of Enfield, Connecticut (the Town) 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 in 1996); public safety (police and fire), highways and streets, sanitation, social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

Accounting principles generally accepted in the United States of America require that the reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statement to be misleading or incomplete. The criteria provided in GASB Codification, Section 2100, have been considered and there are no agencies or entities which should be presented with the Town.

**B. Basis of Presentation**

The financial statements of 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 of the Town's accounting policies are described below.

**Government-Wide and Fund Financial Statements**

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

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



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

### **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds, however, have no measurement focus.

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.

Property taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town.

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, pension obligations, other post-employment benefits and claims and judgments, are recorded only when payment is due (matured).

The Town reports the following major governmental funds:

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

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

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

Additionally, the Town reports the following fund types:

The *Internal Service Funds* are used to account for the financing of goods or services provided by one department to other departments or agencies on a cost-reimbursement basis. The Health Insurance Fund is used to account for the revenues and related expenditures for the health insurance plan for employees. The Commercial Liability Fund accounts for commercial liability insurance activities of the Town. The Information Technology Fund accounts for the financial operations of the central information systems department.

The *Pension Trust Fund* is used to account for the activities of the Enfield Employees Retirement System.

The *OPEB Trust Fund* is used to account for the retiree health benefits of the single-employer defined benefit plan.

The *Agency Funds* are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The Town maintains several agency funds for performance bonds, Asnuntuck College, Cultural Arts Commission and other student activities.

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

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

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

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

### **C. Cash Equivalents**

For purposes of reporting cash flows, all savings, checking, money market accounts and certificates of deposit with an original maturity of less than 90 days are considered to be cash equivalents.

## **D. Restricted Cash**

At June 30, 2014, the Town had \$8,330 in restricted cash. This amount is unspent bond anticipation note proceeds.

## **E. Investments**

Investments are stated at fair value.

## **F. Prepaid Items**

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

## **G. Receivables and Payables**

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade, property tax, sewer use, sewer assessment and loan receivables are shown net of an allowance for uncollectibles. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon collection history and analysis of creditor’s ability to pay.

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.

## **H. Capital Assets**

Capital assets, which include property, buildings, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the governmental activities column 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 vehicles and equipment, \$20,000 for buildings and improvements and \$100,000 for infrastructure (amounts not rounded) and an estimated useful life in excess of one year. 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 lives are not capitalized.

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

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

<u>Assets</u>	<u>Years</u>
Buildings	50-75
Buildings and improvements	20-75
Machinery and equipment	10-30
Vehicles	10-30
Infrastructure:	
Roads	40
Sidewalks	40
Bridges	70-80
Sewer Lines	100

### **I. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town currently does not report any deferred outflows of resources.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred charge on refunding in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Town also reports advance property tax collections in the government-wide statement of net position. The advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, sewer user fees, EMS, grants, and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

## **J. 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. Vacation and sick leave expenses to be paid in the future periods are accrued when incurred in the government-wide statement. A liability for these amounts is reported in governmental funds only for amounts expected to be paid (matured), for example, as a result of employee resignations and retirements. Compensated absences are generally paid out of the General Fund.

## **K. Net Pension Asset and OPEB Obligations**

Governmental Funds:

The net pension asset and OPEB obligations represents the cumulative difference between the annual pension/OPEB cost and the Town's contributions to the plans. These amounts are calculated on an actuarial basis and are recorded as noncurrent assets and/or noncurrent liabilities, accordingly, in the government-wide financial statements.

## **L. Long-Term Obligations**

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

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

## **M. Equity**

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

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

Restricted - Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

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

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

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

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

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

**Assigned Fund Balance** - This balance represents amounts constrained for the intent to be used for a specific purpose by the Director of Finance who has been delegated authority to assign amounts through approval of purchase orders by the Town Council.

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

## **N. Property Taxes**

Property taxes are assessed 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 on 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.

## **O. Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **2. 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 Plan 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 generally 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 \$871 million 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 project 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 as expenditures in the current year.
- Budgets are also legally adopted and presented for the Social Services Fund, Emergency Medical Fund and Water Pollution Control Fund.

## **B. Deficit fund equity**

The following governmental funds had fund balance deficits at June 30, 2014:

- The Water Pollution Control Fund had a deficit fund balance of \$3,561 which will be funded from future charges for services and General Fund appropriations.
- The Bonded Projects Fund had a deficit fund balance of \$10,854 which will be funded from the issuance of general obligation bond anticipation notes and bonds.

## **3. DETAILED NOTES ON ALL FUNDS**

### **A. 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 the Statutes, or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an “out of state bank,” as defined by the Statutes, which is not a “qualified public depository.”

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

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State 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.



## Deposits

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$35,018 of the Town's bank balance of \$36,696 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 29,838
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>5,180</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 35,018</u></u>

## Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2014, the Town's cash equivalents amounted to \$2,250. The following table provides summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard &amp; Poor's</u>
State of Connecticut Short-Term Investment Fund (STIF)	AAAm

## Investments

As of June 30, 2014, the Town had the following investments:

Investment Type	Credit Rating	Fair Value	Investment Maturities (Years)		
			Less Than 1	1 - 10	More than 10
Interest-bearing investments:					
Government bonds	AAA	\$ 963	\$ 215	\$ 679	\$ 69
Government bonds	AA+/AA-	2,010	127	1,883	
Government bonds	A+/A-	141	141		
Corporate bonds	AA+/AA-	589	241	317	31
Corporate bonds	A+/A-	30			30
Corporate bonds	BBB+/BBB-	560	370	190	
Certificates of deposit	N/A	1,047	346	701	
Total		5,340	\$ 1,440	\$ 3,770	\$ 130
Other investments:					
Mutual funds		1,089			
Pooled separate accounts		76,334			
Guaranteed deposit		27,890			
Common stock		2,434			
Real estate		6,394			
Deferred retirement option program		513			
Total Investments		\$ 119,994			

**Investment Custodial Credit Risk** - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value if its investment or collateral securities that are in the possession of an outside party.

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

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

The Pension Trust Fund is also authorized to invest in corporate bonds, domestic common stocks, domestic equity real estate and international equities. The investments of this fund are held in trust by a trustee bank, which executes investment transactions under the direction of the pension plan's investment manager.

## B. Receivables

Receivables by type at year end for the Town's government-wide financial statements, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Governmental Activities</u>					<u>Total</u>
	<u>General</u>	<u>Water Pollution Control</u>	<u>Bonded Projects</u>	<u>Capital Nonrecurring</u>	<u>Nonmajor and Other Funds</u>	
Receivables:						
Taxes	\$ 5,636	\$	\$	\$	\$	\$ 5,636
Interest	1,865					1,865
Sewer user fees		1,199				1,199
Accounts and other	1,706				38	1,744
Housing loans					1,719	1,719
Intergovernmental	173		1,211	396	341	2,121
Gross receivables	<u>9,380</u>	<u>1,199</u>	<u>1,211</u>	<u>396</u>	<u>2,098</u>	<u>14,284</u>
Less: Allowance for collection losses	<u>1,704</u>	<u>60</u>				<u>1,764</u>
Net Total Receivables	<u>\$ 7,676</u>	<u>\$ 1,139</u>	<u>\$ 1,211</u>	<u>\$ 396</u>	<u>\$ 2,098</u>	<u>\$ 12,520</u>

## C. Capital Assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 12,255	\$	\$	\$ 12,255
Construction in progress	4,330	7,950	4,548	7,732
Total capital assets not being depreciated	<u>16,585</u>	<u>7,950</u>	<u>4,548</u>	<u>19,987</u>
Capital assets being depreciated:				
Buildings	34,961			34,961
Building improvements	59,714	121		59,835
Machinery and equipment	14,752	347	75	15,024
Vehicles	12,828	1,961	952	13,837
Infrastructure	190,825	4,592	639	194,778
Total capital assets being depreciated	<u>313,080</u>	<u>7,021</u>	<u>1,666</u>	<u>318,435</u>
Less accumulated depreciation for:				
Buildings	18,250	561		18,811
Building improvements	9,509	1,479		10,988
Machinery and equipment	5,021	1,212	30	6,203
Vehicles	6,137	798	775	6,160
Infrastructure	68,605	2,934	540	70,999
Total accumulated depreciation	<u>107,522</u>	<u>6,984</u>	<u>1,345</u>	<u>113,161</u>
Total capital assets being depreciated, net	<u>205,558</u>	<u>37</u>	<u>321</u>	<u>205,274</u>
Governmental Activities Capital Assets, Net	<u>\$ 222,143</u>	<u>\$ 7,987</u>	<u>\$ 4,869</u>	<u>\$ 225,261</u>

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

Governmental Activities:	
General government	\$ 865
Public safety	622
Public works	3,745
Health and social services	214
Library	43
Education	<u>1,495</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 6,984</u>

### Construction Commitments

The government has active construction projects as of June 30, 2014. At year end, the government's commitments with contractors are as follows:

<u>Project</u>	<u>Remaining Commitment</u>
Road Improvement Program	\$ 16,987
High School Expansion and Renovation	<u>100,233</u>
	<u>\$ 117,220</u>

The commitments are being financed with bond anticipation notes and state and federal grants.

### D. Interfund Receivables, Payables and Transfers

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Nonrecurring Fund	\$ 145
General Fund	Bonded Projects Fund	2,051
General Fund	Water Pollution Control Fund	2,013
General Fund	Nonmajor Governmental Funds	685
Internal Service Funds	General Fund	1,252
Capital Nonrecurring fund	Internal Service Funds	<u>285</u>
		<u>\$ 6,431</u>

All balances are expected to be repaid within a year.

The General Fund advanced the Water Pollution Control Fund \$2,492. The advances amongst funds relate to working capital loans. None of the balance is scheduled to be collected in the subsequent year.

Interfund transfers are generally used to supplement revenues of other funds. The transfers that occurred during the year are as follows:

	<b>Transfers In</b>				<b>Total Transfers Out</b>
	<b>General Fund</b>	<b>Bonded Projects</b>	<b>Capital Nonrecurring</b>	<b>Nonmajor Governmental Funds</b>	
Transfers out:					
General Fund	\$	\$	\$ 3,519	\$ 60	\$ 3,579
Water Pollution Control	79				79
Capital Nonrecurring		1,000			1,000
Nonmajor Governmental	47				47
<b>Total Transfers In</b>	<b>\$ 126</b>	<b>\$ 1,000</b>	<b>\$ 3,519</b>	<b>\$ 60</b>	<b>\$ 4,705</b>

## E. Long-Term Debt

### Changes in Long-Term Liabilities

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

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 21,975	\$	\$ 2,525	\$ 19,450	\$ 2,860
Compensated absences	6,606	3,028	2,650	6,984	1,209
Landfill closure cost	225		15	210	15
Claims payable	1,043	87	423	707	200
Capital lease	5,546	783	1,696	4,633	1,711
Net OPEB Obligation	573	2,037	1,266	1,344	
<b>Total Governmental Activities</b>					
Long-Term Liabilities	<b>\$ 35,968</b>	<b>\$ 5,935</b>	<b>\$ 8,575</b>	<b>\$ 33,328</b>	<b>\$ 5,995</b>

For the governmental activities, compensated absences and net OPEB obligations are generally liquidated by the General Fund.

### General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town.

General obligation bonds currently outstanding are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Annual Principal</u>	<u>Balance Outstanding June 30, 2014</u>
General purpose:						
Road reconstruction	6/15/08	6/15/28	3.25-5	\$ 19,000	Various	\$ 12,000
Refunding	8/12/09	7/1/18	2.0-4.0	4,392	Various	3,168
Total general purpose				<u>23,392</u>		<u>15,168</u>
School:						
Refunding	8/12/09	7/1/18	2.0-4.0	<u>6,003</u>	Various	<u>4,282</u>
Total Outstanding				<u>\$ 29,395</u>		<u>\$ 19,450</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

	<u>Principal</u>	<u>Interest</u>
2015	\$ 2,860	\$ 811
2016	2,865	677
2017	1,845	570
2018	1,870	466
2019	1,010	401
2020-2024	5,000	1,456
2025-2029	<u>4,000</u>	<u>425</u>
	<u>\$ 19,450</u>	<u>\$ 4,806</u>

### Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2014 is \$60,000. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

### Legal Debt Limit

The Town is subject to the General Statutes of Connecticut, which limits the amount of debt outstanding at June 30, 2014 to the following:

<u>Category</u>	<u>Debt Limitation</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 213,343	\$ 33,579	\$ 179,764
Schools	426,686	50,168	376,518
Sewers	355,571		355,571
Urban renewal	308,162		308,162
Pension deficit	284,457		284,457

Total debt outstanding may not exceed seven times annual receipts from taxation (\$663,733).

**Landfill Closure and Post-Closure Care Costs**

State and Federal laws and regulations require that the Town perform certain maintenance and monitoring functions at the landfill site for 19 years after closure. The liability for the landfill post-closure care, aggregating \$210, is based on the amount estimated to be paid for all equipment, facilities and services required to monitor and maintain the landfills as of June 30, 2014. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

**Capital Leases**

The town leases various computer and telephone equipment, ambulance, radio frequency towers and trucks. These lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of lease terms) and, therefore, are recorded at the present value of the future minimum lease payments as of the date of their inception.

	<b>Governmental Activities</b>
Asset:	
Vehicles and equipment	\$ 10,395
Less: accumulated depreciation	<u>2,353</u>
 Total	 \$ <u><u>8,042</u></u>

The following is a schedule of future minimum lease payments under this capital lease and the present value of the net minimum lease payments at June 30, 2014:

<b>Fiscal Year Ending June 30,</b>	<b>Governmental Activities</b>
2015	\$ 1,822
2016	1,626
2017	856
2018	228
2019	133
Thereafter	<u>223</u>
Total lease payments	4,888
Less amount representing interest	<u>255</u>
 Present Value of Future Minimum Lease Payments	 \$ <u><u>4,633</u></u>

## F. Short-Term Debt

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

<u>Project</u>	<u>Issue Date</u>	<u>Original Issue Amount</u>	<u>Interest Rate (%)</u>	<u>Balance July 1, 2013</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance Outstanding June 30, 2014</u>
Road Improvement Program	8/14/2012	\$ 11,500	1.0-1.25%	\$ 11,500	\$	\$ 11,500	\$ -
Road Improvement Program	8/13/2013	11,500	1.00%		11,500		11,500
High School Expansion and Renovation Project	8/13/2013	<u>11,500</u>	1.00%	<u>          </u>	<u>5,000</u>	<u>          </u>	<u>5,000</u>
		<u>\$ 34,500</u>		<u>\$ 11,500</u>	<u>\$ 16,500</u>	<u>\$ 11,500</u>	<u>\$ 16,500</u>

## G. Fund Balance

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

	<u>General Fund</u>	<u>Water Pollution Control</u>	<u>Bonded Projects</u>	<u>Capital Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:						
Nonspendable:						
Inventory	\$	\$	\$	\$	112	\$ 112
Advances	2,492					2,492
Prepaid expenses	2,132					2,132
Permanent fund principal					37	37
Restricted for:						
Grants					732	732
Committed:						
General government	515				1,007	1,522
Public safety	133				35	168
Public works				3,846		3,846
Health and social services	103				411	514
Library					304	304
Education	1,217				299	1,516
Assigned:						
Subsequent year's budget	700					700
Library - encumbrances	1					1
Education	131					131
Unassigned	<u>16,041</u>	<u>(3,561)</u>	<u>(10,854)</u>	<u>          </u>	<u>          </u>	<u>1,626</u>
Total Fund Balances	<u>\$ 23,465</u>	<u>\$ (3,561)</u>	<u>\$ (10,854)</u>	<u>\$ 3,846</u>	<u>\$ 2,937</u>	<u>\$ 15,833</u>



#### **4. EMPLOYEE RETIREMENT PLAN**

##### **A. Pension Trust Fund**

The Town of Enfield administers two single-employer, contributory defined benefit pension 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.

Per the charter, the Town Manager is responsible for management of the pension plans, and the Town Treasurer is the treasurer of the plans. The Town Manager has appointed a committee comprised of the Town Manager, Finance Director, Human Resources Director and Treasurer to manage the pension plans.

##### **Plan Description**

###### Employee's Pension Plan

The Town of Enfield Pension Plan covers all employees working more than nineteen hours a week and for more than five months per calendar year except teachers covered under the State of Connecticut Teachers' Retirement System and Police.

###### Police Pension Plan

The Town of Enfield Police Pension Plan covers employees in the Police Department working more than thirty-five hours a week and for more than five months per calendar year.

##### **Benefit Provisions**

###### Employee's Pension Plan

The Town provides all retirement benefits through a single-employer, contributory defined benefit plan. All employees are 100% vested after five years of continuous service. Employees who retire at normal retirement at age 65 receive a retirement benefit.

###### Police Pension Plan

The Town provides all retirement benefits through a single-employer, contributory defined benefit plan. All employees are 100% vested after ten years of continuous service. Employees who retire at normal retirement at age of the latter of age 50 or 20 years of service receive a retirement benefit.

At July 1, 2013, Plan membership consisted of the following:

	<u>Employee's Pension</u>	<u>Police Pension</u>
Retirees and beneficiaries currently receiving benefits	246	55
Terminated plan members entitled to benefits but not yet receiving them and inactive with vested benefits	154	24
Active plan members	<u>515</u>	<u>84</u>
	<u>915</u>	<u>163</u>

### **Summary of Significant Accounting Policies**

Basis of Accounting: Financial statements are prepared using the accrual basis of accounting for the two defined benefit pension plans. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

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

### **Funding Policy**

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

### **Investments**

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

	<u>Target Allocation</u>
Large Cap Equity	30%
Small Cap Equity	7%
International Equity	13%
Fixed Income	10%
Long Duration Bond	8%
Real Estate	5%
Stable Value	<u>27%</u>
	<u>100%</u>

Concentrations: The pension plans held the following investments representing 5% or more of the pension trust fund's fiduciary net position as of June 30, 2014:

Private Placement Fund	\$	5,638
Guaranteed Deposit Account		26,473

Rate of Return: For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments for the Employee's and Police Pension Plans, net of pension plan investment expense, were 15.2% and 14.8%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Deferred Retirement Option Program (DROP)**

The Police Pension Plan offers a Deferred Retirement Option Program (DROP) to its bargaining unit employees employed on or after July 1, 2011. The DROP is intended to provide an alternative retirement option to police employees who are eligible to retire. An employee is considered eligible if they are a full-time employee and must have completed less than 35.25 years of service. During the DROP period, pension payments will be made depending on the DROP factor based on the age of the employee. Amounts held by the Police Pension Plan DROP investments at June 30, 2014 were \$514.

**Net Pension Liability of the Town**

In accordance with GASB No. 67, the components of the net pension liability of the Employee's and Police Pension Plans at June 30, 2014 were as follows:

	<u>Employee's Pension Plan</u>	<u>Police Pension Plan</u>
Total pension liability	\$ 63,076	\$ 55,406
Plan fiduciary net position	<u>59,330</u>	<u>51,801</u>
Net Pension Liability	<u>\$ 3,746</u>	<u>\$ 3,605</u>
Plan fiduciary net position as a percentage of the total pension liability	94.06%	93.49%

The Employee's and Police Pension Plans' net pension liabilities will be required to be recorded on the government-wide statement of net position at June 30, 2015.

Actuarial Assumptions: The total pension liability for the Employee's and Police Pension Plans were determined by an actuarial valuation as of July 1, 2012, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.50%
Salary increases	4.25%, average, including inflation
Investment rate of return	7.25%, net of investment and contract fees, including inflation

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

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

	<b>Long-Term Expected Rate of Return</b>
Large Cap Equity	8.50%
Small Cap Equity	9.25%
International Equity	8.25%
Fixed Income	5.00%
Long Duration Bond	6.00%
Real Estate	7.25%
Stable Value	4.50%
	<b>48.75%</b>

**Discount Rate:** The discount rate used to measure the total pension liability was 7.25% for both the Employee's Pension Plan and the Police Pension Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate:** The following presents the net pension liability of the Employee's and Police Pension Plans, calculated using the discount rate of 7.25%, as well as what the net pension (asset) liabilities would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Employee's Net Pension (Asset) Liability \$	11,233 \$	3,746 \$	(2,628)
Police Plan Net Pension (Asset) Liability	10,539	3,605	(2,161)

## Annual Pension Cost and Net Pension Obligations

In accordance with GASB No. 27, the Town's annual pension cost and net pension asset to the Employee's and Police Pension Plans for the year ended June 30, 2014 were as follows:

	<u>Employee's Pension</u>	<u>Police Pension Plan</u>
Annual required contribution (ARC)	\$ 2,239	\$ 1,378
Interest on net pension obligation	(1)	(1)
Adjustment to annual required contribution	<u>1</u>	<u>1</u>
Annual pension cost	2,239	1,378
Contributions made	<u>2,239</u>	<u>1,378</u>
Change in net pension obligation	-	-
Net pension asset at beginning of year	<u>(8)</u>	<u>(6)</u>
Net Pension Asset at End of Year	<u><u>(8)</u></u>	<u><u>(6)</u></u>

## Three-Year Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Asset</u>
<b>Employee's Pension Plan</b>			
6/30/2012	\$ 1,700	100%	(8)
6/30/2013	2,083	100%	(8)
6/30/2014	2,239	100%	(8)
<b>Police Pension Plan</b>			
6/30/2012	\$ 1,217	100%	(6)
6/30/2013	1,239	100%	(6)
6/30/2014	1,378	100%	(6)

## Schedule of Funding Progress

### Employee's Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded (Unfunded) AAL (UAAL) (a-b)	Percentage Funded (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/08	\$ 41,426	\$ 40,505	\$ 821	102.27%	\$ 18,873	4.88%
7/1/09	42,223	42,448	(225)	99.47	19,921	(1.13)
7/1/10	43,801	46,278	(2,477)	94.65	19,496	(12.70)
7/1/11	47,054	52,432	(5,378)	89.74	19,894	(27.00)
7/1/12	48,027	55,630	(7,603)	86.33	20,851	(36.50)
7/1/13	51,446	59,675	(8,229)	86.21	20,611	(39.93)

### Police Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded (Unfunded) AAL (UAAL) (a-b)	Percentage Funded (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/08	\$ 37,429	\$ 40,027	\$ (2,598)	93.51%	\$ 6,008	(43.24)%
7/1/09	37,681	42,483	(4,802)	88.70	5,920	(81.12)
7/1/10	39,116	44,852	(5,736)	87.21	6,226	(92.10)
7/1/11	42,000	48,568	(6,568)	86.48	6,636	(99.00)
7/1/12	43,205	50,043	(6,838)	86.34	6,381	(107.20)
7/1/13	45,493	52,897	(9,404)	86.00	5,918	(158.91)

### Combining Schedule of Assets

	Employee's Pension Plan	Police Pension Plan	Total
Assets:			
Investments:			
Pooled separate accounts	\$ 41,220	\$ 35,114	\$ 76,334
Deferred retirement option program		513	513
Guaranteed deposit	14,732	13,158	27,890
Real estate funds	3,378	3,016	6,394
Total investments	<u>59,330</u>	<u>51,801</u>	<u>111,131</u>
Net Position:			
Held in Trust for Other Purposes	\$ <u>59,330</u>	\$ <u>51,801</u>	\$ <u>111,131</u>

### Combining Schedule of Changes in Plan Net Position

	<b>Employee's Pension Plan</b>	<b>Police Pension Plan</b>	<b>Total</b>
	<u>          </u>	<u>          </u>	<u>          </u>
Additions:			
Contributions:			
Employer contributions	\$ 2,239	\$ 1,378	\$ 3,617
Employee contributions	711	443	1,154
Total contributions	<u>2,950</u>	<u>1,821</u>	<u>4,771</u>
Investment income:			
Interest and dividends	1,625	1,447	3,072
Net increase in fair value of investments	6,387	5,463	11,850
Total investment gain	<u>8,012</u>	<u>6,910</u>	<u>14,922</u>
Less investment expenses:			
Investment management fees	204	175	379
Net investment income	<u>7,808</u>	<u>6,735</u>	<u>14,543</u>
Total additions	<u>10,758</u>	<u>8,556</u>	<u>19,314</u>
Deductions:			
Benefits paid	2,797	2,170	4,967
Administration expenses	77	78	155
Total deductions	<u>2,874</u>	<u>2,248</u>	<u>5,122</u>
Change in Net Position	7,884	6,308	14,192
Net Position at Beginning of Year, as Restated	<u>51,446</u>	<u>45,493</u>	<u>96,939</u>
Net Position at End of Year	<u>\$ 59,330</u>	<u>\$ 51,801</u>	<u>\$ 111,131</u>

## B. Teachers Retirement

Teachers participate in a contributory defined benefit plan established under Chapter 167a of the Connecticut General Statutes and administered by the Connecticut State Teachers' Retirement Board. Full-time certified teachers are vested in the system after ten years of service in this state.

All certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings. The Board of Education does not contribute to the plan. Prior to July 1, 1989, teachers were vested in their contributions up to 5% of their earnings prior to five years of service. After five years of service, teachers were fully vested in their own contributions. After ten years of service, teachers are fully vested and entitled to a monthly pension benefit that is payable at the age of 60. The State of Connecticut contributes amounts based on the actuarial reserve basis described in C.G.S. Sections 10-1831 and 10-1832. The State's contribution to the plan on behalf of the Town of Enfield for the fiscal year ended June 30, 2014 was \$9,362 and is recognized in the governmental funds GAAP-basis income statement. Teacher payroll subject to retirement amounted to \$37,756, or 79.6% of the total Board of Education payroll as of \$47,439.

Effective July 1, 1989, 1% of the mandatory 7% contribution is placed into a fund from which retirees' health insurance premiums will be paid. This 1% contribution is no longer credited to the member's individual account and does not vest.

## 5. OTHER POSTEMPLOYMENT BENEFITS

### Plan Description

The Town provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan.

The plan covers Town, Police and Board of Education employees. Benefit provisions are established through negotiations between the Town and the various unions representing the employees. The Town does not issue a stand-alone financial report for the plan.

The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Post-Employment Benefits Trust Fund. The plan does not issue a stand-alone financial report.

At July 1, 2013, plan membership consisted of the following:

Retired members and spouses	
of retired members	291
Active plan members	<u>1,000</u>
Total	<u><u>1,291</u></u>



## Funding Policy

The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

### Annual OPEB Cost and Net OPEB Obligations

The Town of Enfield's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation:

Annual required contribution (ARC)	\$	2,029
Interest on net OPEB obligation		44
Adjustment to annual required contribution		<u>(36)</u>
Annual OPEB Cost		2,037
Contributions made		<u>1,266</u>
Increase in net OPEB obligation		771
Net OPEB obligation at beginning of year		<u>573</u>
Net OPEB Obligation at End of Year	\$	<u><u>1,344</u></u>

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

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB (Asset) Obligation</u>
6/30/2012	\$ 2,166	\$ 1,806	83.4%	\$ (48)
6/30/2013	1,900	1,279	67.3%	573
6/30/2014	2,037	1,266	62.2%	1,344

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

**Schedule of Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>(Unfunded) AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll ((b-a)/c)</b>
7/1/2009	\$	\$ 23,965	\$ (23,965)	0%	\$ N/A	N/A
7/1/2011	3,076	21,500	(18,424)	14%	N/A	N/A
7/1/2013	3,530	24,916	(21,386)	14%	58,329	36.7%

**Schedule of Employer Contributions**

<b>Year Ended</b>	<b>Annual Required Contribution</b>	<b>Actual Contribution</b>	<b>Percentage Contributed</b>
6/30/2012	\$ 2,173	\$ 1,806	83%
6/30/2013	1,901	1,279	67%
6/30/2014	2,029	1,266	62%

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

In the July 1, 2013 actuarial valuation, the actuarial assumptions are as follows:

Interest rate	7.50%
2013 medical trend rates	8.00%
Ultimate medical/Rx trend rate	5.00%
Amortization method	Level Percent Closed
Actuarial cost method	Projected Unit Credit
Remaining amortization period	26.79
Annual payroll increase	4.00%

## 6. OTHER INFORMATION

### A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2014.

The Town is a member in the 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 (not rounded) for each insured occurrence.

The Town has chosen to establish a Self-Insurance Fund for risks associated with the employees' health insurance plan. This fund is accounted for as an Internal Service Fund where assets are set aside for claim settlements. A premium is charged for each employee enrolled in the Town's health insurance plan. The total charge allocated to each of the funds is calculated using employee rates determined by the self-insurance administrator.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that has been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs) and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for salvage or subrogation, are another component of the claims liability estimate. Changes in the claims liability for the past two years are as follows:

	<u>2014</u>	<u>2013</u>
Claims payable, July 1	\$ 1,362	\$ 1,541
Claims incurred and changes in estimates	19,070	17,681
Claim payments	<u>(19,136)</u>	<u>(17,860)</u>
Claims Payable, June 30	<u>\$ 1,296</u>	<u>\$ 1,362</u>

## **B. Contingent Liabilities**

There are various suits and claims pending against the Town, none of which, individually or in the aggregate, is believed by counsel to be likely to result in judgment or judgments that could 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 expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

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

## 7. RESTATEMENT

The Employee's and Police Pension Trust Funds beginning net position was restated in order to properly record certain investments at market value. The impact of this restatement on the Employee's and Police Pension Trust Funds' net position is as follows:

	<u>Employee's Pension Plan</u>	<u>Police Pension Plan</u>
Beginning net position, as originally reported	\$ 50,672	\$ 44,737
Restatement	<u>774</u>	<u>756</u>
Beginning Net Position, as Restated	\$ <u><u>51,446</u></u>	\$ <u><u>45,493</u></u>

## 8. SUBSEQUENT EVENTS

On August 5, 2014, the Town issued \$25,000 of general obligation bonds and \$10,000 of bond anticipation notes maturing on August 1, 2034 and August 11, 2015, respectively. The general obligation bonds and bond anticipation notes carry interest rates ranging between 2.5 - 4.0% and 1.0%, respectively.

**Required Supplementary  
Information**

## TOWN OF ENFIELD, CONNECTICUT

## GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -  
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Property Taxes:				
Real estate	\$ 67,930	\$ 67,930	\$ 67,635	\$ (295)
Motor vehicle	7,443	7,443	7,414	(29)
Personal property	4,943	4,943	5,074	131
Prior year levy	300	300	1,551	1,251
Penalties and interest	650	650	1,302	652
Lien fees	10	10	16	6
Tax sale fees		4	8	4
Suspense list collections	10	10	7	(3)
Telephone access line	80	80	86	6
New revenue sources	813	813		(813)
Total property taxes	<u>82,179</u>	<u>82,183</u>	<u>83,093</u>	<u>910</u>
Intergovernmental:				
Hospital - PILOT	34	34	22	(12)
Department of Housing - PILOT			80	80
Tax loss - state property			1,145	1,145
Tax loss - bingo	1	1		(1)
Tax relief - elderly frozen	2	2	2	-
Tax relief - elderly circuit breaker	360	360	337	(23)
Tax relief - disability exemption	5	5	5	-
Mashantucket Pequot Indians	1,220	1,220	1,322	102
Civil preparedness	12	12		(12)
Tax relief - veterans additional	40	40	42	2
Town aid road grant	541	541	778	237
Education cost sharing	29,931	29,931	28,953	(978)
School transportation	125	125	465	340
Health services private schools	60	60	33	(27)
Miscellaneous federal grants			160	160
Miscellaneous state grants	12	19	79	60
Total intergovernmental	<u>32,343</u>	<u>32,350</u>	<u>33,423</u>	<u>1,073</u>
Charges For Services:				
Recording legal documents	150	150	192	42
Conveyance tax	250	250	308	58
Vital statistics	40	40	46	6
Planning and zoning fees	40	40	22	(18)
Zoning board of appeal fees	1	1	1	-
Miscellaneous clerk fees	40	40	35	(5)

(Continued on next page)

## TOWN OF ENFIELD, CONNECTICUT

## GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -  
BUDGET AND ACTUAL (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Photocopy charges	\$ 6	\$ 6	\$ 11	\$ 5
Fire district tax collection	280	280	300	20
Communication center	175	175	148	(27)
Accident reports	4	4	3	(1)
Environment recycling programs	94	94	134	40
Bulky waste fees	200	200	174	(26)
Medicaid school based health	125	125	247	122
Other charges	2	2	2	-
Building and mechanical	420	432	980	548
Pistol permits	14	14	20	6
Vendor permits	1	1	1	-
Amusements	1	1		(1)
Dog licenses	5	5	6	1
Hunting and fishing	1	1		(1)
Marriage licenses	2	2	2	-
Sewer permits	2	2	1	(1)
Dump permits	11	11		(11)
Parking fines	7	7	6	(1)
Library fines	12	12	12	-
Alarm fines	20	20	14	(6)
Blight ordinance fines	2	2	19	17
Snow removal fines	1	1	5	4
Rental - Town owned property	311	311	347	36
Probate court space rental	12	12	13	1
Sale - cash	200	200	281	81
Sale - leaf bags	7	7	4	(3)
Insurance claims and refunds	150	150	107	(43)
Vehicle insurance reimbursement	45	45	9	(36)
Miscellaneous	131	131	202	71
Total charges for services	<u>2,762</u>	<u>2,774</u>	<u>3,652</u>	<u>878</u>
Interest:				
Interest on investments	<u>150</u>	<u>150</u>	<u>75</u>	<u>(75)</u>
Other Financing Sources:				
Transfers in	286	286	127	(159)
Use of fund balance	<u>730</u>	<u>1,578</u>	<u>127</u>	<u>(1,578)</u>
Total other financing sources	<u>1,016</u>	<u>1,864</u>	<u>127</u>	<u>(1,737)</u>

(Continued on next page)

**TOWN OF ENFIELD, CONNECTICUT**

**GENERAL FUND**

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -  
BUDGET AND ACTUAL (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2014  
(In Thousands)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance With Final Budget Positive (Negative)</b>
Total	\$ 118,450	\$ 119,321	\$ 120,370	\$ 1,049
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			9,362	
Cancellation of prior year encumbrances are recognized as budgetary revenue			(12)	
Capital lease issuance			389	
Excess cost grant revenue is budgeted as a credit to education expenditures			1,422	
Out of district tuition is budgeted as a credit to education expenditures			388	
Funds consolidated for GASB 54 purposes			<u>9,497</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>\$ 141,416</u>	



## TOWN OF ENFIELD, CONNECTICUT

## GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -  
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

	Original Budget	Final Budget	Actual	Variance with Final Budget
General Government:				
Town council	\$ 76	\$ 76	\$ 74	\$ 2
Town manager	454	454	430	24
Data processing and MIS	2,453	2,671	2,671	-
Town attorney	377	384	383	1
Probate court	34	34	23	11
Election/voter registration	109	120	118	2
Town clerk	478	483	471	12
Records manager	73	75	74	1
Personnel office	428	428	321	107
Finance administration	193	193	188	5
Treasury	426	426	351	75
Assessment and revenue collection	581	585	546	39
General services	136	136	135	1
Board of assessment appeals	5	5	5	-
Enfield revitalization committee	2	2	1	1
Cultural arts	9	9	9	-
Ethics committee	1	1		1
Keep Enfield beautiful	7	7	2	5
Historic district commission	3	3	2	1
Loan review committee	1			-
Economic development commission	1	1		1
Community response team	7	7	1	6
Total general government	<u>5,854</u>	<u>6,100</u>	<u>5,805</u>	<u>295</u>
Public Safety:				
Police services	10,977	10,916	10,747	169
School security	577	709	595	114
Public safety communications	1,158	1,158	1,100	58
Emergency management	7	7	1	6
Total public safety	<u>12,719</u>	<u>12,790</u>	<u>12,443</u>	<u>347</u>
Public Works:				
Public works administration	659	659	643	16
Maintenance/buildings and grounds	5,394	5,506	5,493	13
Custodial maintenance	4,246	4,220	4,163	57
Highway and sanitation supervision	1,799	1,903	1,864	39
Equipment maintenance and repair	1,209	1,209	1,151	58
Refuse collection	3,336	3,236	3,180	56
Total public works	<u>16,643</u>	<u>16,733</u>	<u>16,494</u>	<u>239</u>

(Continued on next page)

## TOWN OF ENFIELD, CONNECTICUT

## GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -  
BUDGET AND ACTUAL (CONTINUED)FOR THE YEAR ENDED JUNE 30, 2014  
(In Thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Library:				
Public library	\$ 1,541	\$ 1,550	\$ 1,542	\$ 8
E-TV	75	72	70	2
Total library	<u>1,616</u>	<u>1,622</u>	<u>1,612</u>	<u>10</u>
Planning and Development:				
Town planner	279	305	289	16
Zoning commission	22	25	24	1
Building inspection	366	378	372	6
Zoning board of appeals	6	5	4	1
Conservation commission	4	3	3	-
Inland wetlands commission	8	6	4	2
Community development	365	365	283	82
Economic development	282	257	225	32
Total planning and development	<u>1,332</u>	<u>1,344</u>	<u>1,204</u>	<u>140</u>
Intergovernmental and Interagency:				
Capital region council of governments	29	29	29	-
Capital region growth council	9	9	9	-
Enfield cemetery association	34	34	34	-
Enfield historical society	15	15	15	-
Connecticut conference of municipalities	32	32	32	-
National league of cities	4	4	4	-
Enfield veteran's council	39	39	39	-
District fire marshal fees	1	1		1
North central health district	200	200	200	-
Clean energy committee	2	2		2
Celebrations and special events	62	63	63	-
High school safe graduation	1	1		1
Greater Hartford transit district	6	6	6	-
Housing education resource	4	4	4	-
Connecticut river assembly	1	1		1
Athletic hall of fame	1	1	1	-
Total intergovernmental and interagency	<u>440</u>	<u>441</u>	<u>436</u>	<u>5</u>
Board of Education	<u>64,262</u>	<u>64,262</u>	<u>64,131</u>	<u>131</u>
Nondepartmental:				
Insurance and bond charges	632	632	632	-
Employee benefit	2,948	2,953	2,951	2
Miscellaneous charges	2,318	2,252	1,870	382
Total nondepartmental	<u>5,898</u>	<u>5,837</u>	<u>5,453</u>	<u>384</u>
Debt Service	<u>3,634</u>	<u>3,634</u>	<u>3,519</u>	<u>115</u>
Transfer Out	<u>6,052</u>	<u>6,558</u>	<u>6,558</u>	<u>-</u>

(Continued on next page)

## TOWN OF ENFIELD, CONNECTICUT

## GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -  
BUDGET AND ACTUAL (CONTINUED)FOR THE YEAR ENDED JUNE 30, 2014  
(In Thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total	\$ <u>118,450</u>	\$ <u>119,321</u>	\$ 117,655	\$ <u>1,666</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			9,362	
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			11	
Capital lease issuance			389	
Transfers out eliminated for GASB 54 purposes			(2,979)	
Excess cost grant revenue is budgeted as a credit to education expenditures			1,422	
Out of district tuition is budgeted as a credit to education expenditures			388	
Funds consolidated for GASB 54 purposes			<u>11,130</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 137,378</u>	

## TOWN OF ENFIELD, CONNECTICUT

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
EMPLOYEE'S PENSION PLAN**

**LAST FISCAL YEAR  
(In Thousands)**

Total pension liability:	
Service cost	\$ 1,971
Interest	4,227
Benefit payments, including refunds of member contributions	<u>(2,797)</u>
Net change in total pension liability	3,401
Total pension liability - beginning	<u>59,675</u>
Total pension liability - ending	<u><u>63,076</u></u>
 Plan fiduciary net position:	
Contributions - employer	2,239
Contributions - member	711
Net investment income	7,808
Benefit payments, including refunds of member contributions	<u>(2,797)</u>
Other	<u>(77)</u>
Net change in plan fiduciary net position	7,884
Plan fiduciary net position - beginning	<u>51,446</u>
Plan fiduciary net position - ending	<u><u>59,330</u></u>
 Net Pension Liability - Ending	\$ <u><u>3,746</u></u>
 Plan fiduciary net position as a percentage of the total pension liability	94.06%
 Covered-employee payroll	\$ 20,611
 Net pension liability as a percentage of covered-employee payroll	18.17%

## TOWN OF ENFIELD, CONNECTICUT

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

**LAST FISCAL YEAR  
(In Thousands)**

Total pension liability:	
Service cost	\$ 921
Interest	3,758
Benefit payments, including refunds of member contributions	<u>(2,170)</u>
Net change in total pension liability	2,509
Total pension liability - beginning	<u>52,897</u>
Total pension liability - ending	<u>55,406</u>
 Plan fiduciary net position:	
Contributions - employer	1,378
Contributions - member	443
Net investment income	6,735
Benefit payments, including refunds of member contributions	(2,170)
Administrative expense	<u>(78)</u>
Net change in plan fiduciary net position	6,308
Plan fiduciary net position - beginning	<u>45,493</u>
Plan fiduciary net position - ending	<u>51,801</u>
 Net Pension Liability - Ending	\$ <u>3,605</u>
 Plan fiduciary net position as a percentage of the total pension liability	93.49%
 Covered-employee payroll	\$ 5,918
 Net pension liability as a percentage of covered-employee payroll	60.92%

## TOWN OF ENFIELD, CONNECTICUT

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
EMPLOYEE'S PENSION PLANLAST TEN FISCAL YEARS  
(In Thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Actuarially determined contribution	\$ 1,106	\$ 1,148	\$ 1,134	\$ 1,061	\$ 1,171	\$ 1,388	\$ 1,678	\$ 1,699	\$ 2,083	\$ 2,239
Contributions in relation to the actuarially determined contribution	<u>1,106</u>	<u>1,148</u>	<u>1,134</u>	<u>1,068</u>	<u>1,171</u>	<u>1,397</u>	<u>1,678</u>	<u>1,699</u>	<u>2,083</u>	<u>2,239</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7)</u>	<u>\$ -</u>	<u>\$ (9)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 16,596	\$ 17,795	\$ 19,198	\$ 18,873	\$ 19,921	\$ 19,496	\$ 19,894	\$ 20,851	\$ 20,851	\$ 20,611
Contributions as a percentage of covered-employee payroll	6.66%	6.45%	5.91%	5.66%	5.88%	7.17%	8.43%	8.15%	9.99%	10.86%

**Notes to Schedule**

Valuation date: July 1, 2013

Measurement date: June 30, 2014

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

## Methods and assumptions used to determine contribution rates:

Actuarial cost method

Entry Age

Amortization method

Changes in assumptions and differences between assumptions and actual experience are recognized over the average remaining years of employment of employees. Differences between expected earnings on plan investments and actual investment earning are recognized over a five year period. Changes in benefit terms are recognized immediately.

Asset valuation method

Valued at contract value with a market value adjustment factor for the Guaranteed Deposit Account Assets and at market value for Separate accounts, which is considered the best representation of Fair value. The market value of Guaranteed Deposit Account is an estimate only and not the result of the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year.

Inflation

3.50%

Salary increases

4.25%, average, including inflation

Investment rate of return

7.25%, net of investment and contract fees, including inflation

Termination

Prudential Term Scale D

Survivor's benefit

It is assumed husbands are 3 years older than wives and that 80% of the male participants and 60% of the female participants who are or will become eligible for coverage under the Survivor's Benefit will be survived by an eligible survivor.

Disability

The 1987 Commissioner's Group Disability with a six month elimination period was used.

Retirement age

Age 62 is assumed retired at 25% and age 65 at 100%. Participants at or beyond age 65 are assumed to retire

Mortality

RP-2000 Group Annuity Mortality Table projected to 2010 for Males or Females, as appropriate.

## TOWN OF ENFIELD, CONNECTICUT

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION PLANLAST TEN FISCAL YEARS  
(In Thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Actuarially determined contribution	\$ 285	\$ 315	\$ 556	\$ 548	\$ 785	\$ 1,075	\$ 1,218	\$ 1,216	\$ 1,239	\$ 1,378
Contributions in relation to the actuarially determined contribution	285	315	556	551	785	1,082	1,218	1,216	1,239	1,378
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ (3)	\$ -	\$ (7)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 4,778	\$ 5,520	\$ 5,456	\$ 6,008	\$ 5,920	\$ 6,226	\$ 6,636	\$ 6,381	\$ 6,381	\$ 5,918
Contributions as a percentage of covered-employee payroll	5.96%	5.71%	10.19%	9.17%	13.26%	17.38%	18.35%	19.06%	19.42%	23.28%

**Notes to Schedule**

Valuation date: July 1, 2013  
Measurement date: June 30, 2014  
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

## Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry Age  
Amortization method: Changes in assumptions and differences between assumptions and actual experience are recognized over the average remaining years of employment of employees. Differences between expected earnings on plan investments and actual investment earning are recognized over a five year period. Changes in benefit terms are recognized immediately.  
Asset valuation method: Valued at contract value with a market value adjustment factor for the Guaranteed Deposit Account Assets and at market value for Separate accounts, which is considered the best representation of Fair value. The market value of Guaranteed Deposit Account is an estimate only and not the result of the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year.  
Inflation: 4.00%  
Salary increases: 4.25%, average, including inflation  
Investment rate of return: 7.25%, net of investment and contract fees  
Estimated expenses: \$36  
Termination: Prudential Term Scale D  
Survivor's benefit: It is assumed husbands are 3 years older than wives and that 80% of the male participants and 60% of the female participants who are or will become eligible for coverage under the Survivor's Benefit will be survived by an eligible survivor.  
Disability: The 1987 Commissioner's Group Disability with a six month elimination period was used.  
Retirement age: Age of 55 and the completion of 20 years of service. Participants at or beyond this age and service are assumed to retire immediately.  
Mortality: RP-2000 Group Annuity Mortality Table projected to 2010 for Males or Females, as appropriate.

**TOWN OF ENFIELD, CONNECTICUT**  
**SCHEDULE OF INVESTMENT RETURNS**  
**LAST FISCAL YEAR**

**2014**

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

Employee's Pension Plan	15.2%
Police Pension Plan	14.9%



**Combining and Individual  
Fund Statements and Schedules**

**General Fund**

## **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 and social services, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

*In addition, the Town has a number of funds that do not meet the definition of a special revenue fund according to GASB Statement No. 54 as their revenues are not committed or restricted to a specific purpose. The following funds are combined with the general fund:*

**General Government Grants** - To account for general government grants

**Schools Miscellaneous** - To account for fees and local funding for rental of school facilities, drivers education, non-grant portion of adult education and retiree insurance co-pays

**Emergency Medical Services** - To account for fees and services for emergency medical aid and transportation

**Revaluation** - To account for funding of ten year revaluation

**Social Services** - To account for the operations of the social service divisions

**Emergency Fuel Bank** - To account for fuel for needy families

**Elderly Relief** - To account for funding for elderly programs

**Recreation** - To account for funding for recreational programs

**Police Outside Services** - To account for police special duty services

## TOWN OF ENFIELD, CONNECTICUT

## GENERAL FUND

## COMBINING BALANCE SHEET

JUNE 30, 2014  
(In Thousands)

	General	General Government Grants	School Miscellaneous	Emergency Medical Services	Revaluation	Social Services
<b>ASSETS</b>						
Cash and cash equivalents	\$ 13,761	\$ 120	\$ 1,224	\$	\$ 594	\$ 83
Investments	1,412					
Receivables, net	6,434			949		201
Due from other funds	6,495					
Advances to other funds	2,492					
Prepaid assets	2,126					
Total Assets	<u>\$ 32,720</u>	<u>\$ 120</u>	<u>\$ 1,224</u>	<u>\$ 949</u>	<u>\$ 594</u>	<u>\$ 284</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable and accrued liabilities	\$ 2,641	\$ 3	\$ 5	\$ 142	\$	\$ 188
Due to other funds	1,359		2	722	516	357
Unearned revenue						5
Total liabilities	<u>4,000</u>	<u>3</u>	<u>7</u>	<u>864</u>	<u>516</u>	<u>550</u>
Deferred Inflows of Resources:						
Unavailable revenue - property taxes	5,603					
Unavailable revenue - EMS receivable				721		
Unavailable revenue - grants receivable	44					207
Advance property tax collections	473					
Total deferred inflows of resources	<u>6,120</u>	<u>-</u>	<u>-</u>	<u>721</u>	<u>-</u>	<u>207</u>
Fund balances:						
Nonspendable	4,618					
Committed		117	1,217		78	
Assigned	832					
Unassigned	17,150			(636)		(473)
Total fund balances	<u>22,600</u>	<u>117</u>	<u>1,217</u>	<u>(636)</u>	<u>78</u>	<u>(473)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 32,720</u>	<u>\$ 120</u>	<u>\$ 1,224</u>	<u>\$ 949</u>	<u>\$ 594</u>	<u>\$ 284</u>

(Continued on next page)

## TOWN OF ENFIELD, CONNECTICUT

## GENERAL FUND

## COMBINING BALANCE SHEET (CONTINUED)

JUNE 30, 2014

(In Thousands)

	<u>Emergency Fuel Bank</u>	<u>Elderly Relief</u>	<u>Recreation</u>	<u>Police Outside Services</u>	<u>Interfund Eliminations</u>	<u>Total General Fund</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$	\$	\$ 416	\$ 59	\$	\$ 16,257
Investments						1,412
Receivables, net				92		7,676
Due from other funds	5	98			(1,704)	4,894
Advances to other funds						2,492
Prepaid assets			6			2,132
Total Assets	<u>\$ 5</u>	<u>\$ 98</u>	<u>\$ 422</u>	<u>\$ 151</u>	<u>\$ (1,704)</u>	<u>\$ 34,863</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable and accrued liabilities	\$	\$	\$ 24	\$ 18	\$	\$ 3,021
Due to other funds					(1,704)	1,252
Unearned revenue			72			77
Total liabilities			<u>96</u>	<u>18</u>	<u>(1,704)</u>	<u>4,350</u>
Deferred Inflows of Resources:						
Unavailable revenue - property taxes						5,603
Unavailable revenue - EMS receivable						721
Unavailable revenue - grants receivable						251
Advance property tax collections						473
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,048</u>
Fund balances:						
Nonspendable			6			4,624
Committed	5	98	320	133		1,968
Assigned						832
Unassigned						16,041
Total fund balances	<u>5</u>	<u>98</u>	<u>326</u>	<u>133</u>	<u>-</u>	<u>23,465</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5</u>	<u>\$ 98</u>	<u>\$ 422</u>	<u>\$ 151</u>	<u>\$ (1,704)</u>	<u>\$ 34,863</u>

## TOWN OF ENFIELD, CONNECTICUT

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCESFOR THE YEAR ENDED JUNE 30, 2014  
(In Thousands)

	General	General Government Grants	School Miscellaneous	Emergency Medical Services	Revaluation	Social Services
Revenues:						
Property taxes	\$ 83,092	\$	\$	\$	\$	\$
Intergovernmental	44,467					2,146
Charges for services	3,770	16	2,605	2,271		1,646
Contributions				2		179
Investment income	75					
Total revenues	<u>131,404</u>	<u>16</u>	<u>2,605</u>	<u>2,273</u>	<u>-</u>	<u>3,971</u>
Expenditures:						
Current:						
General government	5,805	38				
Public safety services	12,452					
Public works	16,494					
Health and social services				2,744		5,813
Library	1,615					
Planning and development	1,204					
Intergovernmental and interagency	435					
Education	75,303		1,736			
Non-departmental	5,453					
Capital outlay	389					
Debt service	3,519					
Total expenditures	<u>122,669</u>	<u>38</u>	<u>1,736</u>	<u>2,744</u>	<u>-</u>	<u>5,813</u>
Excess (Deficiency) of Revenues over Expenditures	<u>8,735</u>	<u>(22)</u>	<u>869</u>	<u>(471)</u>	<u>-</u>	<u>(1,842)</u>
Other Financing Sources (Uses):						
Capital lease proceeds	389					
Transfers in	127			722		1,914
Transfers out	(6,558)					
Net other financing sources (uses)	<u>(6,042)</u>	<u>-</u>	<u>-</u>	<u>722</u>	<u>-</u>	<u>1,914</u>
Net Change in Fund Balances	2,693	(22)	869	251		72
Fund Balances at Beginning of Year	<u>19,907</u>	<u>139</u>	<u>348</u>	<u>(887)</u>	<u>78</u>	<u>(545)</u>
Fund Balances at End of Year	<u>\$ 22,600</u>	<u>\$ 117</u>	<u>\$ 1,217</u>	<u>\$ (636)</u>	<u>\$ 78</u>	<u>\$ (473)</u>

(Continued on next page)

## TOWN OF ENFIELD, CONNECTICUT

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

	<u>Emergency Fuel Bank</u>	<u>Elderly Relief</u>	<u>Recreation</u>	<u>Police Outside Services</u>	<u>Interfund Eliminations</u>	<u>Total General Fund</u>
Revenues:						
Property taxes	\$	\$	\$	\$	\$	83,092
Intergovernmental						46,613
Charges for services			203	429		10,940
Contributions						181
Investment income						75
Total revenues	<u>-</u>	<u>-</u>	<u>203</u>	<u>429</u>	<u>-</u>	<u>140,901</u>
Expenditures:						
Current:						
General government			436			6,279
Public safety services				363		12,815
Public works						16,494
Health and social services						8,557
Library						1,615
Planning and development						1,204
Intergovernmental and interagency						435
Education						77,039
Non-departmental						5,453
Capital outlay						389
Debt service						3,519
Total expenditures	<u>-</u>	<u>-</u>	<u>436</u>	<u>363</u>	<u>-</u>	<u>133,799</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>-</u>	<u>(233)</u>	<u>66</u>	<u>-</u>	<u>7,102</u>
Other Financing Sources (Uses):						
Capital lease proceeds						389
Transfers in			342		(2,979)	126
Transfers out					2,979	(3,579)
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>342</u>	<u>-</u>	<u>-</u>	<u>(3,064)</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>109</u>	<u>66</u>	<u>-</u>	<u>4,038</u>
Fund Balances at Beginning of Year	<u>5</u>	<u>98</u>	<u>217</u>	<u>67</u>	<u>-</u>	<u>19,427</u>
Fund Balances at End of Year	<u>\$ 5</u>	<u>\$ 98</u>	<u>\$ 326</u>	<u>\$ 133</u>	<u>\$ -</u>	<u>\$ 23,465</u>

TOWN OF ENFIELD, CONNECTICUT

GENERAL FUND

REPORT OF TAX COLLECTOR

FOR THE YEAR ENDED JUNE 30, 2014  
(In Thousands)

Grand List Year	Uncollected Taxes July 1, 2013	Lawful Corrections		Transfers to Suspense	Adjusted Amount Collectible	Collections				Uncollected Taxes June 30, 2014
		Additions	Deductions			Taxes	Suspense Collections	Interest and Lien Fees	Total	
<b>Town Taxes:</b>										
2012	\$ 84,267	\$ 196	\$ 1,331	\$	\$ 83,132	\$ 81,428	\$	\$ 328	\$ 81,756	\$ 1,704
2011	1,800	324	324		1,800	1,065		247	1,312	735
2010	883	4	4		883	456		179	635	427
2009	551	12	12		551	257		130	387	294
2008	377				377	131		90	221	246
2007	354		1		353	63		53	116	290
2006	266	1			267	25		27	52	242
2005	379				379	27		31	58	352
2004	407				407	20		31	51	387
2003	258				258	5		12	17	253
2002	50				50	4	3	10	17	46
2001	26				26	3	1	9	13	23
2000	23				23	3		7	10	20
1999	22				22	2		7	9	20
1998	18				18	1	1	3	5	17
1997	19				19		1	1	2	19
<b>Town Tax Total</b>	<b>89,700</b>	<b>537</b>	<b>1,672</b>	<b>-</b>	<b>88,565</b>	<b>83,490</b>	<b>6</b>	<b>1,165</b>	<b>84,661</b>	<b>5,075</b>
<b>Fire Taxes:</b>										
2012	10,042	19	100		9,961	9,783		46	9,829	178
2011	201	72	73		200	116		30	146	84
2010	101	1	1		101	51		22	73	50
2009	61				61	26		15	41	35
2008	45				45	16		11	27	29
2007	42				42	8		7	15	34
2006	32				32	3		3	6	29
2005	48				48	5		5	10	43
2004	41				41	4		5	9	37
2003	27				27			1	1	27
2002	5				5	1	1	1	3	4
2001	3				3			1	1	3
2000	3				3			1	1	3
1999	2				2			1	1	2
1998	2				2					2
1997	1				1				-	1
<b>Fire Tax Total</b>	<b>10,656</b>	<b>92</b>	<b>174</b>	<b>-</b>	<b>10,574</b>	<b>10,013</b>	<b>1</b>	<b>149</b>	<b>10,163</b>	<b>561</b>
<b>Total</b>	<b>\$ 100,356</b>	<b>\$ 629</b>	<b>\$ 1,846</b>	<b>\$ -</b>	<b>\$ 99,139</b>	<b>\$ 93,503</b>	<b>\$ 7</b>	<b>\$ 1,314</b>	<b>\$ 94,824</b>	<b>\$ 5,636</b>



## TOWN OF ENFIELD, CONNECTICUT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - BUDGETARY BASIS - SOCIAL SERVICES FUND**

**FOR THE YEAR ENDED JUNE 30, 2014**

(In Thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Revenues:				
Intergovernmental	\$ 1,981	\$ 2,024	\$ 2,146	\$ 122
Charges for services	1,834	1,839	1,646	(193)
Contributions	125	251	183	(68)
Use of fund balance	15	15		(15)
Total revenues	<u>3,955</u>	<u>4,129</u>	<u>3,975</u>	<u>(154)</u>
Expenditures:				
Current:				
Health and social services	<u>5,838</u>	<u>6,042</u>	<u>5,754</u>	<u>288</u>
Total expenditures	<u>5,838</u>	<u>6,042</u>	<u>5,754</u>	<u>288</u>
Deficiency of Revenues over Expenditures	(1,883)	(1,913)	(1,779)	134
Other Financing Sources:				
Transfers in	<u>1,883</u>	<u>1,913</u>	<u>1,914</u>	<u>1</u>
Net Change in Fund Balance	\$ <u>-</u>	\$ <u>-</u>	135	\$ <u>135</u>
Fund Balance at Beginning of Year			<u>(549)</u>	
Fund Balance at End of Year			\$ <u>(414)</u>	
<u>Reconciliation to GAAP Basis</u>				
	<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>	
Balance, Budgetary Basis - June 30, 2014	\$ 3,975	\$ 5,754	\$ (414)	
Cancellation of prior year encumbrances	(4)			
Prior year encumbrances charged to budgetary last year		<u>59</u>	<u>(59)</u>	
Balance, GAAP basis - June 30, 2014	\$ <u>3,971</u>	\$ <u>5,813</u>	\$ <u>(473)</u>	

## TOWN OF ENFIELD, CONNECTICUT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - BUDGETARY BASIS - EMERGENCY MEDICAL SERVICES FUND**

**FOR THE YEAR ENDED JUNE 30, 2014**

**(In Thousands)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Revenues:				
Charges for services	\$ 2,160	\$ 2,160	\$ 2,271	\$ 111
Contributions			2	2
Total revenues	<u>2,160</u>	<u>2,160</u>	<u>2,273</u>	<u>113</u>
Expenditures:				
Current:				
Health and social services	<u>3,002</u>	<u>3,063</u>	<u>2,948</u>	<u>115</u>
Total expenditures	<u>3,002</u>	<u>3,063</u>	<u>2,948</u>	<u>115</u>
Deficiency of Revenues over Expenditures	(842)	(903)	(675)	228
Other Financing Sources:				
Transfers in	<u>842</u>	<u>903</u>	<u>722</u>	<u>(181)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	47	<u>\$ 47</u>
Fund Balance at Beginning of Year			<u>(887)</u>	
Fund Balance at End of Year			<u>\$ (840)</u>	

Reconciliation to GAAP Basis

	<u>Expenditures</u>	<u>Fund Balance</u>
Balance, Budgetary Basis - June 30, 2014	\$ 2,948	\$ (840)
Encumbrances outstanding at end of year, charged to budgetary expenditures	<u>(204)</u>	<u>204</u>
Balance, GAAP basis - June 30, 2014	<u>\$ 2,744</u>	<u>\$ (636)</u>

**Nonmajor  
Governmental Funds**

## 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:

<b>Fund</b>	<b>Funding Source</b>	<b>Function</b>
Cafeteria	Sales and grants	School lunch program
Dog	License fees, fines and Town appropriation	Operation of animal control
Open Space Acquisition	Local funding	General government
Community Development	Federal grants	Federal housing funds
Public Library	State funds and public gifts	Library support
Drug Enforcement Education Grants	State grant	Drug enforcement activities
Town Memorial	Donations	Town Green and Memorial
Educational Grants	State and Federal grants	Special Education programs
Scholarship	Donations	Student scholarships
Maciolek Post Ambulance	Donations	Purchase of ambulances

### 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. Fletcher Fund, J. Pickens Fund, C. P. Cope Fund, H.A. Mosley Fund and Wrona Fund).

**TOWN OF ENFIELD, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**

**JUNE 30, 2014**  
**(In Thousands)**

	<b>Special Revenue Funds</b>										<b>Permanent Funds</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>Cafeteria</b>	<b>Dog</b>	<b>Open Space Acquisition</b>	<b>Community Development</b>	<b>Public Library</b>	<b>Drug Enforcement Education Grant</b>	<b>Town Memorial</b>	<b>Scholarship</b>	<b>Educational Grants</b>	<b>Macioek Post Ambulance</b>	<b>Library Trust</b>	
<b>ASSETS</b>												
Cash	\$ 404	\$ 70	\$ 772	\$ 572	\$ 332	\$ 74	\$ 93	\$ 299	\$ 63	\$ 562	\$ 63	\$ 3,304
Investments					59							59
Receivables	244			1,739		53			24			2,060
Inventory	112											112
<b>Total Assets</b>	<b>\$ 760</b>	<b>\$ 70</b>	<b>\$ 772</b>	<b>\$ 2,311</b>	<b>\$ 391</b>	<b>\$ 127</b>	<b>\$ 93</b>	<b>\$ 299</b>	<b>\$ 87</b>	<b>\$ 562</b>	<b>\$ 63</b>	<b>\$ 5,535</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>												
<b>Liabilities:</b>												
Accounts payable and accrued liabilities	\$ 28	\$ 35	\$	\$ 12	\$	\$ 12	\$	\$	\$ 1	\$	\$	\$ 88
Due to other funds	3		163	255	113					151		685
Unearned revenue								86				86
<b>Total liabilities</b>	<b>31</b>	<b>35</b>	<b>163</b>	<b>267</b>	<b>113</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>87</b>	<b>151</b>	<b>-</b>	<b>859</b>
<b>Deferred Inflows of Resources:</b>												
Unavailable revenue - grants receivable				20								20
Unavailable revenue - loans receivable				1,719								1,719
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,739</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,739</b>
<b>Fund balances:</b>												
Nonspendable	112										37	149
Restricted	617					115						732
Committed		35	609	305	278		93	299		411	26	2,056
<b>Total fund balances</b>	<b>729</b>	<b>35</b>	<b>609</b>	<b>305</b>	<b>278</b>	<b>115</b>	<b>93</b>	<b>299</b>	<b>-</b>	<b>411</b>	<b>63</b>	<b>2,937</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 760</b>	<b>\$ 70</b>	<b>\$ 772</b>	<b>\$ 2,311</b>	<b>\$ 391</b>	<b>\$ 127</b>	<b>\$ 93</b>	<b>\$ 299</b>	<b>\$ 87</b>	<b>\$ 562</b>	<b>\$ 63</b>	<b>\$ 5,535</b>

TOWN OF TOLLAND, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2014  
(In Thousands)

	Special Revenue Funds										Permanent Fund	Total Nonmajor Governmental Funds
	Cafeteria	Dog	Open Space Acquisition	Community Development	Public Library	Drug Enforcement Education Grant	Town Memorial	Scholarship	Educational Grants	Macioek Post Ambulance		
Revenues:												
Intergovernmental	\$ 1,005	\$	\$	\$ 77	\$ 10	\$ 104	\$	\$	\$ 3,858	\$	\$	\$ 5,054
Charges for services	1,193	23		45	3		2					1,266
Investment income	1				7					1		9
Contributions and donations		1			6		65					72
Other income			7		3							10
Total revenues	<u>2,199</u>	<u>24</u>	<u>7</u>	<u>122</u>	<u>29</u>	<u>104</u>	<u>67</u>		<u>3,858</u>	<u>1</u>	<u>-</u>	<u>6,411</u>
Expenditures:												
Current:												
General government				346			59					405
Public safety		40				119						159
Library					15							15
Education	2,001							4	3,858			5,863
Total expenditures	<u>2,001</u>	<u>40</u>	<u>-</u>	<u>346</u>	<u>15</u>	<u>119</u>	<u>59</u>	<u>4</u>	<u>3,858</u>	<u>-</u>	<u>-</u>	<u>6,442</u>
Excess (Deficiency) of Revenues over Expenditures	<u>198</u>	<u>(16)</u>	<u>7</u>	<u>(224)</u>	<u>14</u>	<u>(15)</u>	<u>8</u>	<u>(4)</u>		<u>1</u>	<u>-</u>	<u>(31)</u>
Other Financing Sources (Uses):												
Transfers in		12				48						60
Transfers out				(47)								(47)
Net other financing sources (uses)	<u>-</u>	<u>12</u>	<u>-</u>	<u>(47)</u>	<u>-</u>	<u>48</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13</u>
Net Change in Fund Balances	198	(4)	7	(271)	14	33	8	(4)	-	1	-	(18)
Fund Balances at Beginning of Year	<u>531</u>	<u>39</u>	<u>602</u>	<u>576</u>	<u>264</u>	<u>82</u>	<u>85</u>	<u>303</u>	<u>-</u>	<u>410</u>	<u>63</u>	<u>2,955</u>
Fund Balances at End of Year	<u>\$ 729</u>	<u>\$ 35</u>	<u>\$ 609</u>	<u>\$ 305</u>	<u>\$ 278</u>	<u>\$ 115</u>	<u>\$ 93</u>	<u>\$ 299</u>	<u>\$ -</u>	<u>\$ 411</u>	<u>\$ 63</u>	<u>\$ 2,937</u>

## TOWN OF ENFIELD, CONNECTICUT

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL - BUDGETARY BASIS - WATER POLLUTION CONTROL FUND**

**FOR THE YEAR ENDED JUNE 30, 2014**

(In Thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Revenues:				
Property taxes	\$ 1,331	\$ 1,331	\$ 1,346	\$ 15
Intergovernmental revenue	390	390	241	(149)
Charges for services	1,564	2,127	1,620	(507)
Other revenue	15	15		(15)
Total revenues	<u>3,300</u>	<u>3,863</u>	<u>3,207</u>	<u>(656)</u>
Expenditures:				
Current:				
Public works	<u>3,061</u>	<u>3,784</u>	<u>3,111</u>	<u>673</u>
Total expenditures	<u>3,061</u>	<u>3,784</u>	<u>3,111</u>	<u>673</u>
Excess of Revenues over Expenditures	239	79	96	17
Other Financing Uses:				
Transfers out	<u>(239)</u>	<u>(79)</u>	<u>(79)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	17	<u>\$ 17</u>
Fund Balance at Beginning of Year			<u>(3,578)</u>	
Fund Balance at End of Year			<u>\$ (3,561)</u>	

## **Internal Service Funds**



## **INTERNAL SERVICE FUNDS**

Internal Service funds are used for the financing of goods and services provided by one department or agency to other departments or agencies of the Town, or to other governments, on a cost reimbursement basis.

**Health Insurance Fund** - To account for the revenues and related expenses for the health self-insurance plan for employees.

**Information Technology Fund** - Accounts for the financial operation of the central information systems department.

**Commercial Liability Fund** - Accounts for the commercial liability insurance activities at the Town.

## TOWN OF ENFIELD, CONNECTICUT

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDSJUNE 30, 2014  
(In Thousands)

	<b>Health Insurance Fund</b>	<b>Information Technology Fund</b>	<b>Commercial Liability Fund</b>	<b>Eliminations</b>	<b>Total</b>
Assets:					
Cash and cash equivalents	\$ 5,187	\$ 110	\$ 688	\$	\$ 5,985
Investments			1,129		1,129
Accounts receivable, net	6	32			38
Prepaid items			2		2
Due from other funds	<u>1,285</u>			<u>(33)</u>	<u>1,252</u>
Total assets	<u>6,478</u>	<u>142</u>	<u>1,819</u>	<u>(33)</u>	<u>8,406</u>
Liabilities:					
Accounts payable and accrued expenses	42	122	15		179
Claims payable	1,296				1,296
Due to other funds			318	<u>(33)</u>	<u>285</u>
Total liabilities	<u>1,338</u>	<u>122</u>	<u>333</u>	<u>(33)</u>	<u>1,760</u>
Net Position:					
Unrestricted	<u>5,140</u>	<u>20</u>	<u>1,486</u>		<u>6,646</u>
Total Net Position	<u>\$ 5,140</u>	<u>\$ 20</u>	<u>\$ 1,486</u>	<u>\$ -</u>	<u>\$ 6,646</u>

## TOWN OF ENFIELD, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN NET POSITION - INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

	<u>Health Insurance Fund</u>	<u>Information Technology Fund</u>	<u>Commercial Liability Fund</u>	<u>Total</u>
Operating Revenues:				
Charges for services	\$ 17,474	\$ 3,861	\$ 1,095	\$ 22,430
Operating Expenses:				
Health insurance claims	19,136			19,136
Risk management claims			1,116	1,116
Technology services		3,828		3,828
Total operating expenses	<u>19,136</u>	<u>3,828</u>	<u>1,116</u>	<u>24,080</u>
Operating Income (Loss)	(1,662)	33	(21)	(1,650)
Nonoperating Revenues:				
Income on investments	<u>6</u>		<u>6</u>	<u>12</u>
Change in Net Position	(1,656)	33	(15)	(1,638)
Net Position at Beginning of Year	<u>6,796</u>	<u>(13)</u>	<u>1,501</u>	<u>8,284</u>
Net Position at End of Year	<u>\$ 5,140</u>	<u>\$ 20</u>	<u>\$ 1,486</u>	<u>\$ 6,646</u>

## TOWN OF ENFIELD, CONNECTICUT

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDSFOR THE YEAR ENDED JUNE 30, 2014  
(In Thousands)

	<u>Health Insurance Fund</u>	<u>Information Technology Fund</u>	<u>Commercial Liability Fund</u>	<u>Total</u>
Cash Flows from Operating Activities:				
Receipts from charges for services	\$ 18,360	\$ 3,829	\$ 1,106	\$ 23,295
Payments for claims, premiums and fees	<u>(19,998)</u>	<u>(3,755)</u>	<u>(1,106)</u>	<u>(24,859)</u>
Net cash provided by (used in) operating activities	<u>(1,638)</u>	<u>74</u>	<u>-</u>	<u>(1,564)</u>
Cash Flows from Investing Activities:				
Purchases of investments			(33)	(33)
Investment income	<u>6</u>		<u>6</u>	<u>12</u>
Net cash provided by (used in) investing activities	<u>6</u>		<u>(27)</u>	<u>(21)</u>
Net Increase (Decrease in) Cash and Cash Equivalents	(1,632)	74	(27)	(1,585)
Cash and Cash Equivalents at Beginning of Year	<u>6,819</u>	<u>36</u>	<u>697</u>	<u>7,552</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,187</u>	<u>\$ 110</u>	<u>\$ 670</u>	<u>\$ 5,967</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)	\$ <u>(1,662)</u>	\$ <u>33</u>	\$ <u>(21)</u>	\$ <u>(1,650)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Change in assets and liabilities:				
Increase in accounts receivable	(2)	(32)		(34)
Decrease in prepaid expenses			11	11
Decrease in due from other funds	888			888
Increase (decrease) in accounts payable and other payables	(122)	73	9	(40)
Increase in claims payable	154			154
Decrease in due to other funds	<u>(894)</u>		<u>1</u>	<u>(893)</u>
Total adjustments	<u>24</u>	<u>41</u>	<u>21</u>	<u>86</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (1,638)</u>	<u>\$ 74</u>	<u>\$ -</u>	<u>\$ (1,564)</u>

## **Fiduciary Funds**

## **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 seven agency funds: The Student Activity Funds, Performance Bonds Fund, Employee Insurance - Board of Education Fund, Cultural Arts Commission Fund, and Smyth Bus Contract Bond Fund. The Student Activity Funds account for monies generated by student activities in the Enfield School System.

## TOWN OF ENFIELD, CONNECTICUT

## AGENCY FUND

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2014

(In Thousands)

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
Assets:				
Cash and cash equivalents:				
Student activity funds	\$ 400	\$ 785	\$ 768	\$ 417
Employee Insurance - Board of Education	23	66	64	25
Performance bonds	823	320	55	1,088
Cultural Arts Commission	36	13	22	27
Smyth Bus Contract Bond	100			100
Total cash and cash equivalents	<u>1,382</u>	<u>1,184</u>	<u>909</u>	<u>1,657</u>
Total Assets	<u>\$ 1,382</u>	<u>\$ 1,184</u>	<u>\$ 909</u>	<u>\$ 1,657</u>
Liabilities:				
Deposits held for others:				
Student activity funds	\$ 400	\$ 785	\$ 795	\$ 390
Employee Insurance - Board of Education	23	66	64	25
Performance bonds	598	320	55	863
Cultural Arts Commission	36	13	22	27
Smyth Bus Contract Bond	100			100
Total deposits held for others	<u>1,157</u>	<u>1,184</u>	<u>936</u>	<u>1,405</u>
Accounts payable:				
Student activity funds		27		27
Performance bonds	225			225
Total accounts payable	<u>225</u>	<u>27</u>	<u>-</u>	<u>252</u>
Total Liabilities	<u>\$ 1,382</u>	<u>\$ 1,211</u>	<u>\$ 936</u>	<u>\$ 1,657</u>

## **Statistical Section**



## Statistical Section Information

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

**TOWN OF ENFIELD, CONNECTICUT**

**NET POSITION BY COMPONENT**

**LAST TEN FISCAL YEARS**

(In Thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities:										
Net investment in capital assets	\$ 84,843	\$ 94,180	\$ 183,330	\$ 182,424	\$ 174,618	\$ 186,149	\$ 189,683	\$ 191,750	\$ 189,574	\$ 192,678
Restricted	58	60	62	64	65	1,905	6,057	1,983	1,852	1,782
Unrestricted	<u>37,249</u>	<u>31,799</u>	<u>34,133</u>	<u>36,178</u>	<u>41,210</u>	<u>27,376</u>	<u>24,273</u>	<u>26,465</u>	<u>29,354</u>	<u>28,604</u>
Total Governmental Activities Net Position	<u>\$ 122,150</u>	<u>\$ 126,039</u>	<u>\$ 217,525</u>	<u>\$ 218,666</u>	<u>\$ 215,893</u>	<u>\$ 215,430</u>	<u>\$ 220,013</u>	<u>\$ 220,198</u>	<u>\$ 220,780</u>	<u>\$ 223,064</u>

**TOWN OF ENFIELD, CONNECTICUT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
(In Thousands)

		Fiscal Year									
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:											
Governmental activities:											
General government	\$	4,885	\$ 5,238	\$ 5,680	\$ 5,774	\$ 5,251	\$ 6,054	\$ 6,246	\$ 12,111	\$ 7,304	\$ 9,552
Public safety		8,693	11,194	11,094	11,524	11,041	11,843	12,244	12,612	13,134	16,121
Recreation		881	438	521	551	478	30	30	30	29	
Public works		16,961	18,511	20,209	21,396	20,017	24,585	22,456	25,465	25,388	25,829
Health and social services		6,574	7,706	8,255	7,621	8,176	8,193	8,481	8,761	8,837	9,157
Library		1,712	1,757	1,741	1,735	1,720	1,766	1,790	1,773	1,789	1,809
Planning and development		750	809	789	985	857	1,152	1,073	1,165	1,326	1,234
Intergovernment and interagency		331	431	347	364	373					
Education		71,802	79,465	81,709	107,037	88,234	81,373	82,836	83,469	84,160	86,343
Interest on long-term debt		1,191	1,062	950	1,099	1,269	1,337	1,107	1,116	875	922
Total governmental activities expenses		<u>113,780</u>	<u>126,611</u>	<u>131,295</u>	<u>158,086</u>	<u>137,416</u>	<u>136,333</u>	<u>136,263</u>	<u>146,502</u>	<u>142,842</u>	<u>150,967</u>
Program Revenues:											
Governmental activities:											
Charges for services:											
General government		1,427	1,570	1,292	1,247	979	1,499	1,410	2,000	1,801	4,035
Public safety		258	303	321	335	149	660	944	634	459	451
Recreation, arts and culture		137	127	138	308	376	193	225	141	192	
Public works		912	1,186	1,134	2,129	1,060	1,108	1,381	1,077	2,255	2,268
Health and social services		1,729	2,412	3,569	3,644	4,260	3,995	3,943	4,477	3,788	4,070
Library		23	29	24	27	21	21	24	24	17	18
Planning and development		70	91	167	55	59	59	33	28	41	
Education		3,767	4,065	4,069	3,954	3,683	3,583	2,626	1,529	1,757	3,798
Operating grants and contributions		32,722	36,301	37,194	64,003	40,399	42,158	45,292	46,569	45,565	48,368
Capital grants and contributions		800	1,794	5,392	635	1,500	2,668	5,003	8,829	4,622	3,986
Total governmental activities program revenues		<u>41,845</u>	<u>47,878</u>	<u>53,300</u>	<u>76,337</u>	<u>52,486</u>	<u>55,944</u>	<u>60,881</u>	<u>65,308</u>	<u>60,497</u>	<u>66,994</u>
Net (expense) revenue:											
Governmental activities		<u>(71,935)</u>	<u>(78,733)</u>	<u>(77,995)</u>	<u>(81,749)</u>	<u>(84,930)</u>	<u>(80,389)</u>	<u>(75,382)</u>	<u>(81,194)</u>	<u>(82,345)</u>	<u>(83,973)</u>
General Revenues and Other Changes in Net Position:											
Governmental activities:											
Property taxes		69,612	73,141	76,232	76,103	76,668	75,936	76,638	77,384	79,475	84,360
Grants and contributions not restricted to specific programs		4,030	4,670	5,727	5,098	4,661	3,399	3,091	3,538	3,333	1,708
Unrestricted investment earnings		2,374	2,128	2,975	397	828	591	236	457	119	189
Miscellaneous		270	383	709	1,292						
Total governmental activities		<u>76,286</u>	<u>80,322</u>	<u>85,643</u>	<u>82,890</u>	<u>82,157</u>	<u>79,926</u>	<u>79,965</u>	<u>81,379</u>	<u>82,927</u>	<u>86,257</u>
Change in Net Position:											
Governmental activities	\$	<u>4,351</u>	\$ <u>1,589</u>	\$ <u>7,648</u>	\$ <u>1,141</u>	\$ <u>(2,773)</u>	\$ <u>(463)</u>	\$ <u>4,583</u>	\$ <u>185</u>	\$ <u>582</u>	\$ <u>2,284</u>

**TOWN OF ENFIELD, CONNECTICUT**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**  
(In Thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund:										
Nonspendable	\$	\$	\$	\$	\$	\$	\$ 3,823	\$ 3,732	\$ 4,310	\$ 4,624
Committed										1,968
Assigned							1,448	2,569	1,592	832
Unassigned							13,113	11,784	13,525	16,041
Reserved	1,986	1,678	2,007	931	3,908	4,237				
Unreserved	<u>17,027</u>	<u>16,745</u>	<u>17,888</u>	<u>20,777</u>	<u>15,234</u>	<u>14,027</u>				
Total General Fund	<u>\$ 19,013</u>	<u>\$ 18,423</u>	<u>\$ 19,895</u>	<u>\$ 21,708</u>	<u>\$ 19,142</u>	<u>\$ 18,264</u>	<u>\$ 18,384</u>	<u>\$ 18,085</u>	<u>\$ 19,427</u>	<u>\$ 23,465</u>
All Other Governmental Funds:										
Nonspendable	\$	\$	\$	\$	\$	\$	\$ 197	\$ 196	\$ 196	\$ 149
Restricted							2,117	1,961	701	732
Committed							7,525	2,839	3,354	5,902
Assigned								5,648	3,552	
Unassigned							(3,681)	(13,146)	(9,746)	(14,415)
Reserved	2,857	5,100	10,395	4,486	2,715	3,215				
Unreserved, reported in:										
Special Revenue Funds	(188)	(1,950)	42	(43)	(485)	(2,392)				
Capital Projects Funds	11,139	6,481	(812)	9,676	9,790	7,004				
Permanent Funds	<u>19</u>	<u>21</u>	<u>23</u>	<u>25</u>	<u>26</u>	<u>25</u>				
Total All Other Governmental Funds	<u>\$ 13,827</u>	<u>\$ 9,652</u>	<u>\$ 9,648</u>	<u>\$ 14,144</u>	<u>\$ 12,046</u>	<u>\$ 7,852</u>	<u>\$ 6,158</u>	<u>\$ (2,502)</u>	<u>\$ (1,943)</u>	<u>\$ (7,632)</u>

The Town implemented GASB No. 54 in fiscal year 2011, which changed the Town's method of reporting governmental fund balance.

**TOWN OF ENFIELD, CONNECTICUT**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**  
**(In Thousands)**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Property taxes	\$ 69,645	\$ 72,430	\$ 75,769	\$ 75,714	\$ 77,302	\$ 75,870	\$ 75,675	\$ 76,401	\$ 79,821	\$ 84,438
Intergovernmental	36,756	42,401	48,089	69,320	45,817	46,510	51,949	54,327	58,667	54,709
Charges for services	9,122	10,199	11,188	8,254	10,849	11,010	10,586	9,914	10,144	13,931
Contributions	151	238	199	62	176	104	733	243	117	253
Investment income	985	1,680	2,301	1,708	828	421	197	440	87	189
Other revenues	57	143	32	6,156	218	109	110	2	6	10
Total revenues	<u>116,716</u>	<u>127,091</u>	<u>137,578</u>	<u>161,214</u>	<u>135,190</u>	<u>134,024</u>	<u>139,250</u>	<u>141,327</u>	<u>148,842</u>	<u>153,530</u>
Expenditures:										
General government	3,715	3,952	4,220	5,206	4,763	5,102	5,680	10,510	6,909	6,684
Public safety	6,822	8,464	7,624	9,802	10,171	11,041	11,846	11,874	12,225	12,974
Recreation	492	415	421	507	449					
Public works	13,431	13,521	12,962	14,125	13,239	20,406	18,247	18,636	18,949	19,605
Health and social services	5,326	5,948	7,015	7,674	7,997	7,606	7,931	8,343	8,353	8,557
Library	1,188	1,201	1,265	1,565	1,578	1,554	1,614	1,603	1,593	1,630
Planning and development	702	729	728	974	857	1,152	1,073	1,165	1,326	1,204
Intergovernmental and interagency	331	431	347	364	373	384	403	413	448	435
Education	71,701	77,705	80,284	105,828	83,057	75,928	78,693	78,875	79,292	82,902
Nondepartmental	7,864	8,555	8,894	4,122	4,482	8,018	4,987	5,742	4,995	5,453
Capital outlay	7,352	6,983	8,376	20,184	7,851	4,964	8,057	14,243	12,684	13,001
Debt service:										
Principal	3,000	3,000	3,000	3,000	3,850	4,130	2,400	2,860	2,093	1,947
Interest	1,218	1,088	974	934	1,568	1,345	1,177	1,092	875	1,572
Total expenditures	<u>123,142</u>	<u>131,992</u>	<u>136,110</u>	<u>174,285</u>	<u>140,235</u>	<u>141,630</u>	<u>142,108</u>	<u>155,356</u>	<u>149,742</u>	<u>155,964</u>
Excess of revenues over (under) expenditures	<u>(6,426)</u>	<u>(4,901)</u>	<u>1,468</u>	<u>(13,071)</u>	<u>(5,045)</u>	<u>(7,606)</u>	<u>(2,858)</u>	<u>(14,029)</u>	<u>(900)</u>	<u>(2,434)</u>
Other financing sources (uses):										
Proceeds from bonds				19,000	10,395					
Capital lease issuance		51			437	1,072	1,287	4,285	2,707	783
Proceeds from refunding bonds						10,395				
Payments to escrow agents						(12,627)				
Proceeds on bond premiums						1,009			94	
Transfers in	8,133	8,374	8,248	8,248	11,649	11,671	5,264	4,734	4,447	4,705
Transfers out	(8,133)	(8,269)	(8,248)	(8,248)	(11,349)	(8,986)	(5,264)	(3,949)	(4,447)	(4,705)
Total other financing sources (uses)	<u>-</u>	<u>156</u>	<u>-</u>	<u>19,000</u>	<u>11,132</u>	<u>2,534</u>	<u>1,287</u>	<u>5,070</u>	<u>2,801</u>	<u>783</u>
Net Change in Fund Balances	<u>\$ (6,426)</u>	<u>\$ (4,745)</u>	<u>\$ 1,468</u>	<u>\$ 5,929</u>	<u>\$ 6,087</u>	<u>\$ (5,072)</u>	<u>\$ (1,571)</u>	<u>\$ (8,959)</u>	<u>\$ 1,901</u>	<u>\$ (1,651)</u>
Debt Service as a Percentage of Noncapital Expenditures	3.6%	3.3%	3.1%	2.6%	4.1%	4.0%	4.0%	2.8%	2.2%	2.3%

**TOWN OF ENFIELD, CONNECTICUT**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(In Thousands)**

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value
	Residential	Commercial	Land							
2014	\$ 1,795,479	\$ 604,574	\$ 33,473	\$ 198,099	\$ 252,396	\$ 38,698	\$ 2,845,323	29.26	\$ 4,064,747	70%
2013(a)	1,795,350	611,232	35,112	194,670	258,008	41,300	2,853,072	27.84	4,075,817	70%
2012	2,113,105	683,778	26,923	181,749	245,484	37,669	3,213,370	23.88	4,590,529	70%
2011	2,109,385	682,905	26,911	181,113	232,306	39,356	3,193,264	23.88	4,561,806	70%
2010	2,105,310	667,538	26,840	184,333	228,213	47,248	3,164,986	23.88	4,521,409	70%
2009	2,099,258	663,158	30,091	178,150	240,108	36,840	3,173,925	23.88	4,534,179	70%
2008(b)	2,090,279	660,989	31,570	186,657	237,277	45,202	3,161,570	23.88	4,516,529	70%
2007	1,211,014	472,041	21,321	182,567	235,424	38,735	2,083,632	36.18	2,976,617	70%
2006	1,202,479	458,176	20,824	173,138	222,785	32,369	2,045,033	35.20	2,921,476	70%
2005	1,192,245	452,376	19,092	175,636	204,228	32,390	2,011,187	34.24	2,873,124	70%

83

Source: Town of Enfield Office of Tax Assessor

(a) Revaluation completed effective October 1, 2011 Grand List. The basis of assessment is 70% of the 2011 fair market value.

(b) Revaluation completed effective October 1, 2006. The basis of assessment is 70% of the 2006 fair market value.

**TOWN OF ENFIELD, CONNECTICUT**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Town: General	29.26	27.84	23.88	23.88	23.88	23.88	23.88	36.18	35.20	34.24
District:										
Enfield F.D.	3.15	3.05	2.65	2.65	2.65	2.65	2.65	3.10	2.98	2.86
Thompsonville F.D.	6.45	6.60	5.60	5.60	5.60	5.60	5.60	7.15	6.90	6.90
Hazardville F.D.	2.10	2.10	1.75	1.75	1.75	1.75	1.75	2.75	2.25	2.25
N. Thompsonville F.D.	3.05	2.90	2.40	2.40	2.40	2.40	2.40	3.00	2.75	2.75
Shaker Pines F.D.	2.30	2.20	1.70	1.70	1.70	1.10	1.10	1.80	1.80	1.80

Source: Town of Enfield Finance Department

**TOWN OF ENFIELD, CONNECTICUT**  
**PRINCIPAL PROPERTY TAX PAYERS**

**2012 AND 2003**  
**(In Thousands)**

<b>Taxpayer</b>	<b>October 1, 2012</b>			<b>October 1, 2003</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Town Taxable Assessed Value (a)</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Town Taxable Assessed Value (b)</b>
Centro Enfield LLC	\$ 41,532	1	1.46%	\$		
Mass Mutual Insurance	41,146	2	1.45%			
National Industrial Portfolio	30,600	3	1.08%			
Connecticut Light and Power	28,388	4	1.00%	17,516	6	0.87%
Hallmark Cards	26,677	5	0.94%	31,512	3	1.71%
Retail Brand Alliance	24,286	6	0.85%			
Paremount Commons at Enfield LLC	24,053	7	0.85%			
Galileo Freshwater/Stateline	23,623	8	0.83%			
Equity One LLC	20,039	9	0.70%			
Northland Bigelow Commons LTD	16,752	10	0.59%	11,561	8	0.57%
Lego Building Corp				63,559	1	3.15%
Phoenix Home Life Mutual				34,762	2	1.72%
Enfield Square, LLC				26,903	4	1.33%
Casual Corner Group, Inc				22,835	5	1.13%
Gateway Conn Properties				12,854	7	0.64%
Parkside Assoc. Ltd. Partnership				11,087	9	0.55%
Connecticut Water Company				8,042	10	0.40%
<b>Total</b>	<b>\$ 277,096</b>		<b>9.75%</b>	<b>\$ 240,631</b>		<b>12.07%</b>

Source: Town of Enfield, Office of Tax Assessor



**TOWN OF ENFIELD, CONNECTICUT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**

**LAST TEN FISCAL YEARS**  
(In Thousands)

<b>Fiscal Year Ended June 30,</b>	<b>Tax Rate In Mills</b>	<b>Taxes Levied For This Fiscal Year</b>	<b>Collected Within The Fiscal Year of Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
			<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2014	29.26	\$ 83,132	\$ 81,428	97.95%	\$	\$ 81,428	97.95%
2013	27.84	80,002	78,202	97.75%	1,065	79,267	99.08%
2012	23.88	76,343	74,517	97.61%	1,399	75,916	99.44%
2011	23.88	75,863	74,191	97.80%	1,378	75,569	99.61%
2010	23.88	75,354	73,940	98.12%	1,168	75,108	99.67%
2009	23.88	75,612	74,138	98.05%	1,184	75,322	99.62%
2008	23.88	75,213	73,579	97.83%	1,392	74,971	99.68%
2007	36.18	75,636	73,763	97.52%	1,521	75,284	99.53%
2006	35.20	72,224	70,454	97.55%	1,383	71,837	99.46%
2005	31.24	69,019	67,654	98.02%	1,112	68,766	99.63%

Source: Tax Collector's Report: Comprehensive annual financial report

**TOWN OF ENFIELD, CONNECTICUT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(Thousands, except per capita)**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>(a) Ratio of Bonded Debt to Taxable Assessed Value</b>	<b>(b) General Bonded Debt Per Capita</b>	<b>Capital Leases</b>	<b>Total Primary Government</b>	<b>(a) Ratio of Debt to Taxable Assessed Value</b>	<b>(b) Total Debt Per Capita</b>	<b>(c) Total Debt Per Personal Income</b>
2014	\$ 19,450	0.68%	\$ 432	\$ 4,633	\$ 24,083	0.85%	\$ 535	\$ 365
2013	21,975	0.77%	488	5,546	27,521	0.96%	612	417
2012	23,905	0.74%	531	4,867	28,772	0.90%	639	443
2011	26,765	0.84%	608	1,923	28,688	0.90%	652	470
2010	29,165	0.92%	648	1,145	30,310	0.96%	674	497
2009	34,650	1.09%	770	358	35,008	1.10%	778	574
2008	38,500	1.22%	856	7	38,507	1.22%	856	631
2007	22,500	1.08%	500	23	22,523	1.08%	501	369
2006	25,500	1.25%	567	38	25,538	1.25%	568	419
2005	28,500	1.42%	633		28,500	1.42%	633	467

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

(a) See Table 5 for taxable assessed value

(b) See Table 13 for population figures

(c) See Table 13 for total personal income

## TOWN OF ENFIELD, CONNECTICUT

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2014  
(In Thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable</u>	<u>Estimated Shares of Direct and Overlapping Debt</u>
Debt repaid with property taxes:			
Enfield Fire District	\$ 1,195	100%	\$ 1,195
Thompsonville Fire District	1,865	100%	1,865
Hazardville Fire District	696	100%	696
North Thompsonville Fire District	<u>541</u>	100%	<u>541</u>
Total overlapping debt	4,297		4,297
Town direct debt	<u>24,083</u>	100%	<u>24,083</u>
Total	<u><u>\$ 28,380</u></u>		<u><u>\$ 28,380</u></u>

## TOWN OF ENFIELD, CONNECTICUT

## SCHEDULE OF DEBT LIMITATION

JUNE 30, 2014

(In Thousands)

Total Tax Collections (Including Interest and Lien Fees) for the Year Ended June 30, 2014	\$ 94,817
Reimbursement for Revenue Loss: Tax relief for elderly freeze	<u>2</u>
Base for Debt Limitation Computation	<u>\$ 94,819</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	\$ 213,343	\$	\$	\$	\$
4 1/2 times base		426,686			
3 3/4 times base			355,571		
3 1/4 times base				308,162	
3 times base					284,457
	<u>213,343</u>	<u>426,686</u>	<u>355,571</u>	<u>308,162</u>	<u>284,457</u>
Total debt limitation	<u>213,343</u>	<u>426,686</u>	<u>355,571</u>	<u>308,162</u>	<u>284,457</u>
Indebtedness:					
Bonds payable	4,282	15,168			
Bond authorized but unissued	25,000	35,000			
Fired district debt	<u>4,297</u>	<u></u>	<u></u>	<u></u>	<u></u>
Net Indebtedness (1) (2)	<u>33,579</u>	<u>50,168</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Indebtedness	<u>\$ 179,764</u>	<u>\$ 376,518</u>	<u>\$ 355,571</u>	<u>\$ 308,162</u>	<u>\$ 284,457</u>

(1) The total of the above net indebtedness amounts to: \$ 83,747

In no event shall total indebtedness exceed seven times the base for debt limitation computation: \$ 663,733

(2) There is no overlapping debt.

**TOWN OF ENFIELD, CONNECTICUT**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
**(In Thousands)**

	<b>FISCAL YEAR</b>									
	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Debt limitation	\$ 663,733	\$ 626,094	\$ 599,466	\$ 593,768	\$ 255,521	\$ 601,174	\$ 585,830	\$ 582,253	\$ 554,757	\$ 534,597
Total net debt applicable to limit	<u>83,747</u>	<u>91,272</u>	<u>58,172</u>	<u>36,960</u>	<u>44,220</u>	<u>38,552</u>	<u>40,320</u>	<u>24,605</u>	<u>27,875</u>	<u>29,945</u>
Legal Debt Margin	<u>\$ 579,986</u>	<u>\$ 534,822</u>	<u>\$ 541,294</u>	<u>\$ 556,808</u>	<u>\$ 211,301</u>	<u>\$ 562,622</u>	<u>\$ 545,510</u>	<u>\$ 557,648</u>	<u>\$ 526,882</u>	<u>\$ 504,652</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	12.62%	14.58%	9.70%	6.22%	17.31%	6.41%	6.88%	4.23%	5.02%	5.60%

06

Source: Comprehensive annual financial report - Schedule of Debt Limitation

Note: See Table 11 for calculation of current year debt limitation.

**TOWN OF ENFIELD, CONNECTICUT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**

**LAST TEN CALENDAR YEARS**

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Per Capita Income (2)</u>	<u>Median Household Income (2)</u>	<u>Median Age (1)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
2014	45	\$ 29	\$ 66	41.0	5	5.8%
2013	45	29	66	41.0	5	8.0%
2012	45	29	65	41.0	6	8.7%
2011	44	28	61	40.0	6	6.8%
2010	45	21	61	37.3	6	8.3%
2009	45	22	61	37.3	6	7.7%
2008	45	22	61	37.3	6	6.5%
2007	45	22	61	37.3	6	4.7%
2006	45	22	61	37.3	7	4.7%
2005	45	22	61	37.3	7	4.9%

(1) Source: U.S. Department of Commerce, Bureau of the Census - 2011-2013 American Community Survey 3 Year Estimates - Demographic and Housing Estimates

(2) Source: U.S. Department of Commerce, Bureau of the Census - 2011-2013 American Community Survey 3 Year Estimates - Selected Economic Characteristics

(3) Source: Town of Enfield School Administration

(4) Source: State of Connecticut Department of Labor October 2014

## TOWN OF ENFIELD, CONNECTICUT

## PRINCIPAL EMPLOYERS

## CURRENT YEAR AND TEN YEARS AGO

Employer	Nature of Business	2014			2005*		
		Employees	Rank	Percentage of Total Town Employment(a)	Employees	Rank	Percentage of Total Town Employment(b)
Mass Mutual Insurance	Insurance	1,755	1	8.32%	1,950	1	8.02%
Lego Building Corp.	Plastic Games & Toys	715	2	3.39%	325	4	1.34%
Hallmark Cards, Inc.	Greeting Cards	675	3	3.20%	860	2	3.54%
Brooks Brothers	Clothing	446	4	2.12%			
Comcast	Cable Television	275	5	1.30%			
Martin Brower	Transportation	227	6	1.08%	215	8	0.88%
CT Dept. of Corrections	Detention Facilities	225	7	1.07%			
Eppendorf Manufacturing	Life Science	230	8	1.09%			
Target	Retail	200	9	0.95%			
Underwriter's Labs	Product Safety Testing	153	10	0.73%			
Precision Camera	Camera Repair				500	3	2.06%
CUNO, Inc.	Water Filters				300	5	1.23%
Retail Brand Alliance	Retail				300	6	1.23%
Mead/Westvaco	Manufacturing				217	7	0.89%
Total		4,901		23.24%	4,667		19.19%

Source: Town of Enfield Official Statement and Historical Report

(a) State of Connecticut, Department of Labor - Town employment of 21,085

(b) State of Connecticut, Department of Labor - Town employment of 22,475

\* Information not available for top 9 and 10 employers for 2005.

## TOWN OF ENFIELD, CONNECTICUT

## FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

## LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Government	61	55	61	58	59	68	63	64	64	66
Public Safety	137	130	136	121	138	138	138	120	129	116
Refuse Collection	19	20	20	20	21	22	22	19	20	19
Social Services	63	68	63	63	68	74	75	83	81	81
Public Works	109	110	112	109	109	65	68	69	70	67
Parks and Recreation	2	2	3	3	3	3	2	3	3	3
Library	18	15	16	20	19	19	18	28	28	24
Education (a)	<u>771</u>	<u>781</u>	<u>796</u>	<u>826</u>	<u>835</u>	<u>831</u>	<u>854</u>	<u>840</u>	<u>826</u>	<u>829</u>
Total	<u>1,180</u>	<u>1,181</u>	<u>1,207</u>	<u>1,220</u>	<u>1,252</u>	<u>1,220</u>	<u>1,240</u>	<u>1,226</u>	<u>1,221</u>	<u>1,205</u>

Source: Historical annual reports and departmental reports



**TOWN OF ENFIELD, CONNECTICUT**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General government:										
Building permits issued	2,289	2,174	2,143	1,896	1,782	1,782	1,718	1,979	2,486	2,413
Police:										
Physical arrests	1,303	1,406	2,729	2,913	1,510	1,510	1,616	3,336	3,269	1,657
Parking violations	485	217	325	507	583	583	457	619	546	657
Traffic violations	10,640	10,711	10,357	11,235	11,797	11,797	12,815	9,256	8,294	7,756
Refuse collection:										
Refuse collected (tons per day)	66	70	69	85	62	62	60	69	68	61
Recyclables (tons per day)	18	21	18	16	13	13	12	11	11	11
Library:										
Volumes in collection	141,271	136,043	136,043	147,751	145,570	145,570	141,039	136,109	143,148	139,584
Total volumes borrowed	309,780	329,064	352,091	368,370	383,243	383,243	350,951	330,551	334,204	337,483
Wastewater:										
Average daily sewage treatment (thousands of gallons)	5,295	4,954	5,820	5,160	5,900	5,900	6,532	5,200	5,336	5,729

Source: Historical departmental reports

**TOWN OF ENFIELD, CONNECTICUT**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<b>Function/Program</b>	<b>Fiscal Year</b>									
	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	1	1	1	1	1	1	2	2	2	2
Patrol districts	7	7	7	7	7	7	7	7	7	7
Fire stations	6	6	6	6	6	6	6	6	6	6
Refuse collection:										
Collection trucks	13	14	13	15	15	13	10	10	10	9
Public works:										
Streets (miles)	181	181	181	181	181	181	180	180	180	180
Highways (miles)	30	30	30	30	30	30	30	30	30	30
Streetlights	3,690	3,690	3,690	3,690	3,690	3,690	57	57	57	57
Traffic signals	8	8	8	8	8	8	8	8	8	8
Parks and recreation:										
Acreage	404	404	404	404	404	404	205	205	205	205
Playgrounds	21	21	21	21	21	21	10	10	10	10
Baseball/softball diamonds	36	36	36	35	35	35	30	30	30	30
Soccer/football fields	17	17	17	17	17	17	17	17	17	22
Community centers	2	2	2	2	2	2	2	2	2	1
Wastewater:										
Sanitary sewers (miles)	286	286	286	286	286	286	300	300	300	300
Storm sewers (miles)	400	400	400	400	400	400	400	400	400	400