

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, 1998 and for the year then ended, as listed in the accompanying Table of Contents (Exhibits I to VI, 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 the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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.

In our opinion, the aforementioned general-purpose financial statements present fairly, in all material respects, the financial position of the Town of Branford at June 30, 1998 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 2 to the general purpose financial statements, the Town changed its method of accounting for investments to conform with the provisions of Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 1998 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole (Exhibits I to VI, 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.

December 4, 1998

Scully & Wolf LLP

TOWN OF BRANFORD

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**General Purpose
Financial Statements**

TOWN OF BRANFORD

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	FUND TYPES					ACCOUNT GROUPS			TOTALS		
	GOVERNMENTAL	FUND	FIDUCIARY	TRUST	GENERAL	GENERAL	GENERAL	GENERAL	GENERAL	GENERAL	GENERAL
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	AGENCY	TRUST	FIXED ASSETS	LONG-TERM DEBT	DEBT	JUNE 30, 1998	JUNE 30, 1997	
ASSETS AND OTHER DEBITS											
Assets:											
Cash and cash equivalents	\$16,820,556	\$1,737,850	\$ 526,934	\$ 655,988					\$ 19,741,328	\$ 15,130,678	
Investments				8,576,549					8,576,549	6,629,409	
Receivables:											
Taxes	2,386,238								2,386,238	2,628,002	
Assessments		4,854,340							4,854,340	5,006,263	
Intergovernmental	153,598	243,123							396,721	266,067	
Other	501,291								501,291	138,272	
Due from other funds	2,061,009	284,995	11,825,950	22,456					14,194,410	5,874,191	
Inventory		10,432							10,432	7,946	
Fixed assets									64,477,534	55,327,733	
Other assets	25,331	20,656							45,987	47,437	
Other debits:											
Amount to be provided from State grants								\$14,213,539	14,213,539	4,666,139	
Amount to be provided from taxation								40,512,297	40,512,297	37,742,618	
TOTAL	\$21,948,023	\$7,151,396	\$12,352,884	\$9,254,993	\$64,477,534	\$54,725,836	\$169,910,666		\$133,464,755		
LIABILITIES, EQUITY AND OTHER CREDITS											
Liabilities:											
Accounts payable and accrued expenses	\$ 1,228,024	\$ 311,199	\$ 1,622,899	\$ 21,142					\$ 3,183,264	\$ 4,347,807	
Accrued termination benefits payable								\$ 5,780,747	5,780,747	5,975,475	
Due to other funds	11,779,709	793,665	1,597,316	23,720					14,194,410	5,874,191	
Due to student and other groups				992,355					992,355	783,844	
Deferred revenues	2,572,197	4,878,178							7,450,375	8,217,747	
Bond and sewer anticipation notes payable			873,470						873,470	851,000	
General obligation bonds and notes payable								46,314,381	46,314,381	33,141,390	
Other liabilities	434,574							1,168,921	1,603,495	1,709,956	
Net pension obligation								1,461,787	1,461,787	1,412,012	
Total liabilities	16,014,504	5,983,042	4,093,685	1,037,217	\$54,725,836	81,854,284			62,313,422		
Equity and other credits:											
Investments in general fixed assets									64,477,534	55,327,733	
Fund balance (deficit):											
Reserved for inventory		10,432							10,432	7,946	
Reserved for employees retirement benefits				7,469,677					7,469,677	5,756,233	
Reserved for encumbrances	38,300		9,643,103						9,681,403	7,285,641	
Reserved trust principal				200,420					200,420	200,420	
Unreserved:											
Designated for subsequent year budget	2,200,000								2,200,000	3,915,000	
Designated for specific purposes			1,770,294						1,770,294	471,453	
Undesignated	3,695,219	1,157,922	(3,154,198)	547,679					2,246,622	(1,813,093)	
Total equity and other credits	5,933,519	1,168,354	8,259,199	8,217,776	\$64,477,534				88,056,382	71,151,333	
TOTAL	\$21,948,023	\$7,151,396	\$12,352,884	\$9,254,993	\$64,477,534	\$54,725,836	\$169,910,666		\$133,464,755		

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, 1998 WITH COMPARATIVE TOTALS FOR 1997

FOR THE YEAR ENDED JUNE 30, 1998 WITH COMPARATIVE FIGURES FOR 1997						
	GOVERNMENTAL FUND TYPES.....			FIDUCIARY	TOTALS	
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	.FUND TYPE. EXPENDABLE TRUST	(MEMORANDUM ONLY) FOR THE YEARS ENDED	
					JUNE 30, 1998	JUNE 30, 1997
Revenues:						
Taxes.....	\$44,424,299	\$1,224,196			\$44,424,299	\$ 42,596,640
Assessments.....		1,737,881	\$ 202,283		1,224,196	1,324,459
Intergovernmental revenues.....	4,915,533				6,885,697	5,888,192
Licenses, permits and other departments.....	2,135,872				2,135,872	1,672,393
Donations and grants.....				\$ 53,837	53,837	22,922
Investment income.....	1,171,373	55,067	10,097	23,566	1,260,103	1,271,216
Sales and services.....	752,890	1,379,124			2,132,014	1,355,224
Other.....		75,736	7,668		83,404	856,149
Total revenues.....	53,399,967	4,472,004	220,048	77,403	58,169,422	54,987,195
Expenditures:						
Current:						
General government.....	2,010,069				2,010,069	1,953,064
Public safety.....	5,764,848	43,254			5,808,102	5,156,167
Public works and highway.....	5,019,123	363,094			5,382,217	5,435,029
Parks, recreation and libraries.....	1,276,864	127,815		13,519	1,418,198	1,263,054
Health and human services.....	1,111,185	725,279		28,435	1,864,899	1,810,749
Education.....	29,945,578	1,858,078			31,803,656	30,150,809
Pension and insurance.....	3,433,167				3,433,167	3,507,512
Capital outlay.....	277,340	9,645,157			9,922,497	10,982,215
Debt service.....	5,323,074	1,863,189			7,186,263	5,787,031
Total expenditures.....	54,161,248	4,980,709	9,645,157	41,954	68,829,068	66,045,630
Excess (deficiency) of revenues over expenditures.....	(761,281)	(508,705)	(9,425,109)	35,449	(10,659,646)	(11,058,435)
Other financing sources (uses):						
Proceeds from bond issue.....	10,009	530,000	16,175,000		16,705,000	10,600,000
Operating transfers in.....	(537,000)	(124,259)	661,259		671,268	1,638,493
Operating transfers out.....	6,990,387		(9,787)	(222)	(671,268)	(1,638,493)
Proceeds of refunding bonds.....	(6,990,387)				6,990,387	
Payment to refund bond escrow agent.....					(6,990,387)	
Total other financing sources (uses).....	(526,991)	405,741	16,826,472	(222)	16,705,000	10,600,000
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(1,288,272)	(102,964)	7,401,363	35,227	6,045,354	(458,435)
Fund balance, beginning of year.....	7,221,791	1,271,318	857,836	381,578	9,732,523	10,190,958
Fund balance, end of year.....	\$ 5,933,519	\$1,168,354	\$ 8,259,199	\$416,805	\$ 15,777,877	\$ 9,732,523

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

TOWN OF BRANFORD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND AND SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1998

	 GENERAL FUND.....		 SPECIAL REVENUE FUNDS.....	
	AMENDED BUDGET	ACTUAL	AMENDED BUDGET	ACTUAL
			VARIANCE FAVORABLE (UNFAVORABLE)	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:				
Taxes.....	\$43,152,512	\$44,424,299	\$1,271,787	\$1,224,196
Assessments.....				\$ (99,904)
Licenses, permits and other departments.....	1,787,100	2,135,872	348,772	
Intergovernmental revenues.....	4,127,963	3,681,104	(446,859)	(21,899)
Investment income.....	1,100,000	1,171,373	71,373	5,135
Sales and services.....	674,208	752,890	78,682	(1,158)
Other.....			168,749	221,769
				53,020
Total revenues.....	50,841,783	52,165,538	1,323,755	2,773,236
				(64,806)
Expenditures:				
Current:				
General government.....	2,102,402	2,020,069	82,333	
Public safety.....	5,872,437	5,764,848	107,589	1,025
Public works and highway.....	5,449,469	5,047,423	402,046	6,131
Parks, recreation and libraries.....	1,287,077	1,276,864	10,213	
Health and human services.....	1,136,876	1,111,185	25,691	
Education.....	28,739,733	28,711,149	28,584	129,161
Pension and insurance.....	3,627,760	3,433,167	194,593	(75,362)
Capital outlay.....	315,000	277,340	37,660	
Debt service.....	5,737,029	5,323,074	413,955	13,694
				1,863,189
Total expenditures.....	54,267,783	52,965,119	1,302,664	3,317,926
				74,649
Excess of revenues over expenditures.....	(3,426,000)	(799,581)	2,626,419	(544,690)
				9,843
Other financing sources (uses):				
Operating transfers in.....	70,000	10,009	(59,991)	(83,509)
Operating transfers out.....	(559,000)	(537,000)	22,000	
Proceeds from bonds/notes.....			530,000	530,000
Total other financing sources uses.....	(489,000)	(526,991)	(37,991)	446,491
				(83,509)
Excess of revenues and other financing sources over expenditures and other financing uses....	\$(3,915,000)	(1,326,572)	\$2,588,428	\$ (73,666)
Fund balance, July 1, 1997.....		7,221,791		813,917
Fund balance, June 30, 1998.....		\$ 5,895,219		\$ 715,718

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

EXHIBIT IV

TOWN OF BRANFORD

COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCE
NONEXPENDABLE TRUST FUNDS
FOR THE YEARS ENDED JUNE 30, 1998 AND 1997

	1998	1997
Operating revenues:		
Investment income:		
Interest and dividends	\$ 13,121	\$ 11,501
Net increase in fair value of investments	21,841	21,219
Other revenue	<u>25</u>	<u>20,000</u>
Total operating revenues	<u>34,987</u>	<u>52,720</u>
Operating expenses:		
Scholarships	1,000	1,000
Other	<u>37,537</u>	<u>18,072</u>
Total operating expenses	<u>38,537</u>	<u>19,072</u>
Net income (loss)	(3,550)	33,648
Fund balance, July 1, as restated - see Note 2...	<u>334,844</u>	<u>301,196</u>
Fund balance, June 30,	<u><u>\$331,294</u></u>	<u><u>\$334,844</u></u>

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 YEARS ENDED JUNE 30, 1998 AND 1997

	1998	1997
Cash flows from operating activities:		
Payments for scholarships and other	\$ (39,037)	\$ (18,572)
Cash from contributions	<u>25</u>	<u>20,000</u>
Net cash provided from operating activities	<u>(39,012)</u>	<u>1,428</u>
Cash flows from investing activities:		
Interest income	13,121	11,501
Sale of investments	<u> </u>	<u>83,917</u>
Net cash provided from investing activities	<u>13,121</u>	<u>95,418</u>
Net increase in cash and cash equivalents	(25,891)	96,846
Cash and cash equivalents at beginning of year	<u>267,395</u>	<u>170,549</u>
Cash and cash equivalents at end of year	241,504	267,395
Other Trust and Agency Funds:		
Cash and cash equivalents, June 30, 1998:		
Pension Trust Funds		(213)
Expendable Trust Funds	57,225	56,358
Agency Funds	<u>357,259</u>	<u>384,557</u>
Total All Trust and Agency Funds	<u>\$655,988</u>	<u>\$708,097</u>
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Net income (loss)	\$ (3,550)	\$ 33,648
Adjustments to reconcile net income to net cash		
Provided (used) by operating activities:		
Interest income included in operating income	(13,121)	(11,501)
Decrease in accounts payable	(500)	500
Net increase (decrease) in market value	<u>(21,841)</u>	<u>(21,219)</u>
Net cash provided (used) by operating activities...	<u>\$ (39,012)</u>	<u>\$ 1,428</u>

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

EXHIBIT VI

TOWN OF BRANFORD

STATEMENT OF CHANGES IN PLAN NET ASSETS
PENSION TRUST FUNDS
FOR THE YEARS ENDED JUNE 30, 1998 AND 1997

	1998	1997
Additions:		
Contributions:		
Employer.....	\$ 756,000	\$ 770,000
Plan members.....	<u>134,347</u>	<u>119,291</u>
Total contributions.....	<u>890,347</u>	<u>889,291</u>
Investment income:		
Net appreciation in fair value of investments..	942,784	668,639
Interest and dividends.....	<u>268,463</u>	<u>235,336</u>
Net investment income.....	<u>1,211,247</u>	<u>903,975</u>
Total additions	<u>2,101,594</u>	<u>1,793,266</u>
Deductions:		
Benefits.....	333,786	319,956
Administration.....	<u>54,364</u>	<u>41,355</u>
Total deductions	<u>388,150</u>	<u>361,311</u>
Net increase.....	1,713,444	1,431,955
Net assets held in trust for pension benefits, July 1,	<u>5,756,233</u>	<u>4,324,278</u>
Net assets held in trust for pension benefits, June 30,	<u>\$7,469,677</u>	<u>\$5,756,233</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, 1998

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 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. General fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

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 certain Special Revenue Funds are authorized annually by the Town. The Board of Finance recommends and the Representative Town Meeting (RTM) approves the budget.

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 (Sewer Assessment, Water Assessment, Dog Fund, BOE Program Fund, Day Care and Cafeteria). 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 from fund balance were made during the year ended June 30, 1998.

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.

- 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, 1997 follows:

	General Fund.....	
	<u>Revenues</u>	<u>Expenditures</u>
GAAP basis, Exhibit II.....	\$53,399,967	\$54,161,248
Encumbrances:		
June 30, 1998.....		38,300
State on-behalf payments for teacher retirement	(1,145,627)	(1,145,627)
Special education excess cost grants.....	<u>(88,802)</u>	<u>(88,802)</u>
Non-GAAP budgetary basis, Exhibit III	<u>\$52,165,538</u>	<u>\$52,965,119</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.....	\$ 4,517,539	\$ 5,026,244
Encumbrances:		
June 30, 1997.....	- 0 -	- 0 -
June 30, 1998.....	- 0 -	- 0 -
Non-budgeted funds	<u>(1,744,303)</u>	<u>(1,708,318)</u>
Non-GAAP budgetary basis, Exhibit III	<u>\$ 2,773,236</u>	<u>\$ 3,317,926</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 fair value for all funds.

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, 1998. 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 waste 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 \$777,729 this year. General Fund unreserved, undesignated fund balance for fiscal year ended June 30, 1998 as reflected in the BRRFOC's financial statements is \$8.6 million. A complete set of financial statements for BRRFOC can be obtained from the administrative office at 43 Enterprise Drive, Bristol, Connecticut.

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 \$63,555,000.

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.

N. Comparative Data

The financial information shown for 1997 in the financial statements is included to provide a basis for comparison with 1998 and presents summarized totals only. Certain 1997 information has been restated. (See Note 2).

2. RESTATEMENT OF PRIOR YEAR AMOUNTS

A restatement of a prior year reported amount was necessary in order to reflect investments at fair value instead of cost in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*. The retroactive adjustments resulted in a restatement of fund balance and 1996-97 previously reported amounts.

	<u>As Previously Reported</u>	<u>Adjustment</u>	<u>Balance as Restated</u>
Nonexpendable Trust Fund:			
Damascus Cemetery Fund:			
Fund balance, July 1, 1996.....	\$24,235	\$45,481	\$69,716
Net increase in fair value of investments	\$ - 0 -	\$21,219	\$21,219

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: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. 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, 1998:

Deposits:	
Demand accounts	\$ 1,284,595
Interest bearing accounts	<u>277,894</u>
Total deposits	1,562,489
Petty cash accounts	900
Other cash equivalents*:	
Tax Exempt Proceeds Funds	2,687**
State Short-Term Investment Fund (STIF)	<u>18,175,252**</u>
TOTAL CASH AND CASH EQUIVALENTS	<u>\$19,741,328</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, 1998, the carrying amount of the Town deposits was \$1,562,489 and the bank balance was \$2,831,868. Of the bank balance, \$363,671 was covered by Federal Depository Insurance. Section 36a-333 of the Connecticut General Statutes requires that each depository maintain segregated collateral in an

amount equal to a defined percentage of its public deposits based upon the bank's risk based capital ratio. A minimum of \$276,820 based on June 30, 1998 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 \$2,191,377 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, 1998, the Town's investments consisted of the following:

	Category.....			Market
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Value</u>
Categorized Investments:				
U.S. Government Securities			\$ 363,581	\$ 363,581
Equity Securities.....	\$89,790			89,790
Police Pension and Volunteer Firemen Fund:				
U.S. Government Securities.....			738,490	738,490
Other Debt Securities			1,995,618	1,995,618
Equity Securities			4,916,224	4,916,224
Total.....	<u>\$89,790</u>	<u>\$ -0-</u>	<u>\$8,013,913</u>	8,103,703
Noncategorized Investments:				
Pooled Investments - Deferred Compensation Fund.....				<u>472,846*</u>
TOTAL.....				<u>\$8,576,549</u>

* Not categorized - the Town does not own identifiable securities but invests as a shareholder of the investment pool.

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 lien.

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, 1998, are as follows:

<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Amount</u>
General Fund.....	Transfer Facility.....	\$ 945
General Fund.....	Elementary School Renovation Fund	1,682
General Fund.....	Town Revitalization Fund	2,749
General Fund.....	Water Assessment Fund	103,810
General Fund.....	Sewer Assessment Fund	594,479
General Fund.....	Clarifier Fund.....	102,909
General Fund.....	Clean Water	18,851
General Fund.....	High School Renovation	484,000
General Fund.....	Blackstone Library Phase II.....	549,380
General Fund.....	Waste Water Design Fund	141,149
General Fund.....	Trolley Trail Walkway	10,336
General Fund.....	Counseling Center.....	1,051
General Fund.....	Recreation Program Fund	22,380
General Fund.....	Special Programs	27,288
Road Construction	General Fund.....	55,492
Sidewalks and Curbs.....	General Fund.....	153,550
High School Renovations	General Fund.....	10,007,571
Ambulance Fund.....	General Fund.....	30,000
Fire Apparatus Fund	General Fund.....	125,000
Computer System Upgrade.....	General Fund.....	8,096
High School Technology Improvements ...	General Fund.....	1,400,000
Leetes Island Water	Leetes Island Core	533
Sewer Assessment Fund	Clean Water Fund	17,322
Sewer Assessment Fund	Leetes Island Core	4,450
Leetes Island Core	Water Assessment Fund	4,958
Sewer Assessment Fund	Computer System Upgrade.....	2,731
Sewer Assessment Fund	Sidewalks and Curbs.....	56,332
Sidewalks and Curbs.....	Town Aid Road.....	40,750
Sewer Assessment Fund	Blackstone Library Phase II.....	140,930
Sewer Assessment Fund	Fire Apparatus Fund	13,031
Sewer Assessment Fund	1996 Capital Projects	20,357
Sewer Assessment Fund	High School Technology Improvements	29,629
Sewer Assessment Fund	Police Pension Fund.....	213
Caspar Block Special Recreation Grant ...	John B. Hart Fund	22,456
TOTAL.....		<u>\$14,194,410</u>

6. FIXED ASSETS

A summary of general fixed assets is as follows:

	<u>Balance</u> <u>June 30, 1998</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 1997</u>
Land.....	\$ 5,789,590			\$ 5,789,590
Buildings	25,311,500			25,311,500
Equipment and personal property	16,726,344	\$ 923,051		17,649,395
Construction in process.....	7,500,299	8,226,750		15,727,049
TOTAL.....	\$55,327,733	\$9,149,801	\$ - 0 -	\$64,477,534

7. LONG-TERM DEBT

The following is a summary of general long-term debt transactions for the year ended June 30, 1998:

	<u>Balance</u> <u>July 1, 1997</u>	<u>Debt</u> <u>Issued</u>	<u>Retirements</u>	<u>Net</u> <u>Change</u>	<u>Balance</u> <u>June 30, 1998</u>
Bonds and notes	\$33,141,390	\$23,780,000	\$10,607,009		\$46,314,381
Sewer assessment notes	606,000		606,000		
Compensated absences.....	4,578,522			\$ 308,887	4,887,409
Lease purchase liability.....	123,880			(54,959)	68,921
Landfill closure	1,150,000			(50,000)	1,100,000
Retirement incentive	1,396,953			(503,615)	893,338
Net pension obligation	1,412,012			49,775	1,461,787
TOTAL.....	\$42,408,757	\$23,780,000	\$11,213,009	\$(249,912)	\$54,725,836

A schedule of bonds and notes outstanding at June 30, 1998 is presented below:

	<u>Balance</u> <u>July 1, 1997</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>June 30, 1998</u>
General:				
School, 11.40%, mature in 2002	\$ 1,500,000		\$ 300,000	\$ 1,200,000
School, 6.4-8.4%, mature in 2008.....	4,930,000		4,930,000	
School, 4.0-5.0%, mature in 2008.....		\$ 5,398,500	587,500	4,811,000
School, 5.9-7.9%, mature in 2009.....	2,669,000		275,000	2,394,000
School, 4.0-6.0%, mature in 2016.....	9,600,000		400,000	9,200,000
School, 4.5-6.25%, mature in 2117.....		15,725,000	985,000	14,740,000
Public improvement, 6.20-6.30%, mature in 2002	605,000		105,000	500,000

	<u>Balance</u> <u>July 1, 1997</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>June 30, 1998</u>
Public improvement, 8.60-9.10%, mature in 2003	\$ 570,000		\$ 95,000	\$ 475,000
Public improvement, 6.4-8.4%, mature in 2008	1,085,500		1,085,500	
Public improvement, 4.0-5.0%, mature in 2008		\$ 1,200,000	132,000	1,068,000
Public improvement, 5.9-7.9%, mature in 2009	1,330,000		95,000	1,235,000
Public improvement, 4.0-6.0%, mature in 2016	5,245,000		325,000	4,920,000
Special Assessment:				
Sewer, 4.0-5.0%, mature in 2008		354,500	38,500	316,000
Sewer, 6.65%, mature in 2002	150,000		25,000	125,000
Sewer, 5.35%, mature in 2003	1,200,000		200,000	1,000,000
Sewer, 8.6-9.1%, mature in 2003	1,590,000		265,000	1,325,000
Sewer, 6.4-8.4%, mature in 2008	322,500		322,500	
Sewer, 5.9-7.9%, mature in 2009	2,001,000		130,000	1,871,000
Sewer, 4.5-6.25%, mature in 2117		530,000	140,000	390,000
Water, 6.4-8.4%, mature in 2008	122,000		122,000	
Water, 4.0-5.0%, mature in 2008		122,000	12,000	110,000
Water, 6.8-7.5%, mature in 2112		450,000	25,000	425,000
Total bonds	32,920,000	23,780,000	10,595,000	46,105,000
State of Connecticut, Water, 2%, mature 2113	221,390		12,009	209,381
Total bonds and notes	<u>\$33,141,390</u>	<u>\$23,780,000</u>	<u>\$10,607,009</u>	<u>\$46,314,381</u>

On April 1, 1998, The Town issued \$7,075,000 in general obligation bonds with an average interest rate of 4.34% to advance refund \$6,460,000 of outstanding 1990 General Obligation Bonds with an average interest rate of 6.83%. The net proceeds of \$6,990,387 (after payment of \$130,688 in underwriting fees insurance and other issuance costs) were used to purchase U.S. Treasury Securities – State and Local Series. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1990 bonds until their redemption date. These 1990 bonds are considered to be defeased and the liability for those bonds has been removed from the general long-term debt account group.

The Town advance refunded the bonds series to reduce its total debt service payments over the next 10 years by almost \$259,811 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$235,168.

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

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1999	\$ 4,137,251	\$ 2,531,830	\$ 6,669,081
2000	4,117,498	2,276,963	6,394,461
2001	3,327,751	2,022,589	5,350,340
2002	3,613,008	1,814,028	5,427,036
2003	3,328,271	1,592,440	4,920,711
2004	2,698,539	1,417,425	4,115,964

**Year Ending
June 30,**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005.....	\$ 2,763,812	\$ 1,282,417	\$ 4,046,229
2006.....	2,779,091	1,145,492	3,924,583
2007.....	2,714,375	1,006,966	3,721,341
2008.....	2,669,665	869,276	3,538,941
2009.....	2,074,961	731,021	2,805,982
2010.....	1,575,263	619,382	2,194,645
2011.....	1,575,570	541,032	2,116,602
2012.....	1,675,886	461,495	2,137,381
2013.....	1,638,440	375,417	2,013,857
2014.....	1,625,000	290,950	1,915,950
2015.....	1,625,000	206,400	1,831,400
2016.....	1,575,000	121,850	1,696,850
2017.....	800,000	40,000	840,000
TOTAL	<u>\$46,314,381</u>	<u>\$19,346,973</u>	<u>\$65,661,354</u>

Bond Anticipation Notes

At June 30, 1998, bond anticipation notes, totaling \$145,000 with an interest rate of 3.81% were outstanding. The notes will mature July 15, 1998. The notes are reported in the Fire Apparatus Fund (Capital Project Fund) because they are considered temporary notes.

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

	<u>Bond Anticipation Notes Outstanding</u>	<u>Authorized Debt</u>
Fire Apparatus.....	\$145,000	\$145,000

The Town is currently participating in a Capital Project (Wastewater Design Fund) under the State of Connecticut Clean Water Fund established in accordance with Section 22a-477 of the General Statutes of Connecticut. The Clean Water Fund is administered by the State Department of Environmental Protection and provides grant and loan funds to municipalities for "eligible water quality project costs". The Town's liability under the two-percent (2%) loan portion of the project was \$728,470 at June 30, 1998. This temporary loan is recorded as a liability in the Wastewater Design Fund and will be permanently financed upon completion. The Town authorized borrowing of \$30,750,000 to finance this project.

Additionally, the Town has bond authorizations outstanding of \$1,750,000 for completion of the High School renovation project.

General Obligation Bonds and Notes

All bonds and bond anticipation 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	\$102,257,172	\$8,343,000	\$93,914,172
Schools	\$204,514,344	\$19,881,461	\$184,632,883
Sewers	\$170,428,620	\$35,986,381	\$134,442,239
Urban renewal	\$147,704,804		\$147,704,804

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation \$318,133,424.

* Includes bonds authorized unissued and excludes water bonds.

** Total school indebtedness has been reduced by State of Connecticut Building Grants commitments of \$14,213,539.

Retirement Incentives

The Board of Education periodically provides retirement incentive programs. The liability for these programs decreased by \$503,615 to \$893,338 this year.

8. EMPLOYEE RETIREMENT SYSTEM

Police Employees Retirement Plan

A. Plan Description

The Town of Branford 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.

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 three (3) 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.

At July 1, 1997, PERS membership consisted of:

Retirees, disabled and beneficiaries currently receiving benefits	26
Terminated employees entitled to benefits but not yet receiving them	0
Active Plan Members	<u>45</u>
 TOTAL	 <u>71</u>

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

Police officers are required to contribute 6.0% of base pay to the PERS. The Town is required to contribute the amounts necessary to finance the coverage for its employees as determined by its actuaries; the current rate is 35.67% of covered payroll. Benefits and contributions are established by the Town and may only be amended by the Representative Town Meeting.

D. Annual Pension Cost and Net Pension Obligations

The Town's annual pension cost and net pension obligation to the Town's Retirement System for the current year were as follows:

Annual required contribution	\$ 734,956
Interest on net pension obligation	118,561
Adjustment to annual required contribution	<u>(117,742)</u>
Annual pension cost	735,775
Contributions made	(756,000)
Actuary adjustment prior year	<u>70,000</u>
Increase (decrease) in net pension obligation	49,775
Net pension obligation beginning of year	<u>1,412,012</u>
Net pension obligation end of year	<u><u>\$1,461,787</u></u>

The following is a summary of certain significant actuarial assumptions and other PERS information:

Actuarial valuation date	July 1, 1997
Actuarial cost method	Projected Unit Credit
Amortization method	Level dollar
Remaining amortization period	35 years closed
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases (includes 4% inflation)	6.0%

E. Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>	<u>Actual Contribution</u>
6/30/96	\$810,010	86.4%	\$1,382,746	\$700,000
6/30/97	\$799,266	96.3%	\$1,412,012	\$770,000
6/30/98	\$735,775	102.7%	\$1,461,787	\$756,000

F. Pension Plan Required Supplementary Information***Schedule of Funding Progress***

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability(AAL) --Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (a-b)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a % of Covered Payroll ((a-b)/c)</u>
7/1//92	\$1,537,248	\$7,395,440	\$(5,858,192)	20.8%	\$1,615,767	362.6%
7/1//94	\$2,775,275	\$8,589,565	\$(5,814,290)	32.3%	\$1,797,306	323.5%
7/1//96	\$4,315,682	\$10,044,614	\$(5,728,932)	43.0%	\$1,831,325	312.8%
7/1//97	\$5,753,024	\$10,386,258	\$(4,633,234)	55.4%	\$2,060,389	224.9%

Schedule of Employer Contributions

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/92	\$662,563	88.0%
6/30/93	\$735,478	82.0%
6/30/94	\$750,130	93.0%
6/30/95	\$791,424	88.0%
6/30/96	\$810,000	86.0%
6/30/97	\$797,915	96.5%

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

Municipal Employees' Retirement System

All Town of Branford full-time employees, except the Police Department employees, elected officials and certified teachers and administrators, participate in the Connecticut Municipal Employee's Retirement Fund B (MERF), a cost sharing multiple-employer public employee retirement system (PERS) established by the State of Connecticut and administered by the State Retirement Commission to provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to the employees and beneficiaries of participating municipalities. Chapter 113 Part II of the General Statutes of Connecticut, which can be amended by legislative action, establishes PERS benefits, member contribution rates, and other plan provisions. 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. Those reports may be obtained by writing to

the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106 or by calling 860-702-3480.

Funding Policy - Plan members 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 at an actuarially determined rate. The current rate is 8% of annual covered payroll. The contribution requirements of the Town are established and may be amended by the State Retirement Commission. The Town's contributions to MERF for the years ended June 30, 1998, 1997, and 1996 were \$521,312, \$481,565, \$549,475, and respectively, equal to the required contributions for each year.

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 \$14,914,281 or 57.4% of the total Town payroll of \$25,955,760.

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, 1998 the Town has recorded in the General Fund, intergovernmental revenue and education expenditures in the amount of \$1,145,627 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, 1998 the amount of \$472,846 (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, 1998:

<u>Year Ending June 30,</u>	<u>Total Minimum Lease Payments</u>	<u>Present Value of Net Minimum Lease Payments</u>	<u>Amount Representing Interest</u>
1999	\$51,509	\$45,960	\$5,549
2000	<u>25,755</u>	<u>22,961</u>	<u>2,794</u>
TOTAL	<u>\$77,264</u>	<u>\$68,921</u>	<u>\$8,343</u>

11. CAPITAL PROJECTS

A summary of capital projects at June 30, 1998 is presented below:

<u>Project</u>	<u>Appropriation</u>	<u>Cumulative Expenditures</u>	<u>Encumbrances</u>	<u>Available Balance</u>
The Boulders	\$ 300,000	\$ 120,000		\$ 180,000
Road Construction.....	5,077,671	5,016,990		60,681
Revitalization	4,220,000	4,213,608		6,392
Elementary School Renovation.....	12,819,000	12,808,277		10,723
Transfer Station Construction	1,505,000	1,498,824		6,176
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 Treatment Planning.....	32,675,000	2,122,968	\$ 299,803	30,252,229
High School Renovations.....	26,077,000	15,727,051	9,327,952	1,021,997
Technology Upgrade (Elementary).....	500,000	493,104		6,896
1996/1997 Capital Projects	404,761	428,134		(23,373)
Blackstone Library Renovation/Relocation..	100,000	119,737		(19,737)
Gould Lane Sewers	53,000	39,000		14,000
Leetes Island Water "Core"	1,294,430	951,156		343,274
Police Station	3,970,000	3,888,690		81,310
Blackstone Library Renovation Phase II	4,000,000	3,822,928	30,842	146,230
Computer System Upgrade	530,000	529,403		597
Trolley Trail	18,000	18,321		(321)
Sidewalk and curb.....	125,000	62,032		62,968
Ambulance Fund	113,247	86,814		26,433
Fire Apparatus Fund.....	572,228	460,460		111,768
Technology Upgrade (High School).....	<u>1,400,000</u>	<u>34,709</u>	<u>15,348</u>	<u>1,349,943</u>
TOTAL.....	<u>\$96,194,337</u>	<u>\$52,863,331</u>	<u>\$9,673,945</u>	<u>\$33,657,061</u>

12. SOLID WASTE LANDFILL

The Town landfill at the intersection of Tabor Drive and Marshall Road no longer accepts municipal solid waste, yet continues to accept bulky waste, sewage sludge from the water pollution control facility, 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, \$290,000 has been appropriated and expended and approximately 45% of the side slopes 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 eight (8) years, and that the Town will continue to make an annual appropriation for the placement of final cover on the landfill until the side and top slopes are completed except for a working face at the front. Thereafter, annual appropriations will be placed in a reserve fund for the final cover for this front section when it no longer receives waste. 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 \$640,000. 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 (\$43,750 x 8 years)	\$ 350,000
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><u>\$1,100,000</u></u>

13. OTHER REQUIRED DISCLOSURES

Fund Deficits

The following funds had a deficit fund balance as of June 30, 1998:

<u>Fund</u>	<u>Amount</u>
Capital Project Funds:	
Clarifier Fund	\$47,344
Clean Water.....	\$18,851
Trolley Trail	\$8,546
Leetes Island Core.....	\$25
Blackstone Library Phase II	\$688,409
Waste Water Design Fund	\$1,306,941
1996 Capital Projects	\$23,674
Fire Apparatus Fund.....	\$33,017

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>
Special Revenue Funds:			
Board of Education Program Fund:			
Other expenditure.....	\$28,780	\$87,178	\$58,398
Board of Education Cafeteria Fund:			
Operation of Program.....	\$744,090	\$803,773	\$59,683

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. 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.

TOWN OF BRANFORDGENERAL FUNDCOMPARATIVE BALANCE SHEET
JUNE 30, 1998 AND 1997

	1998	1997
<u>A S S E T S</u>		
Cash and cash equivalents.....	\$16,820,556	\$12,626,875
Receivables:		
Taxes.....	2,386,238	2,628,002
Intergovernmental.....	153,598	195,547
Other.....	501,291	134,850
Due from other funds.....	2,061,009	1,540,502
Other.....	25,331	17,938
TOTAL	<u>\$21,948,023</u>	<u>\$17,143,714</u>
 <u>L I A B I L I T I E S</u> <u>A N D</u> <u>F U N D B A L A N C E</u>		
Liabilities:		
Accounts payable and accrued expenses.....	\$ 1,228,024	\$ 1,950,775
Due to other funds.....	11,779,709	4,332,719
Deferred revenues.....	2,572,197	3,202,353
Other.....	434,574	436,076
Total liabilities	<u>16,014,504</u>	<u>9,921,923</u>
Fund balance:		
Reserved for encumbrances.....	38,300	
Unreserved:		
Designated for subsequent year's		
expenditures	2,200,000	3,915,000
Undesignated - available for appropriation...	3,695,219	3,306,791
Total fund balance	<u>5,933,519</u>	<u>7,221,791</u>
TOTAL	<u>\$21,948,023</u>	<u>\$17,143,714</u>

TOWN OF BRANFORDGENERAL FUNDSTATEMENT OF ESTIMATED AND ACTUAL REVENUES
FOR THE YEAR ENDED JUNE 30, 1998

	ESTIMATED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Taxes:			
Current taxes.....	\$42,082,262	\$42,646,303	\$ 564,041
Interest income.....	350,000	574,937	224,937
Lien fees.....	10,000	12,520	2,520
Suspense collections.....	10,000	8,666	(1,334)
Warrant fees.....	250		(250)
Delinquent taxes.....	700,000	1,181,873	481,873
Total.....	43,152,512	44,424,299	1,271,787
Intergovernmental revenues:			
Education cost sharing.....	1,289,629	1,113,076	(176,553)
School transportation.....	7,804	185,038	177,234
Special education - blind services..		27,855	27,855
Health and welfare.....		5,761	5,761
Principal subsidy.....	1,069,371	528,788	(540,583)
Interest subsidy.....	695,490	371,559	(323,931)
Adult education.....	14,029		(14,029)
Circuit breaker elderly.....	200,000	218,372	18,372
Elderly tax relief - freeze.....	40,000	33,261	(6,739)
Boat exemption.....	99,000	98,245	(755)
Disability exemption.....	1,500	2,343	843
Veterans' reimbursement - State.....	65,000	73,527	8,527
Manufacturing PILOT grant.....	265,000	335,104	70,104
Pequot grant.....	126,489	211,100	84,611
Private property exemption.....	25,439	30,129	4,690
State property exemption.....	21,968	24,152	2,184
Welfare reimbursement.....	62,500	76,016	13,516
State counseling grants.....	115,000	99,132	(15,868)
LOCIP grant.....		168,120	168,120
Stony Creek Quarry grant.....	14,744		(14,744)
Miscellaneous State grants.....		4,526	4,526
Cops Fast Federal grant.....	15,000	75,000	60,000
Total	4,127,963	3,681,104	(446,859)

(Continued) - 1.

EXHIBIT A-2

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

	ESTIMATED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Licenses permits and fees:			
Oil burner permits.....	\$ 100 ✓	\$ 100	
Building permits.....	110,000 ✓	184,547	\$ 74,547
Excavation permits.....	7,500 ✓	6,480	(1,020)
Electrical permits.....	10,000 ✓	22,730	12,730
Plumbing permits.....	7,500 ✓	10,740	3,240
Heating, air conditioning and ventilation permits.....	9,000 ✓	20,310	11,310
Sewer connection permits.....	250 ✓	176	(74)
Other licenses and permits.....	500 ✓	865	365
Zoning Board of Appeals.....	5,000 ✓	6,500	1,500
Planning and Zoning.....	12,000 ✓	14,536	2,536
Map copies - building and engineering.....	1,500 ✓	1,916	416
Inland wetlands applications.....	1,000 ✓	3,734	2,734
Contaminated soil.....	5,000 ✓	37,500	32,500
Transfer station escrow.....	65,500 ✓	125,612	60,112
Sale of recycling boxes.....	1,000 ✓	1,470	470
Trip passes.....	1,000 ✓	2,050	1,050
Permits and tags - police.....	11,000 ✓	13,282	2,282
Special wages - police.....	316,000 ✓	327,500	11,500
Waste treatment fees.....	3,000	2,400	(600)
North Branford sewer fees.....	110,000	120,337	10,337
Pump out services.....	3,500	4,200	700
Town Clerk other monies.....	200,000	245,055	45,055
Conveyance taxes.....	100,000	127,890	27,890
DEP licenses - Town portion.....	500	802	302
Marriage licenses - Town portion....	1,250	2,475	1,225
Ambulance service fees.....	500,000	479,543	(20,457)
Miscellaneous permits and fees - fire services.....		225	225
Counseling fees and services.....	260,000	285,270	25,270
Welfare.....	20,000	46,923	26,923
Counseling-United Way Contribution..	25,000	28,709	3,709
Landfill bond forfeitures.....		95	95
False alarm fees.....		11,900	11,900
Total.....	1,787,100	2,135,872	348,772
Interest income.....	1,100,000	1,171,373	71,373

(Continued) - 2.

EXHIBIT A-2

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

	ESTIMATED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Other:			
Willoughby - Wallace Library fees...	\$ 1,500	\$ 1,586	\$ 86
Employee health insurance co-pay....	48,400	53,007	4,607
In lieu of taxes - telephone access.	321,808	330,148	8,340
In lieu of taxes - SCRW.....	200,000	140,388	(59,612)
Royalties - Stony Creek Quarry.....	1,000	4,162	3,162
Leases.....	5,000	4,501	(499)
Lease - Branford Hill Facility.....	65,000	66,996	1,996
Board of Education - building usage.	10,000	5,970	(4,030)
Telephone booths.....	500	582	82
Insurance claims and refunds.....	1,000		(1,000)
Miscellaneous refunds.....		9,988	9,988
Miscellaneous income.....	10,000	14,907	4,907
Sale of Town property.....	10,000	15,478	5,478
Reimbursement Town services.....		741	741
Board of Education - tuition reimbursement.....		18,947	18,947
Excess from refunding.....		17,988	17,988
Insurance premium - dividends.....		55,975	55,975
Lease Children's Center.....		6,091	6,091
In lieu of taxes.....		5,435	5,435
Total other	674,208	752,890	78,682
Other financing sources - transfer in.	70,000	10,009	(59,991)
TOTAL.....	\$50,911,783	\$52,175,547	\$1,263,764

(Concluded) - 3.

TOWN OF BRANFORDGENERAL FUNDSTATEMENT OF ESTIMATED AND ACTUAL EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1998

	AMENDED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
General government:			
Legislative.....	\$ 12,405	\$ 10,968	\$ 1,437
Executive.....	153,245	151,139	2,106
Finance.....	37,930	35,316	2,614
Treasurer.....	168,783	157,314	11,469
Assessor.....	150,773	145,886	4,887
Review of Assessments.....	5,293	4,893	400
Tax Collector.....	188,185	185,723	2,462
Town Clerk.....	151,582	148,899	2,683
Law.....	279,466	278,280	1,186
Labor Relations Negotiations.....	40,000	39,971	29
Probate Court.....	8,650	7,262	1,388
Elections.....	44,706	40,699	4,007
Planning and Zoning.....	156,815	145,911	10,904
Zoning Board of Appeals.....	5,335	5,158	177
Development Commission.....	5,300	2,437	2,863
Inland Wetlands Commission.....	19,931	16,504	3,427
General Government Buildings.....	301,188	290,909	10,279
Cable Television.....	2,850	2,198	652
Electronic Data Processing.....	255,113	243,444	11,669
Human Resources.....	114,852	107,158	7,694
Total	2,102,402	2,020,069	82,333
Public safety:			
Police Service.....	3,128,186	3,115,695	12,491
Police Service - special detail...	316,000	311,842	4,158
Fire Protection.....	2,358,297	2,269,302	88,995
Building Department.....	47,728	46,902	826
Other protection - Dog Warden.....	22,226	21,107	1,119
Total	5,872,437	5,764,848	107,589
Public works and highways:			
Public Works.....	1,807,562	1,714,411	93,151
Water Pollution Control.....	1,057,262	976,434	80,828
Sanitation and Waste.....	2,451,708	2,226,012	225,696
General Engineering.....	132,937	130,566	2,371
Total	5,449,469	5,047,423	402,046

(Continued) - 1.

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

	AMENDED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Recreation:			
Branford Recreation Department....	\$ 507,393	\$ 506,323	\$ 1,070
Parker Park.....	53,558	51,049	2,509
Young's Park Commission.....	7,762	5,390	2,372
Parks and Open Space.....	27,551	26,822	729
Docks and Recreational facilities.	28,842	28,754	88
Public Celebration.....	15,056	15,052	4
Shellfish Commission.....	1,500		1,500
Conservation Commission.....	1,000	999	1
Total	642,662	634,389	8,273
Libraries:			
James Blackstone Memorial Library.	522,669	522,669	
Willoughby-Wallace Library.....	121,746	119,806	1,940
Total	644,415	642,475	1,940
Health and welfare:			
Human Services.....	795,302	772,764	22,538
Commission for the Elderly.....	237,254	234,101	3,153
East Shore District Health.....	104,320	104,320	
Total	1,136,876	1,111,185	25,691
Board of Education.....	28,739,733	28,711,149	28,584
Pension and insurance:			
Pension and Contributions.....	1,663,500	1,598,643	64,857
Employee Group Insurance.....	1,269,200	1,257,881	11,319
Municipal insurance.....	695,000	576,643	118,357
Contingency.....	60		60
Total	3,627,760	3,433,167	194,593
Capital Projects.....	315,000	277,340	37,660
Debt service:			
Principal retirement.....	3,552,983	3,336,509	216,474
Interest and fiscal charges.....	2,184,046	1,986,565	197,481
Total	5,737,029	5,323,074	413,955
Total expenditures	54,267,783	52,965,119	1,302,664

(Continued) - 2.

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

	AMENDED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Other financing uses:			
Transfers to other funds:			
Capital Projects:			
Blackstone Library furniture .	\$ 282,000	\$ 282,000	
Ambulance Fund	30,000	30,000	
New apparatus fire equipment .	247,000	225,000	\$ 22,000
Total other financing uses .	559,000	537,000	22,000
TOTAL	\$54,826,783	\$53,502,119	\$1,324,664

(Concluded) - 3.

TOWN OF BRANFORD

REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 1998

GRAND LIST	UNCOLLECTED TAXES JULY 1, 1997	LAWFUL CORRECTIONS	FORECLOSURES AND ADJUSTMENTS	TRANSFERS TO SUSPENSE	ADJUSTED TAXES COLLECTIBLE	COLLECTIONS.....				TOTAL	UNCOLLECTED TAXES	
						TAXES	INTEREST	LIENS			JUNE 30, 1998	
1981.....	\$ 12		\$ (12)		\$ 479	\$ 462	\$ 1,146	19	4	\$ 1,627	\$	17
1982.....	402		77		997	962	2,496	19		3,477		35
1983.....	913		84		983	947	3,377	19		4,343		36
1984.....	908		75				3,965	19		5,040		287
1985.....	1,153		190		1,343	1,056	3,729	38		4,874		312
1986.....	1,298		121		1,419	1,107	6,332	76		9,468		544
1987.....	3,170		434		3,604	3,060	9,768	120		14,584		3,013
1988.....	7,197		512		7,709	4,696	12,058	125		19,816		5,321
1989.....	12,456		498		12,954	7,633	16,320	264		29,988		14,574
1990.....	27,505		473		27,978	13,404	31,073	552		99,976		37,242
1991.....	106,748	\$ (685)	(470)		105,593	68,351	45,012	744		109,621		86,812
1992.....	253,954	(731)	(1,128)	\$101,418	150,677	63,865	45,160	1,104		142,848		223,848
1993.....	321,706	(1,274)			320,432	96,584	74,732	1,944		282,525		333,575
1994.....	545,516	(6,092)			539,424	205,849	151,590	7,177		868,468		644,494
1995.....	1,345,064	9,131			1,354,195	709,701	168,035			42,814,338		1,036,128
1996.....	43,840,297	(112,199)	(45,667)		43,682,431	42,646,303						
TOTAL	\$46,468,299	\$ (111,850)	\$ (44,813)	\$101,418	46,210,218	43,823,980	574,797	12,220		44,410,997		\$2,386,238
				Suspense collections		8,666		300		8,666		
				Administrative Fees						300		
				TOTAL		\$43,832,646	\$574,797	\$12,520		\$44,419,963		

TOWN OF BRANFORD

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

COAST GUARD VESSEL

	JUNE 30, 1997	JUNE 30, 1998	WITH COMPARATIVE TOTALS FOR 1997
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.....BOARD OF EDUCATION.....									
ENERGY EFFICIENCY FUND									
CAFETERIA FUND									
EDUCATIONAL GRANTS FUND									
DAY CARE FUND									
PROGRAM FUND									
DOG FUND									
WATER ASSESSMENT FUND									
SEWER ASSESSMENT FUND									
Cash and cash equivalents	\$ 500,744	\$129,953	\$3,334	\$53,075	\$446,940	\$114,280	\$ 65,471	\$58,006	
Assessments receivable	4,370,648	483,692					50,003		
Intergovernmental receivables									
Due from other funds	284,995						10,432		
Inventory, at cost			2,643						
Other assets									
TOTAL	\$5,156,387	\$613,645	\$5,977	\$53,075	\$446,940	\$114,280	\$125,906	\$58,006	
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			\$2,755	\$ 368	\$ 2,058	\$ 66,678	\$123,444		
Due to State									
Due to other funds	\$ 594,479	\$108,768							
Deferred revenue	4,370,648	483,692							
Total liabilities	4,965,127	592,460	2,755	368	2,058	66,678	123,444		
Fund balance (deficit):									
Reserved for inventory							10,432		
Unreserved:									
Unrestricted and undesignated	191,260	21,185	3,222	52,707	444,882	47,602	(7,970)	\$58,006	
Total fund balance (deficit)	191,260	21,185	3,222	52,707	444,882	47,602	2,462	58,006	
TOTAL	\$5,156,387	\$613,645	\$5,977	\$53,075	\$446,940	\$114,280	\$125,906	\$58,006	

(Continued) - 1.

TOWN OF BRANFORDSPECIAL REVENUE FUNDSCOMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	SMALL CITIES FUND	TOWN AID ROAD FUND	PASS THROUGH GRANTS FUND	PARK AND RECREATION REVOLVING	SPECIAL PROGRAMS	TOTAL.....
						1998 1997
Cash and cash equivalents	\$33,106	\$278,174	\$23,838	\$30,333	\$ 596	\$1,737,850 \$1,583,351
Assessments receivable						4,854,340 5,006,263
Intergovernmental receivables	25,000			168,120		243,123 70,520
Due from other funds					284,995	2,285
Inventory, at cost					10,432	7,946
Other assets	18,013				20,656	29,499
TOTAL	\$76,119	\$278,174	\$23,838	\$30,333	\$168,716	\$7,151,396 \$6,699,864

A S S E T SL 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	\$ 9,147	\$ 3,147		\$103,602	\$ 311,199	\$ 231,284
Due to State						3,506
Due to other funds		40,750		27,288	793,665	178,362
Deferred revenue			\$23,838	\$22,380	4,878,178	5,015,394
Total liabilities	9,147	43,897	23,838	22,380	5,983,042	5,428,546
Fund balance (deficit):						
Reserved for inventory					10,432	7,946
Unreserved:						
Unrestricted and undesignated	66,972	234,277		7,953	1,157,922	1,263,372
Total fund balance (deficit)	66,972	234,277		7,953	37,826	1,271,318
TOTAL	\$76,119	\$278,174	\$23,838	\$30,333	\$168,716	\$7,151,396 \$6,699,864

(Concluded) - 2.

TOWN OF BRANFORD

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	SEWER ASSESSMENT FUND	WATER ASSESSMENT FUND	DOG FUND	PROGRAM FUND	DAY CARE FUND	EDUCATIONAL GRANTS FUND	CAFETERIA FUND	ENERGY EFFICIENCY FUND
Revenues:								
Assessment income	\$ 635,494	\$127,809						
Interest on assessments	434,435	26,458				\$905,884	\$165,930	\$ 3,000
Intergovernmental revenues								
Investment income	31,888	1,420	\$ 376	\$ 451			598,153	
Sale of food					\$529,053			
Sales and services				129,650			26,433	
Program income							61,986	
Subsidy	160		3,540					
Other								
Total revenues	1,101,977	155,687	3,916	130,101	529,053	905,884	852,502	3,000
Expenditures:								
Current:								
Public safety			7,775					
Public works and highway	32,569							
Parks, recreation and libraries				460,101				
Health and human services				140,519		903,786	813,773	
Education	1,808,081	55,108						
Debt service								
Total expenditures	1,840,650	55,108	7,775	140,519	460,101	903,786	813,773	
Excess (deficiency) of revenues over expenditures	(738,673)	100,579	(3,859)	(10,418)	68,952	2,098	38,729	3,000
Other financing sources (uses):								
Proceeds from bonds/notes	530,000							
Operating transfers out	(25,771)	(57,738)						
Total other financing sources (uses)	504,229	(57,738)						
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(234,444)	42,841	(3,859)	(10,418)	68,952	2,098	38,729	3,000
Fund balance (deficit), July 1,	425,704	(21,656)	7,081	63,125	375,930	45,504	(36,267)	55,006
Fund balance, June 30,	\$ 191,260	\$ 21,185	\$ 3,222	\$ 52,707	\$444,882	\$ 47,602	\$ 2,462	\$58,006

(Continued) - 1.

TOWN OF BRANFORD

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	SMALL CITIES FUND	TOWN AID ROAD FUND	PASS THROUGH GRANTS FUND	PARK AND RECREATION REVOLVING	SPECIAL PROGRAMS	1998	1997
							TOTAL.....
Revenues:							
Assessment income						\$ 763,303	\$ 805,623
Interest on assessments						460,893	518,836
Intergovernmental revenues	\$133,918	\$144,279	\$163,531		\$224,339	1,737,881	1,165,070
Investment income	62	17,546		\$ 324		55,067	47,094
Sale of food						598,153	594,109
Sales and services						529,053	655,231
Program income				95,835		251,918	105,884
Subsidy						61,986	35,000
Other					10,050	13,750	4,721
Total revenues	133,980	161,825	163,531	96,159	234,389	4,472,004	3,931,568
Expenditures:							
Current:							
Public safety					35,479	43,254	7,787
Public works and highway		162,705			167,820	363,094	260,480
Parks, recreation and libraries				127,815		127,815	63,489
Health and human services						725,279	719,379
Education	101,647		163,531			1,858,078	1,581,672
Debt service						1,863,189	1,331,308
Total expenditures	101,647	162,705	163,531	127,815	203,299	4,980,709	3,984,115
Excess (deficiency) of revenues over expenditures	32,333	(880)		(31,656)	31,090	(508,705)	(32,547)
Other financing sources (uses):							
Proceeds from bonds/notes		(40,750)				530,000	
Operating transfers out						(124,259)	
Total other financing sources (uses)		(40,750)				405,741	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	32,333	(41,630)		(31,656)	31,090	(102,964)	(32,547)
Fund balance (deficit), July 1,	34,639	275,907	- 0 -	39,609	6,736	1,271,318	1,303,865
Fund balance, June 30,	\$ 66,972	\$234,277	\$ - 0 -	\$ 7,953	\$ 37,826	\$1,168,354	\$1,271,318

(Concluded) - 2.

TOWN OF BRANFORDSEWER ASSESSMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 1998

	BUDGET	ACTUAL	VARIANCE
Revenues:			
Assessment income	\$ 725,000	\$ 635,494	\$ (89,506)
Interest on assessments	532,500	434,435	(98,065)
Investment income	28,000	31,888	3,888
Other income	13,250	160	(13,090)
Total revenues	1,298,750	1,101,977	(196,773)
Expenditures:			
Debt principal	1,418,500	1,418,500	
Interest and financing	394,583	389,581	5,002
Salaries and wages	600	500	100
Supplies	125		125
Other	1,150	400	750
Legal and advertising	36,825	31,669	5,156
Total expenditures	1,851,783	1,840,650	11,133
Excess (deficiency) of revenues over expenditures	(553,033)	(738,673)	(185,640)
Other financing sources (uses):			
Proceeds from bonds/notes	530,000	530,000	
Operating transfers out		(25,771)	(25,771)
Total other financing sources (uses)	530,000	504,229	(25,771)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .	\$ (23,033)	(234,444)	\$ (211,411)
Fund balance, July 1,		425,704	
Fund balance, June 30,		\$ 191,260	

TOWN OF BRANFORDWATER ASSESSMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 1998

	BUDGET	ACTUAL	VARIANCE
Revenues:			
Assessment income	\$41,000	\$127,809	\$ 86,809
Interest on assessments	25,600	26,458	858
Investment income	100	1,420	1,320
Total revenues	66,700	155,687	88,987
Expenditures:			
Debt principal	44,440	37,000	7,440
Interest and financing	19,360	18,108	1,252
Total expenditures	63,800	55,108	8,692
Excess (deficiency) of revenues over expenditures	2,900	100,579	97,679
Other financing sources (uses):			
Operating transfers out		(57,738)	(57,738)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .	<u>\$ 2,900</u>	42,841	<u>\$ 39,941</u>
Fund balance (deficit), July 1,		(21,656)	
Fund balance, June 30,		<u>\$ 21,185</u>	

TOWN OF BRANFORDDOG FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 1998

	BUDGET	ACTUAL	VARIANCE
Revenues:			
Investment income	\$ 900	\$ 376	\$ (524)
Other income	3,500	3,540	40
Total revenues	4,400	3,916	(484)
Expenditures:			
Rental	5,400	5,400	
Supplies	1,850	1,607	243
Other	1,500	760	740
Legal and advertising	50	8	42
Total expenditures	8,800	7,775	1,025
Excess (deficiency) of revenues over expenditures	<u>\$(4,400)</u>	(3,859)	<u>\$ 541</u>
Fund balance, July 1,		<u>7,081</u>	
Fund balance, June 30,		<u>\$ 3,222</u>	

TOWN OF BRANFORDBOARD OF EDUCATION - PROGRAM FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 1998

	BUDGET	ACTUAL	VARIANCE
Revenues:			
Investment income		\$ 451	\$ 451
Other income	\$102,800	129,650	26,850
Total revenues	102,800	130,101	27,301
Expenditures:			
Salaries and wages	64,320	47,056	17,264
Supplies	4,700	2,581	2,119
Other	28,780	87,178	(58,398)
Legal and advertising	5,000	3,704	1,296
Total expenditures	102,800	140,519	(37,719)
Excess (deficiency) of revenues over expenditures	\$ - 0 -	(10,418)	<u>\$(10,418)</u>
Fund balance, July 1,		<u>63,125</u>	
Fund balance, June 30,		<u>\$ 52,707</u>	

TOWN OF BRANFORDBOARD OF EDUCATION - DAY CARE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 1998

	BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental revenue	\$589,262	\$529,053	\$ (60,209)
Expenditures:			
Purchasing of food	11,816	11,391	425
Salaries and wages	457,698	335,261	122,437
Supplies	13,098	12,878	220
Other	105,000	98,921	6,079
Legal and advertising	1,650	1,650	
Total expenditures	589,262	460,101	129,161
Excess of revenues over expenditures....	<u>\$ - 0 -</u>	68,952	<u>\$ 68,952</u>
Fund balance, July 1,		<u>375,930</u>	
Fund balance, June 30,		<u>\$444,882</u>	

TOWN OF BRANFORDBOARD OF EDUCATION - CAFETERIA FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 1998

	BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental revenue	\$127,620	\$165,930	\$ 38,310
Sale of food	599,311	598,153	(1,158)
Other income	13,400	26,433	13,033
Subsidy	35,799	61,986	26,187
Total revenues	776,130	852,502	76,372
Expenditures:			
Cafeteria program	744,090	803,773	(59,683)
Management fee	32,040	10,000	22,040
Total expenditures	776,130	813,773	(37,643)
Excess of revenues over expenditures....	\$ - 0 -	38,729	\$ 38,729
Fund balance (deficit), July 1,		(36,267)	
Fund balance, June 30,		\$ 2,462	

TOWN OF BRANFORD

SCHEDULE OF SEWER ASSESSMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 1998

DESCRIPTION	UNCOLLECTED JULY 1, 1997	CURRENT YEAR LEVIES	CORRECTIONS TO LEVIES	ADJUSTED UNCOLLECTED BALANCE	ASSESSMENT COLLECTIONS JUNE 30, 1998	UNCOLLECTED JUNE 30, 1998
Phase I.....	\$ 67,314	\$ 3,800	\$ 214	\$ 67,528	\$ 648	\$ 66,880
District II.....	209,395		155	213,350	36,983	176,367
District III.....	7,965			7,965	1,887	6,078
District IV.....	237,592	3,600	95	241,287	55,491	185,796
District V.....	274,036		57	274,093	56,316	217,777
District VI.....	44,314		(12)	44,302	10,479	33,823
District VII.....	84,118	2,400	(26)	86,492	12,714	73,778
District VIII.....	6,693			6,693	1,294	5,399
District IX & Pawson Park.....	613,547		(82)	613,465	100,159	513,306
District XI.....	19,100			19,100	1,230	17,870
Miscellaneous Sewer Assessments.....	1,116,062	109,615	(48)	1,225,629	105,963	1,119,666
District XII.....	89,367			89,367	9,160	80,207
Cherry Hill/North Main.....	61,988		(5)	61,983	5,164	56,819
East Main/Gould.....	316,604	6,500		323,104	42,357	280,747
Todds Hill Road.....	71,198			71,198	11,935	59,263
Pine Orchard.....	1,120,995		(409)	1,120,586	128,838	991,748
High Meadow/Valley Brook.....	63,506			63,506	4,818	58,688
Chestnut/North Main.....	99,605	3,169		102,774	9,001	93,773
Paynes Point.....	29,116			29,116	5,851	23,265
Gould Lane.....	33,741	8,600		42,341	1,929	40,412
The Ponds/McDonalds Motel/Orchard Heights/Forest Edge.....	302,287		(24)	302,263	33,277	268,986
Total.....	\$4,868,543	\$137,684	\$ (85)	\$5,006,142	635,494	\$4,370,648
Interest on assessments.....					399,882	
Interest on overdue assessments.....					32,542	
Lien fees.....					2,011	
TOTAL.....					\$1,069,929	

TOWN OF BRANFORDSCHEDULE OF WATER ASSESSMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 1998

DESCRIPTION	BALANCE JULY 1, 1997	NEW ASSESSMENTS	PRINCIPAL	INTEREST	DELINQUENT INTEREST	COLLECTIONS..... ADMINISTRATION FEES	LIENS	TOTAL	BALANCE UNCOLLECTED JUNE 30, 1998
Ramblewood/Buttermilk.....	\$112,241	\$ 275	\$ 11,964	\$ 6,884	\$ 475	\$ 310		\$ 19,633	\$100,552
Collins Drive.....	3,502								3,502
Marbar Street.....	21,977		2,288	1,249		80		3,617	19,689
Leetes Island.....		473,506	113,557	16,072	678	710		131,017	359,949
TOTAL	\$137,720	\$473,781	\$127,809	\$24,205	\$1,153	\$1,100	\$- 0 -	\$154,267	\$483,692

TOWN OF BRANFORD
CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET
JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	BOARD OF EDUCATION OFFICE RENOVATION	ROAD CONSTRUCTION	BLACKSTONE LIBRARY RENOVATION	REVITALIZATION	SENIOR CENTER RENOVATION	ELEMENTARY SCHOOL RENOVATION
<u>ASSETS</u>						
Cash and cash equivalents.....		\$11,956	\$965	\$9,142		\$12,407
Due from other funds.....		55,492				
TOTAL	\$-0-	\$67,448	\$965	\$9,142	\$-0-	\$12,407
<u>LIABILITIES AND FUND BALANCE</u>						
Liabilities:						
Accounts payable.....				\$2,749		\$ 1,682
Due to other funds.....						
Bond anticipation notes payable.....						
Total liabilities.....				2,749		1,682
Fund balance (deficit):						
Reserved for encumbrances.....		\$67,448	\$965	6,393		10,725
Designated for specific purposes.....						
Unreserved and undesignated.....		67,448	965	6,393		10,725
Total fund balance (deficit)	\$-0-	\$67,448	\$965	\$9,142	\$-0-	\$12,407
TOTAL						

TOWN OF BRANFORD
CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	POLICE STATION	TRANSFER STATION CONSTRUCTION	CLARIFIER FUND	LEETES ISLAND WATER	CLEAN WATER	LEETES ISLAND "CORE"	COMPUTER SYSTEM UPGRADE
Cash and cash equivalents.....	\$111,869	\$6,412	\$55,565	\$31,598		\$4,958	\$ 298
Due from other funds.....			533				8,096
TOTAL	\$111,869	\$6,412	\$55,565	\$32,131	\$ -0-	\$4,958	\$8,394
<u>A S S E T S</u>							
<u>L I A B I L I T I E S</u>							
<u>F U N D B A L A N C E</u>							
Liabilities:							
Accounts payable.....							
Due to other funds.....	\$ 945	\$102,909		\$ 18,851	\$4,983		\$2,731
Bond anticipation notes payable.....							
Total liabilities.....	945	102,909		18,851	4,983		2,731
Fund balance (deficit):							
Reserved for encumbrances.....							
Designated for specific purposes.....	\$111,869	5,467	(47,344)	\$32,131	(18,851)	(25)	5,663
Unreserved and undesignated.....							
Total fund balance (deficit).....	111,869	5,467	(47,344)	32,131	(18,851)	(25)	5,663
TOTAL	\$111,869	\$6,412	\$ 55,565	\$32,131	\$ - 0 -	\$4,958	\$8,394

TOWN OF BRANFORD
CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	TROLLEY TRAIL WALKWAY	SIDEWALKS AND CURBS	BLACKSTONE LIBRARY PHASE II	WASTE WATER DESIGN FUND	AMBULANCE FUND	FIRE APPARATUS FUND
<u>A S S E T S</u>						
Cash and cash equivalents.....	\$1,790		\$1,901		\$ 1,690	\$ 14
Due from other funds.....		\$194,300			30,000	125,000
TOTAL	<u>\$1,790</u>	<u>\$194,300</u>	<u>\$1,901</u>	<u>\$ -0-</u>	<u>\$31,690</u>	<u>\$125,014</u>
<u>L I A B I L I T I E S</u> <u>A N D</u> <u>F U N D B A L A N C E</u>						
Liabilities:						
Accounts payable.....				\$ 420,000		\$ 13,031
Due to other funds.....	\$10,336	\$ 56,332	\$ 690,310	158,471		145,000
Bond anticipation notes payable.....				728,470		
Total liabilities.....	<u>10,336</u>	<u>56,332</u>	<u>690,310</u>	<u>1,306,941</u>		<u>158,031</u>
Fund balance (deficit):						
Reserved for encumbrances.....				299,803		
Designated for specific purposes.....	(8,546)	137,968	(688,409)	(1,606,744)	\$31,690	(33,017)
Unreserved and undesignated.....	(8,546)	137,968	(688,409)	(1,306,941)	31,690	(33,017)
Total fund balance (deficit)	<u>\$ 1,790</u>	<u>\$194,300</u>	<u>\$ 1,901</u>	<u>\$ -0-</u>	<u>\$31,690</u>	<u>\$125,014</u>
TOTAL						

TOWN OF BRANFORD

CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	PINE GUTTER BROOK	HIGH SCHOOL RENOVATIONS	TECHNOLOGY UPGRADE PROJECT	HIGH SCHOOL TECHNOLOGY IMPROVEMENT	1996 CAPITAL PROJECTS	TOTAL.....	1997
Cash and cash equivalents.....	\$ 270,607	\$10,720			\$ 526,934	\$ 212,355	
Due from other funds.....	10,007,571			\$1,400,000	11,825,950	4,331,404	
TOTAL	\$10,278,178	\$10,720		\$1,400,000	\$ -0-	\$4,543,759	
 <u>LIABILITIES AND FUND BALANCE</u>							
Liabilities:							
Accounts payable.....	\$1,193,814	\$ 688	\$ 5,080		\$ 3,317	\$ 1,622,899	\$ 2,160,051
Due to other funds.....	484,000		29,629		20,357	1,597,316	1,280,872
Bond anticipation notes payable.....						873,470	245,000
Total liabilities.....	1,677,814	688	34,709		23,674	4,093,685	3,685,923
Fund balance (deficit):							
Reserved for encumbrances.....	9,327,952		15,348			9,643,103	7,285,641
Designated for specific purposes.....	(727,588)	10,032	1,349,943			1,770,294	471,453
Unreserved and undesignated.....					(23,674)	(3,154,198)	(6,899,258)
Total fund balance (deficit)	8,600,364	10,032	1,365,291		(23,674)	8,259,199	857,836
TOTAL	\$10,278,178	\$10,720	\$1,400,000		\$ -0-	\$12,352,884	\$ 4,543,759

TOWN OF BRANFORD

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	BOARD OF EDUCATION OFFICE RENOVATION	ROAD CONSTRUCTION	BLACKSTONE LIBRARY RENOVATION	REVITALIZATION	SENIOR CENTER RENOVATION	ELEMENTARY SCHOOL RENOVATION
Revenues:						
Intergovernmental revenues.....			\$ 678	\$ 473		\$ 642
Investment income.....						
Other income.....						
Total revenues.....			678	473		642
Expenditures:						
Capital outlay.....		\$ 3,317	19,737		\$ 113	
Excess (deficiency) of revenues over expenditures.		(3,317)	(19,059)	473	(113)	642
Other financing sources (uses):						
Proceeds from bonds.....						
Operating transfers in.....				(2,749)		(1,682)
Operating transfers out.....	\$ (4,411)					
Total other financing sources (uses)	(4,411)			(2,749)		(1,682)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(4,411)	(3,317)	(19,059)	(2,276)	(113)	(1,040)
Fund balance (deficit), July 1.....	4,411	70,765	20,024	8,669	113	11,765
Fund balance (deficit), June 30.....	\$ - 0 -	\$67,448	\$ 965	\$ 6,393	\$ - 0 -	\$10,725

(Continued) - 1.

TOWN OF BRANFORD

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	POLICE STATION	TRANSFER STATION CONSTRUCTION	CLARIFIER FUND	LEETES ISLAND WATER	CLEAN WATER	LEETES ISLAND "CORE"	COMPUTER SYSTEM UPGRADE
Revenues:							
Intergovernmental revenues.....	\$ 6,123	\$ 366	\$ 55,565				\$ 14
Investment income.....							
Other income.....							
Total revenues.....	6,123	366	55,565				14
Expenditures:							
Capital outlay.....		710			\$ 4,425		10,197
Excess (deficiency) of revenues over expenditures.	6,123	(344)	55,565		(4,425)		(10,183)
Other financing sources (uses):							
Proceeds from bonds.....					450,000		
Operating transfers in.....		(945)			57,738		
Operating transfers out.....							
Total other financing sources (uses)		(945)			507,738		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	6,123	(1,289)	55,565		503,313		(10,183)
Fund balance (deficit), July 1,.....	105,746	6,756	(102,909)	\$32,131	\$(18,851)	(503,338)	15,846
Fund balance (deficit), June 30,.....	\$111,869	\$ 5,467	\$ (47,344)	\$32,131	\$(18,851)	\$ (25)	\$ 5,663

(Continued) - 2.

TOWN OF BRANFORD

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	TROLLEY TRAIL WALKWAY	SIDEWALKS AND CURBS	BLACKSTONE LIBRARY PHASE II	WASTE WATER DESIGN FUND	AMBULANCE FUND	FIRE APPARATUS FUND
Revenues:						
Intergovernmental revenues.....				\$ 146,718		
Investment income.....	\$ 285				\$ 1	
Other income.....					5,255	
Total revenues.....	285			146,718	5,256	
Expenditures:						
Capital outlay.....	16,313	\$ 56,332	\$ 315,796	1,376,385	3,341	
Excess (deficiency) of revenues over expenditures.	(16,028)	(56,332)	(315,796)	(1,229,667)	1,915	
Other financing sources (uses):						
Proceeds from bonds.....						\$ 225,000
Operating transfers in.....		40,750	282,000		30,000	
Operating transfers out.....						
Total other financing sources (uses).....		40,750	282,000		30,000	225,000
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(16,028)	(15,582)	(33,796)	(1,229,667)	31,915	225,000
Fund balance (deficit), July 1,.....	7,482	153,550	(654,613)	(77,274)	(225)	(258,017)
Fund balance (deficit), June 30,.....	\$ (8,546)	\$137,968	\$ (688,409)	\$ (1,306,941)	\$31,690	\$ (33,017)

TOWN OF BRANFORD

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	PINE GUTTER BROOK	HIGH SCHOOL RENOVATIONS	TECHNOLOGY UPGRADE PROJECT	HIGH SCHOOL TECHNOLOGY IMPROVEMENT	1996 CAPITAL PROJECTS	TOTAL.....
					1998	1997
Revenues:						
Intergovernmental revenues.....					\$ 202,283	\$ 317,825
Investment income.....			\$ 1,515		10,097	4,054
Other income.....		\$ 2,413			7,668	62,505
Total revenues.....		2,413	1,515		220,048	384,384
Expenditures:						
Capital outlay.....		7,714,184	25,678	\$ 34,709	\$ 63,920	9,845,157
Excess (deficiency) of revenues over expenditures.		(7,711,771)	(24,163)	(34,709)	(63,920)	(9,425,109)
Other financing sources (uses):						
Proceeds from bonds.....		14,325,000		1,400,000	16,175,000	10,600,000
Operating transfers in.....	\$ 25,771				661,259	1,632,691
Operating transfers out.....					(9,787)	(73,315)
Total other financing sources (uses).....	25,771	14,325,000		1,400,000	16,826,472	12,159,376
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	25,771	6,613,229	(24,163)	1,365,291	(63,920)	7,401,363
Fund balance (deficit), July 1.....	(25,771)	1,987,135	34,195	- 0 -	40,246	857,836
Fund balance (deficit), June 30.....	\$ - 0 -	\$ 8,600,364	\$ 10,032	\$1,365,291	\$ (23,674)	\$ 8,259,199
						\$ 857,836

TOWN OF BRANFORDTRUST AND AGENCY FUNDS

COMBINING BALANCE SHEET
JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

		EXPENDABLE TRUST FUNDS.....			
		WILLOUGHBY WALLACE	MEMORIAL LIBRARY	TOURISM FUND	MUNICIPAL RESERVE
		COUNSELING CENTER	FUND	FUND	TOTAL
A S S E T S	Cash and cash equivalents.....	\$38,130	\$ 4,370	\$14,725	\$ 57,225
	Investments.....		363,581		363,581
	Accounts receivable.....				
	Due from other funds.....				
TOTAL.....		\$38,130	\$367,951	\$14,725	\$420,806
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.....	\$ 2,950			\$ 2,950
	Due to other funds.....	1,051			1,051
	Due to students, employees, and others				
	Total liabilities.....	4,001			4,001
Fund balance:	Reserved for pension benefits				
	Reserved for trust principal	34,129	\$367,951	\$14,725	416,805
	Unreserved and undesignated	34,129	367,951	14,725	416,805
	Total fund balance.....	\$38,130	\$367,951	\$14,725	\$420,806
TOTAL.....				\$ - 0 -	

(Continued) - 1.

TOWN OF BRANFORDTRUST AND AGENCY FUNDSCOMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	PENSION	DAMASCUS CEMETERY FUND	LESHINE SCHOLARSHIP FUND	CASPAR BLOCK SCHOLARSHIP FUND	GUSTAF NELSON MEMORIAL FUND
TRUST FUND..	NONEXPENDABLE TRUST FUNDS.....				
	POLICE PENSION FUND				
Cash and cash equivalents.....		\$ 23,994	\$5,656	\$5,913	\$31,162
Investments.....		89,790			
Accounts receivable.....					
Due from other funds.....					
TOTAL.....		\$113,784	\$5,656	\$5,913	\$31,162
	\$ 213				
	213				
	7,469,677	\$ 1,500	\$4,000	\$5,000	\$30,000
		112,284	1,656	913	1,162
	7,469,677	113,784	5,656	5,913	31,162
TOTAL.....		\$113,784	\$5,656	\$5,913	\$31,162

A S S E T SL 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

Reserved for trust principal

Unreserved and undesignated

Total fund balance.....

TOTAL.....

(Continued) - 2.

TOWN OF BRANFORDTRUST AND AGENCY FUNDSCOMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

.....NONEXPENDABLE TRUST FUNDS.....				AGENCY FUNDS.....			
	JOHN B. HART FUND	CASPAR BLOCK SPECIAL RECREATION GRANT	TOTAL	BRANFORD CONSERVATION COMMISSION	SHELLFISH COMMISSION	ACADEMY- ON-THE- GREEN	VOLUNTEER FIREMENS', PENSION FUND
	\$137,315	\$37,464	\$241,504 89,790	\$1,150	\$6,859	\$18,630	\$ 498 180,442
		22,456	22,456				
TOTAL.....	\$137,315	\$59,920	\$353,750	\$1,150	\$6,859	\$18,630	\$180,940
<u>A S S E T S</u>							
Cash and cash equivalents							
Investments							
Accounts receivable							
Due from other funds							
TOTAL.....							
<u>L I A B I L I T I E S</u>							
<u>F U N D B A L A N C E</u>							
Liabilities:							
Accounts payable	\$ 22,456		\$22,456	\$1,150	\$6,859	\$18,630	\$180,940
Due to other funds							
Due to students, employees, and others							
Total liabilities.....	22,456		22,456	1,150	6,859	18,630	180,940
Fund balance:							
Reserved for pension benefits	100,000	\$59,920	200,420				
Reserved for trust principal	14,859		130,874				
Unreserved and undesignated							
Total fund balance.....	114,859	59,920	331,294				
TOTAL.....	\$137,315	\$59,920	\$353,750	\$1,150	\$6,859	\$18,630	\$180,940

(Continued) - 3.

TOWN OF BRANFORDTRUST AND AGENCY FUNDSCOMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

.....AGENCY FUNDS.....										TOTAL.....									
COMMISSION ON SERVICES FOR THE ELDERLY		BOARD OF EDUCATION HEALTH FUND		EMPLOYEE SECTION 457 PLAN		STUDENT ACTIVITY FUNDS		TOTAL		1998		1997							
<u>A S S E T S</u>																			
Cash and cash equivalents										\$102,071	\$5,008		\$223,043	\$ 357,259	\$ 655,988	\$ 708,097			
Investments												\$472,846		653,288	8,576,549	6,629,409			
Accounts receivable																3,422			
Due from other funds															22,456				
TOTAL										\$102,071	\$5,008	\$472,846	\$223,043	\$1,010,547	\$9,254,993	\$7,340,928			
<u>L I A B I L I T I E S</u>																			
<u>F U N D B A L A N C E</u>																			
Liabilities:																			
Accounts payable										\$ 18,192			\$ 18,192	\$ 21,142	\$ 2,191				
Due to other funds														23,720	82,238				
Due to students, employees, and others										83,879	\$5,008	\$472,846	\$223,043	992,355	992,355	783,844			
Total liabilities										102,071	5,008	472,846	223,043	1,010,547	1,037,217	868,273			
Fund balance:																			
Reserved for pension benefits														7,469,677	5,756,233				
Reserved for trust principal														200,420	200,420				
Unreserved and undesignated														547,679	516,002				
Total fund balance														8,217,776	6,472,655				
TOTAL										\$102,071	\$5,008	\$472,846	\$223,043	\$1,010,547	\$9,254,993	\$7,340,928			

(Concluded) - 4.

TOWN OF BRANFORDEXPENDABLE TRUST FUNDSCOMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	WILLOUGHBY WALLACE MEMORIAL				TOTAL.....	
	COUNSELING CENTER	LIBRARY FUND	TOURISM FUND	MUNICIPAL RESERVE	1998	1997
Revenues:						
Investment income	\$ 1,768	\$ 21,020	\$ 771	\$ 7	\$ 23,566	\$ 21,196
Donations and grants	30,445	23,392			53,837	22,922
Total revenues	32,213	44,412	771	7	77,403	44,118
Expenditures:						
Parks, recreation and libraries	28,435	13,285	234		13,519	12,721
Health and human services					28,435	13,108
Total expenditures	28,435	13,285	234		41,954	25,829
Excess of revenues over expenditures	3,778	31,127	537	7	35,449	18,289
Other financing sources (uses):				(222)	(222)	
Operating transfers out						
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .	3,778	31,127	537	(215)	35,227	18,289
Fund balance, July 1,	30,351	336,824	14,188	215	381,578	363,289
Fund balance, June 30,	\$34,129	\$367,951	\$14,725	\$ -0-	\$416,805	\$381,578

TOWN OF BRANFORDNONEXPENDABLE TRUST FUNDSCOMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	DAMASCUS CEMETERY FUND	LESHINE SCHOLARSHIP FUND	CASPAR BLOCK SCHOLARSHIP FUND	GUSTAF NELSON MEMORIAL FUND	JOHN B. HART FUND	CASPAR BLOCK SPECIAL RECREATION FUND	TOTAL.....	1998	1997
Revenues:									
Investment income:									
Interest and dividends	\$ 1,288	\$ 305	\$ 319	\$ 626	\$ 7,101	\$ 3,482	\$ 13,121	\$ 11,501	
Net increase in fair value of investments	21,841						21,841	21,219	
Donations and contributions	25						25	20,000	
Total revenues	23,154	305	319	626	7,101	3,482	34,987	52,720	
Expenses:									
Scholarships	800	250	250	500	22,456	14,281	1,000	1,000	
Maintenance							37,537	18,072	
Total expenses	800	250	250	500	22,456	14,281	38,537	19,072	
Net income (loss)	22,354	55	69	126	(15,355)	(10,799)	(3,550)	33,648	
Fund balance, July 1, as restated - see Note 2	91,430	5,601	5,844	31,036	130,214	70,719	334,844	301,196	
Fund balance, June 30,	\$113,784	\$5,656	\$5,913	\$31,162	\$114,859	\$ 59,920	\$331,294	\$334,844	

TOWN OF BRANFORD
NONEXPENDABLE TRUST FUNDS

COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 1998 WITH COMPARATIVE TOTALS FOR 1997

	DAMASCUS CEMETERY FUND	LESHINE SCHOLARSHIP FUND	CASPAR BLOCK SCHOLARSHIP FUND	GUSTAF NELSON MEMORIAL FUND	JOHN B. HART FUND	CASPAR BLOCK SPECIAL RECREATION GRANT	1998	1997
Cash flows from operating activities:								
Payments for scholarship and other	\$ (1,300)	\$ (250)	\$ (250)	\$ (500)		\$ (36,737)	\$ (39,037)	\$ (18,572)
Cash from contributions	25						25	20,000
Net cash provided (used) by operating activities	(1,275)	(250)	(250)	(500)		(36,737)	(39,012)	1,428
Cash flows from investing activities:								
Interest income	1,288	305	319	626	\$ 7,101	3,482	13,121	11,501
Purchase of investments								
Sale of investments								83,917
Net cash provided by investing activities	1,288	305	319	626	7,101	3,482	13,121	95,418
Net increase (decrease) in cash and cash equivalents	13	55	69	126	7,101	(33,255)	(25,891)	96,846
Cash and cash equivalents at beginning of year	23,981	5,601	5,844	31,036	130,214	70,719	267,395	170,549
Cash and cash equivalents at end of year	\$23,994	\$5,656	\$5,913	\$31,162	\$137,315	\$ 37,464	\$241,504	\$267,395
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES								
Net income (loss)	\$ 22,354	\$ 55	\$ 69	\$ 126	\$ (15,355)	\$ (10,799)	\$ (3,550)	\$ 33,648
Adjustments to reconcile net income to net cash provided (used) by operating activities:								
Interest income included in operating income	(1,288)	(305)	(319)	(626)	(7,101)	(3,482)	(13,121)	(11,501)
Decrease in accounts payable	(500)						(500)	500
Net increase (decrease) in market value ..	(21,841)						(21,841)	(21,219)
Increase (decrease) in due to other funds .					22,456	(22,456)		
Net cash provided (used) by operating activities	\$ (1,275)	\$ (250)	\$ (250)	\$ (500)	\$ - 0 -	\$ (36,737)	\$ (39,012)	\$ 1,428

TOWN OF BRANFORDAGENCY FUNDCOMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 1998

	BALANCE JULY 1, 1997	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1998
<u>BRANFORD CONSERVATION COMMISSION</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$1,091	\$59	\$ - 0 -	\$1,150
<u>LIABILITIES</u>				
Due to students, employees and other groups	\$1,091	\$59	\$ - 0 -	\$1,150
<u>SHELLFISH COMMISSION</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$6,556	\$303	\$ - 0 -	\$6,859
<u>LIABILITIES</u>				
Due to students, employees and other groups	\$6,556	\$303	\$ - 0 -	\$6,859
<u>BOARD OF EDUCATION HEALTH FUND</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$5,248	\$9,700	\$9,940	\$5,008
<u>LIABILITIES</u>				
Due to students, employees and other groups	\$5,248	\$9,700	\$9,940	\$5,008
<u>ACADEMY-ON-THE-GREEN</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$26,363	\$2,117	\$9,850	\$18,630
<u>LIABILITIES</u>				
Due to students, employees and other groups	\$26,363	\$2,117	\$9,850	\$18,630

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

	BALANCE JULY 1, 1997	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1998
<u>VOLUNTEER FIREMENS' PENSION FUND</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 431	\$ 67		\$ 498
Investments	152,723	29,021	\$1,302	180,442
TOTAL ASSETS	\$153,154	\$29,088	\$1,302	\$180,940
<u>LIABILITIES</u>				
Due to students, employees and other groups	\$153,154	\$29,088	\$1,302	\$180,940
<u>COMMISSION ON SERVICES FOR THE ELDERLY</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$55,754	\$426,733	\$380,416	\$102,071
<u>LIABILITIES</u>				
Accounts payable		\$ 18,192		\$ 18,192
Due to students, employees and other groups	\$55,316	408,541	\$379,978	83,879
Due to other funds	438		438	
TOTAL LIABILITIES	\$55,754	\$426,733	\$380,416	\$102,071
<u>EMPLOYEE SECTION 457 PLAN</u>				
<u>ASSETS</u>				
Investments	\$328,094	\$204,042	\$59,290	\$472,846
<u>LIABILITIES</u>				
Due to students, employees and other groups	\$328,094	\$204,042	\$59,290	\$472,846
<u>STUDENT ACTIVITY FUNDS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$289,114	\$1,419,512	\$1,485,583	\$223,043
<u>LIABILITIES</u>				
Due to students, employees and other groups	\$208,022	\$1,419,512	\$1,404,491	\$223,043
Due to other funds	81,092		81,092	
TOTAL LIABILITIES	\$289,114	\$1,419,512	\$1,485,583	\$223,043

(Continued) - 2.

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

	BALANCE JULY 1, 1997	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1998
<u>TOTAL - ALL FUNDS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$384,557	\$1,858,491	\$1,885,789	\$ 357,259
Investments	480,817	233,063	60,592	653,288
TOTAL ASSETS	<u>\$865,374</u>	<u>\$2,091,554</u>	<u>\$1,946,381</u>	<u>\$1,010,547</u>
<u>LIABILITIES</u>				
Accounts payable		\$ 18,192		\$ 18,192
Due to students, employees and other groups	\$783,844	2,073,362	\$1,864,851	992,355
Due to other funds	81,530		81,530	
TOTAL LIABILITIES	<u>\$865,374</u>	<u>\$2,091,554</u>	<u>\$1,946,381</u>	<u>\$1,010,547</u>

(Concluded) - 3.

TOWN OF BRANFORDCOMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
JUNE 30, 1998 AND 1997

	1998	1997
Land.....	\$ 5,789,590	\$ 5,789,590
Buildings.....	25,311,500	25,311,500
Equipment and personal property.....	17,649,395	16,726,344
Construction in progress.....	<u>15,727,049</u>	<u>7,500,299</u>
TOTAL	<u>\$64,477,534</u>	<u>\$55,327,733</u>
Investment in general fixed assets.....	<u>\$64,477,534</u>	<u>\$55,327,733</u>

TOWN OF BRANFORDCOMPARATIVE STATEMENT OF GENERAL LONG-TERM DEBT
JUNE 30, 1998 AND 1997

	1998	1997
AMOUNT TO BE PROVIDED FOR RETIREMENT <u>OF GENERAL LONG-TERM DEBT</u>		
Amount to be provided by State grants.....	\$14,213,539	\$ 4,666,139
Amount to be provided by Town.....	<u>40,512,297</u>	<u>37,742,618</u>
TOTAL	<u>\$54,725,836</u>	<u>\$42,408,757</u>
<u>GENERAL LONG-TERM DEBT PAYABLE</u>		
Notes and bonds payable.....	\$46,314,381	\$33,141,390
Sewer anticipation notes.....		606,000
Compensated absences.....	4,887,409	4,578,522
Lease purchase.....	68,921	123,880
Landfill closure/postclosure liability.....	1,100,000	1,150,000
Early retirement incentive.....	893,338	1,396,953
Net pension obligation.....	<u>1,461,787</u>	<u>1,412,012</u>
TOTAL	<u>\$54,725,836</u>	<u>\$42,408,757</u>

TOWN OF BRANFORD

SCHEDULE OF LONG-TERM INDEBTEDNESS
FOR THE YEAR ENDED JUNE 30, 1998

DESCRIPTION	ISSUE DATE	MATURITY DATE	ORIGINAL AMOUNT	INTEREST RATE (%)	BALANCE JULY 1, 1997	ISSUED DURING YEAR	RETIRED	OUTSTANDING JUNE 30, 1998
General:								
School.....	6/01/82	6/01/02	\$6,300,000	11.40	\$ 1,500,000		\$ 300,000	\$ 1,200,000
School.....	6/01/90	6/01/08	\$8,000,000	6.4-8.4	4,930,000		4,930,000	- 0 -
School.....	4/01/98	6/01/08	\$5,398,500	4.0-5.0	- 0 -	\$ 5,398,500	587,500	4,811,000
School.....	4/01/91	6/15/09	\$4,419,000	5.9-7.9	2,669,000		275,000	2,394,000
School.....	8/15/96	2/15/16	\$10,000,000	4.0-6.0	9,600,000		400,000	9,200,000
School.....	12/15/97	5/15/17	\$15,725,000	4.5-6.25	- 0 -	15,725,000	985,000	14,740,000
School.....	4/01/84	4/01/03	\$2,570,000	8.60-9.10	570,000		95,000	475,000
Public improvement.....	5/01/86	11/01/02	\$2,755,000	6.20-6.3	605,000		105,000	500,000
Public improvement.....	6/01/90	6/01/08	\$1,823,000	6.4-8.4	1,085,500		1,085,500	- 0 -
Public improvement.....	4/01/98	6/01/08	\$1,200,000	4.0-5.0	- 0 -	1,200,000	132,000	1,068,000
Public improvement.....	4/01/91	6/15/09	\$1,900,000	5.9-7.9	1,330,000		95,000	1,235,000
Public improvement.....	8/15/96	2/15/16	\$5,570,000	4.0-6.0	5,245,000		325,000	4,920,000
Special assessment:								
Sewer.....	3/01/78	3/01/03	\$5,000,000	5.35	1,200,000		200,000	1,000,000
Sewer.....	4/01/98	6/01/08	\$354,500	4.0-5.0	- 0 -	354,500	38,500	316,000
Sewer.....	4/01/84	4/01/03	\$4,890,000	8.60-9.1	1,590,000		265,000	1,325,000
Sewer.....	5/01/86	11/01/02	\$700,000	6.65	150,000		25,000	125,000
Sewer.....	6/01/90	6/01/08	\$531,000	6.4-8.4	322,500		322,500	- 0 -
Sewer.....	4/01/91	6/15/09	\$2,781,000	5.9-7.9	2,001,000		130,000	1,871,000
Sewer.....	12/15/97	5/15/17	\$530,000	4.5-6.25	- 0 -	530,000	140,000	390,000
Water.....	6/01/90	6/01/08	\$206,000	6.4-8.4	122,000		122,000	- 0 -
Water.....	4/01/98	6/01/08	\$122,000	4.0-5.0	- 0 -	122,000	12,000	110,000
Water.....	12/15/97	5/15/12	\$450,000	6.8-7.5	- 0 -	450,000	25,000	425,000
Total bonds.....					32,920,000	23,780,000	10,595,000	46,105,000
State of Connecticut, Clean Water.....	6/94	6/13		2.0	221,390		12,009	209,381
TOTAL.....					\$33,141,390	\$23,780,000	\$10,607,009	\$46,314,381

TOWN OF BRANFORDSTATEMENT OF DEBT LIMITATION
JUNE 30, 1998

Total tax collections (including interest and lien fees) received by Treasurer for the year ended June 30, 1998	\$44,419,963
Total tax collections (including interest and lien fees) of coterminous municipalities	994,408
Reimbursement for revenue loss on: Elderly tax relief	<u>33,261</u>

BASE	<u>\$45,447,632</u>
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	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>
Debt limitation:				
2-1/4 times base	\$102,257,172			
4-1/2 times base		\$204,514,344		
3-3/4 times base			\$170,428,620	
3-1/4 times base				\$147,704,804
Total	<u>102,257,172</u>	<u>204,514,344</u>	<u>170,428,620</u>	<u>147,704,804</u>

Indebtedness:				
Bonds payable	8,198,000	32,345,000	5,236,381	
Bonds authorized and unissued.....	145,000	1,750,000	30,750,000	
School building grants receivables.....		(14,213,539)		
Total indebtedness	<u>8,343,000</u>	<u>19,881,461</u>	<u>35,986,381</u>	

Debt limitation in excess of outstanding and authorized debt ..	<u>\$ 93,914,172</u>	<u>\$184,632,883</u>	<u>\$134,442,239</u>	<u>\$147,704,804</u>
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NOTE 1: In no case shall total indebtedness exceed seven times annual receipts from taxation \$318,133,424.

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