

**INDEPENDENT AUDITORS' REPORT**

Board of Finance  
Town of Branford  
Branford, Connecticut

Dear Members of the Board:

We have audited the general purpose financial statements of the Town of Branford as of June 30, 1996 and for the year then ended, as listed in the accompanying Table of Contents (Exhibits I to V, inclusive). These general purpose financial statements are the responsibility of the Town of Branford's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

As described in Note 1 to the general purpose financial statements, the Town reports its land and buildings at assessed values rather than historical cost in the General Fixed Asset Account Group. Accordingly, the General Fixed Asset Account Group is not presented in accordance with generally accepted accounting principles.

In our opinion, except for the valuation of land and buildings in the General Fixed Asset Account Group described in the preceding paragraph, the aforementioned general purpose financial statements present fairly, in all material respects, the financial position of the Town of Branford at June 30, 1996 and the results of its operations and the cash flows of its nonexpendable trust funds for the year then ended, in conformity with generally accepted accounting principles.

As discussed in Note 1 to the general purpose financial statements, the Town has adopted the provisions of *Governmental Accounting Standards Board Statement 24* which require the reporting of "on-behalf" payments made by the State of Connecticut for teacher retirement.

In accordance with *Government Auditing Standards*, we have also issued reports dated January 6, 1997 on our consideration of the Town's internal control structure and on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole (Exhibits I to V, inclusive). The combining, individual fund, and individual account group financial statements and schedules listed in the accompanying Table of Contents (Exhibit A-1 through F-3, inclusive) are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

January 6, 1997

*Scully & Wolf LLP*

**TOWN OF BRANFORD**

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TOWN OF BRANFORD

EXHIBIT I

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

JUNE 30, 1996

|  | FIDUCIARY               |                    |                     |                      | TOTAL               |                        |
|--|-------------------------|--------------------|---------------------|----------------------|---------------------|------------------------|
|  | GOVERNMENTAL FUND TYPES | CAPITAL PROJECTS   | TRUST AND AGENCY    | GENERAL FIXED ASSETS | ACCOUNT GROUPS      | GENERAL LONG-TERM DEBT |
| <b>ASSETS AND OTHER DEBITS</b>               |                         |                    |                     |                      |                     |                        |
| Assets:                                      |                         |                    |                     |                      |                     |                        |
| Cash and cash equivalents                    | \$10,085,789            | \$1,155,385        | \$ 554,223          |                      |                     | \$ 13,376,061          |
| Investments                                  |                         |                    | 5,081,159           |                      |                     | 5,081,159              |
| Receivables:                                 |                         |                    |                     |                      |                     |                        |
| Taxes  | 2,328,981               |                    |                     |                      |                     | 2,328,981              |
| Assessments                                  |                         |                    | 9,097               |                      |                     | 5,709,242              |
| Other  | 55,850                  |                    |                     |                      |                     | 64,947                 |
| Intergovernmental                            | 366,612                 | 27,725             |                     |                      |                     | 429,637                |
| Due from other funds                         | 2,013,445               | 131,374            | 794,818             |                      |                     | 2,939,637              |
| Inventory                                    |                         | 10,543             |                     |                      |                     | 10,543                 |
| Fixed assets                                 |                         |                    |                     | \$75,761,152         |                     | 75,761,152             |
| Other assets                                 | 40,195                  | 53,016             | 400                 |                      |                     | 93,611                 |
| Other debits:                                |                         |                    |                     |                      |                     |                        |
| Amount to be provided from State grants      |                         |                    |                     |                      | \$ 5,194,907        | 5,194,907              |
| Amount to be provided from taxation          |                         |                    |                     |                      | 27,844,228          | 27,844,228             |
| <b>TOTAL</b>                                 | <b>\$14,890,872</b>     | <b>\$7,512,564</b> | <b>\$5,644,479</b>  | <b>\$75,761,152</b>  | <b>\$33,039,135</b> | <b>\$138,834,105</b>   |
| <b>LIABILITIES, EQUITY AND OTHER CREDITS</b> |                         |                    |                     |                      |                     |                        |
| Liabilities:                                 |                         |                    |                     |                      |                     |                        |
| Accounts payable and accrued expenses        | \$ 1,879,198            | \$ 439,054         | \$ 13,174           |                      |                     | \$ 3,254,412           |
| Accrued termination benefits payable         |                         |                    |                     |                      | \$ 4,818,589        | 4,818,589              |
| Due to other funds                           | 926,192                 | 60,403             | 1,937,088           |                      |                     | 2,939,637              |
| Due to student and other groups              |                         |                    | 540,319             |                      |                     | 540,319                |
| Deferred revenues                            | 2,142,601               | 5,709,242          |                     |                      |                     | 7,851,843              |
| Bond and sewer anticipation notes payable    |                         |                    |                     |                      | 6,285,000           | 6,285,000              |
| General obligation bonds and notes payable   |                         |                    |                     |                      | 20,556,726          | 20,556,726             |
| Other liabilities                            | 544,906                 |                    |                     |                      | 1,378,820           | 1,923,726              |
| <b>Total liabilities</b>                     | <b>5,492,897</b>        | <b>6,208,699</b>   | <b>2,860,074</b>    | <b>569,447</b>       | <b>33,039,135</b>   | <b>48,170,252</b>      |
| Equity and other credits:                    |                         |                    |                     |                      |                     |                        |
| Investments in general fixed assets          |                         |                    |                     | \$75,761,152         |                     | 75,761,152             |
| Fund balances:                               |                         |                    |                     |                      |                     |                        |
| Reserved for inventory                       | 10,543                  |                    |                     |                      |                     | 10,543                 |
| Reserved for employees retirement benefits   |                         |                    | 4,456,028           |                      |                     | 4,456,028              |
| Reserved for encumbrances                    | 46,141                  |                    | 7,451,582           |                      |                     | 7,497,723              |
| Reserved trust principal                     |                         |                    | 180,420             |                      |                     | 180,420                |
| Unreserved:                                  |                         |                    |                     |                      |                     |                        |
| Designated for subsequent year budget        | 3,749,451               |                    |                     |                      |                     | 3,749,451              |
| Designated for specific purposes             |                         |                    | 1,044,878           |                      |                     | 1,044,878              |
| Undesignated                                 | 5,602,383               | 1,293,322          | 438,584             |                      |                     | (2,036,342)            |
| <b>Total equity and other credits</b>        | <b>9,397,975</b>        | <b>1,303,865</b>   | <b>(874,171)</b>    | <b>5,075,032</b>     | <b>75,761,152</b>   | <b>90,663,853</b>      |
| <b>TOTAL</b>                                 | <b>\$14,890,872</b>     | <b>\$7,512,564</b> | <b>\$ 1,985,903</b> | <b>\$5,644,479</b>   | <b>\$75,761,152</b> | <b>\$138,834,105</b>   |

The notes to the financial statements are an integral part of this statement.

TOWN OF BRANFORD

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS  
FOR THE YEAR ENDED JUNE 30, 1996

|   | GENERAL             | SPECIAL REVENUE    | CAPITAL PROJECTS    | FIDUCIARY FUND TYPE EXPENDABLE TRUST | TOTAL (MEMORANDUM ONLY) ... FOR THE YEAR ENDED JUNE 30, 1996 |
|---|---------------------|--------------------|---------------------|--------------------------------------|--|
| <b>Revenues:</b>  |                     |                    |                     |                                      |  |
| Taxes   | \$41,626,022        | \$1,447,768        |                     |                                      | \$41,626,022   |
| Assessments   |                     |                    |                     |                                      | 1,447,768  |
| Licenses, permits and other departments   | 1,698,233           |                    |                     |                                      | 1,698,233  |
| Intergovernmental revenues  | 4,522,879           | 1,441,751          | \$ 553,396          |                                      | 6,518,026  |
| Donations and grants  |                     |                    |                     | \$ 40,283                            | 40,283   |
| Investment income   | 985,270             | 69,738             | 72,745              | 21,653                               | 1,149,406  |
| Sales and services  |                     | 1,303,897          |                     |                                      | 1,303,897  |
| Other   | 726,242             |                    | 153,760             |                                      | 880,002  |
| <b>Total revenues</b>   | <b>49,558,646</b>   | <b>4,263,154</b>   | <b>779,901</b>      | <b>61,936</b>                        | <b>54,663,637</b>  |
| <b>Expenditures:</b>  |                     |                    |                     |                                      |  |
| <b>Current:</b>   |                     |                    |                     |                                      |  |
| General government  | 1,691,804           |                    |                     |                                      | 1,691,804  |
| Public safety   | 4,863,383           | 8,463              |                     |                                      | 4,871,846  |
| Public works and highway  | 5,128,722           | 250,019            |                     |                                      | 5,378,741  |
| Parks, recreation and libraries   | 1,093,227           | 73,005             |                     | 14,387                               | 1,180,619  |
| Health and human services   | 1,070,470           | 685,183            |                     | 44,095                               | 1,799,748  |
| Education   | 27,503,863          | 1,638,699          |                     |                                      | 29,142,562   |
| Pension and insurance   | 3,444,126           |                    |                     |                                      | 3,444,126  |
| Capital outlay  | 102,873             |                    | 5,080,820           | 12,813                               | 5,196,506  |
| Debt service  | 3,211,435           | 1,416,418          |                     |                                      | 4,627,853  |
| <b>Total expenditures</b>   | <b>48,109,903</b>   | <b>4,071,787</b>   | <b>5,080,820</b>    | <b>71,295</b>                        | <b>57,333,805</b>  |
| <b>Excess (deficiency) of revenues over expenditures</b>  | <b>1,448,743</b>    | <b>191,367</b>     | <b>(4,300,919)</b>  | <b>(9,359)</b>                       | <b>(2,670,168)</b>   |
| <b>Other financing sources (uses):</b>  |                     |                    |                     |                                      |  |
| Proceeds from bond anticipation notes issue   |                     |                    | 5,470,000           |                                      | 5,470,000  |
| Operating transfers in  | 105,547             |                    | 1,230,363           |                                      | 1,335,910  |
| Operating transfers out   | (1,230,363)         |                    | (105,547)           |                                      | (1,335,910)  |
| <b>Total other financing sources (uses)</b>   | <b>(1,124,816)</b>  |                    | <b>6,594,816</b>    |                                      | <b>5,470,000</b>   |
| <b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b> | <b>323,927</b>      | <b>191,367</b>     | <b>2,293,897</b>    | <b>(9,359)</b>                       | <b>2,799,832</b>   |
| <b>Fund balance (deficit), beginning of year, as restated</b>   | <b>9,074,048</b>    | <b>1,112,498</b>   | <b>(3,168,068)</b>  | <b>372,648</b>                       | <b>7,391,126</b>   |
| <b>Fund balance (deficit), end of year</b>  | <b>\$ 9,397,975</b> | <b>\$1,303,865</b> | <b>\$ (874,171)</b> | <b>\$363,289</b>                     | <b>\$10,190,958</b>  |

The notes to the financial statements are an integral part of this statement.

TOWN OF BRANFORD

EXHIBIT III

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)  
 GENERAL FUND AND SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 1996

|   | AMENDED BUDGET | ACTUAL       | VARIANCE FAVORABLE (UNFAVORABLE) | AMENDED BUDGET | ACTUAL      | VARIANCE FAVORABLE (UNFAVORABLE) |
|---|----------------|--------------|----------------------------------|----------------|-------------|----------------------------------|
| .....GENERAL FUND.....  |                |              |                                  |                |             |                                  |
| Revenues:   |                |              |                                  |                |             |                                  |
| Taxes   | \$39,983,006   | \$41,626,022 | \$ 1,643,016                     | \$ 1,328,070   | \$1,444,449 | \$116,379                        |
| Assessments   | 1,561,500      | 1,698,233    | 136,733                          | 127,800        | 133,914     | 6,114                            |
| Licenses, permits and other departments   | 3,484,039      | 3,571,950    | 87,911                           | 20,000         | 45,498      | 25,498                           |
| Intergovernmental revenues  | 600,000        | 985,270      | 385,270                          | 640,980        | 592,797     | (48,183)                         |
| Investment income   |                |              |                                  | 662,498        | 648,649     | (13,849)                         |
| Sales and services  | 619,761        | 726,242      | 106,481                          |                |             |                                  |
| Other   |                |              |                                  |                |             |                                  |
| Total revenues  | 46,248,306     | 48,607,717   | 2,359,411                        | 2,779,348      | 2,865,307   | 85,959                           |
| .....SPECIAL REVENUE FUND.....  |                |              |                                  |                |             |                                  |
| Expenditures:   |                |              |                                  |                |             |                                  |
| Current:  |                |              |                                  |                |             |                                  |
| General government  | 1,804,926      | 1,696,754    | 108,172                          |                |             |                                  |
| Public safety   | 4,959,589      | 4,863,383    | 96,206                           |                |             |                                  |
| Public works and highway  | 5,515,483      | 5,133,284    | 382,199                          |                |             |                                  |
| Parks, recreation and libraries   | 1,139,353      | 1,098,177    | 41,176                           |                |             |                                  |
| Health and human services   | 1,231,065      | 1,070,470    | 160,595                          |                |             |                                  |
| Education   | 26,584,613     | 26,584,613   |                                  |                |             |                                  |
| Pension and insurance   | 4,151,860      | 3,444,126    | 707,734                          |                |             |                                  |
| Project expenses  |                |              |                                  | 11,220         | 8,181       | 3,039                            |
| Purchasing of food  | 166,730        | 102,873      | 63,857                           | 312,112        | 270,611     | 41,501                           |
| Salaries and wages  | 3,438,921      | 3,211,435    | 227,486                          | 790,419        | 716,053     | 74,366                           |
| Rental  |                |              |                                  | 9,000          | 9,000       |                                  |
| Supplies  |                |              |                                  | 69,939         | 24,203      | 45,736                           |
| Other   |                |              |                                  | 253,464        | 241,774     | 11,690                           |
| Legal and advertising   |                |              |                                  | 39,725         | 33,213      | 6,512                            |
| Capital outlay  |                |              |                                  | 1,424,515      | 1,416,418   | 8,097                            |
| Debt service  |                |              |                                  |                |             |                                  |
| Total expenditures  | 48,992,540     | 47,205,115   | 1,787,425                        | 2,910,394      | 2,719,453   | 190,941                          |
| Excess of revenues over expenditures  | (2,744,234)    | 1,402,602    | (4,146,836)                      | (131,046)      | 145,854     | 276,900                          |
| Other financing sources (uses):   |                |              |                                  |                |             |                                  |
| Operating transfers in  | (1,230,363)    | 105,547      | 105,547                          |                |             |                                  |
| Operating transfers out   |                | (1,230,363)  |                                  |                |             |                                  |
| Total other financing sources uses  | (1,230,363)    | (1,124,816)  | (105,547)                        |                |             |                                  |
| Excess of revenues and other financing sources over expenditures and other financing uses | \$(3,974,597)  | 277,786      | \$(4,252,383)                    | \$(131,046)    | 145,854     | \$ 276,900                       |
| Fund balance, July 1, 1995  |                | 9,074,048    |                                  |                | 530,686     |                                  |
| Fund balance, June 30, 1996   |                | \$ 9,351,834 |                                  |                | \$ 676,540  |                                  |

The notes to the financial statements are an integral part of this statement.

TOWN OF BRANFORD

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
PENSION TRUST AND NONEXPENDABLE TRUST FUNDS  
FOR THE YEAR ENDED JUNE 30, 1996

|  | PENSION TRUST | NONEXPENDABLE TRUST | TOTAL<br>(MEMORANDUM ONLY)<br>FOR THE YEAR ENDED<br>JUNE 30, 1996 |
|--|---------------|---------------------|---|
| Operating revenues:                              |               |                     |   |
| Town and employee contributions                  | \$ 850,244    |                     | \$ 850,244  |
| Investment income                                | 408,488       | \$ 15,461           | 423,949   |
| Other revenue                                    | 1,063         |                     | 1,063   |
| Total operating revenues                         | 1,259,795     | 15,461              | 1,275,256   |
| Operating expenses:                              |               |                     |   |
| Benefits   | 321,127       |                     | 321,127   |
| Administration                                   | 35,045        |                     | 35,045  |
| Scholarships                                     |               | 1,000               | 1,000   |
| Other  |               | 500                 | 500   |
| Total operating expenses                         | 356,172       | 1,500               | 357,672   |
| Net income                                       | 903,623       | 13,961              | 917,584   |
| Fund balance, July 1, 1995, as restated - Note 2 | 3,552,405     | 241,754             | 3,794,159   |
| Fund balance, June 30, 1996                      | \$4,456,028   | \$255,715           | \$4,711,743   |

The notes to the financial statements are an integral part of this statement.

TOWN OF BRANFORD

COMBINED STATEMENT OF CASH FLOWS  
 NONEXPENDABLE TRUST FUNDS  
 FOR THE YEAR ENDED JUNE 30, 1996

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|   |                          |
|---|--------------------------|
| Cash flows from operating activities:   |                          |
| Payments for scholarships and other .....   | <u>\$ (1,500)</u>        |
| Cash flows from investing activities:   |                          |
| Interest income .....   | 15,461                   |
| Purchase of investments .....   | <u>(4,036)</u>           |
| Net cash provided from investing activities .....   | <u>11,425</u>            |
| Net increase in cash and cash equivalents .....   | 9,925                    |
| Cash and cash equivalents at beginning of year .....  | <u>160,624</u>           |
| Cash and cash equivalents at end of year .....  | 170,549                  |
| Other Trust and Agency Funds:   |                          |
| Cash and cash equivalents, June 30, 1996:   |                          |
| Pension Trust Funds .....   | 284                      |
| Expendable Trust Funds .....  | 83,613                   |
| Agency Funds .....  | <u>299,777</u>           |
| Total All Trust and Agency Funds .....  | <u><u>\$554,223</u></u>  |
| RECONCILIATION OF NET INCOME TO NET CASH<br>PROVIDED (USED) BY OPERATING ACTIVITIES         |                          |
| Net income .....  | \$ 13,961                |
| Adjustments to reconcile net income to net cash provided<br>(used) by operating activities: |                          |
| Interest income included in operating income .....  | <u>(15,461)</u>          |
| Net cash provided (used) by operating activities .....                                      | <u><u>\$ (1,500)</u></u> |

The notes to the financial statements are an  
integral part of this statement.

TOWN OF BRANFORD

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1996

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1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

***A. Reporting Entity***

The Town of Branford, Connecticut (the "Town") is incorporated under the provisions of the Statutes of the State of Connecticut. The Town operates under a Representative Town Meeting/Board of Selectmen form of Government and provides the following services as authorized by its Charter: Administrative, Public Safety, Public Works, Health and Welfare, Recreation, Libraries, Education and Public Improvements.

***B. Fund Accounting***

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped into fund types and fund categories as follows:

**Governmental Funds**

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

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

**Capital Projects Funds** - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds, or Trust Funds).

**Fiduciary Funds**

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

### ***C. Account Groups***

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

#### **General Fixed Assets**

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets. Equipment is valued at historical cost or estimated historical cost if actual historical cost is not available; land and buildings are recorded at assessed values. Land and buildings should be recorded at historical cost in accordance with generally accepted accounting principles.

#### **General Long-Term Debt**

Long-term liabilities expected to be financed from governmental funds are in the General Long-Term Debt Account Group.

### ***D. Basis of Accounting***

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

All nonexpendable trust funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet.

✓ The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers property taxes as available if they are collected within sixty (60) days after year end. Expenditures are generally recorded when the related fund liability is incurred. Exceptions to this general rule include: 1) principal and interest on general long-term debt is recognized when due; 2) accumulated unpaid employee compensated absences are recorded when paid.

✓ The significant revenues susceptible to accrual are property taxes, interest revenue and grants.

Licenses, permits and other fees are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by pension trust funds and nonexpendable trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

✓ The Town reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

#### ***E. Budgets and Budgetary Accounting, Town Charter***

A budget for the General Fund and Special Revenue Funds are authorized annually by the Town. The Board of Finance recommends and the Representative Town Meeting (RTM) approves the budget. The following funds were reclassified as Special Revenue Funds this year and therefore did not have budgets approved: Educational Grants Fund, Energy Efficiency Fund, Town Aid Road Fund, Day Care Grants Fund and Park and Recreation Revolving Fund. The Small Cities Fund budget is determined by the Grant agreement.

The Town adheres to the following procedures in establishing the budgetary data reported in the financial statements for the General Fund and specific Special Revenue Funds. As required by Town Charter, the Board of Finance holds a public hearing to review and discuss the proposed annual Town budget no later than two weeks before the Annual Budget Meeting of the Representative Town Meeting (RTM). The Board of Finance then recommends and submits a formal annual appropriations budget to the RTM. The RTM must take action on the adoption of the appropriations recommended by the Board of Finance at the Annual Budget Meeting, which must be held no later than the Friday following the second Tuesday of May. Thereafter, but no later than June 1, the Board of Finance shall determine the rate of taxation for the ensuing fiscal year.

The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the line item level for all budgeted funds. The Board of Finance, upon the request of individual departments, offices or agencies, may approve and must recommend all transfers to the Representative Town Meeting (RTM). No recommended transfer by the Board of Finance shall be effective unless approved by the RTM.

No additional appropriations were made during the year ended June 30, 1996.

All unencumbered appropriations lapse at year-end except for those in the Capital Projects Fund. Appropriations for these funds are continued until completion of the applicable projects, which often last more than one fiscal year.

The Town's budgeting system requires accounting for certain transactions to be on a basis other than generally accepted accounting principles (GAAP basis). The major differences between the budget and GAAP basis are as follows:

- . Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order is issued and, accordingly, encumbrances outstanding at year end are reflected in budgetary reports as expenditures in the current year whereas they are shown as a reservation of fund balance on a GAAP basis of accounting.
- . State of Connecticut payments on-behalf of Town of Branford teachers for the State teacher retirement system are reported for GAAP purposes only, as intergovernmental revenue and

education expenditures. This reporting is in accordance with Governmental Accounting Standards Board Statement No. 24 which is being reported for the first time this year.

- The Board of Education does not budget for expenditures reimbursed by the State of Connecticut for excess costs related to certain special education students. These reimbursements are netted against expenditures for budgetary reporting purposes.

General Fund and certain Special Revenue Funds budgetary results are presented in Exhibit III.

As explained above, the Town's budgetary fund structure as presented in Exhibit III accounts for certain transactions differently from that utilized in Exhibits I and II, which present financial statements in conformity with generally accepted accounting principles. A reconciliation of these differences at June 30, 1996 follows:

|   | .....General Fund..... |                     |
|---|------------------------|---------------------|
|   | <u>Revenues</u>        | <u>Expenditures</u> |
| GAAP basis, Exhibit II.....                           | \$49,558,646           | \$48,109,903        |
| Encumbrances:   |                        |                     |
| June 30, 1996.....                                    |                        | 46,141              |
| State on-behalf payments for teacher retirement ..... | (877,419)              | (877,419)           |
| Special education excess cost grants.....             | <u>(73,510)</u>        | <u>(73,510)</u>     |
| Non-GAAP budgetary basis, Exhibit III .....           | <u>\$48,607,717</u>    | <u>\$47,205,115</u> |

As previously indicated not all Special Revenue Funds have adopted budgets. The following is a reconciliation of Exhibit II and III:

|   | .....Special Revenue Funds..... |                     |
|---|---------------------------------|---------------------|
|   | <u>Revenues</u>                 | <u>Expenditures</u> |
| GAAP basis, Exhibit II.....                 | \$ 4,263,154                    | \$ 4,071,787        |
| Encumbrances:                               |                                 |                     |
| June 30, 1995.....                          |                                 | - 0 -               |
| June 30, 1996.....                          |                                 | - 0 -               |
| Non-budgeted funds .....                    | <u>(1,397,847)</u>              | <u>(1,352,334)</u>  |
| Non-GAAP budgetary basis, Exhibit III ..... | <u>\$ 2,865,307</u>             | <u>\$ 2,719,453</u> |

***F. Cash and Cash Equivalents***

The Town considers all highly liquid investments and those with a maturity of three months or less when purchased to be cash equivalents.

***G. Investments***

Investments are stated at cost for all funds with the exception of the Pension Funds and the Deferred Compensation Fund for which investments are stated at fair market value.

***H. Encumbrances***

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Funds. For financial

reporting purposes, encumbrances outstanding at year end are reported as a reservation of fund balance and do not constitute expenditures or liabilities.

### ***I. Inventory***

Inventory in the Cafeteria Fund (Special Revenue Fund) is valued at cost except for the U.S.D.A. donated commodities which are valued at market, utilizing the FIFO method. Food costs are determined using the consumption method of accounting. The Town has no inventories in other funds.

### ***J. Accrued Termination Benefits***

✓ Unused sick leave may be accumulated for certain employees up to a limit ranging from 50 to 225 days, depending upon the contracts in force, for each department in the Town until termination, retirement or death at which time payments will be made.

✓ Liabilities for compensated absences are accrued at current salary rates in force at June 30, 1996. The entire estimated liability for compensated absences is recorded in the General Long-Term Debt Account Group since the liability will be funded from future financial resources, not from available financial resources.

### ***K. Joint Ventures***

#### **Bristol Resource Recovery Facility Operating Committee**

The Town is a participant with thirteen (13) other cities and towns in a joint venture, the Bristol Resource Recovery Facility Operating Committee (BRRFOC). The BRRFOC was created pursuant to an Inter-Community Agreement to exercise certain rights on behalf of contracting municipalities in dealing with the trash to energy plant built by Ogden Martin Systems of Bristol, Inc. The governing board consists of Town officials appointed by each of the participating municipalities, and assumes all the management decisions. The Town of Branford has an obligation to appropriate funds in amounts necessary to fulfill its obligations created pursuant to the Intercommunity Agreement dated as of August 15, 1985. These obligations deal with guarantees to meet certain tonnage requirements. The Town expenditures to the BRRFOC amounted to \$667,633 this year. General Fund unreserved, undesignated fund balance for fiscal year ended June 30, 1996 as reflected in the BRRFOC's financial statements is \$5.5 million. A complete set of financial statements for BRRFOC can be obtained from the administrative office at 43 Enterprise Drive, Bristol, Connecticut. In conjunction with its participation in the BRRFOC the Town of Branford, together with thirteen (13) other Connecticut municipalities (Contracting Municipalities), has entered into a service agreement with the Ogden Martin Systems of Bristol, Inc., a wholly owned subsidiary of Ogden Martin Systems, Inc. (Company), regarding the disposal of solid waste. The Company is obligated to construct, equip and operate a 650-ton per day mass burn solid waste disposal, electric power generation resource recovery facility. Under the agreement the Town has agreed to deliver to the Company all acceptable waste generated within the boundaries of the Town. The Town is obligated to provide a guaranteed tonnage for each billing period. The service fee payable by each Contracting Municipality for such waste disposal service is its pro-rate share, based on its respective tonnage deliveries, of the sum for each period of (1) an amount equal to debt service on the bonds issued for the Project, (2) the operation and maintenance expense, and (3) pass through costs including certain taxes, insurance and utility costs, less a credit equal to 90% of all energy revenues and with an adjustment with respect to recovered ferrous metals.

On May 15, 1995, the Committee issued \$68,040,000 in Solid Waste Revenue Refunding Bonds with interest rates varying from 5.2% to 6.5% to current refund \$66,835,000 of outstanding special obligation bonds of the Connecticut Development Authority. The proceeds from the original bonds were loaned by

the Authority to Ogden Martin Systems of Bristol, Inc. Under the Service Agreement, the service fee is an obligation of the Contracting Municipalities to which each has pledged its full faith and credit. Should any Contracting Municipality default in its obligation to pay the service fee, the other Contracting Municipalities shall have an obligation to continue to pay the aggregate service fee. If the Company does not perform its obligations under the service agreement, and Ogden Corporation fails to perform such obligations pursuant to its guarantee, the Contracting Municipalities have certain rights to terminate the service agreement and, upon termination, would no longer be obligated to pay the service fee. The current balance of the bonds outstanding is \$67,555,000.

**L. Interfund Transactions**

✓ Following is a description of the three basic types of interfund transactions made during the year and the related accounting policies:

Transactions to reimburse a fund for expenditures made by it or for the benefit of another fund - these transactions are recorded as expenditures in the disbursing fund and as a reduction of expenditures in the receiving fund.

Transactions to shift revenues or contributions from the fund budgeted to receive them to the fund budgeted to expend them - these transactions are recorded as transfers in and out.

Transactions to record equity contributions between funds - the receiving fund records such transactions as a transfer in and an addition to fund balance. The disbursing fund records the transaction as transfer out and reduction of fund balance.

**M. Total Columns on General Purpose Financial Statements**

Total columns on the General Purpose Financial Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**2. RESTATEMENT OF FUND BALANCES, FUNDS AND ACCOUNT GROUPS**

The July 1, 1995 fund balance has been restated to reflect the reclassification of funds to more accurately reflect financial reporting in accordance with generally accepted accounting principles. The reclassifications are summarized as follows:

**Special Revenue Fund**

|   |                    |
|---|--------------------|
| July 1, 1995 as previously reported ..... | \$ 613,683         |
| Funds added:                              |                    |
| Educational Grants Fund.....              | 31,826             |
| Energy Efficiency Fund .....              | 49,476             |
| Town Aid Road Fund.....                   | 382,504            |
| Board of Recreation Revolving Fund .....  | <u>35,009</u>      |
| July 1, 1995 as restated .....            | <u>\$1,112,498</u> |

**Capital Project Fund**

|   |                      |
|---|----------------------|
| July 1, 1995 as previously reported ..... | \$(3,225,645)        |
| Funds added:                              |                      |
| Ambulance Fund .....                      | 13,462               |
| Fire Apparatus Fund.....                  | <u>44,115</u>        |
| July 1, 1995 as restated .....            | <u>\$(3,168,068)</u> |

**Expendable Trust Funds**

|   |                   |
|---|-------------------|
| July 1, 1995 as previously reported ..... | \$ 474,394        |
| Funds added:                              |                   |
| Willoughby-Wallace Library .....          | 314,297           |
| Counseling Center .....                   | 30,172            |
| Funds deducted:                           |                   |
| Ambulance Fund .....                      | (13,462)          |
| Fire Engine Fund.....                     | (44,115)          |
| Road Grant Fund .....                     | (382,504)         |
| BOE Health Fund .....                     | <u>(6,134)</u>    |
| July 1, 1995 as restated .....            | <u>\$ 372,648</u> |

**Pension Trust Funds**

|   | <u>Police<br/>Pension</u> | <u>Volunteer<br/>Firemen</u> |
|---|---------------------------|------------------------------|
| July 1, 1995 as previously reported .....                               | \$2,940,300               | \$95,635                     |
| Adjustment to reflect market values as the basis for<br>reporting ..... | <u>516,863</u>            | <u>(393)</u>                 |
| July 1, 1995 as restated .....  | <u>\$3,457,163</u>        | <u>\$95,242</u>              |

**Agency Fund**

The BOE Health Fund was added as an Agency Fund. The following funds were previously reported as Agency Funds and have been reclassified as noted above:

- Energy Efficiency Fund
- Educational Grants Fund
- Board of Recreation Revolving Fund
- Willoughby-Wallace Library
- Counseling Center

**General Fixed Assets**

The amount of general fixed assets previously reported was \$59,581,521. The Town has maintained no details of the components of this reported amount. The Town has reported the amount of \$75,761,152 for general fixed assets this year, based on a listing developed utilizing assessed values for land and buildings of \$14,543,131 and \$49,626,050, respectively.

### 3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in obligations of the United States and its agencies, highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated investment companies (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. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short Term Investment Fund (STIF) and the Tax Exempt Proceeds Fund (TEPF). Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds does not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

#### A. Cash and Cash Equivalents

The following is a summary of cash and cash equivalents at June 30, 1996:

|  |                     |
|--|---------------------|
| Deposits:  |                     |
| Demand accounts .....  | \$ 1,460,021        |
| Interest bearing accounts.....                                     | <u>179,279</u>      |
| Total deposits .....   | 1,639,300           |
| Petty cash accounts .....  | 700                 |
| Other cash equivalents*:   |                     |
| Tax Exempt Proceeds Funds .....                                    | 187,182**           |
| State Short-Term Investment Fund (STIF) .....                      | 11,127,913**        |
| MBIA, Inc. - Cooperative Liquid Assets Securities System (CLASS) . | <u>420,966**</u>    |
| TOTAL CASH AND CASH EQUIVALENTS .....                              | <u>\$13,376,061</u> |

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

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

#### B. Deposits

At June 30, 1996, the carrying amount of the Town deposits was \$1,639,300 and the bank balance was \$2,791,875. Of the bank balance, \$341,024 was covered by Federal Depository Insurance. Section 36-386 of the Connecticut General Statutes requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk based capital ratio. A minimum of \$275,086 based on June 30, 1996 deposits was collateralized at Risk Category 3. Risk Category 3 is defined as collateral held by the pledging financial institution, or by its trust department or agent, but not in the Town's name. The balance of deposits of \$2,175,765 were uninsured and uncollateralized.

**C. Investments**

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

At June 30, 1996, the Town's investments consisted of the following:

|   | .....Category..... |                   |                        | Carrying<br>Amount     | Market<br>Value        |
|---|--------------------|-------------------|------------------------|------------------------|------------------------|
|   | <u>1</u>           | <u>2</u>          | <u>3</u>               |                        |                        |
| U.S. Government Securities.....               |                    |                   | \$ 308,804             | \$ 308,804             | \$ 307,155             |
| Equity Securities .....                       | \$1,249            |                   | 324,360                | 325,609                | 368,577                |
| Police and Volunteer Firemen Pension<br>Fund: |                    |                   |                        |                        |                        |
| U.S. Government Securities .....              |                    |                   | 361,759                | 361,759                | 361,759                |
| Other Debt Securities .....                   |                    |                   | 1,761,592              | 1,761,592              | 1,761,592              |
| Equity Securities .....                       |                    |                   | <u>2,323,395</u>       | <u>2,323,395</u>       | <u>2,323,395</u>       |
| <br>TOTAL.....                                | <br><u>\$1,249</u> | <br><u>\$ -0-</u> | <br><u>\$5,079,910</u> | <br><u>\$5,081,159</u> | <br><u>\$5,122,478</u> |

**4. PROPERTY TAXES**

Property taxes are assessed as of October 1 and billed the following July. Property taxes are payable in two installments on July 1 and January 1. Automobile levies and amounts under \$100 are due in one installment. Motor vehicle supplemental bills are payable on January 1. Payments not received within one month after the due date become delinquent, with interest charged at the rate of 1-1/2% per month. Assessments for real and personal property, excluding motor vehicles, are computed at seventy percent of the market value. Unpaid balances at June 30 are liened.

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter (within sixty days) to be used to pay liabilities of the current period. Property taxes receivable not expected to be collected during the available period are reflected as a deferred revenue.

**5. INTERFUND RECEIVABLE AND PAYABLE BALANCES**

Individual fund interfund receivable and payable balances at June 30, 1996, are as follows:

| <u>Interfund Receivable</u>                | <u>Interfund Payable</u>         | <u>Amount</u>          |
|--|----------------------------------|------------------------|
| General Fund.....                          | Water Assessment Fund .....      | \$52,746               |
| General Fund.....                          | Town Aid Road Fund.....          | 7,657                  |
| General Fund.....                          | Police Station Fund.....         | 86,397                 |
| General Fund.....                          | Clarifier Fund.....              | 102,909                |
| General Fund.....                          | Clean Water .....                | 18,851                 |
| General Fund.....                          | Leetes Island NonCore.....       | 369,602                |
| General Fund.....                          | Leetes Island Core .....         | 434,318                |
| General Fund.....                          | Gould Lane Sewers.....           | 39,000                 |
| General Fund.....                          | Blackstone Library Phase II..... | 15,041                 |
| General Fund.....                          | Waste Water Design Fund.....     | 60,084                 |
| General Fund.....                          | Pine Gutter Brook .....          | 93,094                 |
| General Fund.....                          | High School Renovations .....    | 717,792                |
| General Fund.....                          | Counseling Center.....           | 15,954                 |
| Sewer Assessment Fund .....                | General Fund.....                | 131,374                |
| Board of Education Office Renovation ..... | General Fund.....                | 4,411                  |
| Road Construction .....                    | General Fund.....                | 67,756                 |
| Transfer Station Construction.....         | General Fund.....                | 45                     |
| Sidewalks and Curbs.....                   | General Fund.....                | 159,250                |
| Ambulance Fund.....                        | General Fund.....                | 40,128                 |
| Fire Apparatus Fund .....                  | General Fund.....                | 110,408                |
| Building Renovation .....                  | General Fund.....                | 33,237                 |
| 1996 Capital Projects.....                 | General Fund.....                | <u>379,583</u>         |
| <br>TOTAL.....                             |                                  | <br><u>\$2,939,637</u> |

**6. FIXED ASSETS**

A summary of general fixed assets is as follows:

|                                       | <u>Balance</u><br><u>June 30, 1996</u> |
|---------------------------------------|--|
| Land*.....                            | \$14,543,131                           |
| Buildings* .....                      | 49,626,050                             |
| Equipment and personal property ..... | <u>11,591,971</u>                      |
| <br>TOTAL.....                        | <br><u>\$75,761,152</u>                |

\*Assessed value

## 7. LONG-TERM DEBT

The following is a summary of general long-term debt transactions for the year ended June 30, 1996:

|                                | <u>Balance<br/>July 1, 1995</u> | <u>Debt<br/>Issued</u>    | <u>Retirements</u>        | <u>Net<br/>Change</u>   | <u>Balance<br/>June 30, 1996</u> |
|--------------------------------|---------------------------------|---------------------------|---------------------------|-------------------------|----------------------------------|
| Bonds and notes .....          | \$23,028,792                    |                           | \$2,472,066               |                         | \$20,556,726                     |
| Bond anticipation notes.....   |                                 | \$5,470,000               |                           |                         | 5,470,000                        |
| Sewer anticipation notes ..... | 1,025,000                       |                           | 210,000                   |                         | 815,000                          |
| Compensated absences.....      | 4,527,462                       |                           |                           | \$147,256               | 4,674,718                        |
| Lease purchase liability.....  | 182,516                         |                           |                           | (3,696)                 | 178,820                          |
| Landfill closure .....         | 1,125,000                       |                           |                           | 75,000                  | 1,200,000                        |
| Retirement incentive* .....    |                                 |                           |                           | 143,871                 | 143,871                          |
| <b>TOTAL.....</b>              | <b><u>\$29,888,770</u></b>      | <b><u>\$5,470,000</u></b> | <b><u>\$2,682,066</u></b> | <b><u>\$362,431</u></b> | <b><u>\$33,039,135</u></b>       |

\*Not previously reported

A schedule of bonds and notes outstanding at June 30, 1996 is presented below:

|  | <u>Balance<br/>July 1, 1995</u> | <u>Issued</u>        | <u>Retired</u>            | <u>Balance<br/>June 30, 1996</u> |
|--|---------------------------------|----------------------|---------------------------|----------------------------------|
| <b>General:</b>                                      |                                 |                      |                           |                                  |
| School, 11.40%, mature in 2002 .....                 | \$ 2,100,000                    |                      | \$ 300,000                | \$ 1,800,000                     |
| School, 6.4-8.4%, mature in 2008.....                | 5,850,000                       |                      | 460,000                   | 5,390,000                        |
| School, 5.9-7.9%, mature in 2009.....                | 3,219,000                       |                      | 275,000                   | 2,944,000                        |
| Public improvement, 5.10%, mature in 1996            | 150,000                         |                      | 150,000                   |                                  |
| Public improvement, 6.20-6.30%, mature in 2002 ..... | 955,000                         |                      | 200,000                   | 755,000                          |
| Public improvement, 8.60-9.10%, mature in 2003 ..... | 760,000                         |                      | 95,000                    | 665,000                          |
| Public improvement, 6.4-8.4%, mature in 2008.....    | 1,282,500                       |                      | 98,500                    | 1,184,000                        |
| Public improvement, 5.9-7.9%, mature in 2009 .....   | 1,520,000                       |                      | 95,000                    | 1,425,000                        |
| <b>Special Assessment:</b>                           |                                 |                      |                           |                                  |
| Sewer, 12.20%, mature in 1997 .....                  | 175,000                         |                      | 100,000                   | 75,000                           |
| Sewer, 6.65%, mature in 2002 .....                   | 250,000                         |                      | 50,000                    | 200,000                          |
| Sewer, 5.35%, mature in 2003 .....                   | 1,600,000                       |                      | 200,000                   | 1,400,000                        |
| Sewer, 8.6-9.1%, mature in 2003.....                 | 2,120,000                       |                      | 265,000                   | 1,855,000                        |
| Sewer, 6.4-8.4%, mature in 2008.....                 | 381,500                         |                      | 29,500                    | 352,000                          |
| Sewer, 5.9-7.9%, mature in 2009 .....                | 2,261,000                       |                      | 130,000                   | 2,131,000                        |
| Water, 6.4-8.4%, mature in 2008 .....                | 146,000                         |                      | 12,000                    | 134,000                          |
| <b>Total bonds.....</b>                              | <b>22,770,000</b>               |                      | <b>2,460,000</b>          | <b>20,310,000</b>                |
| State of Connecticut, Water, 2%, mature 2113..       | 258,792                         |                      | 12,066                    | 246,726                          |
| <b>Total bonds and notes.....</b>                    | <b><u>\$23,028,792</u></b>      | <b><u>\$ -0-</u></b> | <b><u>\$2,472,066</u></b> | <b><u>\$20,556,726</u></b>       |

The following is a summary of debt maturities for repayment of debt, excluding bond anticipation notes and sewer anticipation notes.

| <b>Year Ending<br/>June 30,</b> | <b>Principal</b>           | <b>Interest</b>           |
|---------------------------------|----------------------------|---------------------------|
| 1997 .....                      | \$2,247,310                | \$1,470,864               |
| 1998 .....                      | 2,102,558                  | 1,306,146                 |
| 1999 .....                      | 2,097,812                  | 1,152,279                 |
| 2000 .....                      | 2,098,071                  | 998,424                   |
| 2001 .....                      | 2,098,334                  | 840,773                   |
| 2002 .....                      | 2,098,603                  | 562,068                   |
| 2003 .....                      | 1,798,878                  | 418,969                   |
| 2004 .....                      | 1,114,158                  | 319,836                   |
| 2005 .....                      | 1,114,444                  | 259,280                   |
| 2006 .....                      | 1,114,736                  | 198,426                   |
| 2007 .....                      | 1,065,033                  | 136,816                   |
| 2008 .....                      | 1,025,336                  | 78,356                    |
| 2009 .....                      | 515,646                    | 22,206                    |
| 2010 .....                      | 15,962                     | 1,170                     |
| 2011 .....                      | 16,284                     | 848                       |
| 2012 .....                      | 16,613                     | 519                       |
| 2013 .....                      | <u>16,948</u>              | <u>184</u>                |
| <b>TOTAL .....</b>              | <b><u>\$20,556,726</u></b> | <b><u>\$7,767,164</u></b> |

**Bond Anticipation Notes**

At June 30, 1996, bond anticipation notes, totaling \$5,470,000 with interest rates of 3.32% to 3.35% were outstanding. The notes matured August 22, 1996. The notes are reported in General Long-Term Debt because they are considered permanently issued since they were retired through the issuance of bonds in August 1996.

The following table reflects the bond anticipation notes outstanding as well as the amount of authorized debt:

|                                  | <b><u>Bond Anticipation<br/>Notes Outstanding</u></b> | <b><u>Authorized<br/>Debt</u></b> |
|----------------------------------|---|-----------------------------------|
| Blackstone Library Phase II..... | \$1,000,000   | \$2,600,000                       |
| Police Station .....             | \$3,970,000   | \$3,970,000                       |
| Technology Upgrade.....          | \$500,000   | \$500,000                         |

Additionally, the Town has bond authorizations outstanding of \$2,553,584 for sewer projects and \$24,327,000 for school projects.

**Sewer Assessment Notes**

At June 30, 1996, the Town had sewer assessment notes outstanding totaling \$815,000. These notes are general obligations of the Town issued under Connecticut General Statutes and are being issued pending collection of assessments levied in aggregate on specific sewer construction projects. These notes will

mature on April 9, 1997, and may be renewed for up to fifteen years for an amount equal to the outstanding assessments on the renewal date on the projects they were initially issued against. It is the intent of the Town to continue to rollover the maximum allowable amount each year. The interest rate is 3.45%.

**General Obligation Bonds and Notes**

All bonds, bond anticipation notes, and sewer assessment notes are classified as general obligations of the Town.

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

| <u>Category</u>       | <u>Debt Limit</u> | <u>Indebtedness*</u> | <u>Balance</u> |
|-----------------------|-------------------|----------------------|----------------|
| General purpose ..... | \$94,649,744      | \$11,099,000         | \$83,550,744   |
| Schools .....         | \$189,299,489     | \$4,939,093**        | \$184,360,396  |
| Sewers .....          | \$157,749,574     | \$7,074,726          | \$150,674,848  |
| Urban renewal .....   | \$136,716,297     |                      | \$136,716,297  |

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation \$294,465,871

\* Includes bonds authorized unissued and excludes water bonds.

\*\* Total school indebtedness has been reduced by State of Connecticut Building Grants commitments of \$5,194,907.

**8. EMPLOYEE RETIREMENT SYSTEM**

**Police Employees Retirement Plan**

*A. Plan Description*

The Town is the administrator of a single-employer Public Employee Retirement System (PERS) established and administered by the Town to provide pension benefits for its police officers. The PERS is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a Pension Trust Fund. At June 30, 1994, PERS membership in the Police Department consisted of:

|  |                  |
|--|------------------|
| Retirees, disabled and beneficiaries currently receiving benefits.....     | 25               |
| Terminated employees entitled to benefits but not yet receiving them ..... | 0                |
| Current employees:   |                  |
| Vested.....  | 20               |
| Nonvested.....   | <u>21</u>        |
| <b>TOTAL.....</b>  | <b><u>66</u></b> |

The Town provides police retirement benefits through a single employer, contributory, defined benefit plan. Under the plan, all regular members of the Police Department are eligible. Participants are 100% vested after 10 years of service. The retirement benefit is calculated at 2% of the highest annual salary out

of the last five (5) years immediately prior to retirement multiplied by up to 33 1/3 years of service. Police officers are required to contribute 6% of their base salaries to the PERS. The Plan provides for automatic post-retirement increases on Retiree Pensions up to a maximum of 66 2/3% of pay. If an employee leaves covered employment before ten (10) years of service, accumulated employee contributions and related investment earnings are refunded. The Town is required to contribute the remaining amounts necessary to finance coverage. Benefits and contributions are established by the Town and may be amended only by the Representative Town Meeting.

***B. Summary of Significant Accounting Policies and Plan Asset Matters***

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

**Method Used to Value Investments:** Investments are reported at market value. Investment income is recognized as earned. Gains and losses on sales and exchange of investments are recognized on the transaction date. There are no investments in any organization that represent 5% or more of net assets available for benefits.

***C. Funding Status and Progress***

The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the plan's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among plans. The measure is independent of the actuarial funding method used to determine contributions to the plan discussed below.

The pension benefit obligation was determined as part of an actuarial valuation at June 30, 1994 projected to June 30, 1995 as follows:

**Pension Benefit Obligation:**

|  |                        |
|--|------------------------|
| Retirees, disabled and beneficiaries currently receiving benefits<br>and terminated employees not yet receiving benefits ..... | \$2,929,646            |
| <b>Current Employees:</b>  |                        |
| Accumulated employee contributions including interest.....   | 915,629                |
| Employer financed vested .....   | 4,025,830              |
| Employer financed nonvested .....  | <u>497,575</u>         |
| <br>Total Pension Benefit Obligation.....  | <br>8,368,680          |
| Net assets (market value) available for benefits .....   | <u>3,457,163</u>       |
| <br>Unfunded Pension Benefit Obligation .....  | <br><u>\$4,911,517</u> |

Significant actuarial assumptions used include (a) rate of return on the investment of present and future assets of 8.0% per year compounded annually, (b) projected salary increases of 6.0% per year compounded annually, attributable to inflation, and (c) post-retirement benefit increases up to the maximum.

**D. Contribution Required and Made**

The Town's funding policy is moving towards a forty year funding schedule to reduce the unfunded pension obligation.

Contributions by the Town and employees of \$700,000 and \$125,244, respectively, were made in accordance with an actuarial valuation performed at July 1, 1994. The employer and employee contributions for the year ended June 30, 1996, represented 33.3% and 6.0% of covered payroll, respectively. Covered payroll for the year ended June 30, 1996 was \$2,097,551, or 8.1% of total Town payroll of \$25,815,826.

The most recent actuarial valuation, dated June 30, 1994, was based on total Police payroll of \$1,797,306. The significant actuarial assumptions used in the valuation are as follows:

- Actuarial Cost Method-Unit Credit
- Investment rate of return - 8 percent per annum
- Retirement - Age 50 with 25 years of service
- Salary increase - 6 percent per annum

**E. Trend Information**

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Trend information relating to the defined benefit plan may be found in Exhibit D-4, D-5 and D-6 of the Town's annual audit report. Historical three year trend information for the Town is presented below:

Net assets available for benefits as a percentage of the pension benefit obligation:

|                    |       |
|--------------------|-------|
| June 30, 1995..... | 41.3% |
| June 30, 1994..... | 32.3% |
| June 30, 1993..... | 29.3% |

Unfunded pension benefit obligation as a percentage of annual covered payroll:

|                    |        |
|--------------------|--------|
| June 30, 1995..... | 255.7% |
| June 30, 1994..... | 323.5% |
| June 30, 1993..... | 330.0% |

Employer contributions to the Pension Plan as a percentage of the annual covered payroll:

|                    |       |
|--------------------|-------|
| June 30, 1995..... | 36.4% |
| June 30, 1994..... | 38.9% |
| June 30, 1993..... | 35.3% |

**Volunteer Firemens' Retirement Plan**

**A. Plan Description**

The Town is the administrator of a single-employer Public Employee Retirement System (PERS) established by the RTM on October 14, 1993 (effective January 1, 1991). The plan is administered by the Town to provide pension benefits for its volunteer firemen . The PERS is considered to be part of the

Town's financial reporting entity and is included in the Town's financial report as a Pension Trust Fund. At January 1, 1994, PERS membership in the Volunteer Fire Department consisted of:

|   |               |
|---|---------------|
| Retirees and beneficiaries currently receiving benefits .....           | 0             |
| Terminated members entitled to benefits but not yet receiving them..... | 0             |
| Current members:  |               |
| Vested.....   | 0             |
| Nonvested.....  | <u>20</u>     |
| <br>TOTAL.....  | <br><u>20</u> |

The Town provides volunteer fire retirement benefits through a single employer, contributory, defined benefit plan. Under the plan, all participating members of the Volunteer Fire Department are eligible. Participants are 100% vested after 10 years of service. The retirement benefit is \$12.50 per month for each year of credited service, maximum 20 years, plus \$5.00 per month for each year of credited service in excess of 20 years, maximum pension \$300. The Plan also provides for a disability pension for members with 15 years of credited service of \$250 per month payable at normal retirement and a Spouse's survivor annuity in the amount of 50% of participant's accrued benefit payable on the January 1 following date of death. Eligibility for this benefit is 20 years of credited service and married one full year. The Town is required to contribute the amounts necessary to finance coverage. Benefits and contributions are established by the Town and may be amended only by the Representative Town Meeting.

***B. Summary of Significant Accounting Policies and Plan Asset Matters***

**Basis of Accounting:** PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which member services are performed.

**Method Used to Value Investments:** Investments are reported at market value. Investment income is recognized as earned. Gains and losses on sales and exchange of investments are recognized on the transaction date. There are no investments in any organization that represent 5% or more of net assets available for benefits.

***C. Funding Status and Progress***

The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases estimated to be payable in the future as a result of member service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the plan's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among plans. The measure is independent of the actuarial funding method used to determine contributions to the plan discussed below.

The pension benefit obligation was estimated as part of an actuarial valuation at January 1, 1994. Significant actuarial assumptions used include rate of return on the investment of present and future assets of 7.5% per year compounded annually.

Based on the January 1, 1994 valuation, estimated at June 30, 1996, the pension benefit obligation was as follows:

**Pension Benefit Obligation:**

|   |                              |
|---|------------------------------|
| Retirees, disabled and beneficiaries currently receiving benefits<br>and terminated members not yet receiving benefits..... | \$ -0-                       |
| <b>Current Members:</b>   |                              |
| Employer financed vested .....  | -0-                          |
| Employer financed nonvested .....   | <u>47,004</u>                |
| <br>Total Pension Benefit Obligation .....  | <br>47,004                   |
| Net assets (market value) available for benefits .....  | <u>131,750</u>               |
| <br>Unfunded (assets in excess of) Pension Benefit Obligation .....   | <br><u><u>\$(84,746)</u></u> |

***D. Contribution Required and Made***

The Town's funding policy provides for payments based on the most recent actuarial valuation of more than a pay as you go basis.

Contributions totaling \$25,000 were made in accordance with an actuarial valuation performed at January 1, 1994.

The most recent actuarial valuation, dated January 1, 1994, was based on total Fire Department participation of 20 active members. The significant actuarial assumptions used in the valuation are as follows:

- Actuarial Cost Method-Unit Credit
- Investment rate of return - 7.5 percent per annum
- Retirement - Age 65, with 5 years of credited service after January 1, 1991.

***E. Trend Information***

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Trend information relating to the defined benefit plan may be found in Exhibit D-4, D-5 and D-6 of the Town's comprehensive annual audit report. Historical three year trend information for the Town is presented below:

Net assets available for benefits as a percentage of the pension benefit obligation:

|                      |        |
|----------------------|--------|
| June 30, 1996.....   | 280.3% |
| June 30, 1995* ..... | 242.8% |
| June 30, 1994.....   | 17.8%  |

\* The number of eligible members changed from 160 to 20 reducing the estimated pension benefit obligation.

Percentages related to unfunded pension benefit obligation as a percentage of covered payroll and employer contributions to the Pension Plan as a percentage of the annual covered payroll are not presented since the volunteers receive no salaries and the benefits are not based on salaries.

## **Municipal Employees Retirement System**

### ***A. Plan Description***

All Town of Branford full time employees, except the Police Department employees, elected officials and certified teachers and administrators, participate in the State of Connecticut Municipal Employees Retirement Fund (MERF), a multiple-employer public employee retirement system established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating municipalities. MERF is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. The payroll for employees covered by the System for the year ended June 30, 1996 was \$7,147,360 . Total payroll for the Town was \$25,815,826.

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

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

Covered employees are required by State statute to contribute 2-1/4% of earnings upon which Social Security tax is paid plus 5% of earnings on which no Social Security tax is paid. Each participating municipality is required to contribute the amounts necessary to finance the remaining costs of the plan. The contribution requirement for the year ended June 30, 1996 was \$738,129, which consisted of \$549,475 from the Town and \$188,654 from employees; these contributions represented 7.7% and 2.6% of covered payroll, respectively.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefit when due, and make comparisons among PERS and employers. The System does not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation at July 1, 1995 for the System as a whole, determined through an actuarial valuation performed as of that date, was \$644.4 million. The System's net assets available for benefits on that date valued at market were \$733.4 million or \$89 million more than the pension benefit obligation. The Town's contribution represented 2.4% of total contributions required of all participating entities.

Ten-year historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's comprehensive annual financial report.

## **Teacher Retirement**

All Town of Branford teachers participate in the State of Connecticut Teacher's Retirement System under Section 10.183 of the General Statutes of the State of Connecticut which has a multiple employer PERS. A teacher is eligible to receive a normal retirement benefit if he or she has:

- . Attained age sixty and has accumulated twenty years of credited service in the public schools of Connecticut, or;
- . attained any age and has accumulated thirty-five years of credited service, at least twenty-five years of which are service in the public schools of Connecticut.

The Board of Education withholds seven percent (7%) of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Teacher payroll subject to retirement amounted to \$14,175,971 or 54.9% of the total Town payroll of \$25,815,826.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. The Town does not have any liability for teacher pensions. For the year ended June 30, 1996 the Town has recorded in the General Fund, intergovernmental revenue and education expenditures in the amount of \$877,419 as payments made by the State of Connecticut on-behalf of the Town.

## **9. DEFERRED COMPENSATION PLAN**

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, available to all Town employees, except police officers, permits them to defer a portion of their salary until future years. The deferred compensation is not available until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Town (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Town's general creditors. Participant's rights under the plan are equal to the fair market value of the deferred account for each participant.

It is the opinion of the Town that the Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Town believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

At June 30, 1996 the amount of \$240,442 (market value), is reported as an Agency Fund in accordance with Statement 2 of the Governmental Accounting Standards Board (GASB).

## **10. CAPITAL LEASE AGREEMENTS**

In the normal course of doing business the Board of Education entered into lease agreements. The leases met the criteria of a capital lease, and as such the present value of the minimum lease payments has been capitalized in the General Fixed Assets Account Group.

The following is a schedule of the future minimum lease payments under the capitalized leases together with the present value of the net minimum lease payments as of June 30, 1996:

| <b>Year Ending<br/>June 30,</b> | <b>Total Minimum<br/>Lease Payments</b> | <b>Present Value<br/>of Net Minimum<br/>Lease Payments</b> | <b>Amount<br/>Representing<br/>Interest</b> |
|---------------------------------|---|--|---|
| 1997 .....                      | \$ 62,178                               | \$ 54,940  | \$ 7,238                                    |
| 1998 .....                      | 62,178                                  | 54,940   | 7,238                                       |
| 1999 .....                      | 51,509                                  | 45,960   | 5,549                                       |
| 2000 .....                      | <u>25,755</u>                           | <u>22,980</u>  | <u>2,775</u>                                |
| <b>TOTAL .....</b>              | <b><u>\$201,620</u></b>                 | <b><u>\$178,820</u></b>                                    | <b><u>\$22,800</u></b>                      |

## 11. CAPITAL PROJECTS

A summary of capital projects at June 30, 1996 is presented below:

| <b>Project</b>  | <b>Appropriation</b>       | <b>Cumulative<br/>Expenditures</b> | <b>Encumbrances</b>       | <b>Available<br/>Balance</b> |
|---|----------------------------|------------------------------------|---------------------------|------------------------------|
| The Boulders .....  | \$ 300,000                 | \$ 120,000                         |                           | \$ 180,000                   |
| Road Construction.....                                      | 5,077,671                  | 5,013,673                          |                           | 63,998                       |
| Supply Pond Dam .....                                       | 82,923                     | 79,168                             |                           | 3,755                        |
| Revitalization .....  | 4,220,000                  | 4,211,439                          | \$ 24,000                 | (15,439)                     |
| Senior Center Renovation .....                              | 880,960                    | 880,635                            | 325                       |                              |
| Elementary School Renovation.....                           | 12,819,000                 | 12,809,172                         |                           | 9,828                        |
| Transfer Station Construction .....                         | 1,505,000                  | 1,503,217                          |                           | 1,783                        |
| Leetes Island Water Supply .....                            | 156,000                    | 156,533                            |                           | (533)                        |
| Clarifier Project.....                                      | 110,000                    | 102,909                            |                           | 7,091                        |
| Board of Education Office Renovation.                       | 68,000                     | 63,589                             |                           | 4,411                        |
| Pine Gutter Brook .....                                     | 106,000                    | 98,094                             |                           | 7,906                        |
| Clean Water Project/Wastewater Treat-<br>ment Planning..... | 2,000,000                  | 729,393*                           |                           | 1,270,607                    |
| High School Renovations.....                                | 24,327,000                 | 890,847                            | 5,292,398                 | 18,143,755                   |
| Technology Upgrade.....                                     | 500,000                    | 419,768                            |                           | 80,232                       |
| Government Building Renovations.....                        | 33,327                     | 2,960                              | 14,733                    | 15,634                       |
| 1996 Capital Projects .....                                 | 379,583                    |                                    | 75,391                    | 304,192                      |
| Blackstone Library Renovation/Relo-<br>cation .....         | 100,000                    | 70,519                             |                           | 29,481                       |
| Blackstone Library Phase I .....                            | 150,000                    | 150,000                            |                           |                              |
| Gould Lane Sewers .....                                     | 53,000                     | 39,000                             |                           | 14,000                       |
| Leetes Island Water "Core" .....                            | 1,294,430                  | 877,711                            |                           | 416,719                      |
| Leetes Island Water "Non-Core" .....                        | 1,800,000                  | 1,856,171                          |                           | (56,171)                     |
| Police Station .....  | 3,970,000                  | 3,850,291                          |                           | 119,709                      |
| Blackstone Library Reno Phase II .....                      | 2,600,000                  | 1,075,238                          | 2,044,735                 | (519,973)                    |
| Computer System Upgrade .....                               | 400,000                    | 376,938                            |                           | 23,062                       |
| Trolley Trail .....   | 18,000                     | 607                                |                           | 17,393                       |
| Sidewalk and curb .....                                     | <u>125,000</u>             |                                    |                           | <u>125,000</u>               |
| <b>TOTAL.....</b>   | <b><u>\$63,075,894</u></b> | <b><u>\$35,377,872</u></b>         | <b><u>\$7,451,582</u></b> | <b><u>\$20,246,440</u></b>   |

**12. SOLID WASTE LANDFILL**

The Town landfill at the intersection of Tabor Drive and Marshall Road no longer accepts mixed solid waste, yet continues to accept bulky waste and serves as a Department of Environmental Protection approved site for placement of soils with certain contaminants. As the majority of the landfill has been completed to final permitted grades, a program of placement of final cover has been instituted for those areas of the landfill where grades will not be changed in the future.

State and Federal laws and regulations require the Town to place final cover on the landfill. While the landfill continues to receive bulky waste, the Town has undertaken the placement of final cover prior to the closure of the landfill to take advantage of local opportunities for soil acquisition and complete the project over several fiscal years.

Each year, the Town appropriates funds for the placement of final cover. To date, \$150,000 has been appropriated and expended and approximately 35% of the side slopes of the landfill (approximately 28% of the total area of the landfill) have had final cover applied. It is anticipated that the placement of bulky waste will continue at the landfill for the next nine (9) years, and that the Town will continue to make an annual appropriation for the placement of final cover on the landfill until the side slopes are completed. Thereafter, annual appropriations will be placed in a reserve fund for the final cover of the top of the landfill. Soils made available to the Town, along with contaminated soils are utilized for landfill cover and serve to reduce the overall costs for landfill cover. Based upon current practice, it is anticipated that the final cover costs will total \$600,000. The Town is required to monitor and maintain the landfill for thirty years after closure. The estimated annual cost for this postclosure activity is \$25,000. These costs will be funded through the General Fund on an annual basis.

Regulatory changes or acceleration of the schedule for closure of the landfill may require additional appropriations for the completion of the installation of final cover.

**Summary of Estimated Total Cost of Closure and Postclosure Care**

|  |                    |
|--|--------------------|
| Final Cover Cost (\$50,000 x 9 years) .....                        | \$ 450,000         |
| Postclosure Care Costs (30 years):                                 |                    |
| Inspection and maintenance of final cover (\$10,000 annually)..... | 300,000            |
| Groundwater Monitoring (\$15,000 annually).....                    | <u>450,000</u>     |
| TOTAL .....  | <u>\$1,200,000</u> |

**13. OTHER REQUIRED DISCLOSURES**

**Fund Deficits**

The following funds had a deficit fund balance as of June 30, 1996:

| <u>Fund</u>                | <u>Amount</u> |
|----------------------------|---------------|
| Special Revenue Funds:     |               |
| Water Assessment Fund..... | \$27,140      |
| Cafeteria Fund.....        | \$31,238      |

| <u>Fund</u>                      | <u>Amount</u> |
|----------------------------------|---------------|
| Capital Project Funds:           |               |
| Gould Lane sewers.....           | \$39,000      |
| Clarifier Fund.....              | \$102,909     |
| Clean Water.....                 | \$18,851      |
| Leetes Island Non-Core.....      | \$373,996     |
| Leetes Island Core.....          | \$434,318     |
| Blackstone Library Phase II..... | \$75,238      |
| Waste Water Design Fund.....     | \$60,084      |
| Pine Gutter Brook.....           | \$26,794      |
| High School Renovations.....     | \$890,847     |

The deficits in the Special Revenue Funds will be funded from future revenues. The Capital Project Fund deficits will be funded by grants, permanent financing or payments from other funds.

### Overexpended Appropriations

The following budget line items were overexpended:

|  | <u>Budget</u> | <u>Actual</u> | <u>Overexpended</u> |
|--|---------------|---------------|---------------------|
| General Fund - Public Safety - Other Protection..... | \$20,900      | \$21,046      | \$146               |
| Special Revenue Funds:                               |               |               |                     |
| Dog Fund supplies.....                               | \$1,300       | \$1,528       | \$228               |
| Board of Education Program Fund:                     |               |               |                     |
| Other expenditure.....                               | \$37,162      | \$47,274      | \$10,112            |
| Board of Education Day Care Fund:                    |               |               |                     |
| Salaries and wages.....                              | \$222,922     | \$230,931     | \$8,009             |
| Board of Education Cafeteria Fund:                   |               |               |                     |
| Other.....   | \$35,736      | \$83,076      | \$47,340            |

## 14. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. There are no significant reductions in insurance coverage from the prior year. The amount of claim settlements has not exceeded insurance coverage for each of the past three years.

## 15. SIGNIFICANT SUBSEQUENT EVENTS

In August 1996 the Town issued general obligation bonds of \$15,570,000 for school projects and to permanently finance bond anticipation notes outstanding at June 30, 1996.

Additionally, in December 1996 the Town appropriated \$30.75 million for design and construction of a waste water treatment facility.

## **16. LITIGATION AND CONTINGENCIES**

The Town of Branford is currently a defendant in a number of lawsuits. It is the opinion of Town officials and legal counsel that such pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgement against the Town which would materially adversely affect its financial position.

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TOWN OF BRANFORDGENERAL FUNDBALANCE SHEET  
JUNE 30, 1996A S S E T S

|                                |                         |
|--------------------------------|-------------------------|
| Cash and cash equivalents..... | \$10,085,789            |
| Receivables:                   |                         |
| Taxes.....                     | 2,328,981               |
| Intergovernmental.....         | 366,612                 |
| Other.....                     | 55,850                  |
| Due from other funds.....      | 2,013,445               |
| Other.....                     | <u>40,195</u>           |
| <br>TOTAL .....                | <br><u>\$14,890,872</u> |

L I A B I L I T I E S  
A N D  
F U N D   B A L A N C E

|   |                         |
|---|-------------------------|
| Liabilities:                                    |                         |
| Accounts payable and accrued expenses.....      | \$ 1,879,198            |
| Deferred revenues.....                          | 2,142,601               |
| Due to other funds.....                         | 926,192                 |
| Other.....                                      | <u>544,906</u>          |
| <br>Total liabilities .....                     | <br>5,492,897           |
| Fund balance:                                   |                         |
| Reserved for encumbrances.....                  | \$ 46,141               |
| Unreserved:                                     |                         |
| Designated for subsequent year's expenditures.. | 3,749,451               |
| Undesignated - available for appropriation..... | <u>5,602,383</u>        |
| <br>Total fund balance .....                    | <br><u>9,397,975</u>    |
| <br>TOTAL .....                                 | <br><u>\$14,890,872</u> |

TOWN OF BRANFORDGENERAL FUNDSTATEMENT OF ESTIMATED AND ACTUAL REVENUES  
FOR THE YEAR ENDED JUNE 30, 1996

|                                      | ESTIMATED         | ACTUAL            | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--------------------------------------|-------------------|-------------------|--|
| <b>Taxes:</b>                        |                   |                   |  |
| Current taxes.....                   | \$39,683,006      | \$40,296,153      | \$ 613,147                             |
| Interest income.....                 | 300,000           | 384,880           | 84,880                                 |
| Lien fees.....                       |                   | 10,886            | 10,886                                 |
| Suspense collections.....            |                   | 10,152            | 10,152                                 |
| Warrant fees.....                    |                   | 304               | 304                                    |
| Delinquent taxes.....                |                   | 923,647           | 923,647                                |
| <b>Total.....</b>                    | <b>39,983,006</b> | <b>41,626,022</b> | <b>1,643,016</b>                       |
| <b>Intergovernmental revenues:</b>   |                   |                   |  |
| Education cost sharing.....          | 1,213,801         | 1,108,924         | (104,877)                              |
| School transportation.....           |                   | 194,669           | 194,669                                |
| Special education - blind services.. |                   | 11,478            | 11,478                                 |
| Health and welfare.....              | 7,404             | 4,273             | (3,131)                                |
| Principal subsidy.....               | 528,786           | 555,796           | 27,010                                 |
| Interest subsidy.....                | 426,443           | 436,403           | 9,960                                  |
| Adult education.....                 | 10,799            |                   | (10,799)                               |
| Excess cost.....                     | 166,296           | 7,824             | (158,472)                              |
| Circuit breaker elderly.....         | 142,125           | 223,038           | 80,913                                 |
| Elderly tax relief - freeze.....     | 41,224            | 48,677            | 7,453                                  |
| Boat exemption.....                  | 98,245            | 98,245            |  |
| Disability exemption.....            | 1,573             | 2,023             | 450                                    |
| Veterans' reimbursement - State..... |                   | 65,608            | 65,608                                 |
| Manufacturing PILOT grant.....       | 254,828           | 218,012           | (36,816)                               |
| Pequot grant.....                    | 113,849           | 131,243           | 17,394                                 |
| Private property exemption.....      | 25,318            | 26,939            | 1,621                                  |
| State property exemption.....        | 6,810             | 23,520            | 16,710                                 |
| Welfare reimbursement.....           | 150,000           | 60,752            | (89,248)                               |
| State counseling grants.....         | 123,612           | 126,946           | 3,334                                  |
| LOCIP grant.....                     | 113,182           | 170,229           | 57,047                                 |
| Stony Creek Quarry grant.....        | 14,744            | 14,744            |  |
| Miscellaneous State grants.....      |                   | 42,607            | 42,607                                 |
| Cops Fast Federal grant.....         | 45,000            |                   | (45,000)                               |
| <b>Total .....</b>                   | <b>3,484,039</b>  | <b>3,571,950</b>  | <b>87,911</b>                          |

(Continued) - 1.

TOWN OF BRANFORD  
GENERAL FUND  
STATEMENT OF ESTIMATES AND ACTUAL REVENUES, ETC.

|   | ESTIMATED | ACTUAL    | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|---|-----------|-----------|--|
| Licenses permits and fees:                                |           |           |  |
| Oil burner permits.....                                   | \$ 50     | \$ 110    | \$ 60                                  |
| Building permits.....                                     | 100,000   | 145,110   | 45,110                                 |
| Excavation permits.....                                   | 4,000     | 8,325     | 4,325                                  |
| Electrical permits.....                                   | 8,000     | 12,820    | 4,820                                  |
| Plumbing permits.....                                     | 6,500     | 9,190     | 2,690                                  |
| Heating, air conditioning and<br>ventilation permits..... | 7,000     | 21,870    | 14,870                                 |
| Sewer connection permits.....                             | 250       | 222       | (28)                                   |
| Other licenses and permits.....                           | 5,000     | 940       | (4,060)                                |
| Zoning Board of Appeals.....                              | 5,000     | 6,220     | 1,220                                  |
| Planning and Zoning.....                                  | 12,000    | 14,118    | 2,118                                  |
| Map copies - building and<br>engineering.....             | 1,000     | 2,293     | 1,293                                  |
| Inland wetlands applications.....                         |           | 2,455     | 2,455                                  |
| Contaminated soil.....                                    | 5,000     | 30,450    | 25,450                                 |
| Transfer station escrow.....                              | 116,000   | 83,908    | (32,092)                               |
| Sale of recycling boxes.....                              | 1,000     | 2,175     | 1,175                                  |
| Trip passes.....  |           | 2,024     | 2,024                                  |
| Permits and tags - police.....                            | 12,700    | 11,326    | (1,374)                                |
| Special wages - police.....                               | 250,000   | 203,398   | (46,602)                               |
| Waste treatment fees.....                                 | 5,000     | 2,950     | (2,050)                                |
| North Branford sewer fees.....                            | 135,000   | 109,095   | (25,905)                               |
| Pump out services.....                                    | 3,000     | 4,230     | 1,230                                  |
| Town Clerk other monies.....                              | 200,000   | 214,919   | 14,919                                 |
| Conveyance taxes.....                                     | 100,000   | 95,087    | (4,913)                                |
| DEP licenses - Town portion.....                          |           | 1,489     | 1,489                                  |
| Marriage licenses - Town portion....                      |           | 2,684     | 2,684                                  |
| Ambulance service fees.....                               | 300,000   | 425,304   | 125,304                                |
| Miscellaneous permits and fees -<br>fire services.....    |           | 285       | 285                                    |
| Counseling fees and services.....                         | 270,000   | 254,872   | (15,128)                               |
| Welfare.....  | 15,000    | 30,364    | 15,364                                 |
| Total.....  | 1,561,500 | 1,698,233 | 136,733                                |
| Other:  |           |           |  |
| Willoughby - Wallace Library fees...                      | 2,000     | 1,434     | (566)                                  |
| Employee health insurance co-pay....                      | 48,400    | 45,193    | (3,207)                                |
| In lieu of taxes - telephone access.                      | 297,437   | 317,209   | 19,772                                 |
| In lieu of taxes - SCRW.....                              | 129,284   | 134,506   | 5,222                                  |

(Continued) - 2.

TOWN OF BRANFORD  
GENERAL FUND  
STATEMENT OF ESTIMATES AND ACTUAL REVENUES, ETC.

|  | ESTIMATED    | ACTUAL       | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------|--------------|--|
| Other (continued):                                 |              |              |  |
| Royalties - Stony Creek Quarry..... \$             | 4,000        | \$ 3,079     | \$ (921)                               |
| Leases.....  |              | 6,800        | 6,800                                  |
| Lease - Branford Hill Facility.....                | 73,140       | 66,995       | (6,145)                                |
| Board of Education - building usage.               | 5,000        | 15,305       | 10,305                                 |
| Telephone booths.....                              | 500          | 663          | 163                                    |
| Insurance claims and refunds.....                  |              | 3,181        | 3,181                                  |
| Miscellaneous refunds.....                         |              | 40           | 40                                     |
| Miscellaneous income.....                          |              | 27,195       | 27,195                                 |
| Sale of Town property.....                         | 60,000       | 94,320       | 34,320                                 |
| Reimbursement Town services.....                   |              | 6,197        | 6,197                                  |
| Board of Education - tuition<br>reimbursement..... |              | 4,125        | 4,125                                  |
| Total other .....                                  | 619,761      | 726,242      | 106,481                                |
| Interest income.....                               | 600,000      | 985,270      | 385,270                                |
| Other financing sources - transfer in.             |              | 105,547      | 105,547                                |
| TOTAL.....   | \$46,248,306 | \$48,713,264 | \$2,464,958                            |

(Concluded) - 3.

TOWN OF BRANFORDGENERAL FUNDSTATEMENT OF ESTIMATED AND ACTUAL EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 1996

|                                     | ESTIMATED        | ACTUAL           | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|-------------------------------------|------------------|------------------|--|
| General government:                 |                  |                  |  |
| Legislative.....                    | \$ 9,887         | \$ 8,029         | \$ 1,858                               |
| Executive.....                      | 232,959          | 226,526          | 6,433                                  |
| Finance.....                        | 31,319           | 31,119           | 200                                    |
| Treasurer.....                      | 153,591          | 146,678          | 6,913                                  |
| Assessor.....                       | 123,880          | 120,168          | 3,712                                  |
| Review of Assessments.....          | 5,744            | 4,694            | 1,050                                  |
| Tax Collector.....                  | 167,825          | 154,425          | 13,400                                 |
| Town Clerk.....                     | 146,045          | 134,466          | 11,579                                 |
| Law.....                            | 308,876          | 291,970          | 16,906                                 |
| Labor Relations Negotiations.....   | 40,000           | 39,413           | 587                                    |
| Probate Court.....                  | 12,025           | 9,014            | 3,011                                  |
| Elections.....                      | 50,864           | 38,456           | 12,408                                 |
| Planning and Zoning.....            | 150,174          | 141,403          | 8,771                                  |
| Zoning Board of Appeals.....        | 7,030            | 4,658            | 2,372                                  |
| Development Commission.....         | 1,800            | 40               | 1,760                                  |
| Inland Wetlands Commission.....     | 12,980           | 10,108           | 2,872                                  |
| General Government Buildings.....   | 247,590          | 237,287          | 10,303                                 |
| Cable Television.....               | 1,600            | 1,140            | 460                                    |
| Electronic Data Processing.....     | 100,737          | 97,160           | 3,577                                  |
| Total .....                         | <u>1,804,926</u> | <u>1,696,754</u> | <u>108,172</u>                         |
| Public safety:                      |                  |                  |  |
| Police Service.....                 | 2,728,426        | 2,709,966        | 18,460                                 |
| Police Service - special detail.... | 250,000          | 194,435          | 55,565                                 |
| Fire Protection.....                | 1,920,389        | 1,898,648        | 21,741                                 |
| Protection inspection.....          | 39,874           | 39,288           | 586                                    |
| Other protection - Dog Warden.....  | 20,900           | 21,046           | (146)                                  |
| Total .....                         | <u>4,959,589</u> | <u>4,863,383</u> | <u>96,206</u>                          |
| Public works and highways:          |                  |                  |  |
| Public Works.....                   | 2,004,499        | 1,953,478        | 51,021                                 |
| Water Pollution Control.....        | 1,058,689        | 997,396          | 61,293                                 |

(Continued) - 1.

TOWN OF BRANFORD  
 GENERAL FUND  
 STATEMENT OF ESTIMATED AND ACTUAL EXPENDITURES, ETC.

|   | ESTIMATE     | ACTUAL       | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|---|--------------|--------------|--|
| <b>Public works and highways (cont.):</b> |              |              |  |
| Sanitation and Waste.....                 | \$ 2,322,910 | \$ 2,058,906 | \$ 264,004                             |
| General Engineering.....                  | 129,385      | 123,504      | 5,881                                  |
| Total .....                               | 5,515,483    | 5,133,284    | 382,199                                |
| <b>Health and welfare:</b>                |              |              |  |
| Branford Counseling Center.....           | 917,923      | 764,775      | 153,148                                |
| Commission for the Elderly.....           | 217,432      | 209,985      | 7,447                                  |
| East Shore District Health.....           | 95,710       | 95,710       |  |
| Total .....                               | 1,231,065    | 1,070,470    | 160,595                                |
| <b>Recreation:</b>                        |              |              |  |
| Branford Recreation Department.....       | 440,211      | 422,058      | 18,153                                 |
| Parker Park.....                          | 48,308       | 39,337       | 8,971                                  |
| Young's Park Commission.....              | 7,847        | 5,818        | 2,029                                  |
| Parks and Open Space.....                 | 23,025       | 20,465       | 2,560                                  |
| Parks and Greens.....                     | 15,700       | 14,896       | 804                                    |
| Docks and Recreational facilities..       | 46,910       | 40,944       | 5,966                                  |
| Public Celebration.....                   | 15,763       | 14,961       | 802                                    |
| Shellfish Commission.....                 | 1,000        |              | 1,000                                  |
| Conservation Commission.....              | 400          | 400          |  |
| Total .....                               | 599,164      | 558,879      | 40,285                                 |
| <b>Libraries:</b>                         |              |              |  |
| James Blackstone Memorial Library..       | 443,745      | 443,745      |  |
| Willoughby-Wallace Library.....           | 96,444       | 95,553       | 891                                    |
| Total .....                               | 540,189      | 539,298      | 891                                    |
| <b>Pension and insurance:</b>             |              |              |  |
| Pension and Contributions.....            | 1,824,743    | 1,579,165    | 245,578                                |
| Employee Group Insurance.....             | 1,405,130    | 1,159,456    | 245,674                                |
| Municipal insurance.....                  | 927,200      | 705,505      | 221,695                                |
| Contingency.....                          | (5,213)      |              | (5,213)                                |
| Total .....                               | 4,151,860    | 3,444,126    | 707,734                                |

(Continued) - 2.

TOWN OF BRANFORD  
GENERAL FUND  
STATEMENT OF ESTIMATED AND ACTUAL EXPENDITURES, ETC.

|                                  | ESTIMATE     | ACTUAL       | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|----------------------------------|--------------|--------------|--|
| Debt service:                    |              |              |  |
| Principal retirement.....        | \$ 1,806,500 | \$ 1,780,566 | \$ 25,934                              |
| Interest and fiscal charges..... | 1,632,421    | 1,430,869    | 201,552                                |
| Total .....                      | 3,438,921    | 3,211,435    | 227,486                                |
| Board of Education.....          | 26,584,613   | 26,584,613   |  |
| Capital Projects.....            | 166,730      | 102,873      | 63,857                                 |
| Total expenditures .....         | 48,992,540   | 47,205,115   | 1,787,425                              |
| Other financing uses:            |              |              |  |
| Transfers to other funds:        |              |              |  |
| Capital Projects:                |              |              |  |
| Computer System .....            | 200,000      | 200,000      |  |
| Board of Education Central       |              |              |  |
| Office Renovations .....         | 8,000        | 8,000        |  |
| Blackstone Library .....         | 100,000      | 100,000      |  |
| Clean Water .....                | 205,000      | 205,000      |  |
| Transfer Facility Construction   | 172,293      | 172,293      |  |
| Sidewalks and curbs .....        | 34,250       | 34,250       |  |
| Government Building              |              |              |  |
| Renovations .....                | 33,237       | 33,237       |  |
| 1996 Capital Improvements .....  | 379,583      | 379,583      |  |
| Ambulance Fund .....             | 30,000       | 30,000       |  |
| Fire Engine Fund .....           | 68,000       | 68,000       |  |
| Total other financing uses .     | 1,230,363    | 1,230,363    |  |
| TOTAL .....                      | \$50,222,903 | \$48,435,478 | \$1,787,425                            |

(Concluded) - 3.



TOWN OF BRANFORD  
SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET  
JUNE 30, 1996

|  | SEWER ASSESSMENT FUND | WATER ASSESSMENT FUND | DOG FUND | PROGRAM FUND | DAY CARE FUND | EDUCATIONAL GRANTS FUND | CAFETERIA FUND | EFFICIENCY FUND | ENERGY FUND |
|--|-----------------------|-----------------------|----------|--------------|---------------|-------------------------|----------------|-----------------|-------------|
| Cash and cash equivalents  | \$ 309,851            | \$ 25,606             | \$12,078 | \$48,197     | \$351,868     | \$145,482               | \$108,693      |                 | \$52,795    |
| Assessments receivable   | 5,555,408             | 153,834               |          |              |               |                         | 27,725         |                 |             |
| Intergovernmental receivables  |                       |                       |          |              |               |                         | 10,543         |                 |             |
| Inventory, at cost   | 131,374               |                       |          |              |               |                         |                |                 |             |
| Due from other funds   |                       |                       |          |              |               |                         |                |                 |             |
| Other assets   | 4,702                 |                       | 2,668    | 6,633        |               |                         |                |                 |             |
| TOTAL  | \$6,001,335           | \$179,440             | \$14,746 | \$54,830     | \$351,868     | \$145,482               | \$146,961      |                 | \$52,795    |
| <u>A S S E T S</u>   |                       |                       |          |              |               |                         |                |                 |             |
| <u>L I A B I L I T I E S</u><br><u>A N D</u><br><u>F U N D B A L A N C E</u> |                       |                       |          |              |               |                         |                |                 |             |
| Liabilities:   |                       |                       |          |              |               |                         |                |                 |             |
| Accounts payable   |                       |                       | \$ 751   | \$19,436     | \$108,558     | \$ 99,001               | \$178,199      |                 |             |
| Due to State   |                       |                       | 3,708    |              |               |                         |                |                 |             |
| Due to other funds   |                       | \$ 52,746             |          |              |               |                         |                |                 |             |
| Deferred revenue   | \$5,555,408           | 153,834               |          |              |               |                         |                |                 |             |
| Total liabilities  | 5,555,408             | 206,580               | 4,459    | 19,436       | 108,558       | 99,001                  | 178,199        |                 |             |
| Fund balance (deficit):  |                       |                       |          |              |               |                         |                |                 |             |
| Reserved for inventory   |                       |                       |          |              |               |                         |                |                 | 10,543      |
| Unreserved:  |                       |                       |          |              |               |                         |                |                 |             |
| Unrestricted and undesignated  | 445,927               | (27,140)              | 10,287   | 35,394       | 243,310       | 46,481                  | (41,781)       |                 | \$52,795    |
| Total fund balance (deficit)   | 445,927               | (27,140)              | 10,287   | 35,394       | 243,310       | 46,481                  | (31,238)       |                 | 52,795      |
| TOTAL  | \$6,001,335           | \$179,440             | \$14,746 | \$54,830     | \$351,868     | \$145,482               | \$146,961      |                 | \$52,795    |

(Continued) - 1.

TOWN OF BRANFORD  
SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET (CONTINUED)  
 JUNE 30, 1996

|                                     | SMALL CITIES FUND | TOWN AID ROAD FUND | DAY CARE GRANTS FUND | PARK AND RECREATION REVOLVING | TOTAL              |
|-------------------------------------|-------------------|--------------------|----------------------|-------------------------------|--------------------|
| <u>A S S E T S</u>                  |                   |                    |                      |                               |                    |
| Cash and cash equivalents .....     | \$129,401         | \$348,012          | \$23,481             | \$25,200                      | \$1,580,664        |
| Assessments receivable .....        |                   |                    |                      |                               | 5,709,242          |
| Intergovernmental receivables ..... |                   |                    |                      |                               | 27,725             |
| Inventory, at cost .....            |                   |                    |                      |                               | 10,543             |
| Due from other funds .....          |                   |                    |                      |                               | 131,374            |
| Other assets .....                  | 39,013            |                    |                      |                               | 53,016             |
| <b>TOTAL .....</b>                  | <b>\$168,414</b>  | <b>\$348,012</b>   | <b>\$23,481</b>      | <b>\$25,200</b>               | <b>\$7,512,564</b> |

L I A B I L I T I E S  
A N D  
F U N D B A L A N C E

|   |                  |                  |                 |                 |                    |
|---|------------------|------------------|-----------------|-----------------|--------------------|
| Liabilities:                              |                  |                  |                 |                 |                    |
| Accounts payable .....                    | \$ 5,920         |                  | \$23,481        |                 | \$ 435,346         |
| Due to State .....                        |                  |                  |                 |                 | 3,708              |
| Due to other funds .....                  |                  | \$ 7,657         |                 |                 | 60,403             |
| Deferred revenue .....                    |                  |                  |                 |                 | 5,709,242          |
| <b>Total liabilities .....</b>            | <b>5,920</b>     | <b>7,657</b>     | <b>23,481</b>   |                 | <b>6,208,699</b>   |
| Fund balance (deficit):                   |                  |                  |                 |                 |                    |
| Reserved for inventory .....              | 162,494          | 340,355          |                 | \$25,200        | 1,293,322          |
| Unreserved:                               |                  |                  |                 |                 |                    |
| Unrestricted and undesignated .....       | 162,494          | 340,355          |                 | 25,200          | 1,303,865          |
| <b>Total fund balance (deficit) .....</b> | <b>\$168,414</b> | <b>\$348,012</b> | <b>\$23,481</b> | <b>\$25,200</b> | <b>\$7,512,564</b> |

TOWN OF BRANFORD  
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 1996

|  | SEWER<br>ASSESSMENT<br>FUND | WATER<br>ASSESSMENT<br>FUND | DOG<br>FUND | PROGRAM<br>FUND | DAY CARE<br>FUND | EDUCATIONAL<br>GRANTS<br>FUND | CAFETERIA<br>FUND | ENERGY<br>EFFICIENCY<br>FUND |
|--|-----------------------------|-----------------------------|-------------|-----------------|------------------|-------------------------------|-------------------|------------------------------|
| Revenues:  |                             |                             |             |                 |                  |                               |                   |                              |
| Intergovernmental revenues .....                     |                             |                             |             |                 |                  |                               |                   |                              |
| Assessment income .....                              | \$ 732,807                  | \$ 16,289                   |             |                 |                  | \$757,012                     | \$133,914         | \$ 3,319                     |
| Interest on assessments .....                        | 518,373                     | 8,360                       |             |                 |                  |                               |                   |                              |
| Amounts in lieu of assessments .....                 | 168,620                     |                             |             | \$ 556          |                  |                               |                   |                              |
| Investment income .....                              | 44,836                      | 106                         | \$ 745      |                 |                  |                               |                   |                              |
| Sale of food .....                                   |                             | 413                         | 2,003       | 130,973         | \$463,102        |                               | 592,797           | 22,627                       |
| Sales and services .....                             | 28,786                      |                             |             |                 |                  |                               |                   |                              |
| Program income .....                                 |                             |                             |             |                 |                  |                               |                   |                              |
| Total revenues .....                                 | 1,493,422                   | 25,168                      | 2,748       | 131,529         | 463,102          | 757,012                       | 749,338           | 3,319                        |
| Expenditures:  |                             |                             |             |                 |                  |                               |                   |                              |
| Current:   |                             |                             |             |                 |                  |                               |                   |                              |
| Public safety .....                                  |                             |                             | 8,463       |                 |                  |                               |                   |                              |
| Public works and highway .....                       | 37,140                      |                             |             |                 |                  |                               |                   |                              |
| Health and human services .....                      |                             |                             |             |                 | 361,090          |                               |                   |                              |
| Parks, recreation and libraries .....                |                             |                             |             | 121,595         |                  | 742,357                       | 774,747           |                              |
| Education .....                                      |                             |                             |             |                 |                  |                               |                   |                              |
| Debt service .....                                   | 1,394,630                   | 21,788                      |             |                 |                  |                               |                   |                              |
| Total expenditures .....                             | 1,431,770                   | 21,788                      | 8,463       | 121,595         | 361,090          | 742,357                       | 774,747           |                              |
| Excess (deficiency) of revenues over expenditures .  | 61,652                      | 3,380                       | (5,715)     | 9,934           | 102,012          | 14,655                        | (25,409)          | 3,319                        |
| Fund balance, July 1, 1995, as restated - Note 2 . . | 384,275                     | (30,520)                    | 16,002      | 25,460          | 141,298          | 31,826                        | (5,829)           | 49,476                       |
| Fund balance, June 30, 1996 .....                    | \$ 445,927                  | \$(27,140)                  | \$10,287    | \$ 35,394       | \$243,310        | \$ 46,481                     | \$(31,238)        | \$52,795                     |

TOWN OF BRANFORD  
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 1996

|   | SMALL CITIES FUND | TOWN AID ROAD FUND | DAY CARE GRANTS FUND | PARK AND RECREATION REVOLVING | TOTAL              |
|---|-------------------|--------------------|----------------------|-------------------------------|--------------------|
| <b>Revenues:</b>                                  |                   |                    |                      |                               |                    |
| Intergovernmental revenues                        | \$222,308         | \$147,484          | \$181,033            |                               | \$1,441,751        |
| Assessment income                                 |                   |                    |                      |                               | 749,096            |
| Interest on assessments                           |                   |                    |                      |                               | 530,052            |
| Amounts in lieu of assessments                    |                   |                    |                      |                               | 168,620            |
| Investment income                                 | 249               | 23,246             |                      |                               | 69,738             |
| Sale of food                                      |                   |                    |                      |                               | 592,797            |
| Sales and services                                |                   |                    |                      |                               | 647,904            |
| Program income                                    |                   |                    |                      | \$63,126                      | 63,126             |
| <b>Total revenues</b>                             | <u>222,557</u>    | <u>170,730</u>     | <u>181,033</u>       | <u>63,196</u>                 | <u>4,263,154</u>   |
| <b>Expenditures:</b>                              |                   |                    |                      |                               |                    |
| Current:  |                   |                    |                      |                               |                    |
| Public safety                                     |                   |                    |                      |                               | 8,463              |
| Public works and highway                          |                   | 212,879            |                      |                               | 250,019            |
| Health and human services                         | 143,060           |                    | 181,033              |                               | 685,183            |
| Parks, recreation and libraries                   |                   |                    |                      | 73,005                        | 73,005             |
| Education   |                   |                    |                      |                               | 1,638,699          |
| Debt service                                      |                   |                    |                      |                               | 1,416,418          |
| <b>Total expenditures</b>                         | <u>143,060</u>    | <u>212,879</u>     | <u>181,033</u>       | <u>73,005</u>                 | <u>4,071,787</u>   |
| Excess (deficiency) of revenues over expenditures | 79,497            | (42,149)           |                      | (9,809)                       | 191,367            |
| Fund balance, July 1, 1995, as restated - Note 2  | 82,997            | 382,504            |                      | 35,009                        | 1,112,428          |
| Fund balance, June 30, 1996                       | <u>\$162,494</u>  | <u>\$340,355</u>   | <u>\$ - 0 -</u>      | <u>\$25,200</u>               | <u>\$1,303,865</u> |

TOWN OF BRANFORD

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 1996

|   | .....SEWER ASSESSMENT FUND..... |                   |                  | .....WATER ASSESSMENT FUND..... |                   |                 | .....DOG FUND..... |                 |                |
|---|---------------------------------|-------------------|------------------|---------------------------------|-------------------|-----------------|--------------------|-----------------|----------------|
|   | BUDGET                          | ACTUAL            | VARIANCE         | BUDGET                          | ACTUAL            | VARIANCE        | BUDGET             | ACTUAL          | VARIANCE       |
| Revenues:   |                                 |                   |                  |                                 |                   |                 |                    |                 |                |
| Assessment income .....                                 | \$ 765,000                      | \$ 732,807        | \$(32,193)       | \$16,500                        | \$ 16,289         | \$ (211)        |                    |                 |                |
| Interest on assessments .....                           | 535,000                         | 518,373           | (16,627)         | 11,570                          | 8,360             | (3,210)         |                    |                 |                |
| Amounts in lieu of assessments .....                    |                                 | 168,620           | 168,620          |                                 |                   |                 |                    |                 |                |
| Investment income .....                                 | 20,000                          | 44,836            | 24,836           |                                 | 106               | 106             |                    |                 |                |
| Sale of Food .....                                      |                                 | 28,786            | 28,786           | 600                             | 413               | (187)           | \$ 4,400           | \$ 2,748        | \$(1,652)      |
| Other income .....                                      |                                 |                   |                  |                                 |                   |                 |                    |                 |                |
| Intergovernmental revenue .....                         |                                 |                   |                  |                                 |                   |                 |                    |                 |                |
| Subsidy .....   |                                 |                   |                  |                                 |                   |                 |                    |                 |                |
| Total revenues .....                                    | <u>1,320,000</u>                | <u>1,493,422</u>  | <u>173,422</u>   | <u>28,670</u>                   | <u>25,168</u>     | <u>(3,502)</u>  | <u>4,400</u>       | <u>2,748</u>    | <u>(1,652)</u> |
| Expenditures:   |                                 |                   |                  |                                 |                   |                 |                    |                 |                |
| Project expenses .....                                  | 11,220                          | 8,181             | 3,039            |                                 |                   |                 |                    |                 |                |
| Debt principal .....                                    | 889,500                         | 889,500           |                  | 17,000                          | 12,000            | 5,000           |                    |                 |                |
| Interest and financing .....                            | 506,185                         | 505,130           | 1,055            | 11,830                          | 9,788             | 2,042           |                    |                 |                |
| Purchasing of food .....                                | 4,631                           |                   | 4,631            |                                 |                   |                 |                    |                 |                |
| Salaries and wages .....                                |                                 |                   |                  |                                 |                   |                 | 5,400              | 5,400           |                |
| Rental .....  |                                 |                   |                  |                                 |                   |                 | 1,300              | 1,528           | (228)          |
| Supplies .....  | 1,500                           | 55                | 1,445            |                                 |                   |                 | 3,500              | 1,522           | 1,978          |
| Other .....   |                                 |                   |                  |                                 |                   |                 | 50                 | 13              | 37             |
| Legal and advertising .....                             | 32,000                          | 28,904            | 3,096            |                                 |                   |                 |                    |                 |                |
| Total expenditures .....                                | <u>1,445,036</u>                | <u>1,431,770</u>  | <u>13,266</u>    | <u>28,830</u>                   | <u>21,788</u>     | <u>7,042</u>    | <u>10,250</u>      | <u>8,463</u>    | <u>1,787</u>   |
| Excess (deficiency) of revenues over expenditures ..... | <u>\$ (125,036)</u>             | <u>61,652</u>     | <u>\$186,688</u> | <u>\$ (160)</u>                 | <u>3,380</u>      | <u>\$ 3,540</u> | <u>\$ (5,850)</u>  | <u>(5,715)</u>  | <u>\$ 135</u>  |
| Fund balance (deficit), July 1, 1995 .....              |                                 | 384,275           |                  |                                 | (30,520)          |                 |                    | 16,002          |                |
| Fund balance (deficit), June 30, 1996 .....             |                                 | <u>\$ 445,927</u> |                  |                                 | <u>\$(27,140)</u> |                 |                    | <u>\$10,287</u> |                |

TOWN OF BRANFORD

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 1996

|   | BUDGET    | PROGRAM FUNDS | VARIANCE | BUDGET    | ACTUAL        | VARIANCE  |
|---|-----------|---------------|----------|-----------|---------------|-----------|
|   |           | ACTUAL        |          |           | DAY CARE FUND |           |
| Revenues:   |           |               |          |           |               |           |
| Assessment income                                 |           |               |          |           |               |           |
| Interest on assessments                           |           | \$ 556        | \$ 556   |           |               |           |
| Amounts in lieu of assessments                    |           |               |          |           |               |           |
| Investment income                                 |           |               |          |           |               |           |
| Sale of Food                                      |           | 130,973       | (19,553) | \$431,363 | \$463,102     | \$ 31,739 |
| Other income                                      | \$150,526 |               |          |           |               |           |
| Intergovernmental revenue                         |           |               |          |           |               |           |
| Subsidy   |           |               |          |           |               |           |
| Total revenues                                    | 150,526   | 131,529       | (18,997) | 431,363   | 463,102       | 31,739    |
| Expenditures:                                     |           |               |          |           |               |           |
| Project expenses                                  |           |               |          |           |               |           |
| Debt principal                                    |           |               |          |           |               |           |
| Interest and financing                            |           |               |          |           |               |           |
| Purchasing of food                                |           |               |          |           |               |           |
| Salaries and wages                                |           | 64,699        | 33,809   | 222,922   | 230,931       | (8,009)   |
| Rental  |           | 3,600         |          |           |               |           |
| Supplies  |           | 2,175         | 4,381    | 28,400    | 19,808        | 8,592     |
| Other   |           | 37,162        | (10,112) | 177,066   | 109,902       | 67,164    |
| Legal and advertising                             |           | 4,700         | 853      | 2,975     | 449           | 2,526     |
| Total expenditures                                | 150,526   | 121,595       | 28,931   | 431,363   | 361,020       | 70,273    |
| Excess (deficiency) of revenues over expenditures | \$ - 0 -  | 9,934         | \$ 9,934 | \$ - 0 -  | 102,012       | \$102,012 |
| Fund balance (deficit), July 1, 1995              |           | 25,460        |          |           | 141,298       |           |
| Fund balance (deficit), June 30, 1996             |           | \$ 35,394     |          |           | \$243,310     |           |

(Continued) - 2.

TOWN OF BRANFORD  
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 1996

|   | BOARD OF EDUCATION |            |            |             | TOTAL      | VARIANCE    |
|---|--------------------|------------|------------|-------------|------------|-------------|
|   | BUDGET             | ACTUAL     | VARIANCE   | BUDGET      |            |             |
| Revenues:   |                    |            |            |             |            |             |
| Assessment income                                 |                    |            |            | \$ 781,500  | \$ 749,096 | \$ (32,404) |
| Interest on assessments                           |                    |            |            | 546,570     | 526,733    | (19,837)    |
| Amounts in lieu of assessments                    |                    |            |            |             | 168,620    | 168,620     |
| Investment income                                 |                    |            |            | 20,000      | 45,498     | 25,498      |
| Sale of Food                                      | \$640,980          | \$592,797  | \$(48,183) | 640,980     | 592,797    | (48,183)    |
| Other income                                      | 11,500             | 22,627     | 11,127     | 598,389     | 648,649    | 50,260      |
| Intergovernmental revenue                         | 127,800            | 133,914    | 6,114      | 127,800     | 133,914    | 6,114       |
| Subsidy   | 64,109             |            | (64,109)   | 64,109      |            | (64,109)    |
| Total revenues                                    | 844,389            | 749,338    | (95,051)   | 2,779,348   | 2,855,307  | 85,959      |
| Expenditures:                                     |                    |            |            |             |            |             |
| Project expenses                                  |                    |            |            | 11,220      | 8,181      | 3,039       |
| Debt principal                                    |                    |            |            | 906,500     | 901,500    | 5,000       |
| Interest and financing                            |                    |            |            | 518,015     | 514,918    | 3,097       |
| Purchasing of food                                | 312,112            | 270,611    | 41,501     | 312,112     | 270,611    | 41,501      |
| Salaries and wages                                | 464,358            | 420,423    | 43,935     | 790,419     | 716,053    | 74,366      |
| Rental  |                    |            |            | 9,000       | 9,000      |             |
| Supplies  | 32,183             | 637        | 31,546     | 69,939      | 24,203     | 45,736      |
| Other   | 35,736             | 83,076     | (47,340)   | 253,464     | 241,774    | 11,690      |
| Legal and advertising                             |                    |            |            | 39,725      | 33,213     | 6,512       |
| Total expenditures                                | 844,389            | 774,747    | 69,642     | 2,910,394   | 2,719,453  | 190,941     |
| Excess (deficiency) of revenues over expenditures | \$ - 0 -           | (25,409)   | \$(25,409) | \$(131,046) | 145,854    | \$276,900   |
| Fund balance (deficit), July 1, 1995              |                    | (5,829)    |            |             |            | 530,686     |
| Fund balance (deficit), June 30, 1996             |                    | \$(31,238) |            |             |            | \$ 676,540  |

TOWN OF BRANFORD

SCHEDULE OF SEWER ASSESSMENTS RECEIVABLE  
FOR THE YEAR ENDED JUNE 30, 1996

| DESCRIPTION  | UNCOLLECTED  | CURRENT   | CORRECTIONS | ADJUSTED    | ASSESSMENT   | UNCOLLECTED   |
|--|--------------|-----------|-------------|-------------|--------------|---------------|
|  | JULY 1, 1995 | YEAR      | TO          | UNCOLLECTED | COLLECTIONS  | JUNE 30, 1996 |
|  | LEVIES       | LEVIES    | LEVIES      | BALANCE     |              |               |
| Phase I.....   | \$ 152,097   |           |             | \$ 152,097  | \$ 13,395    | \$ 138,702    |
| Phase II.....  | 83           |           |             | 83          | 65           | 18            |
| District II.....   | 286,999      | \$ 5,200  | \$ 2,773    | 294,972     | 46,691       | 248,281       |
| District III.....  | 14,229       |           |             | 14,229      | 3,112        | 11,117        |
| District IV.....   | 345,108      |           | 19,512      | 364,620     | 63,173       | 301,447       |
| District V.....  | 414,892      | 2,000     | 5,546       | 422,438     | 77,909       | 344,529       |
| District VI.....   | 65,868       |           | (10)        | 65,858      | 9,867        | 55,991        |
| District VII.....  | 110,002      | 4,800     | 4,991       | 119,793     | 15,481       | 104,312       |
| District VIII.....   | 12,180       |           | 444         | 12,624      | 2,922        | 9,702         |
| District IX & Pawson Park.....                             | 781,070      | 7,083     | 10,078      | 798,231     | 97,039       | 701,192       |
| District XI.....   | 20,010       | 4,500     | (5)         | 24,505      | 4,322        | 20,183        |
| Miscellaneous Sewer Assessments.....                       | 1,292,344    | 148,668   | (55,370)    | 1,385,642   | 142,596      | 1,243,046     |
| District XII.....  | 103,787      |           |             | 103,787     | 6,545        | 97,242        |
| Cherry Hill/North Main.....                                | 81,312       |           | 2,717       | 84,029      | 7,017        | 77,012        |
| East Main/Gould.....                                       | 353,176      | 26,000    | 3           | 379,179     | 47,689       | 331,490       |
| Todds Hill Road.....                                       | 76,438       |           | 1,241       | 77,679      | 4,102        | 73,577        |
| Pine Orchard.....  | 1,324,058    | 17,200    | (727)       | 1,340,531   | 123,341      | 1,217,190     |
| High Meadow/Valley Brook.....                              | 73,060       |           | (5)         | 73,055      | 4,751        | 68,304        |
| Chestnut/North Main.....                                   | 128,549      |           | (9)         | 128,540     | 15,477       | 113,063       |
| Paynes Point.....  | 28,080       | 5,850     |             | 33,930      | 2,767        | 31,163        |
| Gould Lane.....  | 39,900       |           |             | 39,900      | 4,292        | 35,608        |
| The Ponds/McDonalds Motel/Orchard Heights/Forest Edge..... | 372,222      |           | 271         | 372,493     | 40,254       | 332,239       |
| Total.....   | \$6,075,464  | \$221,301 | \$ (8,550)  | \$6,288,215 | 732,807      | \$5,555,408   |
| Interest on assessments.....                               |              |           |             |             | 481,849      |               |
| Interest on overdue assessments.....                       |              |           |             |             | 36,525       |               |
| Lien fees.....   |              |           |             |             | <u>2,840</u> |               |
| TOTAL.....   |              |           |             |             | \$1,254,021  |               |

TOWN OF BRANFORD

SCHEDULE OF WATER ASSESSMENTS RECEIVABLE  
FOR THE YEAR ENDED JUNE 30, 1996

| DESCRIPTION                | BALANCE<br>JULY 1, 1995 | CURRENT<br>YEAR<br>LEVIES | PRINCIPAL INTEREST | DELINQUENT INTEREST | ADMINISTRATION<br>FEES | TOTAL    | BALANCE<br>UNCOLLECTED<br>JUNE 30, 1996 |
|----------------------------|-------------------------|---------------------------|--------------------|---------------------|------------------------|----------|---|
| Ramblewood/Buttermilk..... | \$136,094               | \$2,273                   | \$12,550           | \$6,442             | \$147                  | \$19,379 | \$125,817                               |
| Collins Drive.....         | 5,151                   | 145                       | 1,506              | 164                 | 19                     | 1,779    | 3,790                                   |
| Marbar Street.....         | 26,784                  | (324)                     | 2,233              | 1,588               | 80                     | 3,901    | 24,227                                  |
| TOTAL.....                 | \$168,029               | \$2,094                   | \$16,289           | \$8,194             | \$166                  | \$25,059 | \$153,834                               |

TOWN OF BRANFORD  
CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 1996

|                                   | BOARD OF<br>EDUCATION<br>OFFICE<br>RENOVATION | ROAD<br>CONSTRUCTION | BLACKSTONE<br>LIBRARY<br>RENOVATION | WAVERLY<br>PARK<br>BRIDGE | SUPPLY<br>POND<br>DAM |
|-----------------------------------|---|----------------------|-------------------------------------|---------------------------|-----------------------|
| Cash and cash equivalents.....    |   | \$ 3,009             | \$19,156                            |                           | \$3,756               |
| Intergovernmental receivable..... | \$4,411                                       | 67,756               |                                     |                           |                       |
| Due from other funds.....         |   |                      |                                     |                           |                       |
| Other.....                        |   |                      |                                     |                           |                       |
| TOTAL .....                       | \$4,411                                       | \$70,765             | \$19,156                            | \$ - 0 -                  | \$3,756               |

A S S E T S

L I A B I L I T I E S  
 A N D  
F U N D B A L A N C E

|                                       |          |
|---------------------------------------|----------|
| Liabilities:                          |          |
| Accounts payable.....                 |          |
| Due to other funds.....               |          |
| Total liabilities .....               |          |
| Fund balance (deficit):               |          |
| Reserved for encumbrances.....        | \$19,156 |
| Designated for specific purposes..... |          |
| Unreserved and undesignated.....      | 3,756    |
| Total fund balance (deficit) .....    | \$19,156 |
| TOTAL .....                           | \$19,156 |

TOWN OF BRANFORD  
CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 1996

|  | REVITALIZATION   | SENIOR CENTER RENOVATION | ELEMENTARY SCHOOL RENOVATION | POLICE STATION   | TRANSFER STATION CONSTRUCTION | CLARIFIER FUND   |
|--|------------------|--------------------------|------------------------------|------------------|-------------------------------|------------------|
| <u>A S S E T S</u>   |                  |                          |                              |                  |                               |                  |
| Cash and cash equivalents.....   | \$11,234         | \$325                    | \$11,789                     | \$241,372        | \$6,440                       |                  |
| Intergovernmental receivable.....  |                  |                          |                              |                  | 45                            |                  |
| Due from other funds.....  |                  |                          |                              |                  |                               |                  |
| Other.....   |                  |                          |                              |                  |                               |                  |
| <b>TOTAL .....</b>   | <b>\$11,234</b>  | <b>\$325</b>             | <b>\$11,789</b>              | <b>\$241,372</b> | <b>\$6,485</b>                | <b>\$ - 0 -</b>  |
| <u>L I A B I L I T I E S</u><br><u>A N D</u><br><u>F U N D B A L A N C E</u> |                  |                          |                              |                  |                               |                  |
| Liabilities:   |                  |                          |                              |                  |                               |                  |
| Accounts payable.....  | \$ 688           |                          | \$ 498                       | \$ 9,974         |                               | \$ 102,909       |
| Due to other funds.....  |                  |                          |                              | 86,397           |                               |                  |
| <b>Total liabilities.....</b>  | <b>688</b>       |                          | <b>498</b>                   | <b>96,371</b>    |                               | <b>102,909</b>   |
| Fund balance (deficit):  |                  |                          |                              |                  |                               |                  |
| Reserved for encumbrances.....   | 24,000           | \$325                    |                              |                  | \$6,485                       |                  |
| Designated for specific purposes.....  | (13,454)         |                          | 11,291                       | 145,001          |                               | (102,909)        |
| Unreserved and undesignated.....   |                  |                          |                              |                  |                               |                  |
| <b>Total fund balance (deficit).....</b>                                     | <b>10,546</b>    | <b>325</b>               | <b>11,291</b>                | <b>145,001</b>   | <b>6,485</b>                  | <b>(102,909)</b> |
| <b>TOTAL .....</b>   | <b>\$ 11,234</b> | <b>\$325</b>             | <b>\$11,789</b>              | <b>\$241,372</b> | <b>\$6,485</b>                | <b>\$ - 0 -</b>  |

TOWN OF BRANFORD  
CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 1996

|                                   |                 | LEETES<br>ISLAND<br>WATER | CLEAN<br>WATER  | LEETES<br>ISLAND<br>"NON-CORE" | LEETES<br>ISLAND<br>"CORE" | GOULD<br>LANE<br>SEWERS | PARK<br>REVITALIZATION | COMPUTER<br>SYSTEM<br>UPGRADE |
|-----------------------------------|-----------------|---------------------------|-----------------|--------------------------------|----------------------------|-------------------------|------------------------|-------------------------------|
| Cash and cash equivalents.....    | \$31,598        |                           |                 |                                |                            |                         | \$1,993                | \$66,017                      |
| Intergovernmental receivable..... |                 |                           |                 |                                |                            |                         |                        |                               |
| Due from other funds.....         |                 |                           |                 |                                |                            |                         |                        |                               |
| Other.....                        |                 |                           |                 |                                |                            |                         |                        |                               |
| <b>TOTAL .....</b>                | <b>\$31,598</b> | <b>\$ - 0 -</b>           | <b>\$ - 0 -</b> | <b>\$ - 0 -</b>                | <b>\$ - 0 -</b>            | <b>\$ - 0 -</b>         | <b>\$1,993</b>         | <b>\$66,017</b>               |

A S S E T S

L I A B I L I T I E S  
A N D  
F U N D B A L A N C E

|                                       |  |                 |                 |                 |                 |                 |                |                 |
|---------------------------------------|--|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|
| Liabilities:                          |  |                 |                 |                 |                 |                 |                |                 |
| Accounts payable.....                 |  | \$ 4,394        |                 |                 |                 |                 |                | \$37,902        |
| Due to other funds.....               |  | \$ 18,851       | \$ 369,602      | \$ 434,318      | \$ 39,000       |                 |                |                 |
| Total liabilities.....                |  | 18,851          | 373,996         | 434,318         | 39,000          |                 |                | 37,902          |
| Fund balance (deficit):               |  |                 |                 |                 |                 |                 |                |                 |
| Reserved for encumbrances.....        |  |                 |                 |                 |                 |                 |                | 28,115          |
| Designated for specific purposes..... |  | (18,851)        | (373,996)       | (434,318)       | (39,000)        |                 | \$1,993        |                 |
| Unreserved and undesignated.....      |  | 31,598          | (18,851)        | (373,996)       | (434,318)       | (39,000)        | 1,993          | 28,115          |
| Total fund balance (deficit) .....    |  | \$31,598        | \$ - 0 -        | \$ - 0 -        | \$ - 0 -        | \$ - 0 -        | \$1,993        | \$66,017        |
| <b>TOTAL .....</b>                    |  | <b>\$31,598</b> | <b>\$ - 0 -</b> | <b>\$ - 0 -</b> | <b>\$ - 0 -</b> | <b>\$ - 0 -</b> | <b>\$1,993</b> | <b>\$66,017</b> |

TOWN OF BRANFORD

CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 1996

|                                       | TROLLEY<br>TRAIL<br>WALKWAY | SIDEWALKS<br>AND CURBS | BLACKSTONE<br>LIBRARY<br>PHASE II | WASTE WATER<br>DESIGN<br>FUND | AMBULANCE<br>FUND | FIRE<br>APPARATUS<br>FUND |
|---------------------------------------|-----------------------------|------------------------|-----------------------------------|-------------------------------|-------------------|---------------------------|
| Cash and cash equivalents.....        | \$8,552                     |                        | \$267,171                         |                               | \$3,969           | \$1,820                   |
| Intergovernmental receivable.....     |                             | \$159,250              |                                   |                               | 40,128            | 110,408                   |
| Due from other funds.....             |                             |                        | 400                               |                               |                   |                           |
| Other.....                            |                             |                        |                                   |                               |                   |                           |
| <b>TOTAL</b> .....                    | <b>\$8,552</b>              | <b>\$159,250</b>       | <b>\$267,571</b>                  | <b>\$ - 0 -</b>               | <b>\$44,097</b>   | <b>\$112,228</b>          |
| <br><u>A S S E T S</u>                |                             |                        |                                   |                               |                   |                           |
| <br><u>LIABILITIES</u>                |                             |                        |                                   |                               |                   |                           |
| <u>FUND BALANCE</u>                   |                             |                        |                                   |                               |                   |                           |
| Liabilities:                          |                             |                        |                                   |                               |                   |                           |
| Accounts payable.....                 |                             |                        | \$327,768                         |                               |                   |                           |
| Due to other funds.....               |                             |                        | 15,041                            | \$60,084                      |                   |                           |
| Total liabilities.....                |                             |                        | 342,809                           | 60,084                        |                   |                           |
| Fund balance (deficit):               |                             |                        |                                   |                               |                   |                           |
| Reserved for encumbrances.....        |                             |                        | 2,044,735                         |                               | \$44,097          | \$112,228                 |
| Designated for specific purposes..... |                             | \$159,250              | (2,119,973)                       | (60,084)                      |                   |                           |
| Unreserved and undesignated.....      |                             |                        |                                   |                               |                   |                           |
| Total fund balance (deficit) .....    | <b>8,552</b>                | <b>159,250</b>         | <b>(75,238)</b>                   | <b>(60,084)</b>               | <b>44,097</b>     | <b>112,228</b>            |
| <b>TOTAL</b> .....                    | <b>\$8,552</b>              | <b>\$159,250</b>       | <b>\$267,571</b>                  | <b>\$ - 0 -</b>               | <b>\$44,097</b>   | <b>\$112,228</b>          |

TOWN OF BRANFORD  
CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 1996

|  | PINE<br>GUTTER<br>BROOK | HIGH<br>SCHOOL<br>RENOVATIONS | TECHNOLOGY<br>UPGRADE<br>PROJECT | BUILDING<br>RENOVATION | 1996<br>CAPITAL<br>PROJECTS | TOTAL               |
|--|-------------------------|-------------------------------|----------------------------------|------------------------|-----------------------------|---------------------|
| <u>A S S E T S</u>   |                         |                               |                                  |                        |                             |                     |
| Cash and cash equivalents.....   | \$31,000                |                               | \$446,184                        |                        |                             | \$1,155,385         |
| Intergovernmental receivable.....  | 35,300                  |                               |                                  | \$33,237               | \$379,583                   | 35,300              |
| Due from other funds.....  |                         |                               |                                  |                        |                             | 794,818             |
| Other.....   |                         |                               |                                  |                        |                             | 400                 |
| <b>TOTAL</b> .....   | <u>\$66,300</u>         | <u>\$ - 0 -</u>               | <u>\$446,184</u>                 | <u>\$33,237</u>        | <u>\$379,583</u>            | <u>\$1,985,903</u>  |
| <u>L I A B I L I T I E S</u><br><u>A N D</u><br><u>F U N D B A L A N C E</u> |                         |                               |                                  |                        |                             |                     |
| Liabilities:   |                         |                               |                                  |                        |                             |                     |
| Accounts payable.....  |                         | \$ 173,055                    | \$365,747                        | \$ 2,960               |                             | \$ 922,986          |
| Due to other funds.....  | \$ 93,094               | 717,792                       |                                  |                        |                             | 1,937,088           |
| <b>Total liabilities</b> .....   | <u>93,094</u>           | <u>890,847</u>                | <u>365,747</u>                   | <u>2,960</u>           |                             | <u>2,860,074</u>    |
| Fund balance (deficit):  |                         |                               |                                  |                        |                             |                     |
| Reserved for encumbrances.....   |                         | 5,292,398                     |                                  | 14,733                 | \$ 75,391                   | 7,451,582           |
| Designated for specific purposes.....  |                         |                               | 80,437                           | 15,544                 | 304,192                     | 1,044,878           |
| Unreserved and undesignated.....   | (26,794)                | (6,183,245)                   |                                  |                        |                             | (9,370,631)         |
| <b>Total fund balance (deficit)</b> .....                                    | <u>(26,794)</u>         | <u>(890,847)</u>              | <u>80,437</u>                    | <u>30,277</u>          | <u>379,583</u>              | <u>(874,171)</u>    |
| <b>TOTAL</b> .....   | <u>\$ 66,300</u>        | <u>\$ - 0 -</u>               | <u>\$446,184</u>                 | <u>\$33,237</u>        | <u>\$379,583</u>            | <u>\$ 1,985,903</u> |

TOWN OF BRANFORD

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 1996

|  | BOARD OF<br>EDUCATION<br>OFFICE<br>RENOVATION | ROAD<br>CONSTRUCTION | BLACKSTONE<br>LIBRARY<br>RENOVATION | WAVERLY<br>PARK<br>BRIDGE | SUPPLY<br>POND<br>DAM |
|--|---|----------------------|-------------------------------------|---------------------------|-----------------------|
| Revenues:  |   |                      |                                     |                           |                       |
| Investment income .....  |   | \$ 61                | \$ 8,966                            |                           |                       |
| Intergovernmental revenues .....   |   |                      |                                     | \$5,921                   |                       |
| Other income .....   |   | 6,706                | 118,208                             |                           |                       |
| Total revenues .....   |   | 6,767                | 127,174                             | 5,921                     |                       |
| Expenditures:  |   |                      |                                     |                           |                       |
| Capital outlay .....   | \$ 6,100                                      |                      | 92,860                              | 5,921                     |                       |
| Excess (deficiency) of revenues over expenditures.   | (6,100)                                       | 6,767                | 27,314                              |                           |                       |
| Other financing sources (uses):  |   |                      |                                     |                           |                       |
| Proceeds from bond anticipation notes issue .....  |   |                      |                                     |                           |                       |
| Operating transfers in .....   | 8,000   |                      | 100,000                             |                           |                       |
| Operating transfers out .....  |   |                      |                                     |                           |                       |
| Total other financing sources (uses) .....   | 8,000   |                      | 100,000                             |                           |                       |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses ..... | 1,900   | 6,767                | 127,314                             |                           |                       |
| Fund balance (deficit), July 1, 1995, as restated - Note 2 .....   | 2,511   | 63,998               | (108,158)                           | - 0 -                     | \$3,756               |
| Fund balance (deficit), June 30 1996 .....   | \$ 4,411                                      | \$70,765             | \$ 12,156                           | \$ - 0 -                  | \$3,756               |

TOWN OF BRANFORD

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 1996

|   | REVITALIZATION | SENIOR CENTER RENOVATION | ELEMENTARY SCHOOL RENOVATION | POLICE STATION | TRANSFER STATION CONSTRUCTION | CLARIFIER FUND |
|---|----------------|--------------------------|------------------------------|----------------|-------------------------------|----------------|
| Revenues:   |                |                          |                              |                |                               |                |
| Investment income.....  | \$ 1,984       |                          | \$ 567                       | \$ 34,004      | \$ 309                        |                |
| Intergovernmental revenues.....   |                |                          | 895                          | 25,222         | 2,100                         |                |
| Other income.....   |                |                          |                              |                |                               |                |
| Total revenues.....   | 1,984          |                          | 1,462                        | 59,296         | 2,409                         |                |
| Expenditures:   |                |                          |                              |                |                               |                |
| Capital outlay.....   | 21,529         |                          | 498                          | 1,555,728      | 2,223                         |                |
| Excess (deficiency) of revenues over expenditures.  | (19,545)       |                          | 964                          | (1,496,432)    | 116                           |                |
| Other financing sources (uses):   |                |                          |                              |                |                               |                |
| Proceeds from bond anticipation notes issue.....  |                |                          |                              | 3,970,000      | 172,293                       |                |
| Operating transfers in.....   |                |                          |                              | (86,397)       |                               |                |
| Operating transfers out.....  |                |                          |                              |                |                               |                |
| Total other financing sources (uses).....   |                |                          |                              | 3,883,603      | 172,293                       |                |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses..... | (19,545)       |                          | 964                          | 2,387,171      | 172,409                       |                |
| Fund balance (deficit), July 1, 1995, as restated - Note 2.....   | 30,091         | \$325                    | 10,327                       | (2,242,170)    | (165,924)                     | \$(102,909)    |
| Fund balance (deficit), June 30, 1996.....  | \$ 10,546      | \$325                    | \$11,291                     | \$ 145,001     | \$ 6,485                      | \$(102,909)    |

TOWN OF BRANFORD  
CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 1996

|   | LEETES ISLAND WATER | CLEAN WATER | LEETES ISLAND "NON-CORE" | LEETES ISLAND "CORE" | GOULD LANE SEWERS | PARK REVITALIZATION | COMPUTER SYSTEM UPGRADE |
|---|---------------------|-------------|--------------------------|----------------------|-------------------|---------------------|-------------------------|
| Revenues:   |                     |             |                          |                      |                   |                     |                         |
| Investment income.....  |                     |             |                          |                      |                   | \$ 6,102            | \$ 5,053                |
| Intergovernmental revenues.....   |                     |             | \$ 280,714               | \$ 53,180            |                   |                     |                         |
| Other income.....   |                     |             |                          |                      |                   |                     |                         |
| Total revenues.....   |                     |             | 280,714                  | 53,180               |                   | 6,102               | 5,053                   |
| Expenditures:   |                     |             |                          |                      |                   |                     |                         |
| Capital outlay.....   |                     |             | 431,770                  | 136,850              | \$ 3,950          |                     | 180,066                 |
| Excess (deficiency) of revenues over expenditures.  |                     |             | (151,056)                | (83,670)             | (3,950)           | 6,102               | (175,013)               |
| Other financing sources (uses):   |                     |             |                          |                      |                   |                     |                         |
| Proceeds from bond anticipation notes issue.....  |                     |             |                          |                      |                   |                     | 200,000                 |
| Operating transfers in.....   | \$ 205,000          |             |                          |                      |                   | (4,109)             |                         |
| Operating transfers out.....  |                     |             |                          |                      |                   |                     |                         |
| Total other financing sources (uses).....   | 205,000             |             |                          |                      |                   | (4,109)             | 200,000                 |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses..... | 205,000             |             | (151,056)                | (83,670)             | (3,950)           | 1,993               | 24,987                  |
| Fund balance (deficit), July 1, 1995, as restated - Note 2.....   | \$31,598            | (223,851)   | (222,940)                | (350,648)            | (35,050)          |                     | 3,128                   |
| Fund balance (deficit), June 30, 1996.....  | \$31,598            | \$ (18,851) | \$ (373,996)             | \$ (434,318)         | \$ (39,000)       | \$ 1,993            | \$ 28,115               |

TOWN OF BRANFORD  
CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 1996

|   | TROLLEY<br>TRAIL<br>WALKWAY | SIDEWALKS<br>AND CURBS | BLACKSTONE<br>LIBRARY<br>PHASE II | WASTE WATER<br>DESIGN<br>FUND | AMBULANCE<br>FUND | FIRE<br>APPARATUS<br>FUND |
|---|-----------------------------|------------------------|-----------------------------------|-------------------------------|-------------------|---------------------------|
| Revenues:   |                             |                        |                                   |                               |                   |                           |
| Investment income.....  | \$ 159                      |                        | \$ 15,041                         |                               | \$ 181            | \$ 113                    |
| Intergovernmental revenues.....   | 9,000                       |                        |                                   | \$133,281                     |                   |                           |
| Other income.....   |                             |                        |                                   |                               | 559               |                           |
| Total revenues.....   | 9,159                       |                        | 15,041                            | 133,281                       | 740               | 113                       |
| Expenditures:   |                             |                        |                                   |                               |                   |                           |
| Capital outlay.....   |                             |                        | 1,031,116                         | 193,365                       | 105               |                           |
| Excess (deficiency) of revenues over expenditures.....  | 9,159                       |                        | (1,016,075)                       | (60,084)                      | 635               | 113                       |
| Other financing sources (uses):   |                             |                        |                                   |                               |                   |                           |
| Proceeds from bond anticipation notes issue.....  |                             | \$ 34,250              | 1,000,000                         |                               | 30,000            | 68,000                    |
| Operating transfers in.....   |                             |                        | (15,041)                          |                               |                   |                           |
| Operating transfers out.....  |                             |                        |                                   |                               |                   |                           |
| Total other financing sources (uses).....   |                             | 34,250                 | 984,959                           |                               | 30,000            | 68,000                    |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses..... | 9,159                       | 34,250                 | (31,116)                          | (60,084)                      | 30,635            | 68,113                    |
| Fund balance (deficit), July 1, 1995, as restated - Note 2.....   | (607)                       | 125,000                | (44,122)                          |                               | 13,462            | 44,115                    |
| Fund balance (deficit), June 30, 1996.....  | \$8,552                     | \$159,250              | \$ (75,238)                       | \$ (60,084)                   | \$44,097          | \$112,228                 |

TOWN OF BRANFORD  
CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 1996

|  | PINE<br>GUTTER<br>BROOK | HIGH<br>SCHOOL<br>RENOVATIONS | TECHNOLOGY<br>UPGRADE<br>PROJECT | BUILDING<br>RENOVATION | 1996<br>CAPITAL<br>PROJECTS | TOTAL       |
|--|-------------------------|-------------------------------|----------------------------------|------------------------|-----------------------------|-------------|
| Revenues:  |                         |                               | \$ 205                           |                        | \$                          | \$ 72,745   |
| Investment income .....  | \$ 71,300               |                               |                                  |                        |                             | 553,396     |
| Intergovernmental revenues .....   |                         |                               |                                  |                        |                             | 153,760     |
| Other income .....   |                         |                               |                                  |                        |                             |             |
| Total revenues .....   | 71,300                  |                               | 205                              |                        |                             | 779,901     |
| Expenditures:  |                         |                               |                                  | \$ 2,950               |                             | 5,080,820   |
| Capital outlay .....   | 98,094                  | \$ 890,847                    | 419,768                          |                        |                             |             |
| Excess (deficiency) of revenues over expenditures.   | (26,794)                | (890,847)                     | (419,563)                        | (2,950)                |                             | (4,300,919) |
| Other financing sources (uses):  |                         |                               |                                  |                        |                             |             |
| Proceeds from bond anticipation notes issue .....  |                         |                               | 500,000                          |                        |                             | 5,470,000   |
| Operating transfers in .....   |                         |                               |                                  | 33,237                 | \$379,583                   | 1,230,363   |
| Operating transfers out .....  |                         |                               |                                  |                        |                             | (105,547)   |
| Total other financing sources (uses) .....   |                         |                               | 500,000                          | 33,237                 | 379,583                     | 6,594,816   |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses ..... | (26,794)                | (890,847)                     | 80,437                           | 30,277                 | 379,583                     | 2,293,897   |
| Fund balance (deficit), July 1, 1995, as restated - Note 2 .....   |                         |                               |                                  |                        |                             | (3,168,068) |
| Fund balance (deficit), June 30, 1996 .....  | \$(26,794)              | \$(890,847)                   | \$ 80,437                        | \$30,277               | \$379,583                   | \$(874,171) |

TOWN OF BRANFORD

TRUST AND AGENCY FUNDS

COMBINING BALANCE SHEET  
JUNE 30, 1996

|  | WILLOUGHBY<br>WALLACE<br>MEMORIAL<br>LIBRARY<br>FUND | TOURISM<br>FUND | MUNICIPAL<br>RESERVE | TOTAL            |
|--|--|-----------------|----------------------|------------------|
| EXPENDABLE TRUST FUNDS.....                  |  |                 |                      |                  |
| COUNSELING<br>CENTER                         | \$42,277   | \$16,107        | \$12,897             | \$ 83,613        |
| Cash and cash equivalents .....              | \$ 12,332  |                 |                      | 308,804          |
| Investments .....                            | 308,804  |                 |                      |                  |
| Accounts receivable .....                    |  |                 |                      |                  |
| TOTAL.....                                   | <u>\$42,277</u>                                      | <u>\$16,107</u> | <u>\$12,897</u>      | <u>\$392,417</u> |
| <u>A S S E T S</u>                           |  |                 |                      |                  |
| LIABILITIES<br>AND<br>FUND BALANCE           |  |                 |                      |                  |
| Liabilities:                                 |  |                 |                      |                  |
| Accounts payable .....                       | \$ 361   |                 | \$12,813             | \$ 13,174        |
| Due to other funds .....                     | 15,954   |                 |                      | 15,954           |
| Due to students, employees, and others ..... |  |                 |                      |                  |
| Total liabilities.....                       | <u>16,315</u>  |                 | <u>12,813</u>        | <u>29,128</u>    |
| Fund balance:                                |  |                 |                      |                  |
| Reserved for pension benefits .....          |  |                 |                      |                  |
| Reserved for trust principal .....           |  |                 |                      |                  |
| Unreserved and undesignated .....            | 25,962   | \$16,107        | 84                   | 363,289          |
| Total fund balance.....                      | <u>25,962</u>  | <u>16,107</u>   | <u>84</u>            | <u>363,289</u>   |
| TOTAL.....                                   | <u>\$42,277</u>                                      | <u>\$16,107</u> | <u>\$12,897</u>      | <u>\$392,417</u> |

TOWN OF BRANFORD

TRUST AND AGENCY FUNDS

COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 1996

.....PENSION TRUST FUNDS.....NONEXPENDABLE.....

|                                 | POLICE PENSION FUND | VOLUNTEER FIREMENS' PENSION FUND | TOTAL       | DAMASCUS CEMETERY FUND | LESHINE SCHOLARSHIP FUND | CASPAR BLOCK SCHOLARSHIP FUND | GUSTAF NELSON MEMORIAL FUND |
|---------------------------------|---------------------|----------------------------------|-------------|------------------------|--------------------------|-------------------------------|-----------------------------|
| Cash and cash equivalents ..... | \$ (213)            | \$ 497                           | \$ 284      | \$22,986               | \$5,617                  | \$5,851                       | \$10,937                    |
| Investments .....               | 4,315,494           | 131,253                          | 4,446,747   | 1,249                  |                          |                               |                             |
| Accounts receivable .....       | 8,997               |                                  | 8,997       |                        |                          |                               |                             |
| TOTAL .....                     | \$4,324,278         | \$131,750                        | \$4,456,028 | \$24,235               | \$5,617                  | \$5,851                       | \$10,937                    |

A S S E T S

L I A B I L I T I E S  
A N D  
F U N D B A L A N C E

|  |             |
|--|-------------|
| Liabilities:                                 |             |
| Accounts payable .....                       |             |
| Due to other funds .....                     |             |
| Due to students, employees, and others ..... |             |
| Total liabilities.....                       |             |
| Fund balance:                                |             |
| Reserved for pension benefits .....          | \$ 1,500    |
| Reserved for trust principal .....           | 22,735      |
| Unreserved and undesignated .....            | 851         |
| Total fund balance.....                      | 24,235      |
| TOTAL .....                                  | \$4,456,028 |

TOWN OF BRANFORD  
TRUST AND AGENCY FUNDS

COMBINING BALANCE SHEET (CONTINUED)  
 JUNE 30, 1996

| .....NONEXPENDABLE TRUST FUNDS.....  |                                       | .....AGENCY FUNDS.....           |                            |
|--|---------------------------------------|----------------------------------|----------------------------|
| JOHN B. HART FUND  | CASPAR BLOCK SPECIAL RECREATION GRANT | BRANFORD CONSERVATION COMMISSION | SHELLFISH COMMISSION GREEN |
|  | TOTAL                                 |                                  |                            |
| \$124,981  | \$ 177                                | \$1,042                          | \$5,306                    |
|  | 83,917                                |                                  |                            |
|  | \$170,549                             |                                  |                            |
|  | 85,166                                |                                  |                            |
|  | \$255,715                             | \$1,042                          | \$5,306                    |
| \$124,981  | \$84,094                              | \$1,042                          | \$24,186                   |
| <u>A S S E T S</u>   |                                       |                                  |                            |
| Cash and cash equivalents .....  |                                       |                                  |                            |
| Investments .....  |                                       |                                  |                            |
| Accounts receivable .....  |                                       |                                  |                            |
| TOTAL .....  |                                       |                                  |                            |
| <u>L I A B I L I T I E S</u><br><u>A N D</u><br><u>F U N D B A L A N C E</u> |                                       |                                  |                            |
| Liabilities:   |                                       |                                  |                            |
| Accounts payable .....   |                                       |                                  |                            |
| Due to other funds .....   |                                       | \$1,042                          | \$24,186                   |
| Due to students, employees, and others .....                                 |                                       |                                  |                            |
| Total liabilities .....  |                                       | 1,042                            | 24,186                     |
| Fund balance:  |                                       |                                  |                            |
| Reserved for pension benefits .....  | \$100,000                             |                                  |                            |
| Reserved for trust principal .....   | 24,981                                |                                  |                            |
| Unreserved and undesignated .....  | \$59,920                              |                                  |                            |
| Total fund balance .....   | 24,174                                |                                  |                            |
|  | 84,094                                |                                  |                            |
| TOTAL .....  | \$84,094                              | \$1,042                          | \$5,306                    |
|  | \$255,715                             |                                  | \$24,186                   |

TOWN OF BRANFORD  
TRUST AND AGENCY FUNDS

COMBINING BALANCE SHEET (CONTINUED)  
 JUNE 30, 1996

|  |   | .....AGENCY FUNDS.....                  |                                 |                              |                  |                    |
|--|---|---|---------------------------------|------------------------------|------------------|--------------------|
|  | COMMISSION<br>ON SERVICES<br>FOR THE<br>ELDERLY | BOARD OF<br>EDUCATION<br>HEALTH<br>FUND | EMPLOYEE<br>SECTION 457<br>PLAN | STUDENT<br>ACTIVITY<br>FUNDS | TOTAL            | TOTAL              |
| Cash and cash equivalents .....                                | \$55,278  | \$5,637                                 |                                 | \$208,328                    | \$299,777        | \$ 554,223         |
| Investments .....  |   |   | \$240,442                       |                              | 240,442          | 5,081,159          |
| Accounts receivable .....                                      | 100   |   |                                 |                              | 100              | 9,097              |
| <b>TOTAL</b> .....   | <u>\$55,378</u>                                 | <u>\$5,637</u>                          | <u>\$240,442</u>                | <u>\$208,328</u>             | <u>\$540,319</u> | <u>\$5,644,479</u> |
| <br><u>A S S E T S</u><br><br>                                 |   |   |                                 |                              |                  |                    |
| L I A B I L I T I E S<br>A N D<br><u>F U N D B A L A N C E</u> |   |   |                                 |                              |                  |                    |
| Liabilities:   |   |   |                                 |                              |                  |                    |
| Accounts payable .....   |   |   |                                 |                              |                  | \$ 13,174          |
| Due to other funds .....                                       |   |   |                                 |                              |                  | 15,954             |
| Due to students, employees, and others .....                   | \$55,378  | \$5,637                                 | \$240,442                       | \$208,328                    | \$540,319        | 540,319            |
| Total liabilities .....  | <u>55,378</u>                                   | <u>5,637</u>                            | <u>240,442</u>                  | <u>208,328</u>               | <u>540,319</u>   | <u>569,447</u>     |
| Fund balance:  |   |   |                                 |                              |                  |                    |
| Reserved for pension benefits .....                            |   |   |                                 |                              |                  | 4,456,028          |
| Reserved for trust principal .....                             |   |   |                                 |                              |                  | 180,420            |
| Unreserved and undesignated .....                              |   |   |                                 |                              |                  | 438,584            |
| Total fund balance .....                                       |   |   |                                 |                              |                  | <u>5,075,032</u>   |
| <b>TOTAL</b> .....   | <u>\$55,378</u>                                 | <u>\$5,637</u>                          | <u>\$240,442</u>                | <u>\$208,328</u>             | <u>\$540,319</u> | <u>\$5,644,479</u> |

TOWN OF BRANFORD  
EXPENDABLE TRUST FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 1996

|   | COUNSELING<br>CENTER | WILLOUGHBY<br>WALLACE<br>MEMORIAL<br>LIBRARY<br>FUND | TOURISM<br>FUND | MUNICIPAL<br>RESERVE | TOTAL            |
|---|----------------------|--|-----------------|----------------------|------------------|
| Revenues:   |                      |  |                 |                      |                  |
| Investment income .....                                 | \$ 1,768             | \$ 18,033  | \$1,063         | \$ 789               | \$ 21,653        |
| Donations and grants .....                              | <u>38,117</u>        | <u>2,166</u>   |                 |                      | <u>40,283</u>    |
| Total revenues .....                                    | <u>39,885</u>        | <u>20,199</u>  | <u>1,063</u>    | <u>789</u>           | <u>61,936</u>    |
| Expenditures:   |                      |  |                 |                      |                  |
| Health and human services .....                         | 44,095               | 13,360   | 1,027           |                      | 44,095           |
| Parks, recreation and libraries .....                   |                      |  |                 | 12,813               | 14,387           |
| Capital outlay .....                                    |                      |  |                 |                      | <u>12,813</u>    |
| Total expenditures .....                                | <u>44,095</u>        | <u>13,360</u>  | <u>1,027</u>    | <u>12,813</u>        | <u>71,295</u>    |
| Excess (deficiency) of revenues over expenditures ..... | (4,210)              | 6,839  | 36              | (12,024)             | (9,359)          |
| Fund balance, July 1, 1995, as restated - Note 2 .....  | <u>30,172</u>        | <u>314,297</u>                                       | <u>16,071</u>   | <u>12,108</u>        | <u>372,648</u>   |
| Fund balance, June 30, 1996 .....                       | <u>\$25,962</u>      | <u>\$321,136</u>                                     | <u>\$16,107</u> | <u>\$ 84</u>         | <u>\$363,289</u> |

TOWN OF BRANFORD

PENSION TRUST AND NONEXPENDABLE TRUST FUNDS

COMBINING STATEMENT OF REVENUES EXPENSES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 1996

|  | POLICE PENSION FUND | PENSION TRUST FUNDS | VOLUNTEER FIREMENS' PENSION FUND | TOTAL              | DAMASCUS CEMETERY FUND | NONEXPENDABLE TRUST | LESHINE SCHOLARSHIP FUND | CASPAR BLOCK SCHOLARSHIP FUND |
|--|---------------------|---------------------|----------------------------------|--------------------|------------------------|---------------------|--------------------------|-------------------------------|
| <b>Revenues:</b>                                 |                     |                     |                                  |                    |                        |                     |                          |                               |
| Town and employee contributions                  | \$ 825,244          | \$ 25,000           | \$ 12,593                        | \$ 850,244         | \$ 2,012               |                     | \$ 366                   | \$ 379                        |
| Investment income                                | 395,795             |                     |                                  | 408,488            |                        |                     |                          |                               |
| Other revenue                                    | 1,063               |                     |                                  | 1,063              |                        |                     |                          |                               |
| <b>Total revenue</b>                             | <b>1,222,102</b>    | <b>37,693</b>       | <b>12,593</b>                    | <b>1,259,795</b>   | <b>2,012</b>           |                     | <b>366</b>               | <b>379</b>                    |
| <b>Expenses:</b>                                 |                     |                     |                                  |                    |                        |                     |                          |                               |
| Administration                                   | 33,860              | 1,185               |                                  | 35,045             |                        |                     |                          |                               |
| Benefit  | 321,127             |                     |                                  | 321,127            |                        |                     | 250                      | 250                           |
| Scholarships                                     |                     |                     |                                  |                    | 500                    |                     |                          |                               |
| Maintenance                                      |                     |                     |                                  |                    |                        |                     |                          |                               |
| <b>Total expenses</b>                            | <b>354,987</b>      | <b>1,185</b>        | <b>36,508</b>                    | <b>356,172</b>     | <b>500</b>             |                     | <b>250</b>               | <b>250</b>                    |
| <b>Net income</b>                                | <b>867,115</b>      | <b>36,508</b>       | <b>95,242</b>                    | <b>903,623</b>     | <b>1,512</b>           |                     | <b>116</b>               | <b>129</b>                    |
| Fund balance, July 1, 1995, as restated - Note 2 | 3,457,163           |                     |                                  | 3,552,405          | 22,723                 |                     | 5,501                    | 5,722                         |
| <b>Fund balance, June 30, 1996</b>               | <b>\$4,324,278</b>  | <b>\$131,750</b>    | <b>\$4,456,028</b>               | <b>\$4,456,028</b> | <b>\$24,235</b>        |                     | <b>\$5,617</b>           | <b>\$5,851</b>                |

TOWN OF BRANFORD  
TRUST AND AGENCY FUNDS

COMBINING STATEMENT OF REVENUES EXPENSES AND CHANGES IN FUND BALANCE (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 1996

|  | GUSTAF NELSON<br>MEMORIAL<br>FUND | JOHN B.<br>HART<br>FUND | CASPAR BLOCK<br>SPECIAL<br>RECREATION<br>GRANT | TOTAL     | TOTAL       |
|--|-----------------------------------|-------------------------|--|-----------|-------------|
| Revenues:  |                                   |                         |  |           |             |
| Town and employee contributions .....            |                                   |                         |  |           | \$ 850,244  |
| Investment income .....                          | \$ 723                            | \$ 7,946                | \$ 4,035                                       | \$ 15,461 | 423,949     |
| Other revenue .....                              |                                   |                         |  |           | 1,063       |
| Total revenue .....                              | 723                               | 7,946                   | 4,035  | 15,461    | 1,275,256   |
| Expenses:  |                                   |                         |  |           |             |
| Administration .....                             |                                   |                         |  |           | 35,045      |
| Benefit .....                                    |                                   |                         |  |           | 321,127     |
| Scholarships .....                               | 500                               |                         | 1,000  | 1,000     | 1,000       |
| Maintenance .....                                |                                   |                         | 500  | 500       | 500         |
| Total expenses .....                             | 500                               |                         | 1,500  | 1,500     | 357,672     |
| Net income .....                                 | 223                               | 7,946                   | 4,035  | 13,961    | 917,584     |
| Fund balance, July 1, 1995, as restated - Note 2 | 10,714                            | 117,035                 | 80,059   | 241,754   | 3,794,159   |
| Fund balance, June 30, 1996 .....                | \$10,937                          | \$124,981               | \$84,094                                       | \$255,715 | \$4,711,743 |

TOWN OF BRANFORD  
PENSION PLAN ACTIVITY

ANALYSIS OF FUNDING PROGRESS

| FISCAL YEAR                     | NET ASSETS AVAILABLE FOR BENEFITS | PENSION BENEFIT OBLIGATION | PERCENTAGE FUNDED | UNFUNDED (ASSETS IN) EXCESS OF PENSION BENEFIT OBLIGATION |                          | ANNUAL COVERED PAYROLL | UNFUNDED (ASSETS IN) EXCESS OF PENSION BENEFIT OBLIGATION AS A PERCENTAGE OF COVERED PAYROLL |
|---------------------------------|-----------------------------------|----------------------------|-------------------|---|--------------------------|------------------------|--|
|                                 |                                   |                            |                   | POLICE EMPLOYEES' PLAN                                    | VOLUNTEER FIREMENS' PLAN |                        |  |
| 1988                            | \$ 296,369                        | \$5,193,016                | 5.7%              | \$4,896,647   |                          | \$1,006,572            | 205.6%   |
| 1989                            | N/A                               | N/A                        | N/A               | N/A   |                          | 1,102,677              | N/A  |
| 1990                            | 531,292                           | 6,501,104                  | 8.2               | 5,969,812   |                          | 1,279,161              | 466.6  |
| 1991                            | 967,647                           | 6,972,250                  | 13.9              | 6,004,603   |                          | N/A                    | N/A  |
| 1992                            | 1,537,248                         | 7,395,440                  | 20.8              | 5,858,192   |                          | 1,615,767              | 362.5  |
| 1993                            | 2,322,778                         | 7,927,427                  | 29.3              | 5,604,649   |                          | 1,698,452              | 330.0  |
| 1994                            | 2,775,275                         | 8,589,565                  | 32.3              | 5,814,290   |                          | 1,797,306              | 323.5  |
| 1995                            | 3,457,163                         | 8,368,680                  | 41.3              | 4,911,517   |                          | 1,920,766              | 255.7  |
| <u>VOLUNTEER FIREMENS' PLAN</u> |                                   |                            |                   |   |                          |                        |  |
| 1994*                           | \$ 65,000                         | \$363,547                  | 17.8%             | \$298,547   |                          | N/A                    | N/A  |
| 1995*                           | 95,242                            | 39,224                     | 242.8             | (56,018)  |                          | N/A                    | N/A  |
| 1996*                           | 131,750                           | 47,004                     | 280.3             | (84,746)  |                          | N/A                    | N/A  |

Note: The Volunteer Firemens' Retirement Plan began on January 1, 1991.  
N/A - Not Available  
\* Estimates only

TOWN OF BRANFORDPENSION TRUST FUND  
REVENUES BY SOURCE

| FISCAL YEAR                     | EMPLOYEE CONTRIBUTION | EMPLOYER CONTRIBUTION | INVESTMENT INCOME (LOSS) | TOTAL      | EMPLOYER CONTRIBUTION AS A PERCENTAGE OF COVERED PAYROLL |
|---------------------------------|-----------------------|-----------------------|--------------------------|------------|--|
| <u>POLICE EMPLOYEES PLAN</u>    |                       |                       |                          |            |  |
| 1989                            | \$ 30,565             | \$250,000             | \$ 32,253                | \$ 312,818 | 22.67%   |
| 1990                            | 61,463                | 325,000               | 307,974                  | 694,437    | 25.41  |
| 1991                            | 68,945                | 525,000               | 43,580                   | 637,525    | N/A  |
| 1992                            | 80,830                | 550,000               | 75,989                   | 706,819    | 45.8   |
| 1993                            | 103,561               | 600,000               | 134,260                  | 837,821    | 35.3   |
| 1994                            | 105,196               | 700,000               | 223,670                  | 1,028,866  | 38.9   |
| 1995                            | 114,886               | 700,000               | (42,600)                 | 772,286    | 36.4   |
| 1996 (1)                        | 125,244               | 700,000               | 396,858                  | 1,222,102  | 33.3   |
| <u>VOLUNTEER FIREMENS' PLAN</u> |                       |                       |                          |            |  |
| 1992                            |                       | \$10,000              |                          | \$10,000   | N/A  |
| 1993                            |                       | 25,000                |                          | 25,000     | N/A  |
| 1994                            |                       | 30,000                |                          | 30,000     | N/A  |
| 1995                            |                       | 30,000                | \$ 635                   | 30,635     | N/A  |
| 1996 (1)                        |                       | 25,000                | 12,693                   | 37,693     | N/A  |

Note: The Volunteer Firemens' Retirement Plan began on January 1, 1991.

(1) Funds reported on a market value basis

TOWN OF BRANFORDPENSION TRUST FUND

## EXPENSES BY TYPE

| FISCAL<br>YEAR                  | BENEFITS  | ADMINISTRATIVE<br>EXPENSES | TOTAL     |
|---------------------------------|-----------|----------------------------|-----------|
| <u>POLICE EMPLOYEES PLAN</u>    |           |                            |           |
| 1988                            | \$237,444 | \$ 3,279                   | \$240,723 |
| 1989                            | 238,729   | 5,442                      | 244,171   |
| 1990                            | 270,141   | 177,452                    | 447,593   |
| 1991                            | 276,803   | 4,307                      | 281,110   |
| 1992                            | 281,097   | 7,347                      | 288,444   |
| 1993                            | 286,283   | 19,334                     | 305,617   |
| 1994                            | 319,337   | 32,206                     | 351,617   |
| 1995                            | 320,331   | 27,264                     | 347,595   |
| 1996                            | 321,127   | 33,860                     | 354,987   |
| <u>VOLUNTEER FIREMENS' PLAN</u> |           |                            |           |
| 1994                            |           |                            | \$ - 0 -  |
| 1995                            |           |                            | - 0 -     |
| 1996                            |           | \$1,185                    | 1,185     |

Note: The Volunteer Firemens' Retirement Plan began on January 1, 1991.

TOWN OF BRANFORD

NONEXPENDABLE TRUST FUNDS

COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 1996

|  | DAMASCUS<br>CEMETERY<br>FUND | LESHINE<br>SCHOLARSHIP<br>FUND | CASPAR BLOCK<br>SCHOLARSHIP<br>FUND | GUSTAF NELSON<br>MEMORIAL<br>FUND | JOHN B.<br>HART<br>FUND | CASPAR BLOCK<br>SPECIAL<br>RECREATION<br>GRANT | TOTAL      |
|--|------------------------------|--------------------------------|-------------------------------------|-----------------------------------|-------------------------|--|------------|
| Cash flows from operating activities:  |                              |                                |                                     |                                   |                         |  |            |
| Payments for scholarship and other   | \$ (500)                     | \$ (250)                       | \$ (250)                            | \$ (500)                          |                         |  | \$ (1,500) |
| Net cash provided (used) by operating activities   | (500)                        | (250)                          | (250)                               | (500)                             |                         |  | (1,500)    |
| Cash flows from investing activities:  |                              |                                |                                     |                                   |                         |  |            |
| Interest income  | 2,012                        | 366                            | 379                                 | 723                               | \$ 7,946                | \$ 4,035                                       | 15,461     |
| Purchase of investments  |                              |                                |                                     |                                   |                         | (4,035)  | (4,035)    |
| Net cash provided by investing activities  | 2,012                        | 366                            | 379                                 | 723                               | 7,946                   | (1)  | 11,425     |
| Net increase (decrease) in cash and cash equivalents                                     | 1,512                        | 116                            | 129                                 | 223                               | 7,946                   | (1)  | 9,925      |
| Cash and cash equivalents at beginning of year   | 21,474                       | 5,501                          | 5,722                               | 10,714                            | 117,035                 | 178  | 160,624    |
| Cash and cash equivalents at end of year   | \$22,986                     | \$5,617                        | \$5,851                             | \$10,937                          | \$124,981               | \$ 177   | \$170,549  |
| RECONCILIATION OF NET INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES         |                              |                                |                                     |                                   |                         |  |            |
| Net income   | \$ 1,512                     | \$ 116                         | \$ 129                              | \$ 223                            | \$ 7,946                | \$ 4,035                                       | \$ 13,961  |
| Adjustments to reconcile net income to net cash provided (used) by operating activities: |                              |                                |                                     |                                   |                         |  |            |
| Interest income included in operating income   | (2,012)                      | (366)                          | (379)                               | (723)                             | (7,946)                 | (4,035)  | (15,461)   |
| Net cash provided (used) by operating activities   | \$ (500)                     | \$ (250)                       | \$ (250)                            | \$ (500)                          | \$ - 0 -                | \$ - 0 -                                       | \$ (1,500) |

TOWN OF BRANFORD

AGENCY FUND

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED JUNE 30, 1996

|   | BALANCE<br>JULY 1, 1995 | ADDITIONS | DEDUCTIONS | BALANCE<br>JUNE 30, 1996 |
|---|-------------------------|-----------|------------|--------------------------|
| <u>BRANFORD CONSERVATION COMMISSION</u>           |                         |           |            |                          |
| <u>ASSETS</u>                                     |                         |           |            |                          |
| Cash and cash equivalents .....                   | \$1,000                 | \$42      | \$ - 0 -   | \$1,042                  |
| <u>LIABILITIES</u>                                |                         |           |            |                          |
| Due to students, employees and other groups ..... | \$1,000                 | \$42      | \$ - 0 -   | \$1,042                  |
| <u>SHELLFISH COMMISSION</u>                       |                         |           |            |                          |
| <u>ASSETS</u>                                     |                         |           |            |                          |
| Cash and cash equivalents .....                   | \$4,043                 | \$1,263   | \$ - 0 -   | \$5,306                  |
| <u>LIABILITIES</u>                                |                         |           |            |                          |
| Due to students, employees and other groups ..... | \$4,043                 | \$1,263   | \$ - 0 -   | \$5,306                  |
| <u>BOARD OF EDUCATION HEALTH FUND</u>             |                         |           |            |                          |
| <u>ASSETS</u>                                     |                         |           |            |                          |
| Cash and cash equivalents .....                   | \$6,134                 | \$6,500   | \$6,997    | \$5,637                  |
| <u>LIABILITIES</u>                                |                         |           |            |                          |
| Due to students, employees and other groups ..... | \$6,134                 | \$6,500   | \$6,997    | \$5,637                  |
| <u>ACADEMY-ON-THE-GREEN</u>                       |                         |           |            |                          |
| <u>ASSETS</u>                                     |                         |           |            |                          |
| Cash and cash equivalents .....                   | \$20,517                | \$4,062   | \$393      | \$24,186                 |
| <u>LIABILITIES</u>                                |                         |           |            |                          |
| Due to students, employees and other groups ..... | \$20,517                | \$4,062   | \$393      | \$24,186                 |

TOWN OF BRANFORD  
 AGENCY FUND  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES, ETC.

|   | BALANCE<br>JULY 1, 1995 | ADDITIONS   | DEDUCTIONS  | BALANCE<br>JUNE 30, 1996 |
|---|-------------------------|-------------|-------------|--------------------------|
| <u>COMMISSION ON SERVICES FOR THE ELDERLY</u>     |                         |             |             |                          |
| <u>ASSETS</u>                                     |                         |             |             |                          |
| Cash and cash equivalents .....                   | \$54,187                | \$249,539   | \$248,448   | \$55,278                 |
| Accounts receivable .....                         |                         | 100         |             | 100                      |
| TOTAL ASSETS .....                                | \$54,187                | \$249,639   | \$248,448   | \$55,378                 |
| <u>LIABILITIES</u>                                |                         |             |             |                          |
| Due to students, employees and other groups ..... | \$54,187                | \$249,639   | \$248,448   | \$55,378                 |
| <u>EMPLOYEE SECTION 457 PLAN</u>                  |                         |             |             |                          |
| <u>ASSETS</u>                                     |                         |             |             |                          |
| Investments .....                                 | \$161,150               | \$79,292    | \$ - 0 -    | \$240,442                |
| <u>LIABILITIES</u>                                |                         |             |             |                          |
| Due to students, employees and other groups ..... | \$161,150               | \$79,292    | \$ - 0 -    | \$240,442                |
| <u>STUDENT ACTIVITY FUNDS</u>                     |                         |             |             |                          |
| <u>ASSETS</u>                                     |                         |             |             |                          |
| Cash and cash equivalents .....                   | \$132,278               | \$1,255,485 | \$1,179,435 | \$208,328                |
| <u>LIABILITIES</u>                                |                         |             |             |                          |
| Due to students, employees and other groups ..... | \$132,278               | \$1,255,485 | \$1,179,435 | \$208,328                |
| <u>TOTAL - ALL FUNDS</u>                          |                         |             |             |                          |
| <u>ASSETS</u>                                     |                         |             |             |                          |
| Cash and cash equivalents .....                   | \$218,159               | \$1,516,891 | \$1,435,273 | \$299,777                |
| Accounts receivable .....                         |                         | 100         |             | 100                      |
| Investments .....                                 | 161,150                 | 79,292      |             | 240,442                  |
| TOTAL ASSETS .....                                | \$379,309               | \$1,596,283 | \$1,435,273 | \$540,319                |
| <u>LIABILITIES</u>                                |                         |             |             |                          |
| Due to students, employees and other groups ..... | \$379,309               | \$1,596,283 | \$1,435,273 | \$540,319                |

TOWN OF BRANFORDSTATEMENT OF GENERAL LONG-TERM DEBT  
JUNE 30, 1996AMOUNT AVAILABLE AND TO BE PROVIDED  
FOR RETIREMENT  
OF GENERAL LONG-TERM DEBT

|  |                     |
|--|---------------------|
| Amount to be provided by State grants..... | \$ 5,194,907        |
| Amount to be provided by Town.....         | <u>27,844,228</u>   |
| TOTAL .....                                | <u>\$33,039,135</u> |

GENERAL LONG-TERM DEBT PAYABLE

|   |                     |
|---|---------------------|
| Notes and bonds payable.....                | \$20,556,726        |
| Bond anticipation notes.....                | 5,470,000           |
| Sewer anticipation notes.....               | 815,000             |
| Compensated absences.....                   | 4,674,718           |
| Lease purchase.....                         | 178,820             |
| Landfill closure/postclosure liability..... | 1,200,000           |
| Early retirement incentive.....             | <u>143,871</u>      |
| TOTAL .....                                 | <u>\$33,039,135</u> |

TOWN OF BRANFORD

SCHEDULE OF LONG-TERM INDEBTEDNESS  
FOR THE YEAR ENDED JUNE 30, 1996

| DESCRIPTION                 | ISSUE DATE | MATURITY DATE | ORIGINAL AMOUNT | INTEREST RATE (%) | BALANCE JULY 1, 1995 | ISSUED DURING YEAR | RETIRED     | OUTSTANDING JUNE 30, 1996 |
|-----------------------------|------------|---------------|-----------------|-------------------|----------------------|--------------------|-------------|---------------------------|
| General:                    |            |               |                 |                   |                      |                    |             |                           |
| School                      | 6/01/82    | 6/01/02       | \$6,300,000     | 11.40             | \$ 2,100,000         |                    | \$ 300,000  | \$ 1,800,000              |
| School                      | 6/01/90    | 6/01/08       | \$8,000,000     | 6.4-8.4           | 5,850,000            |                    | 460,000     | 5,390,000                 |
| School                      | 4/01/91    | 6/15/09       | \$4,419,000     | 5.9-7.9           | 3,219,000            |                    | 275,000     | 2,944,000                 |
| Public improvement          | 4/01/84    | 4/01/03       | \$2,570,000     | 8.60-9.10         | 760,000              |                    | 95,000      | 665,000                   |
| Public improvement          | 8/01/77    | 8/01/95       | \$2,785,000     | 5.10              | 150,000              |                    | 150,000     |                           |
| Public improvement          | 5/01/86    | 11/01/02      | \$2,755,000     | 6.20-6.3          | 955,000              |                    | 200,000     | 755,000                   |
| Public improvement          | 6/01/90    | 6/01/08       | \$1,823,000     | 6.4-8.4           | 1,282,500            |                    | 98,500      | 1,184,000                 |
| Public improvement          | 4/01/91    | 6/15/09       | \$1,900,000     | 5.9-7.9           | 1,520,000            |                    | 95,000      | 1,425,000                 |
| Special assessment:         |            |               |                 |                   |                      |                    |             |                           |
| Sewer                       | 2/01/82    | 2/01/97       | \$1,475,000     | 12.20             | 175,000              |                    | 100,000     | 75,000                    |
| Sewer                       | 3/01/78    | 3/01/03       | \$5,000,000     | 5.35              | 1,600,000            |                    | 200,000     | 1,400,000                 |
| Sewer                       | 4/01/84    | 4/01/03       | \$4,890,000     | 8.60-9.1          | 2,120,000            |                    | 265,000     | 1,855,000                 |
| Sewer                       | 5/01/86    | 11/01/02      | \$700,000       | 6.65              | 250,000              |                    | 50,000      | 200,000                   |
| Sewer                       | 6/01/90    | 6/01/08       | \$531,000       | 6.4-8.4           | 381,500              |                    | 29,500      | 352,000                   |
| Sewer                       | 4/01/91    | 6/15/09       | \$2,781,000     | 5.9-7.9           | 2,261,000            |                    | 130,000     | 2,131,000                 |
| Water                       | 6/01/90    | 6/01/08       | \$206,000       | 6.4-8.4           | 146,000              |                    | 12,000      | 134,000                   |
| Total bonds                 |            |               | 22,770,000      |                   | 22,770,000           |                    | 2,460,000   | 20,310,000                |
| State of Connecticut, Water | 6/94       | 6/13          |                 | 2                 | 258,792              |                    | 12,056      | 246,726                   |
| TOTAL                       |            |               |                 |                   | \$23,028,792         | \$ - 0 -           | \$2,472,056 | \$20,556,726              |

TOWN OF BRANFORD

## STATEMENT OF DEBT LIMITATION

JUNE 30, 1996

|  |                     |
|--|---------------------|
| Total tax collections (including interest and lien fees)<br>received by Treasurer for the year ended June 30, 1996 ..... | \$41,382,959        |
| Total tax collections (including interest and lien fees) of<br>coterminous municipalities .....                          | 631,492             |
| Reimbursement for revenue loss on:<br>Elderly tax relief .....   | <u>52,102</u>       |
| BASE .....   | <u>\$42,066,553</u> |

|                        | <u>General<br/>Purpose</u> | <u>Schools</u>     | <u>Sewers</u>      | <u>Urban<br/>Renewal</u> |
|------------------------|----------------------------|--------------------|--------------------|--------------------------|
| Debt limitation:       |                            |                    |                    |                          |
| 2-1/4 times base ..... | \$94,649,744               |                    |                    |                          |
| 4-1/2 times base ..... |                            | \$189,299,489      |                    |                          |
| 3-3/4 times base ..... |                            |                    | \$157,749,574      |                          |
| 3-1/4 times base ..... |                            |                    |                    | <u>\$136,716,297</u>     |
| Total .....            | <u>94,649,744</u>          | <u>189,299,489</u> | <u>157,749,574</u> | <u>136,716,297</u>       |

|  |                   |                    |                  |  |
|--|-------------------|--------------------|------------------|--|
| Indebtedness:                              |                   |                    |                  |  |
| Bonds payable .....                        | 4,029,000         | 10,134,000         | 6,259,726        |  |
| Bonds authorized and<br>unissued.....      | 7,070,000         |                    |                  |  |
| Notes payable .....                        |                   |                    | 815,000          |  |
| School building grants<br>receivables..... |                   | <u>(5,194,907)</u> |                  |  |
| Total indebtedness                         | <u>11,099,000</u> | <u>4,939,093</u>   | <u>7,074,726</u> |  |

|   |                     |                      |                      |                      |
|---|---------------------|----------------------|----------------------|----------------------|
| Debt limitation in<br>excess of outstanding<br>and authorized debt .. | <u>\$83,550,744</u> | <u>\$184,360,396</u> | <u>\$150,674,848</u> | <u>\$136,716,297</u> |
|---|---------------------|----------------------|----------------------|----------------------|

NOTE 1: In no case shall total indebtedness exceed seven times annual receipts from taxation \$294,465,871.

NOTE 2: Water bonds are excluded from the computation above.