

PRELIMINARY OFFICIAL STATEMENT DATED JULY 16, 2024

This Preliminary Official Statement and the information contained herein are subject to completion and amendment without notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell, or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which said offer, solicitation or sale would be unlawful prior to registration or qualification under the laws of any such jurisdiction.

In the opinion of Bond Counsel, assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the “Code”), based on existing law, interest on the Notes is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations under the Code. Interest on the Notes may be includable in the calculation of certain taxes under the Code, as described under Appendix B – “Form of Legal Opinion of Bond Counsel and Tax Exemption” herein.

In the opinion of Bond Counsel, under existing statutes, interest on the Notes is excluded from Connecticut taxable income on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

**TOWN OF ENFIELD, CONNECTICUT
\$19,500,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES**

Dated: August 2, 2024

Due: July 30, 2025

<u>Amount</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP¹</u>
\$19,500,000			292749---

Telephone proposals and electronic proposals via PARITY® for the Notes will be received until 11:30 A.M. (Eastern Time) on Tuesday, July 23, 2024 at Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443 as described in the Notice of Sale for the Notes (see Appendix D herein). All telephone proposals for the purchase of the Notes must be given by telephone to the Town’s municipal advisor, Susan Caron, Vice President, Munistat Services, Inc., acting as agent for the bidders, by telephone at 860-372-1887 by 11:25 A.M. (Eastern Time) in order to ensure compliance with the 11:30 A.M. (Eastern Time) bid deadline.

The Notes are not subject to redemption prior to maturity.

The Notes will be issued by means of a book-entry-only transfer system and registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Notes. Purchasers of the Notes will not receive certificates representing their ownership in the Notes. Principal of, redemption premium if any, and interest on the Notes will be payable by the Town or its agent to DTC or its nominee as registered owners of the Notes. Ownership of the Notes may be in principal amounts of \$5,000 or integral multiples thereof. See “Book-Entry-Only Transfer System” herein.

The Notes will be general obligations of the Town of Enfield, Connecticut (the “Town”), and the Town will pledge its full faith and credit to pay the principal of and interest on the Notes when due. See “Security and Remedies” herein.

U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut will certify the Notes and act as Registrar, Transfer Agent, and Paying Agent with respect to the Notes.

The Notes are offered for delivery when, as and if issued, subject to the final approving opinion of Shipman & Goodwin LLP, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Notes will be made in book-entry-only form to DTC in New York, New York on or about August 2, 2024.

This cover page contains certain information for quick reference only. It is NOT a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

¹ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems, Inc. which is not affiliated with the Town and are included solely for the convenience of the holders of the Notes. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Notes or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Notes as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Notes.

No dealer, broker, salesperson or other person has been authorized by the Town of Enfield, Connecticut (the “Town”) or the Municipal Advisor (as defined herein) to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Town or the Municipal Advisor. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Town from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness.

The Official Statement has been prepared only in connection with the initial offering and sale of the Notes, and may not be reproduced or used in whole or in part for any other purpose.

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date of this Official Statement.

Other than as to matters expressly set forth in Appendix A – “Audited Financial Statements” herein, the independent auditors for the Town are not passing on, and do not assume any responsibility for, the accuracy or adequacy of the statements made in this Official Statement and make no representation that they have independently verified the same.

Other than matters expressly set forth in Appendix B, herein, Bond Counsel is not passing on, and does not assume any responsibility for, the accuracy or adequacy of the statements made in this Official Statement and makes no representation that it has independently verified the same.

The Town deems this Official Statement to be “final” as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1).

The Municipal Advisor to the Town has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Town and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

This Official Statement may include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Without limiting the foregoing, the words “may,” “believe,” “could,” “might,” “possible,” “potential,” “project,” “will,” “should,” “expect,” “intend,” “plan,” “predict,” “anticipate,” “estimate,” “approximate,” “contemplate,” “continue,” “target,” “goal” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. All forward-looking statements included in this Official Statement are based on information available to the Town up to the date as of which such statements are to be made, or otherwise up to, and including, the date of this document, and the Town assumes no obligation to update any such forward-looking statements to reflect events or circumstances that arise after the date hereof or after the date of any report containing such forward-looking statement, as applicable. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain important factors, including, but not limited to (i) the effect of and from, future municipal, state and federal budgetary matters, including state and federal grants and other forms of financial aid to the Town; (ii) federal tax policy, including the deductibility of state and local taxes for federal tax purposes; (iii) macroeconomic economic and business developments, both for the country as a whole and particularly affecting the Town; (iv) financial services industry developments; (v) litigation or arbitration; (vi) climate and weather related developments, natural disasters and other acts of God; (vii) factors used in estimating future obligations of the Town; (viii) the effects of epidemics and pandemics, including economic effects; (ix) foreign hostilities or wars; (x) foreign or domestic terrorism or domestic violent extremism; and (xi) other factors contained in this Official Statement.

BOND COUNSEL
SHIPMAN & GOODWIN LLP
Hartford, Connecticut
(860) 251-5000

MUNICIPAL ADVISOR
MUNISTAT SERVICES, INC.
Madison, Connecticut
(860) 372-1887

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NOTE ISSUE SUMMARY

The information in this Note Issue Summary and the front cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.

Date of Sale:	<u>Tuesday, July 23, 2024, 11:30 A.M. (Eastern Time).</u>
Location of Sale:	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443.
Issuer:	Town of Enfield, Connecticut (the “Town”).
Issue:	\$19,500,000 General Obligation Bond Anticipation Notes (the “Notes”).
Dated Date:	August 2, 2024.
Interest Due:	At maturity, July 30, 2025.
Principal Due:	At maturity, July 30, 2025.
Purpose and Authority:	The proceeds of the Notes will be used to refund a portion of the \$21,500,000 Bond Anticipation Notes maturing on August 2, 2024 which were used to fund the 2021 Roads Project and the JFK Middle School Renovations project as authorized by the voters of the Town, as described in “Use of Note Proceeds” herein. See also “Authorization and Purpose” herein.
Redemption:	The Notes are not subject to optional redemption prior to maturity.
Security:	The Notes will be general obligations of the Town of Enfield, Connecticut and the Town will pledge its full faith and credit to the payment of principal of and interest on the Notes when due.
Credit Rating:	The Town has not applied for a rating on the Notes. Currently the Town has a rating of “AA” from S&P on its outstanding bonds. See “Rating” herein.
Basis of Award:	Lowest Net Interest Cost (“NIC”), as of dated date.
Tax Exemption:	Refer to Appendix B “Form of Legal Opinion of Bond Counsel and Tax Exemption” herein.
Bank Qualification:	The Notes shall not be designated as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense incurred to carry the Notes.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided timely, but not in excess of ten (10) business days after the occurrence of the event, notices of the occurrence of certain events with respect to the Notes pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form of Appendix C to this Official Statement.
Registrar, Transfer Agent, Certifying Agent and Paying Agent:	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27 th Floor, Hartford, Connecticut 06103.
Legal Opinion:	Shipman & Goodwin LLP of Hartford, Connecticut will act as Bond Counsel.
Delivery and Payment:	It is expected that delivery of the Notes in book-entry-only form will be made to The Depository Trust Company on or about August 2, 2024 against payment in Federal Funds .
Issuer Official:	Questions concerning the Official Statement should be directed to John A. Wilcox, Director of Finance, Town of Enfield, 820 Enfield Street, Enfield, Connecticut 06082. Telephone: 860-253-6326
Municipal Advisor:	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Susan Caron, Vice President, Telephone: 860-372-1887.

The Preliminary Official Statement is available in electronic form only at www.i-dealpropectus.com and munistat.com. For additional information please contact the Municipal advisor at susan.caron@munistat.com or mark.chapman@munistat.com.

I. SECURITIES OFFERED

INTRODUCTION

This Official Statement, including the front cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Enfield, Connecticut (the “Town”) in connection with the sale and issuance of \$19,500,000 General Obligation Bond Anticipation Notes (the “Notes”) of the Town.

The Notes are being offered for sale at public bidding. A Notice of Sale dated July 16, 2024 has been furnished to prospective bidders. Reference is made to the Notice of Sale (See Appendix D to this Official Statement) for the terms and conditions of the bidding on the Notes.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. Neither the delivery of this Official Statement, nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. All quotations from, and summaries and explanations of, provisions of statutes, charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the original official documents, and all references to the Notes, and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Notes, and such proceedings.

The presentation of information is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town.

Munistat Services, Inc. (“Munistat”) or the “Municipal Advisor” is engaged as Municipal Advisor to the Town in connection with the issuance of the Notes. The Municipal Advisor’s fee for services rendered with respect to the sale of the Notes is contingent upon the issuance and delivery of the Notes. Munistat, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal and state income tax status of the Notes, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

Set forth in Appendix A “Basic Financial Statements” hereto is a copy of the report of the independent auditors for the Town with respect to the financial statements of the Town included in that appendix. The report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon, and do not assume responsibility for, the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Bond Counsel is not passing upon, and does not assume responsibility for, the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth in its opinion in Appendix B “Form of Legal Opinion of Bond Counsel and Tax Exemption” herein) and it makes no representation that it has independently verified the same.

The Town considers this Official Statement to be “final” for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision or amendment.

DESCRIPTION OF THE NOTES

The Notes will be dated August 2, 2024 and will be due and payable as to both principal and interest at maturity, on July 30, 2025. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. The Notes will be issued as fully-registered notes in denominations of \$5,000 or any integral multiples thereof. A book-entry-only transfer system will be employed evidencing ownership of the Notes with transfers of ownership on the records of The Depository Trust Company, New York, New York (“DTC”), and its participants pursuant to rules and procedures established by DTC and its participants. See “Book-Entry-Only Transfer System” herein.

The certifying bank, registrar, transfer and paying agent for the Notes will be U.S. Bank Trust Company, National Association, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103. The legal opinion for the Notes will be rendered by Shipman & Goodwin LLP, in substantially the form set forth in Appendix B to this Official Statement.

The Notes are not subject to redemption prior to maturity.

BOOK-ENTRY-ONLY TRANSFER SYSTEM

The Notes will be issued by means of a book-entry system and registered in the name of Cede & Co., as nominee for the Depository Trust Company (“DTC”), New York, New York. This section describes how ownership of the Notes is to be transferred and how the principal of, premium, if any, and interest on the Notes are to be paid to and accredited by DTC while the Notes are registered in its nominee name. The information in this section concerning DTC and the Book-Entry Transfer System has been provided by DTC for use in disclosure documents such as this Official Statement. The Town believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The Town cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the, or redemption or other notices to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Notes), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Notes. The Notes will be issued as fully-registered notes registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Note certificate will be issued for each interest rate of the Notes and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with the Notes held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

REPLACEMENT NOTES

The determination of the Town officials authorizing the issuance of the Notes provides for issuance of fully-registered Note certificates directly to beneficial Owners of the Notes, and or their nominees in the event that: (a) DTC determines not to continue to act as securities depository for the Notes, and the Town fails to identify another qualified securities depository for the Notes to replace DTC; or (b) the Town determines to discontinue the book-entry-only system of evidence and transfer of ownership of the Notes. A Beneficial Owner of the Notes, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Notes.

DTC PRACTICES

The Town can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Notes will act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

SECURITY AND REMEDIES

The Notes will be general obligations of the Town of Enfield, Connecticut and the Town will pledge its full faith and credit to pay the principal of and interest on the Notes when due.

Unless paid from other sources, the Notes are payable from general property tax revenues. The Town has the power under the Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income taxable at limited amounts.

Payment of the Notes is not limited to property tax revenues or any other revenue source, but certain revenues of the Town may be restricted as to use and therefore may not be available to pay debt service on the Notes.

There are no statutory provisions for priorities in the payment of general obligations of the Town. There are no statutory provisions for a lien on any portion of the tax levy or other revenues to secure the Notes, or judgments thereon, in priority to other claims.

The Town is subject to suit on its general obligation bonds and notes and a court of competent jurisdiction has the power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have the power in appropriate proceedings to order payment of a judgment on such bonds and note, from funds lawfully available therefor or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts may take into account all relevant factors including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on such bonds and note would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted by the Congress or the Connecticut General Assembly and to the exercise of judicial discretion. Under the Federal bankruptcy code, the Town may seek relief only, among other requirements, if it is specifically authorized in its capacity as a municipality or by name, to be a debtor under Chapter 9 of Title 11 of the United States Code, or by State law or a governmental officer or organization empowered by State law to authorize such entity to become a debtor under such Chapter. Section 7-566 of the Connecticut General Statutes provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds, notes or other obligations.

CONSIDERATION FOR NOTEHOLDERS

In making an investment decision with respect to the Notes, investors should consider carefully the information in this Official Statement and, in addition to those investment characteristics of fixed-rate municipal debt obligations, consider the following factors:

Cybersecurity

The Town like many other public and private entities, relies on technology to conduct its operations. The Town and its departments face cyber threats from time to time, including, but not limited to, hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls.

The Town has instituted Cybersecurity best practices through utilization of the Best-in-Class Next Generation Cyber Security platform. The Town also enforces exception-based access to outside its environment and to gain access into its environment through controlled access rules. All access is evaluated based upon reasonableness of device, location, and time of day as well as types of activity being requested. The Town also enforces the use of and requires multi-factor authentication to verify the identity of every user account. Most importantly, the Town's employees are security aware being required to take mandatory Security Awareness training including recurring competency tests with remedial training based upon real world and current threats. This results in a workforce that is rated in the top 5% in the industry for government agencies. The Town subscribes to annual audits provided by The Multi-State Information Sharing and Analysis Center (MS-ISAC) which is a CISA-supported collaboration with the Center for Internet Security and the Connecticut National Guard Homeland Security division.

No assurances can be given, however, that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage the Town's digital networks and systems and the costs of remedying any such damage could be substantial. The Town carries cyber insurance through Travelers. The Town has not had a cyber breach in the past ten years.

Environmental Factors

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. Like much of Connecticut, the Town is vulnerable to inland wetland, river and stream flooding. Furthermore, the Town faces other threats due to climate change, including damaging wind that could become more severe and frequent. The Town has updated its Plan of Conservation and Development to include sustainability, resilience, hazard mitigation, disaster recovery, low impact development, renewable energy, adaptive re-use and continuation of the municipal stormwater discharge. The Town cannot predict the timing, extent or severity of climate change and its impact on its operations and finances.

QUALIFICATIONS FOR FINANCIAL INSTITUTIONS

The Notes **shall not** be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Notes.

AVAILABILITY OF CONTINUING DISCLOSURE

The Town of Enfield prepares, in accordance with State law, annual audited financial statements and files such annual audits with the State Office of Policy and Management ("OPM") within six months of the end of its fiscal year. The Town provides, and will continue to provide, ongoing disclosure in the form of annual audited financial statements, adopted budgets and other materials relating to its management and financial condition as may be necessary or requested.

The Town will enter into a Continuing Disclosure Agreement with respect to the Notes, substantially in the form attached as Appendix C to this Official Statement (the "Continuing Disclosure Agreement"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain listed events with respect to the Notes.

The Town has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds or notes to provide annual financial information and event notices pursuant to Rule 15c2-12. In the past five years, the Town has not failed to comply in any material respect with its previous undertakings under such agreements.

The Town is not responsible for any failure by Electronic Municipal Market Access ("EMMA") or any other nationally recognized municipal securities information repository to timely post disclosure submitted to it by the Town or any failure to associate such submitted disclosure to all related CUSIPs.

AUTHORIZATION AND PURPOSE

The Notes are issued pursuant to the General Statutes of Connecticut, as amended, the Charter of the Town, and resolutions approved by the voters of the Town for those projects described in “Use of Note Proceeds” herein.

USE OF NOTE PROCEEDS

The proceeds of the Notes will be used to finance the following projects authorized by the Town:

Project	Amount	Previously	Loans/Grants	Notes	The	Authorized
	Authorized	Bonded	Premium/ Paydowns	Maturing 8/2/2024	Notes (This Issue)	Unissued
Enfield High School Expansion & Renovation ¹ ...	\$35,000,000	\$25,000,000	\$3,500,000	\$6,500,000	\$ -	\$ -
2021 Roads Project.....	30,000,000	-	-	5,000,000	10,000,000	20,000,000
JFK Middle School Renovations ²	27,000,000	16,286,000	1,214,000	10,000,000	9,500,000	-
Total.....	\$92,000,000	\$41,286,000	\$4,714,000	\$21,500,000	\$19,500,000	\$20,000,000

¹The overall project costs are projected at \$103 million. The voters of the Town approved a \$35 million borrowing resolution which is the estimated net local share of the project after receipt of the State of Connecticut School Construction Grants. On August 2, 2024, the Town will pay off the \$6.5 million portion of the Note maturing August 2, 2024.

²The overall project costs are projected at \$84 million. The voters of the Town approved a \$27 million borrowing resolution which is the estimated net local share of the project after receipt of the State of Connecticut School Construction Grants.

RATING

The Town has not applied for a rating on the Notes. Currently, the Town has a credit rating of “AA” with a stable outlook from S&P Global Ratings (“S&P”) on their outstanding bonds.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. The rating reflects only the view of the rating agency and an explanation of the significance of such rating may be obtained from S&P Global Ratings, 55 Water Street, 45th Floor, New York, New York 10041. There is no assurance that the rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by such rating agency if in its judgment circumstances so warrant. Any such downward change in or withdrawal of a rating may have an adverse effect on the marketability or market price of the Town’s bonds or notes, including the Notes.

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II. THE ISSUER



DESCRIPTION OF THE TOWN

Enfield was incorporated in 1683 as part of Massachusetts and was annexed to Connecticut in May, 1749. The Town of Enfield is a suburb consisting of 33.8 square miles and located east of the Connecticut River along the Interstate 91 corridor 18 miles north of Hartford, Connecticut, and 8 miles south of Springfield, Massachusetts. Centrally located between Boston and New York City, and just 15 miles from Bradley International Airport, Enfield is a short commute between major northeast economic markets. U.S. Route 5 and State Routes 190, 191, 192, and 220 also traverse the Town. Passenger transportation is provided by Amtrak and interstate and intrastate buses. Conrail currently furnishes freight service. The Town has a local public bus service called the Magic Carpet which provides connections to the Hartford Express Bus and eventually to the Enfield Intermodal Transit Center, which will be located along the New Haven – Hartford – Springfield rail line, which will have enhanced commuter rail service as part of a Connecticut Department of Transportation transit initiative. The Town worked with the State Department of Transportation for the approval of a new train platform to be installed on the Hartford Train Line. The CT State Bond Commission approved a total \$35 million for this project. As part of the State Department of Transportation's commitment to advancing this project, these funds intend to serve as a state match for a federal grant that was awarded for this project by the Federal Railroad Administration.

Enfield's location, transportation access, quality work force, land, and business services have attracted many first-rate corporations both large and small. The Town has a diversified commercial/industrial base of numerous manufacturing, research, engineering, distribution, service and retail facilities. Several companies have located their corporate headquarters in Enfield. Some notable examples include:

Eppendorf Manufacturing Company, a manufacturer of plastic pipettes used in medical research and an assembler of medical centrifuges, maintains a 300,000 square foot facility in Enfield. Eppendorf is expanding into a newly constructed building on North Maple Street and anticipates adding approximately 100 new employees.

Commercial and Retail Growth

Considerable growth in commercial and retail establishments has taken place in recent years. Seven large retail venues, as well as several smaller plazas totaling over 2 million square feet of retail space, have worked to make Enfield a regional shopping district. These shopping centers have had substantial reinvestment and minimal vacancies in recent years and include:

Enfield Shopping Centers

<u>Development</u>	<u>Year Built</u>	<u>Square Feet</u>	<u>Major Retailers</u>
Brookside Plaza.....	1984	226,643	Shop Rite, Burlington, TJ Maxx, Staples, Petsmart, Sketchers
Big Y Plaza.....	1997	97,990	Big Y Market, Walgreens, Tractor Supply, Wood N Tap, Mattress Firm
Enfield Commons....	1968	300,000	Petco, Old Navy, Ulta, Home Sense, Marshalls, Aldi, Michaels, DSW, Banes & Noble
Enfield Square.....	1971	777,775	Target, Party City, Cinemark, Hannoush Jewelers
Elm Plaza.....	1966	211,500	Kohl's, Famous Footwear, Sally Beauty, Chicago Sam's, Ocean State Job Lots
Stateline Plaza.....	1972	300,000	Costco, Dick's Sports, JoAnn Fabrics, P.C. Richard & Son, Home Depot
Stop & Shop Plaza...	1987	125,000	Stop & Shop, Advance Auto, Hartford Healthcare-GoHealth Urgent Care

Job Market

The job market in Enfield is stable. While there have been some losses in service, sales and office occupations in the past few years, there have been gains in other areas including management, business, and arts occupations as well as computer, engineering and science. The largest industry sectors in Enfield include “Accommodation & Food Services”, “Finance & Insurance”, “Health Care and Social Assistance” and “Retail Trade”.

FORM OF GOVERNMENT

The Town of Enfield is organized under the Council-Manager form of government pursuant to a Charter adopted by a referendum vote on December 5, 1962. The Charter became effective July 1, 1963 and was most recently revised in 2014.

The legislative power of the Town is vested exclusively in the Town Council. The Council is made up of eleven members elected biennially for two-year terms: one councilman elected from each of the four voting districts and seven councilmen elected at-large. Minority representation is guaranteed as only four councilmen-at-large may be elected from one political party. The Council elects a Chairperson and Vice-Chairperson who during their occupancy bear the title of Mayor and Deputy Mayor, respectively. The Council appoints the Town Manager who is the chief executive officer of the Town. The Town Manager is directly responsible to the Council for the administration of all departments, agencies and offices and is in charge of persons or boards appointed by the Town Manager.

The Town Manager appoints all department heads and other officers and employees of the Town except as otherwise specifically provided by the Charter. The Council and its members deal with the administrative staff solely through the Town Manager.

In addition, the Town Manager sees that all laws and ordinances governing the Town are faithfully executed, makes periodic reports to the Council, prepares an annual Town Report, keeps the Council fully advised as to the financial condition of the Town, prepares and submits to the Council an annual budget and performs such other duties as may be required of the Town Manager by the Charter, ordinance or resolution of the Council.

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PRINCIPAL TOWN OFFICIALS

Office	Name	Manner of Selection	Years of Service
Mayor.....	Ken Nelson Jr.....	Elected	1 Year
Town Manager.....	Christopher Bromson.	Appointed	8 Months ¹
Director of Finance.....	John Wilcox.....	Appointed	9 Years ²
Deputy Director of Finance/Treasurer.....	Heatheryn Breton.....	Appointed	7 Months
Director of Planning.....	Lauren Whitten.....	Appointed	6 Years
Supervisor of Assessment & Revenue Collection..	Todd Helems.....	Appointed	3 Years
Town Clerk.....	Shelia M. Bailey.....	Appointed	3 Years
Superintendent of Schools.....	Christopher Drezek.....	Appointed	6 Years ³

¹ Previously served as Town Manager from 9/4/2018 to 12/20/2021 and as Acting Town Manager from 11/24/2005 to 5/15/2006 and again from 5/7/2018 to 9/4/2018. Additionally, previously served as Town Attorney from 1/12/1990 to 12/31/2007 and again from 1/1/2016 to 9/4/2018.

² Previously served as Assistant Director of Finance for 5 years.

³ Previously served as Deputy Superintendent for 5 years.

Source: Town Officials.

SUMMARY OF MUNICIPAL SERVICES

Police: The Police Department consists of 108 full-time personnel including 101 sworn officers. Department personnel are highly trained, well-educated, and highly motivated to provide exceptional public service and law enforcement. The Police Department has been awarded National Accreditation status by CALEA since 1996. The department has also enjoyed State Accreditation status since 2005.

Fire: There are five independent Fire Stations each located within a Fire District. The Fire Districts have the power to make appropriations and levy taxes. The Fire Districts employ 47 full-time personnel and approximately 92 volunteers. The Fire Districts use modern vehicles at six locations throughout the Town for fast and comprehensive responses.

Ambulance: The Enfield Ambulance Service provides 24-hour service that is funded through billing for services and Town funds. The Department uses ten emergency vehicles and is staffed by 30 full-time EMTs and paramedics.

Public Works: The Department of Public Works is responsible for the maintenance of all Town-owned structures, highways, bridges, sidewalks, and disposal facilities. The Town has 184.14 miles (183.65 paved and 0.94 unpaved) of road which are maintained through a pavement management program and a modern fleet of vehicles.

Finance Department: The Town of Enfield operates a Department of Finance divided into four divisions: Administration, Treasury, Property Assessment and Tax Collections, and Purchasing (General Services). Major functions of the department include: financial reporting and accounting, accounts payable, accounts receivable, treasury (cash) management, payroll, risk management, collection of revenues, centralized procurement, administration of both operating and capital budgets, debt management, grants administration, and providing central stores services to all Town departments except for public school operations.

Social Services: Social Services provides a comprehensive array of services available to all resident age groups through the four Divisions: Adult and Elderly, Child Youth and Family, Care Coordination, and Community Initiatives. These services are available to all, with a concentration on seniors, the disabled, low- and moderate-income families and those challenged by housing instability/homelessness.

Recreation: The Recreation Division administers a comprehensive recreational program designed for year-round activities for all ages. Programs consist of aquatics, sports, summer camps, pre-school through adult classes, community events and day trips.

Utilities: The Connecticut Light & Power Company, doing business as Eversource Energy, supplies gas and electric service for the Town.

Water: The Connecticut Water Company and Hazardville Water Company supply water to the Town residents.

Sewers: The Town of Enfield owns and operates a secondary wastewater treatment plant which consists of 16 pumping stations and approximately 286 miles of sewer line and a 15 million gallon per day treatment plant. The plant serves approximately ninety percent of the Town’s population.

The cost of the operation and maintenance of the treatment plant and infrastructure is provided through a Sewer Use Fee based on a fixed access fee and usage of water.

An upgrade to the Wastewater Treatment plant began in the fall of 2018 and was completed in October of 2020. The Town approved \$36.0 million for this project. The project qualified for a loan and grant under the State of Connecticut Clean Water Fund Program. Under this program, the Town received a 20% grant and a 2% interest rate loan on the balance. The Town executed a Project Loan and Project Grant Agreement with the State of Connecticut. For more information, see “Clean Water Fund Program” herein. The adopted Sewer Use Fee includes funds to cover the projected principal and interest payments on this financing.

Solid Waste: The Town has executed a contract with F&G Recycling, a Connecticut Limited Liability Company, for disposal of its municipal solid waste and recycling. The contract is effective for five (5) years starting on July 1, 2024 and ending on July 1, 2029. The tipping fee for the first year of the contract is \$113.50 per ton for municipal solid waste (“MSW”) and \$115 per ton for recycling. The cost will increase 5% per year for the life of the contract.

HOUSING

According to the U.S. Census Bureau, 2018-2022 American Community Survey, Enfield has a population of 41,346 and a total of 17,119 housing units. The vast majority of the Town’s housing units, just over 12,991, are single family structures. The median home sales price for Enfield is \$228,600 according to the 2018-2022 American Community Survey.

Enfield has approximately 4,000 housing units that are classified as rentals with 3,876 active renters. While the majority of these rental units are located in 2 and 3 family homes, the Town does have several large apartment complexes including the former Bigelow-Sanford Carpet Mill, located in the Thompsonville section of Town. This historic structure was the largest historic rehabilitation tax-credit project in the State’s history when it was built in 1988. The site has 471 units of high-end apartments and on-site recreational facilities with an average annual occupancy rate of 98%.

Enfield has a long history of providing publicly supported housing beginning in 1948 with the formation of the Enfield Housing Authority. The Enfield Housing Authority’s programs include 174 units of State of Connecticut sponsored Moderate Rental housing, 200 units of Elderly/disabled housing and 82 units of congregate living apartments. The Enfield Housing Authority also administers 146 HUD Housing Choice Vouchers (A.K.A. Section 8) and is a HUD contract administrator for a 75 unit privately owned project based Section 8 development.

TOWN EMPLOYEES

The following table illustrates the permanent full and part-time Town employees for the last five fiscal years:

Fiscal Year	2024	2023	2022	2021	2020
Board of Education.....	873	871	871	985	929
General Government.....	508	534	534	523	529
Total.....	1,381	1,405	1,405	1,508	1,458

The following is a breakdown by category of the Town’s current permanent full-time and part-time employees:

<u>Department</u>	<u>Paid Positions</u>
Town Hall.....	50
Information Technology.	15
Public Works.....	122
Water Pollution Control.	13
Public Safety.....	138
EMS.....	39
Library.....	36
Parks and Recreation.....	4
Social Services.....	91
Board of Education.....	873
	<u>1,381</u>

Source: Town Officials.

MUNICIPAL EMPLOYEES’ BARGAINING UNITS

<u>Organization</u>	<u>Number of Employee</u>	<u>Current Contract Expiration</u>
<u>General Government</u>		
Public Works, Library, Police Dispatchers, Custodians - AFSCME Local 1029, Council....	173	June 30, 2024 ²
Police - Enfield Police Union, AFSME CT Local 798, Council 15.....	93	June 30, 2024 ²
Supervisors, Professional and Technical - Service Employees Intl., AFL-CIO Local 53.....	48	June 30, 2025
EMS - IAEP Local R1-717, NAGE, SEIU.....	22	June 30, 2024 ²
Bus Drivers - Teamsters Local 671.....	13	June 30, 2024 ²
General Government sub-total.....	<u>349</u>	
<u>Board of Education</u>		
School Administration - Enfield School Administrators Association.....	42	June 30, 2027
Teachers - Enfield Teachers Association.....	504	June 30, 2026
Clerical - AFSCME AFL-CIO Local 1303, Council 4.....	47	June 30, 2024 ^{1, 2}
Nurses - Enfield School Nurses Association.....	14	June 30, 2024 ²
Instructional Assistants - Enfield Instructional Assistant Association.....	90	June 30, 2024 ²
Cafeteria Workers - AFSCME AFL-CIO 1303, Council 4.....	24	June 30, 2024 ²
Board of Education sub-total.....	<u>721</u>	
Total General Government and Board of Education.....	<u>1,070</u>	

¹ The Clerical Union elected to become part of AFSCME Local 1029 in June of 2023.

² In negotiation.

Source: Town of Enfield.

Connecticut General Statutes Sections 7-473c, 7-474, and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipality may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either of the parties. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability

of the municipal employer. For binding arbitration contracts, in assessing the financial capability of a municipal entity, there is an irrebutable presumption that a budget reserve of (i) 5% or less with respect to teachers' contracts, and (ii) 15% or less with respect to municipal employees, is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and the wages, salaries, fringe benefits and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

SCHOOL FACILITIES

Enfield's educational system services grades pre-kindergarten through twelve. The schools are governed by a nine-member local Board of Education. Board members are elected to two-year staggered terms. The Board exercises legislative authority over the schools in accordance with state statutes and the State Board of Education rules.

<u>School</u>	<u>Grades</u>	<u>Construction/Addition/ Renovation</u>	<u>Number of Classrooms</u>	<u>Enrollment 10/01/2023</u>	<u>Capacity</u>
Enfield Street Elementary.....	K-2	1954, 1963, 1994, 2001	17	270	391
Eli Whitney Elementary.....	3-5	1967, 1994, 2001	22	334	477
Prudence Crandall Elementary.....	3-5	1966, 2001	24	338	456
Henry Barnard Elementary.....	K-2	1969, 1994, 2001	23	411	488
Edgar H. Parkman Elementary.....	3-5	1964, 1994, 2001	21	264	477
Hazardville Memorial Elementary.	PreK-2	1951, 1956, 1994, 2001	19	325	435
John F. Kennedy Middle School....	6-8	1969, 1994, 2001, 2023	48	1,089	1,150
Enfield High School.....	9-12	1963, 1994, 2006, 2016	113	1,493	1,840
Head Start.....	PreK	2004	6	102	108
Stowe Early Learning Center.....	PreK	2016-remodel	7	115	140
Totals.....			<u>300</u>	<u>4,741</u>	<u>5,962</u>
		Eagle Academy (Elementary, Middle & HS)		25	
		ETLA (HS)		22	
		Enfield Alternative (HS)		17	
				<u>4,805</u>	

Source: Town of Enfield, Superintendent's Office.

SCHOOL ENROLLMENT

<u>School Year</u>	<u>Pre-K</u>	<u>K-5</u>	<u>6-8</u>	<u>9-12</u>	<u>Total</u>
		<i>Historical</i>			
2019-20	249	2099	1078	1,510	4,936
2020-21	195	2007	1133	1,561	4,896
2021-22	225	2026	1130	1,545	4,926
2022-23	229	1987	1127	1,553	4,896
2023-24	217	1944	1100	1,544	4,805
		<i>Projected</i>			
2024-25	249	1987	1019	1,524	4,779
2025-26	249	1984	964	1,517	4,714
2026-27	249	1971	947	1,508	4,675
2027-28	249	1925	994	1,417	4,585

Source: Town of Enfield, Superintendent's Office.

III. ECONOMIC AND DEMOGRAPHIC INFORMATION

POPULATION TRENDS

<u>Year</u>	<u>Population¹</u>	<u>% Increase</u>	<u>Density²</u>
1980	42,695	(7.6)	1,263
1990	45,532	6.6	1,347
2000	45,212	(0.7)	1,338
2010	44,794	(0.9)	1,325
2020	43,952	(1.9)	1,300
2022	41,346	(5.9)	1,223

¹ 1980-2022 – U.S. Census Bureau.

² Per square mile: 33.8 square miles.

AGE DISTRIBUTION OF THE POPULATION

<u>Age</u>	<u>Town of Enfield</u>		<u>Capital Planning Region¹</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under 5.....	2,642	6.4	50,362	5.2	182,768	5.1
5 - 9.....	1,947	4.7	53,129	5.4	196,600	5.4
10 - 14.....	2,297	5.6	59,933	6.1	222,267	6.2
15 - 19.....	1,977	4.8	68,784	7.0	247,501	6.9
20 - 24.....	2,433	5.9	69,711	7.1	241,391	6.7
25 - 34.....	6,215	15.0	126,124	12.9	449,466	12.4
35 - 44.....	5,260	12.7	123,134	12.6	445,052	12.3
45 - 54.....	5,190	12.6	123,554	12.6	475,109	13.2
55 - 59.....	3,225	7.8	70,572	7.2	266,117	7.4
60 - 64.....	3,065	7.4	64,577	6.6	255,938	7.1
65 - 74.....	3,860	9.3	95,634	9.8	362,365	10.0
75 - 84.....	2,331	5.6	47,447	4.9	178,746	4.9
85 and over..	904	2.2	24,204	2.5	87,997	2.4
Total	41,346	100.0	977,165	100.0	3,611,317	100.0
 Median Age (years)	 40.2		 39.8		 40.9	

¹ Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Hartford County data was used.

Source: U.S. Census Bureau, 2018-2022 American Community Survey.

INCOME DISTRIBUTION

	<u>Town of Enfield</u>		<u>Capital Planning Region ¹</u>		<u>State of Connecticut</u>	
	<u>Families</u>	<u>Percent</u>	<u>Families</u>	<u>Percent</u>	<u>Families</u>	<u>Percent</u>
Less than \$10,000	449	4.4	6,572	2.7	21,866	2.4
\$ 10,000 to 14,999	29	0.3	3,530	1.4	13,844	1.5
\$ 15,000 to 24,999	233	2.3	9,144	3.7	32,363	3.5
\$ 25,000 to 34,999	287	2.8	10,524	4.3	38,177	4.2
\$ 35,000 to 49,999	664	6.5	18,071	7.3	65,393	7.2
\$ 50,000 to 74,999	1,460	14.2	29,651	12.0	112,628	12.4
\$ 75,000 to 99,999	1,482	14.5	30,257	12.3	109,739	12.0
\$100,000 to 149,999 ..	2,852	27.8	53,255	21.6	184,504	20.2
\$150,000 to 199,999 ..	1,406	13.7	35,529	14.4	125,406	13.8
\$200,000 or more	1,388	13.5	49,990	20.3	207,948	22.8
Total	<u>10,250</u>	<u>100.0</u>	<u>246,523</u>	<u>100.0</u>	<u>911,868</u>	<u>100.0</u>

¹ Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Hartford County data was used.

Source: U.S. Census Bureau, 2017-2021 American Community Survey.

INCOME LEVELS

	<u>Town of Enfield</u>	<u>Capital Planning Region ¹</u>	<u>State of Connecticut</u>
Per Capita Income, 2022.....	\$42,141	\$47,802	\$52,034
Per Capita Income, 2020.....	\$37,046	\$41,470	\$45,668
Per Capita Income, 2010.....	\$29,340	\$35,078	\$36,775
Per Capita Income, 2000.....	\$21,967	\$26,047	\$28,766
Median Family Income, 2022.....	\$106,815	\$114,273	\$115,539
Median Family Income, 2020.....	\$97,572	\$97,406	\$102,061
Median Family Income, 2010.....	\$77,554	\$81,246	\$84,170
Median Family Income, 2000.....	\$60,528	\$62,144	\$65,521
Percent Below Poverty Level 2022.....	6.4%	7.1%	6.8%

¹ Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Hartford County data is shown.

Source: U.S. Department of Commerce, Bureau of Census, 2000, 2010, 2020; U.S. Census Bureau, 2018-2022 American Community Survey.

EDUCATIONAL ATTAINMENT
Years of School Completed Age 25 and Over

Educational Attainment Group	Town of Enfield		Capital Planning Region ¹		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade.....	588	2.0	25,897	3.8	101,820	4.0
9th to 12th grade.....	1,314	4.4	34,778	5.2	118,256	4.7
High School graduate.....	9,489	31.6	169,941	25.2	650,788	25.8
Some college - no degree.....	6,120	20.4	111,307	16.5	414,533	16.4
Associates degree.....	3,464	11.5	55,774	8.3	192,167	7.6
Bachelor's degree.....	5,697	19.0	154,850	22.9	573,917	22.8
Graduate or professional degree.....	3,378	11.2	122,699	18.2	469,309	18.6
Total.....	30,050	100.0	675,246	100.0	2,520,790	100.0
Percent High School Graduate or Higher.....		93.7%		91.0%		91.3%
Percent Bachelor's Degree or Higher.....		30.2%		41.1%		41.4%

¹ Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Hartford County data was used.
Source: U.S. Census Bureau, 2018-2022 American Community Survey.

MAJOR EMPLOYERS

Employer	Nature of Business	Estimated Number of Employees
Lego Building Corp ¹	Plastic Games & Toys.....	1,000-4,999
Town of Enfield.....	Municipality.....	1,000-4,999
Advance Auto Parts Distribution Center.....	Auto Parts.....	250-499
New Brunswick Scientific.....	Laboratory Equipment Manufacturer..	250-499
Precision Camera.....	Photo Equipment & Repair.....	250-499
Allied Community Service.....	Payroll Prep Service.....	100-249
Big-Y.....	Grocery Chain.....	100-249
Blair Manor.....	Nursing Home.....	100-249
Camerota Truck Parts.....	Truck Parts Manufacturer.....	100-249
Costco.....	Wholesale Club.....	100-249
Eppendorf Manufacturing.....	Life Science.....	100-249
Hazardville Wellness.....	Health Care Facility.....	100-249
Home Depot.....	Home Center.....	100-249
Kohl's.....	Retail.....	100-249
Martin Brower.....	Transportation.....	100-249
Marvin Windows.....	Windows.....	100-249
PTI Industries.....	Electroplating/Polishing.....	100-249
Shoptite.....	Grocery Chain.....	100-249
Smyth Bus Co.....	Bus Line.....	100-249
Super Stop & Shop.....	Grocery Chain.....	100-249
Target.....	Retail.....	100-249
USA Hauling & Recycling.....	Garbage Collection.....	100-249
USPS.....	Post Office.....	100-249

¹ On January 24, 2023 Lego announced they would be moving their headquarters to Boston, Massachusetts by the end of 2026.
Source: Connecticut Department of Labor – Office of Research as of September 30, 2023

EMPLOYMENT BY INDUSTRY

	Town of Enfield		Capital Planning Region ¹		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fisheries.....	91	0.4	1,695	0.3	7,460	0.4
Construction.....	1,064	5.1	25,532	5.1	112,421	6.1
Manufacturing.....	2,489	11.8	54,221	10.9	194,805	10.6
Wholesale trade.....	459	2.2	11,359	2.3	40,518	2.2
Retail trade.....	2,712	12.9	52,235	10.5	196,267	10.7
Transportation & warehousing & utilities...	1,797	8.6	26,102	5.3	82,215	4.5
Information.....	182	0.9	8,652	1.7	36,440	2.0
Finance, insurance, real estate.....	2,188	10.4	52,798	10.6	164,811	9.0
Professional, scientific & management.....	2,179	10.4	54,817	11.0	217,442	11.9
Educational, health & social services.....	5,004	23.8	132,345	26.6	485,013	26.5
Arts, entertainment & recreation.....	1,246	5.9	36,444	7.3	148,594	8.1
Other professional services.....	726	3.5	19,975	4.0	80,864	4.4
Public administration.....	880	4.2	20,533	4.1	65,675	3.6
Total.....	21,017	100.0	496,708	100.0	1,832,525	100.0

¹ Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Hartford County data was used.

Source: U.S. Census Bureau, 2018-2022 American Community Survey.

EMPLOYMENT DATA

Percentage Unemployed

Yearly Average	Town of Enfield %	Enfield Labor Market ¹ %	State of Connecticut %	United States %
2014	6.3	6.2	6.6	6.2
2015	5.4	5.3	5.6	5.2
2016	5.2	4.9	4.8	4.9
2017	4.4	4.3	4.4	4.4
2018	3.8	3.7	3.9	3.9
2019	3.5	3.4	3.6	3.7
2020	7.6	7.3	8.0	8.1
2021	5.9	5.7	6.4	5.4
2022	4.0	3.9	4.1	3.7
2023	3.5	3.5	3.8	3.6

2023 Monthly ²				
January	4.7	4.7	5.0	4.1
February	5.1	5.1	5.4	4.2
March	3.9	4.0	4.2	3.9
April	3.4	3.4	3.5	3.5
May	3.9	3.9	4.1	3.7

¹ Not seasonally adjusted.

² Estimated

Source: Department of Labor, State of Connecticut.

AGE DISTRIBUTION OF HOUSING

Year Built	Town of Enfield		Capital Planning Region ¹		State of Connecticut	
	Units	Percent	Units	Percent	Units	Percent
1939 or earlier.....	1,991	11.6	75,599	18.3	316,471	20.7
1940 - 1949.....	710	4.1	28,596	6.9	99,909	6.5
1950 - 1959.....	4,817	28.1	69,380	16.8	223,821	14.6
1960 - 1969.....	3,372	19.7	59,223	14.3	200,651	13.1
1970 - 1979.....	1,713	10.0	54,494	13.2	209,518	13.7
1980 - 1989.....	2,602	15.2	52,749	12.7	193,340	12.6
1990 - 1999.....	1,334	7.8	31,158	7.5	118,948	7.8
2000 - 2009.....	311	1.8	26,261	6.3	104,310	6.8
2010 - 2019.....	264	1.5	15,766	3.8	61,429	4.0
2020 or later.....	5	0.0	734	0.2	2,935	0.2
Total.....	<u>17,119</u>	<u>100.0</u>	<u>413,960</u>	<u>100.0</u>	<u>1,531,332</u>	<u>100.0</u>
Percent Owner Occupied.....		75.6%		65.2%		66.2%

¹ Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Hartford County data was used.
Source: U.S. Census Bureau, 2018-2022 American Community Survey.

HOUSING INVENTORY

Type	Town of Enfield		Capital Planning Region ¹		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
1-unit, detached.....	11,999	70.1	236,009	57.0	898,891	58.7
1-unit, attached.....	992	5.8	24,478	5.9	91,794	6.0
2 units.....	1,036	6.1	28,145	6.8	120,419	7.9
3 or 4 units.....	1,211	7.1	38,653	9.3	128,942	8.4
5 to 9 units.....	548	3.2	25,015	6.0	78,127	5.1
10 to 19 units.....	464	2.7	17,369	4.2	56,353	3.7
20 or more units.....	847	4.9	41,507	10.0	145,025	9.5
Mobile home, boat, other.....	22	0.1	2,784	0.7	11,781	0.8
Total	<u>17,119</u>	<u>100.0</u>	<u>413,960</u>	<u>100.0</u>	<u>1,531,332</u>	<u>100.0</u>

¹ Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Hartford County data was used.
Source: U.S. Census Bureau, 2018-2022 American Community Survey.

OWNER-OCCUPIED HOUSING VALUES

Sales Price Category	Town of Enfield		Capital Planning Region ⁴		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000	286	2.3	5,372	2.1	20,646	2.2
\$ 50,000 to \$ 99,999 ...	150	1.2	4,934	2.0	19,506	2.1
\$ 100,000 to \$149,999 ...	690	5.6	12,998	5.2	46,916	5.0
\$ 150,000 to \$199,999 ...	2,570	20.7	33,103	13.1	96,168	10.3
\$ 200,000 to \$299,999 ...	6,682	53.9	82,458	32.7	238,687	25.6
\$ 300,000 to \$499,999 ...	1,717	13.9	84,743	33.6	307,876	33.0
\$ 500,000 to \$999,999 ...	233	1.9	25,736	10.2	149,216	16.0
\$1,000,000 and over	65	0.5	2,797	1.1	53,573	5.7
Total	12,393	100.0	252,141	100.0	932,588	100.0
2000 Median Value ¹	\$144,300		\$142,200		\$166,900	
2020 Median Value ²	\$191,300		\$242,900		\$279,700	
Median Value ³	\$228,600		\$283,800		\$323,700	

¹ U.S. Department of Commerce, Bureau of Census, 2000.

² U.S. Census Bureau, 2016-2020 American Community Survey.

³ U.S. Census Bureau, 2017-2021 American Community Survey.

⁴ Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Hartford County data was used.

Source: U.S. Census Bureau, 2018-2022 American Community Survey.

BUILDING PERMITS

Fiscal Year Ending 6/30	Residential		Commercial/Industrial		Other		Total	
	Number	Value	Number	Value	Number	Value	Number	Value
2024	904	\$14,366,611	156	\$ 19,862,789	1631	\$32,959,455	2,691	\$ 67,188,855
2023	1095	53,647,015	97	33,687,679	1809	50,074,301	3,001	137,408,995
2022	900	16,032,174	126	53,185,241	1623	30,047,297	2,649	99,264,712
2021	1094	20,606,737	166	81,399,955	1566	62,574,398	2,826	164,581,090
2020	805	19,406,724	106	19,524,123	1283	15,437,316	2,194	54,368,162
2019	823	16,279,490	125	23,781,702	1177	14,754,040	2,125	54,815,232
2018	928	17,083,344	140	9,903,820	1240	11,476,169	2,308	38,463,333
2017	935	17,233,522	148	22,449,924	1318	23,906,228	2,401	63,589,674
2016	987	15,145,433	129	16,045,770	1222	11,943,803	2,338	43,135,006
2015	604	7,018,982	94	58,299,812	883	36,415,110	1,581	101,733,904

Source: Building Department, Town of Enfield.

LAND USE SUMMARY

Classification	Total Area		Developed		Undeveloped	
	Acres	Percent	Acres	Percent	Acres	Percent
Residential.....	16,660	75.3%	8,659	76.3%	8,001	74.3%
Commercial/Industrial.....	869	4.0%	682	6.0%	187	1.7%
Forest.....	3,718	16.8%	1,139	10.0%	2,579	24.0%
Farm.....	871	3.9%	871	7.7%	0	0.0%
Total Area.....	22,118	100.0%	11,351	100.0%	10,767	100.0%

Source: Town of Enfield, Assessor's Office.

IV. TAX BASE DATA

ASSESSMENTS

The Town of Enfield had a general property revaluation by physical inspection of all real estate, effective on the Grand List of October 1, 2021. Under Section 12-62 of the Connecticut General Statutes the Town must do a revaluation every five years and the assessor must fully inspect each parcel, including measuring or verifying the exterior dimensions of a building once every ten years. Section 12-62 also imposes a penalty on municipalities that fail to effect revaluations as required, with certain exceptions. Municipalities may choose to phase-in real property assessment increases resulting from a revaluation, but such phase-in must be implemented in less than five assessment years. The maintenance of an equitable tax base, and the location and appraisal of all real and personal property within the Town of Enfield for inclusion onto the Grand List are the responsibilities of the Town's Assessor's Office. The Grand List represents the total of assessed values for all taxable real and personal property and motor vehicles located within the Town on October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments for real property are computed at seventy percent (70%) of the estimated market value at the time of the last general revaluation.

When a new structure or modification to an existing structure is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Inspector. A physical appraisal is then completed and the structure classified and priced from a schedule developed at the time of the last revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

All personal property (furniture, fixtures, equipment, and machinery) is revalued annually. An assessor's check and audit is completed periodically. Assessments for personal property are computed at seventy percent (70%) of present value.

Connecticut General Statutes Section 12-71e creates a cap on the local property tax mill rate for motor vehicles. The statute provides that (1) for the assessment year October 1, 2016, the mill rate for motor vehicles shall not exceed 39 mills, and (2) for the assessment year October 1, 2017 to October 1, 2020, inclusive, the mill rate for motor vehicles shall not exceed 45 mills, and (3) for the assessment year commencing October 1, 2021, and each assessment year thereafter, the mill rate for motor vehicles shall not exceed 32.46 mills. No district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town or city in which such district or borough is located would result in a combined motor vehicle mill rate in excess of these mill rate caps. The Town's mill rate for motor vehicles for fiscal year 2024-2025 is 29.21.

For the fiscal year ending June 30, 2022, motor vehicle property tax grants to municipalities that impose mill rates on real property and personal property other than motor vehicles greater than 45 mills or that, when combined with the mill rate of any district located within the municipality, impose mill rates greater than 45 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year October 1, 2020, and the amount such levy would have been if the mill rate on motor vehicles for that assessment year was 45 mills. For the fiscal year ending June 30, 2023, and each fiscal year thereafter, motor vehicle property tax grants to municipalities that impose mill rates on real property and personal property other than motor vehicles greater than 32.46 mills or that, when combined with the mill rate of any district located within the municipality, impose mill rates greater than 32.46 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year October 1, 2021, and each assessment year thereafter, and the amount such levy would have been if the mill rate on motor vehicles for that assessment year was 32.46 mills.

Motor vehicle lists are furnished to the Town by the State of Connecticut, and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule as recommended by the State of Connecticut Office of Policy and Management and the Assessor of the Town of Enfield. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1 are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the proration is based on the number of months of ownership between October 1 and the following July 31. Motor vehicles purchased in August and September are not taxed until the next October 1 Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October 1 Grand

List, the taxpayer is entitled to certain credits. Assessments for motor vehicles are computed at seventy percent (70%) of the annual appraisal of market value.

PROPERTY TAX COLLECTION PROCEDURE

Real estate taxes for the fiscal year are levied on the Grand List of the prior October 1, and are due July 1, payable in two installments, on July 1 and January 1. Personal property taxes are payable in one installment on July 1 with motor vehicle supplemental bills payable on January 1. Payments not received by August 1 and February 1, respectively, become delinquent, with interest charged at the rate of 1.50% per month from the due date of the tax. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle and personal property accounts are transferred to a suspense account after three years at which time they cease to be carried as receivables. Delinquent real estate accounts are transferred to suspense 15 years after the due date in accordance with State statutes.

COMPARATIVE ASSESSED VALUATIONS

Grand List Dated	Real Property (%)	Personal Property (%)	Motor Vehicle Property (%)	Gross Taxable Grand List	Less Exemptions ¹	Net Taxable Grand List	% Growth
2023	80.6	9.2	10.2	\$3,790,042,796	\$59,053,961	\$3,730,988,835	0.0%
2022	80.4	8.9	10.7	3,794,758,890	62,030,670	3,732,728,220	0.9%
2021 ²	81.3	8.3	10.4	3,755,205,513	55,563,240	3,699,642,273	22.8%
2020	81.6	8.7	9.7	3,075,706,530	61,923,030	3,013,783,500	2.5%
2019	81.5	9.2	9.3	3,001,923,360	60,263,603	2,941,659,757	0.4%
2018	82.0	8.8	9.2	2,988,054,690	56,820,940	2,931,233,750	0.9%
2017	82.4	8.5	9.1	2,962,770,554	57,913,156	2,904,857,398	0.0%
2016 ²	82.3	8.4	9.2	2,953,880,392	48,951,751	2,904,928,641	0.0%
2015	82.5	8.5	9.1	2,952,087,637	45,842,492	2,906,245,145	0.8%
2014	83.1	7.9	9.0	2,924,870,811	42,101,837	2,882,768,974	1.1%

¹ Connecticut General Statutes Section 12-81 (72) exempts new manufacturing equipment from property taxation by municipalities.

² Revaluation year.

Source: Assessor's Office, Town of Enfield.

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PROPERTY TAX LEVIES AND COLLECTIONS

Grand List	FY Ending	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Collected End of Each Fiscal Year	Percent Uncollected End of Each Fiscal Year	Percent Annual Levy Uncollected 6/30/2023	Amount Uncollected as of 6/30/2023
2023	2025	\$3,730,988,835	30.56/29.21 ³	\$100,621,346	Collections 7/1/2024 and 1/1/25			N/A
2022	2024	3,732,728,220	30.56/29.21 ³	99,833,743	Unaudited			N/A
2021	2023	3,699,642,273	27.89	103,596,000	97.8%	2.2%	2.2%	\$2,310,000
2020	2022	3,013,783,500	34.23	103,719,000	98.1%	1.9%	0.8%	878,000
2019	2021	2,941,659,757	34.23	101,046,000	98.0%	2.0%	0.4%	410,000
2018	2020	2,931,233,750	34.23	100,186,000	97.5%	2.5%	0.3%	315,000
2017	2019	2,904,857,398	33.40	97,393,000	98.0%	2.0%	0.3%	248,000
2016	2018	2,904,928,641	31.43/28.80 ²	89,206,850	97.9%	2.1%	0.2%	206,000
2015	2017	2,906,245,145	30.86/28.80 ¹	87,700,848	98.2%	1.8%	0.2%	203,000
2014	2016	2,882,768,974	29.89	86,125,000	98.1%	1.9%	0.2%	195,000

¹ Mill rate for Real Estate and personal Property was levied at 30.86 mills; mill rate for Motor Vehicles was levied at 28.80 mills.

² Mill rate for Real Estate and personal Property was levied at 31.43 mills; mill rate for Motor Vehicles was levied at 28.80 mills.

³ Mill rate for Real Estate and personal Property was levied at 30.56 mills; mill rate for Motor Vehicles was levied at 29.21 mills.

Source: Tax Collector's Office, Town of Enfield.

TEN LARGEST TAXPAYERS¹

Business-Name	Nature Of Business	Estimated Assessment 10/1/2023	Rank	Percent of Total³
Eversource Energy.....	Utility.....	\$ 66,121,240	1	1.77%
Mayfield Place LLC.....	Apartments.....	40,415,490	2	1.08%
PPF WE 113 North Maple Street.....	Development Firm.....	25,823,931	3	0.69%
Yankee Gas Services CO (AU 71).....	Utility.....	25,497,350	4	0.68%
PPF WE 25 Bacon Road LLC.....	Development Firm.....	25,379,300	5	0.68%
Paramount Commons at Enfield LLC.....	Retail.....	25,188,400	6	0.68%
Nutmeg Solar LLC.....	Solar Farm.....	23,812,160	7	0.64%
Mass Mutual ²	Insurance.....	22,658,000	8	0.61%
Eppendorf Holding Inc.....	Manufacturing.....	22,290,260	9	0.60%
Northland Bigelow.....	Apartment Complex.....	20,405,950	10	0.55%
Total		\$297,592,081		7.98%

¹ Based on a 10/1/23 Net Taxable Grand List of \$3,730,988,835.

² Mass Mutual has consolidated their facilities to Springfield, MA as of March 2021.

Note: Numbers may vary due to rounding.

Source: Assessor's Office, Town of Enfield.

EQUALIZED NET GRAND LIST

Grand List of 10/1	Equalized Net Grand List	% Growth
2022	\$6,282,734,077	19.59%
2021	5,253,508,694	2.68%
2020	5,116,353,761	9.54%
2019	4,670,727,429	5.62%
2018	4,422,084,043	0.34%
2017	4,406,984,332	6.60%
2016	4,134,220,641	1.77%
2015	4,062,151,475	-2.44%
2014	4,163,607,597	1.85%
2013	4,087,836,445	0.16%

Source: State of Connecticut, Office of Policy and Management.

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V. FINANCIAL INFORMATION

FISCAL YEAR

The Town's fiscal year begins July 1 and ends June 30.

ACCOUNTING POLICIES

The financial statements of the Town of Enfield, Connecticut have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Please refer to Appendix A "Basic Financial Statements" herein for compliance and implementation details.

The reporting model includes the following segments:

Management's Discussion and Analysis ("MD&A") – provides introductory information on basic financial statements and an analytical overview of the Town's financial activities.

Government-wide financial statements – consist of a statement of net assets and a statement of activities, which are prepared on the accrual basis of accounting. These statements distinguish between governmental activities and business-type activities and exclude fiduciary activities (employee retirement system and agency funds). Capital assets, including infrastructure and long-term obligations are included along with current assets and liabilities.

Fund financial statements – provide information about the Town's governmental, proprietary and fiduciary funds. These statements emphasize major fund activity and, depending on the fund type, utilize different basis of accounting.

Required supplementary information – in addition to the MD&A, budgetary comparison schedules are presented for the General Fund.

Please refer to Appendix A under "Notes to the Financial Statements" herein for measurement focus and basis of accounting of the government-wide financial statements as well as the fiduciary fund financial statements of the Town of Enfield.

BUDGETARY PROCEDURES

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

- Prior to July 1, the budget is legally enacted through the passage of a resolution of the Town Council.
- Management is authorized to transfer amounts without approval of the Town Council within certain expenditure categories of the Town's operating divisions. The remaining transfers within divisions require Town Council approval. Transfers between divisions or between departments can only be made by the Town Council and only within the last six months of the fiscal year.
- The Department of Education is not a separate legal entity, but a separate function of the Town. Its Board is authorized under State law to make any transfers required within its budget at its discretion. Any additional appropriations must have Town Council approval and, if necessary, approval at a public hearing or referendum.
- Formal budgetary integration is employed as a management control device during the year.
- The budget is generally prepared on the modified accrual basis of accounting.

- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level for the General Fund and at the fund level for the Water Pollution Control Plant Fund.
- Budgeted amounts shown are as amended by the Town Council during the course of the year.
- Generally, all appropriations lapse at year end, except those for the Capital Projects Fund. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in budgetary reports as expenditures in the current year.
- Budgets are also legally adopted and presented for the Social Services Fund, the Emergency Medical Fund, the Library and Leisure Services Fund, and the Water Pollution Control Fund.

Connecticut General Statutes Section 4-661 creates a cap on adopted general budget expenditures for municipalities in Connecticut in order for municipalities to be eligible to receive the full amount of the State's municipal revenue sharing grant. Beginning in fiscal year ending June 30, 2018, and in each fiscal year thereafter, the Office of Policy and Management ("OPM") must reduce the municipal revenue sharing grant amount for those municipalities whose adopted general budget expenditures (with certain exceptions including but not limited to debt service, special education, implementation of court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of \$100,000 or more, or payments on unfunded pension liabilities, and certain major disaster or emergency expenditures) exceeds the spending limits specified in the statute. For each applicable fiscal year, OPM must determine the municipality's percentage growth in general budget expenditures over the prior fiscal year and reduce the grant if the growth rate is equal to or greater than 2.5% of the inflation rate, whichever is greater, each of those amounts adjusted by an amount proportionate to any increase in the municipality's population from the previous fiscal year. The reduction is generally equal to 50 cents for every dollar the municipality spends over this cap. Each municipality must annually certify to the Secretary of the OPM whether such municipality has exceeded the cap set forth in the statute and if so the amount by which the cap was exceeded. For the fiscal year ending June 30, 2024 the Town received \$1,065,958 in revenue sharing funds. For the fiscal year ending June 30, 2025 the Town anticipates receiving \$0 in revenue sharing funds.

ANNUAL AUDIT

Pursuant to Connecticut law, the Town is required to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by the State of Connecticut, Office of Policy and Management and a copy of the report must be filed with such Office within six months of the end of the fiscal year. For the fiscal year ended June 30, 2022, the examination was conducted by the firm of CliftonLarsonAllen,LLP, certified public accountants, of West Hartford, Connecticut. For the fiscal year ended June 30, 2023, the examination is being conducted by the firm of CliftonLarsonAllen,LLP, certified public accountants, of West Hartford, Connecticut. The Town's audit for the period ending June 30, 2023 is not yet completed. The State of Connecticut, Office of Policy and Management has given the Town an extension for completing the audit and the Town anticipates that such audit will be completed by the end of August 2024. On February 29, 2024, in accordance with its continuing disclosure obligation, the Town filed its unaudited financials on EMMA.

Certificate of Achievement for Excellence in Financial Reporting: The Government Finance Officers' Association of the United States and Canada ("GFOA") has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Enfield for its Annual Comprehensive Financial Reports for the thirtieth consecutive year. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. The annual comprehensive financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

PENSION PLANS

The Town of Enfield administers two single-employer, contributory, defined benefit pension plans. The two plans, Town and Police, are included in the financial statements as pension trust funds. The plans do not issue stand-alone financial statements. Per the Town Charter, the Town Manager is responsible for the management of the pension plans, and the Town Treasurer is the treasurer of the plans. The Town Manager has appointed a committee comprised of the Town Manager, Finance Director, Human Resources Director and Treasurer to manage the pension plans.

Town Plan

The Town of Enfield Pension Plan covers all employees working more than nineteen (19) hours a week and for more than five (5) months per calendar year except teachers covered under the State of Connecticut Teachers' Retirement System and police covered under the Town's Police Pension Plan. All employees are 100% vested after five (5) years of continuous service. Employees who retire at normal retirement at age 65 receive a retirement benefit.

Police Plan

The Town of Enfield Police Pension Plan covers employees in the Police Department working more than thirty-five (35) hours a week and for more than five (5) months per calendar year. All employees are 100% vested after ten (10) years of continuous service. Employees who retire at a normal retirement age of the latter of age 50 or 20 years of service receive a retirement benefit.

Year	Actuarial		
	Determined Employer	Annual	% of ADC
<u>Ended</u>	<u>Contribution (ADC)</u>	<u>Contribution</u>	<u>Contributed</u>
<u>Employee's Plan</u>			
2019	2,217	2,217	100.00%
2020	2,155	2,155	100.00%
2021	2,171	2,171	100.00%
2022	1,483	1,483	100.00%
2023	1,367	1,367	100.00%
2024 ¹	1,678	1,678	100.00%
<u>Police Plan</u>			
2019	1,810	1,810	100.00%
2020	1,828	1,828	100.00%
2021	1,946	1,946	100.00%
2022	864	864	100.00%
2023	748	748	100.00%
2024 ¹	1,055	1,055	100.00%

¹ Budgeted.

The Town implemented GASB Statement No. 67 effective in Fiscal Year 2015. The following net pension liabilities of the Town Plan and the Police Plan at June 30, 2023, determined by an actuarial valuation as of July 1, 2022 and based on actuarial assumptions as of that date, were as follows:

GASB 67 Schedules - Employee's Pension Plan - (000's)	
Total pension liability as of June 30, 2023	\$97,970
Plan fiduciary net position	88,969
Net pension liability	9,001
Plan fiduciary net position as a % of total pension liability	90.8%

GASB 67 Schedules - Police Pension Plan - (000's)	
Total pension liability as of June 30, 2023	\$78,302
Plan fiduciary net position	73,048
Net pension liability	5,254
Plan fiduciary net position as a % of total pension liability	93.3%

The following presents the net pension liability, calculated using the discount rate of 6.85% as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease (000's) 5.85%	Current Discount Rate (000's) 6.85%	1% Increase (000's) 7.85%
Employee's Net Pension (Asset)			
as of June 30, 2023	\$ 20,218	\$ 9,001	\$ (456)
Police's Net Pension (Asset)/Liability			
as of June 30, 2023	\$ 13,770	\$ 5,254	\$ (4,067)

Deferred Retirement Option Program (DROP)

The Police Pension Plan offers a Deferred Retirement Option Program (the "DROP") to its bargaining unit employees employed on or after July 1, 2011. The DROP is intended to provide an alternative retirement option to police employees who are eligible to retire. An employee is considered eligible if the employee is a full-time employee and must have completed less than 35.25 years of service. During the DROP period, pension payments will be made depending on the DROP factor based on the age of the employee. Amounts held by the Police Pension Plan DROP investments as June 30, 2023 were \$1,122,206.

Connecticut State Teachers' Retirement System

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if the employee has attained the age of sixty and has accumulated twenty years of credited service in the public schools of Connecticut or has attained any age and has accumulated thirty-five years of credited services, at least twenty-five of which are service in the public schools of Connecticut. The State of Connecticut Teachers' Retirement System is considered to be part

of the State of Connecticut financial reporting entity and is included in the State’s financial report as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 165 Capital Avenue, Hartford, CT 06106.

Certain part-time and all full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not and is not legally responsible to contribute to the plan.

For further information on the plans, please refer to Appendix A under the Town of Enfield’s “Notes to Financial Statements, Note 4”, herein.

OTHER POST EMPLOYMENT BENEFITS (“OPEB”)

The Town of Enfield provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. The plan covers Town, Police and Board of Education employees. Benefit provisions are established through negotiations between the Town and the various unions representing the employees. The plan is considered to be part of the Town’s financial reporting entity and is included in the Town’s financial report as the Other Post-Employment Benefits Trust Fund. The Town does not issue a stand-alone financial report for the plan.

<u>Actuarial Valuation Date</u>	<u>Actuarial Determined Employer Contribution (ADC)</u>	<u>Annual Contribution</u>	<u>% of ADC Contributed</u>
<i>OPEB Plan</i>			
2019	2,655	1,433	53.97%
2020	2,465	1,574	63.85%
2021	2,625	1,606	61.18%
2022	2,035	1,632	80.20%
2023	2,121	1,657	78.12%

The Town implemented GASB Statement No. 75 effective in Fiscal Year 2017. The following net OPEB liabilities of the Town at June 30, 2023, determined by an actuarial valuation as of July 1, 2022 and based on actuarial assumptions as of that date, were as follows:

GASB 75 Schedules - (000's)	
Total OPEB liability as of June 30, 2023	\$29,758
Plan fiduciary net position	8,180
Net OPEB liability	<u>21,578</u>
Plan fiduciary net position as a % of total OPEB liability	27.5%

	1% Decrease	Current	1% Increase
	3.75%	Discount Rate	5.75%
	(000's)	(000's)	(000's)
Town's Net OPEB Liability as of June 30, 2023	\$ 25,612	\$ 21,578	\$ 18,252

Source: Annual Comprehensive Financial Report 2023.

For further information on the plans, please refer to Appendix A under the Town of Enfield's "Notes to Financial Statements, Note 5", herein.

INVESTMENT POLICIES AND PRACTICES

The Town Charter and Sections 7-400 and 7-402 of the Connecticut General Statutes govern the investments the Town is permitted to acquire. Generally, the Town may invest in certificates of deposit, municipal notes and bonds, obligations of the United States of America, including joint and several obligations of the Federal Home Loan Mortgage Association, the Federal Savings and Loan Insurance Corporation, obligations of the United States Postal Service, all the Federal Home Loan Banks, all Federal Land Banks, the Tennessee Valley Authority, or any other agency of the United States government, and money market mutual funds.

The Town's operating and working capital funds are invested under the responsibility and authority of the Town Treasurer. The investment practices of the Town of Enfield are in compliance with the Connecticut General Statutes and its Charter.

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COMPARATIVE GENERAL FUND OPERATING STATEMENT

Budget and Actual
(Budgetary Basis)

	Fiscal Year 2022-23 Unaudited			Fiscal Year	Fiscal Year
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	2023-24 Adopted Budget	2024-25 Adopted Budget
REVENUES					
Property Taxes	\$102,059,712	\$103,672,315	\$ 1,612,603	\$112,093,237	\$112,263,420
Intergovernmental Revenues.....	32,720,950	35,274,923	2,553,973	32,501,358	33,443,077
Charges for Services	2,542,200	3,553,277	1,011,077	2,658,200	2,832,400
Income from Investment.....	185,000	2,057,711	1,872,711	300,000	1,100,000
Other Income.....	331,566	517,497	185,931	320,000	320,000
Appropriation of Fund Balance.....	8,063,652	-	(8,063,652)	5,000,000	3,877,029
Bond Issue Premium.....	-	238,590	238,590	-	-
Transfers In.....	495,517	495,517	-	465,517	390,517
TOTAL REVENUES	\$146,398,597	\$145,809,830	\$ (588,767)	\$153,338,312	\$154,226,443
EXPENDITURES					
General Government	7,520,678	6,665,892	854,786	4,037,072	4,970,868
Public Safety	15,855,703	15,829,038	26,665	15,692,713	16,922,333
Public Works.....	18,679,135	18,479,354	199,781	19,054,083	18,718,922
Boards & Commissions.....	65,868	48,464	17,404	64,793	76,658
Planning & Development.....	965,092	830,560	134,532	818,829	889,958
Intergovernmental & Interagency.....	452,030	441,952	10,078	456,547	430,838
Education	73,275,252	73,275,252	-	75,929,555	77,429,555
Nondepartmental.....	5,843,567	5,789,680	53,887	6,996,043	7,531,696
Debt Service.....	13,040,312	12,971,298	69,014	13,659,491	12,947,295
Transfers Out.....	11,007,419	9,134,382	1,873,037	16,629,186	14,308,320
TOTAL EXPENDITURES	\$146,705,056	\$143,465,872	\$ 3,239,184	\$153,338,312	\$154,226,443
Excess (deficiency) of revenues over expenditures	\$ (306,459)	\$ 2,343,958	\$ 2,650,417	\$ -	\$ -

Source: Unaudited 2023; Budgets 2024 and 2025.

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GENERAL FUND BALANCE SHEET
Summary of Audited Assets and Liabilities
(GAAP Basis)

FISCAL YEAR ENDED:	2023 Unaudited	2022	2021	2020	2019
ASSETS					
Cash and cash equivalents	\$ 29,707,070	\$34,156,000	\$27,443,000	\$26,431,000	\$24,321,000
Investments.....	12,633,085	4,599,000	8,595,000	10,441,000	10,868,000
Receivables, Net.....	17,598,568	16,458,000	14,605,000	15,987,000	14,588,000
Due From Other Funds.....	42,792	5,887,000	9,285,000	8,039,000	3,425,000
Advances to Other Funds.....	-	-	-	-	1,892,000
Prepaid Expenses.....	2,222	4,000	576,000	9,000	14,000
TOTAL ASSETS.....	\$ 59,983,737	\$61,104,000	\$60,504,000	\$60,907,000	\$55,108,000
LIABILITIES					
Accounts Payable & Accrued Liabilities	\$ 3,026,306	\$ 4,640,000	\$ 5,271,000	\$ 3,485,000	\$ 3,712,000
Due to Other Funds.....	-	3,024,000	231,000	572,000	1,517,000
Bond Anticipation Notes Premium.....	10,090	-	-	-	97,000
Deferred Revenues.....	-	143,000	-	-	-
Unearned Revenues.....	359,840	114,000	813,000	482,000	1,172,000
Total Liabilities	3,396,236	7,921,000	6,315,000	4,539,000	6,498,000
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	10,452,559	9,880,000	10,738,000	11,696,000	10,823,000
Unavailable Revenue - EMS Receivable	2,846,372	2,530,000	2,354,000	1,913,000	2,405,000
Unavailable Revenue - Grants Receivable	-	56,000	-	24,000	30,000
Bond Anticipation Notes Premium.....	-	-	-	151,000	-
Related to Leases.....	2,335,804	2,336,000	-	-	-
Advance Property Tax Collections.....	64,157	135,000	2,912,000	2,683,000	1,439,000
TOTAL DEFERRED INFLOWS.....	15,698,892	14,937,000	16,004,000	16,467,000	14,697,000
FUND BALANCE					
Nonspendable	2,222	4,000	576,000	9,000	1,906,000
Restricted	178,042	175,000	212,000	2,850,000	3,001,000
Committed	-	-	-	1,611,000	1,189,000
Assigned	16,484,209	11,893,000	12,625,000	3,595,000	2,157,000
Unassigned	24,224,136	26,174,000	24,772,000	31,836,000	25,660,000
TOTAL FUND BALANCE.....	40,888,609	38,246,000	38,185,000	39,901,000	33,913,000
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 59,983,737	\$61,104,000	\$60,504,000	\$60,907,000	\$55,108,000

Source: Audit Reports 2019-2022, Unaudited 2023.

GENERAL FUND REVENUES AND EXPENDITURES
 Summary of Audited Revenues and Expenditures
 (GAAP Basis)

FISCAL YEAR ENDED:	2023 Unaudited	2022	2021	2020	2019
REVENUES					
Property Taxes	\$103,672,315	\$104,744,000	\$102,042,000	\$99,158,000	\$98,068,000
Intergovernmental	37,861,837	50,437,000	49,046,000	49,334,000	40,777,000
Charges for Services	9,374,869	8,912,000	8,100,000	7,718,000	7,967,000
Contributions & Donations.....	154,823	115,000	152,000	163,000	176,000
Income on Investments	2,196,135	(338,000)	935,000	772,000	847,000
Other Income.....	976,810	1,067,000	769,000	990,000	989,000
Transfers In	390,517	1,153,000 ¹	17,435,000 ²	3,682,000 ³	2,022,000 ⁵
Total Revenues & Transfers In	\$154,627,306	\$166,090,000	\$178,479,000	\$161,817,000	\$150,846,000
EXPENDITURES					
General Government	6,733,771	6,763,000	6,790,000	6,277,000	5,902,000
Public Safety	16,432,324	18,278,000	17,373,000	16,264,000	15,322,000
Public Works.....	18,479,354	17,237,000	16,518,000	15,656,000	16,065,000
Library.....	1,983,105	1,970,000	2,066,000	1,987,000	1,829,000
Health/Social Services.....	9,862,767	5,827,000	5,552,000	5,782,000	5,994,000
Planning & Development.....	830,560	1,677,000	1,666,000	1,403,000	1,400,000
Recreation.....	413,134	353,000	266,000	349,000	355,000
Intergovernmental & Interagency.....	441,952	404,000	391,000	454,000	461,000
Education.....	73,907,424	87,520,000	86,222,000	86,822,000	78,550,000
Nondepartmental.....	5,685,251	5,860,000	7,104,000	7,017,000	6,816,000
Debt Service.....	12,971,298	12,303,000	11,890,000	11,219,000	9,925,000
Transfers Out.....	4,240,591	7,677,000	24,383,000	2,599,000	2,571,000
Total Expenditures & Transfers Out	151,981,531	165,869,000	180,221,000	155,829,000	145,190,000
Results from Operations.....	2,645,775	221,000	(1,742,000)	5,988,000	5,656,000
Fund Balance - July 1	38,242,834 ⁴	38,025,000 ⁴	39,927,000 ⁴	33,913,008	28,257,008
Fund Balance - June 30	\$ 40,888,609	\$38,246,000	\$38,185,000	\$39,901,008	\$33,913,008

¹ Includes \$762,000 in bond premium.

² Includes \$159,000 in note premium and \$16,885,000 in refunding bond issuance.

³ Includes \$3,288,000 in bond premium.

⁴ Restated.

⁵ Includes \$821,000 in bond premium

Source: Audit Reports 2019-2022, Unaudited 2023.

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**ANALYSIS OF GENERAL FUND EQUITY
(GAAP BASIS)**

FISCAL YEAR ENDED:	2023 Unaudited	2022	2021	2020	2019
Nonspendable.....	\$ 2,222	\$ 4,000	\$ 576,000	\$ 9,000	\$ 1,906,000
Restricted.....	178,042	175,000	212,000	2,850,000	3,001,000
Committed.....	-	-	-	1,611,000	1,189,000
Assigned.....	16,484,209	11,893,000	12,625,000	3,595,000	2,157,000
Unassigned.....	24,224,136	26,174,000	24,772,000	31,836,000	25,660,000
Total Fund Balance.....	<u>40,888,609</u>	<u>38,246,000</u>	<u>38,185,000</u>	<u>39,901,000</u>	<u>33,913,000</u>
Unassigned Fund Balance As % of					
Total Expenditures.....	15.94%	15.78%	13.75%	20.43%	17.67%

Source: Audit Reports 2019-2022, Unaudited 2023.

PROPERTY TAX REVENUES

Fiscal Year	General Fund Revenues & Transfers in	Property Tax Revenues	Property Tax Revenues as a Percentage of General Fund Revenues
2025 ¹	\$154,226,443	\$112,263,420	72.8 %
2024 ¹	153,338,312	112,093,237	73.1 %
2023	154,627,306	103,672,315	67.0
2022	166,090,000	104,744,000	63.1
2021	178,479,000	102,042,000	57.2
2020	161,817,000	99,158,000	61.3
2019	150,846,000	98,068,000	65.0

¹ Adopted Budget.

INTERGOVERNMENTAL REVENUES

Fiscal Year	General Fund Revenues & Transfers in	Intergovernmental Revenue	Aid as a Percentage of General Fund Revenues
2025 ¹	\$154,226,443	\$33,443,077	21.7 %
2024 ¹	153,338,312	32,501,358	21.2 %
2023	154,627,306	37,861,837	24.5
2022	166,090,000	50,437,000	30.4
2021	178,479,000	49,046,000	27.5
2020	161,817,000	49,334,000	30.5
2019	150,846,000	40,777,000	27.0

¹ Adopted Budget.

EXPENDITURES

Fiscal Year	Education	Public Safety	General Government	Public Works	Debt Service
2025 ¹	50.2%	11.0%	3.2%	12.1%	8.4%
2024 ¹	49.5%	10.2%	2.6%	12.4%	8.9%
2023	48.6%	10.8%	4.4%	12.2%	8.5%
2022	52.8%	11.0%	4.1%	10.4%	7.4%
2021	47.8%	9.6%	3.8%	9.2%	6.6%
2020	55.7%	10.4%	4.0%	10.0%	7.2%
2019	54.1%	9.8%	3.8%	10.3%	6.4%

¹ Adopted Budget.

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VI. DEBT SUMMARY

PRINCIPAL AMOUNT OF INDEBTEDNESS

As of August 2, 2024
(Pro Forma)

Long-Term Debt: Bonds

<u>Date of Issue</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue Amount</u>	<u>Principal Outstanding as of 8/2/2024</u>	<u>Fiscal Year Maturity</u>
<u>General Purpose</u>					
7/28/2015	Refunding Bonds, Series A.....	2.48	\$ 10,770,000	\$ 4,020,000	2028
8/11/2015	Road Improvement Bonds.....	2.91	10,000,000	5,500,000	2036
8/9/2017	Road Improvement Bonds.....	2.59	15,000,000	9,890,000	2038
8/8/2018	Road Improvement Bonds.....	3.00	10,000,000	7,000,000	2039
8/7/2019	Road Improvement Bonds.....	2.31	22,500,000	17,155,000	2040
8/6/2020	Taxable Refunding Bonds.....	1.68	16,885,000	13,190,000	2035
	Total.....		\$ 85,155,000	\$ 56,755,000	
<u>Schools</u>					
8/11/2015	School Bonds.....	2.91	\$ 10,000,000	\$ 5,500,000	2036
8/9/2017	School Bonds.....	2.59	15,000,000	9,470,000	2037
8/5/2021	School Bonds.....	1.57	6,286,000	5,341,000	2042
8/4/2022	School Bonds.....	3.37	10,000,000	9,000,000	2043
	Total.....		\$ 41,286,000	\$ 29,311,000	
<u>Sewers</u>					
8/5/2021	Sewer Bonds.....	1.57	\$ 2,694,000	\$ 2,289,000	2042
12/29/2023	Clean Water Fund Loan 671-DC..	2.00	23,163,838	21,250,550	2041
			\$ 25,857,838	\$ 23,539,550	
	Total Long Term Debt....		\$ 152,298,838	\$ 109,605,550	

Short-Term Debt:

<u>Project</u>	<u>Amount Authorized</u>	<u>Previously Bonded</u>	<u>Loans/ Paydown/ Grants</u>	<u>Notes Maturing 8/2/2024</u>	<u>Notes (This Issue)</u>	<u>Renewable Limit</u>
Enfield High School Expansion & Renovation..	\$35,000,000	\$25,000,000	\$3,500,000	\$6,500,000	\$ -	5/19/2025
2021 Roads Project.....	30,000,000	-	-	5,000,000	10,000,000	8/3/2033
JFK Middle School Renovations.....	27,000,000	\$16,286,000	\$1,214,000	10,000,000	9,500,000	8/7/2029
	\$92,000,000	\$41,286,000	\$4,714,000	\$21,500,000	\$19,500,000	

CAPITAL LEASES

On January 9, 2017, the Town entered into a lease with TD Equipment Finance Inc. the (“Energy Saving Improvement Lease”) for energy savings improvements to school and Town buildings. The principal and interest outstanding as of June 30, 2024 is \$6,915,693. Principal and interest payments are due on February 9 and August 9 in each year, commencing on February 9, 2018 with final maturity on August 9, 2032.

The principal and interest outstanding as of August 2, 2024 for various equipment financing agreements (including the Energy Saving Improvement Lease) are:

2025	1,092,210
2026	1,025,238
2027	864,478
2028	751,607
Thereafter	<u>3,366,711</u>
	\$7,100,244

CLEAN WATER FUND PROGRAM

The Town of Enfield is a participant in the State of Connecticut’s Clean Water Fund Program (Connecticut General Statutes Section 22a-475 et seq., as amended) which provides financial assistance through a combination of grants and loans bearing interest at the rate of 2% per annum. All participating municipalities receive funding for eligible expenses of 20% grant and 80% loan, except for combined sewer overflow projects (50% grant and 50% loan) and denitrification projects (30% grant and 70% loan). Loans to each municipality are made pursuant to a Project Loan and Grant Agreement. During construction the municipality enters into a short-term borrowing agreement with the State called an Interim Funding Obligation (“IFO”) from which it pays project costs as needed. Each municipality is obligated to repay only that amount which it draws down for the payment of project costs. Upon project completion a 20-year debt obligation called a Project Loan Obligation (“PLO”) is issued to the State. The municipal obligations issued to the State are secured by the full faith and credit of the municipality and/or a dedicated source of revenue of such municipality.

Amortization of each loan is required to begin one year from the earlier of the scheduled completion date specified in the Loan Agreement or the actual project completion date. The final maturity of each loan is twenty years from the scheduled completion date. Principal and interest payments are made (1) in monthly installments commencing one month after the scheduled completion date, or (2) in single annual installments representing 1/20 of total principal not later than one year from the scheduled completion date specified in the Loan Agreement repayable thereafter in monthly installments. Monthly installments may be in level debt service or amortized with level principal.

SCHOOL BUILDING GRANT REIMBURSEMENTS

Pursuant to Section 10-287i of the Connecticut General Statutes, as amended, for all school building projects approved after July 1, 1996, the State provides proportional progress payments during construction for the State’s share of the eligible construction costs. The State grant will be paid directly to the municipality after it submits its request for progress payments, and accordingly, the municipality will issue its bonds only for its share of project costs.

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ANNUAL BONDED DEBT MATURITY SCHEDULE

As of August 2, 2024

(Pro Forma)

Fiscal Year Ending 30-Jun	General Obligation Bonds^{1, 2}			Percent Retired
	Principal	Interest	Total	
2025	\$ 1,000,000	\$ 1,561,323	\$ 2,561,323	1.13%
2026	7,625,000	2,784,944	10,409,944	9.76%
2027	7,610,000	2,481,685	10,091,685	18.37%
2028	7,315,000	2,215,873	9,530,873	26.65%
2029	6,285,000	1,971,509	8,256,509	33.77%
2030	6,255,000	1,760,149	8,015,149	40.85%
2031	6,500,000	1,548,236	8,048,236	48.20%
2032	6,475,000	1,339,549	7,814,549	55.53%
2033	6,455,000	1,136,351	7,591,351	62.84%
2034	6,435,000	935,360	7,370,360	70.12%
2035	6,415,000	734,558	7,149,558	77.38%
2036	5,120,000	552,450	5,672,450	83.18%
2037	4,115,000	405,613	4,520,613	87.83%
2038	3,690,000	280,850	3,970,850	92.01%
2039	2,585,000	181,200	2,766,200	94.94%
2040	2,085,000	109,350	2,194,350	97.30%
2041	945,000	63,350	1,008,350	98.36%
2042	945,000	34,450	979,450	99.43%
2043	500,000	10,000	510,000	100.00%
Total	\$88,355,000	\$20,106,796	\$108,461,796	

¹ Excludes capital lease obligations, other long-term commitments and Clean Water Fund Loan 671-DC Project Loan Obligation issued December 29, 2023.

² Excludes \$6,635,000.00 in principal and \$1,529,914.75 in interest paid in fiscal year ending June 30, 2025.

Note: Numbers may vary due to rounding.

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Fiscal Year Ending 30-Jun	Self-Supporting Debt ^{1,2}			Percent Retired
	Clean Water Fund Loan			
	Principal	Interest	Total	
2025	\$ 1,186,579	\$ 379,705	\$ 1,566,284	5.58%
2026	1,294,450	389,414	1,683,863	11.68%
2027	1,294,450	363,525	1,657,974	17.77%
2028	1,294,450	337,636	1,632,085	23.86%
2029	1,294,450	311,747	1,606,196	29.95%
2030	1,294,450	285,858	1,580,307	36.04%
2031	1,294,450	259,969	1,554,418	42.13%
2032	1,294,450	234,080	1,528,529	48.22%
2033	1,294,450	208,191	1,502,640	54.31%
2034	1,294,450	182,302	1,476,751	60.41%
2035	1,294,450	156,413	1,450,862	66.50%
2036	1,294,450	130,524	1,424,973	72.59%
2037	1,294,450	104,635	1,399,084	78.68%
2038	1,294,450	78,746	1,373,195	84.77%
2039	1,294,450	52,857	1,347,306	90.86%
2040	1,294,450	26,968	1,321,417	96.95%
2041	647,225	3,775	651,000	100.00%
Total	\$21,250,550	\$ 3,506,341	\$24,756,890	

¹ Excludes capital lease obligations and other long-term commitments.

² Excludes \$107,870.81 in principal and \$35,597.37 in interest paid in fiscal year ending June 30, 2025.

Note: Numbers may vary due to rounding.

OVERLAPPING/UNDERLYING DEBT

The Town has no overlapping debt.

There are five Fire Districts located within the Town. The Fire Districts have the power to levy taxes and to incur debt. As of June 30, 2023, the Town's underlying debt attributed to the Fire Districts was at \$6,317,589. Debt for the Fire District's does not include leases.

Fire Districts	
Thompsonville Fire District.....	\$2,168,560
Hazardville Fire District.....	-
North Thompsonville Fire District.	-
Shaker Pines Fire District.....	4,149,029
Enfield Fire District.....	-
	<u>\$6,317,589</u>

DEBT STATEMENT ^{1,2}

As of August 2, 2024
(Pro Forma)

Long-Term Indebtedness	
General Purpose.....	\$ 56,755,000
Schools.....	29,311,000
Sewers.....	23,539,550
Energy Saving Improvement Lease.....	6,124,422
Total Long-Term Indebtedness.....	\$ 115,729,972
Short-Term Indebtedness	
Notes payable (includes this issue of the Notes)	\$ 19,500,000
Total Short-Term Indebtedness.....	\$ 19,500,000
Total Direct Indebtedness.....	\$ 135,229,972
Exclusions:	
Less:	
Self-Supported Clean Water Fund Loan (PLO) ³ ..	21,250,550
Net Direct Indebtedness.....	\$ 113,979,422
Overlapping/Underlying Indebtedness.....	6,317,589
Total Overall Net Direct Indebtedness.....	\$ 120,297,011

¹ Does not include certain capital lease obligations. See “Other Long-Term Commitments” and “Principal Amount of Indebtedness” herein.

² Does not include authorized but unissued debt. See “Authorized but Unissued Debt” herein.

³ For more information, see “Clean Water Fund Program” herein.

CURRENT DEBT RATIOS

August 2, 2024
(Pro Forma)

Population ¹	41,346
Net Taxable Grand List (10/1/23).....	\$3,730,988,835
Estimated Full Value.....	\$5,329,984,050
Equalized Net Taxable Grand List (10/1/22) ² ..	\$6,282,734,077
Per Capita Income (2022).....	\$42,141

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$135,229,972	\$113,979,422	\$120,297,011
Per Capita.....	\$3,270.69	\$2,756.72	\$2,909.52
Ratio to Net Taxable Grand List.....	3.62%	3.05%	3.22%
Ratio to Estimated Full Value.....	2.54%	2.14%	2.26%
Ratio to Equalized Net Taxable Grand List.....	2.15%	1.81%	1.91%
Debt per Capita to Money per Capita Income.....	7.76%	6.54%	6.90%

¹ U.S. Census Bureau, 2018-2022 American Community Survey.

² Office of Policy and Management, State of Connecticut.

BOND AUTHORIZATION

Capital Expenditures: The Town Council may, by a vote of six (6) or more members, adopt a resolution appropriating money for capital improvements. Any such appropriation that exceeds, in any fiscal year, .0002 of the current Grand List shall not be effective until it shall be submitted to and approved by a referendum.

Borrowing: The Town has the power to incur indebtedness by issuing its bonds or notes as authorized by the Connecticut General Statutes (“CGS”) subject to statutory limitations and the provisions of the Town Charter. The issuance of bonds and notes shall be authorized by resolution of the Town Council after a public hearing. If such bond or note issue, in any fiscal year, exceeds .0002 of the current Grand List, said bond or note issue shall be approved by a referendum vote. Refunding bonds only need to be approved by the Town Council per Sec. 7-370c of CGS.

TEMPORARY FINANCING

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of project costs or temporary notes when they become due and payable and the legislative body schedules principal reductions by the end of the third year and for all subsequent years during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20th (1/30th for sewer and certain school projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer projects, by the amount of time temporary financing has been outstanding.

Temporary notes must be permanently funded no later than eleven years from the initial borrowing date except for sewer notes issued in anticipation of State and/or Federal grants. If a written commitment exists, the municipality may renew the notes from time to time in terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

Temporary notes may also be issued for up to fifteen years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year (whichever is sooner), and in each year thereafter, the notes must be reduced by at least 1/15 of the total amount of the notes issued by funds derived from certain sources of payment.

Temporary notes may be issued in one year maturities for up to fifteen years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

LIMITATION OF INDEBTEDNESS

Municipalities shall not incur indebtedness through the issuance of bonds or notes which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2.25 times annual receipts from taxation
School Purposes:	4.50 times annual receipts from taxation
Sewer Purposes:	3.75 times annual receipts from taxation
Urban Renewal Purposes:	3.25 times annual receipts from taxation
Unfunded Pension Liability Purposes:	3.00 times annual receipts from taxation

In no case however, shall total indebtedness exceed seven times the base. “Annual receipts from taxation,” (the “base,”) are defined as total tax collections including interest, penalties and late payment of taxes and state payments for revenue loss under CGS Sections 12-129d and 7-528.

The Statutes also provide for exclusion from the debt limit calculation debt (i) issued in anticipation of taxes; (ii) issued for the supply of water, gas, electricity, electric demand response, conservation and load management, distributed generation and renewable energy projects; for the construction of subways for cables, wires and pipes; for the construction of underground conduits for cables, wires and pipes; for the construction and operation of a municipal community antenna television system and for two or more of such purposes; (iii) issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement; (iv) issued in anticipation

of the receipt of proceeds from State or Federal grants evidenced by a written commitment or for which allocation has been approved by the State Bond Commission or from a contract with the state, state agencies or another municipality providing for the reimbursement of costs but only to the extent such indebtedness can be paid from such proceeds; (v) issued for certain water pollution control projects; and (vi) upon placement in an escrow of the proceeds of refunding bonds, notes or other obligations or other funds of the municipality in an amount sufficient to provide for the payment when due of principal of and interest on such bond, note or other evidence of indebtedness.

STATEMENT OF STATUTORY DEBT LIMITATION

As of August 2, 2024

(Pro Forma)

Total Receipts for fiscal year ended June 30, 2023 (including interest and lien fees) \$ 117,521,701

State Reimbursement for Revenue Loss on:

Tax Relief for Elderly

Base for Establishing Debt Limit

-

\$ 117,521,701

	General Purpose	Schools	Sewers	Urban Renewal	Past Pension	Total Debt
(2.25 times base).....	\$ 264,423,827					
(4.50 times base).....		\$528,847,655				
(3.75 times base).....			\$440,706,379			
(3.25 times base).....				\$381,945,528		
(3.00 times base).....					\$352,565,103	
(7.00 times base).....						\$ 822,651,907
Indebtedness						
Bonds Payable	\$ 56,755,000	\$ 29,311,000	\$ 23,539,550	\$ -	\$ -	\$ 109,605,550
Notes Payable (Includes the Notes)	10,000,000	9,500,000	-	-	-	19,500,000
Energy Saving Improv Lease.....	6,124,422	-	-	-	-	6,124,422
Underlying - Fire Districts.....	6,317,589	-	-	-	-	6,317,589
Authorized but						
Unissued Debt.....	21,773,728	-	4,178,953	-	-	25,952,681
Total Bonded Indebtedness.....	<u>\$ 100,970,739</u>	<u>\$ 38,811,000</u>	<u>\$ 27,718,503</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,500,242</u>
Minus Self-Supporting Debt.....			(21,250,550)			
Net Bonded Indebtedness.....	<u>\$ 100,970,739</u>	<u>\$ 38,811,000</u>	<u>\$ 6,467,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,500,242</u>
Excess of Limit Over						
Outstanding and						
Authorized Debt.....	<u>\$ 163,453,088</u>	<u>\$490,036,655</u>	<u>\$434,238,425</u>	<u>\$381,945,528</u>	<u>\$352,565,103</u>	<u>\$ 655,151,665</u>

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$794,269,000.

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AUTHORIZED BUT UNISSUED DEBT

As of August 2, 2024

(Pro Forma)

Project	Amount Authorized	Prior Leases/ Loans/Grants/ Paydowns/Bonds Premium ²	The Notes (This Issue)	Debt Authorized but Unissued			
				General Purpose	School	Sewers	Total
Enfield High School Expansion & Renovation ¹	\$35,000,000	\$35,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Water Pollution Control Facility Upgrades ³	36,000,000	31,821,047	-	-	-	4,178,953	4,178,953
Energy Savings Improvements Project.....	11,200,000	9,426,272	-	1,773,728	-	-	1,773,728
2021 Roads Project.....	30,000,000	-	10,000,000	20,000,000	-	-	20,000,000
JFK Middle School Renovations ⁴	27,000,000	17,500,000	9,500,000	-	-	-	-
	<u>\$139,200,000</u>	<u>\$93,747,319</u>	<u>\$19,500,000</u>	<u>\$21,773,728</u>	<u>\$0</u>	<u>\$4,178,953</u>	<u>\$25,952,681</u>

¹ The overall project costs are projected at \$103 million. The voters of the Town approved a \$35 million borrowing resolution which is the estimated net local share of the project after receipt of the State of Connecticut School Construction Grants.

² On August 3, 2023 the Town issued a \$21.5 million Note which included \$6.5 million for the Enfield High School Expansion and Renovation Project. When the Town’s 2023 Note matures on August 2, 2024, the Town will pay off the \$6.5 million portion relating to this project.

³ The Town entered into a (“PLO”) with the State of Connecticut for \$23,163,837.53 through the Clean Water Fund Program and the Town has received \$5,657,209 in grants. See “Clean Water Fund Program” herein. The Town anticipates that the debt service on this project (net State grants) will be supported by user charges against the sewer system users.

⁴ The overall project costs are projected at \$84 million. The voters of the Town approved a \$27 million borrowing resolution which is the estimated net local share of the project after receipt of the State of Connecticut School Construction Grants.

Source: Town of Enfield, Finance Office.

PRINCIPAL AMOUNT OF OUTSTANDING DEBT¹

	2024 Est.	2023 Est.	2022	2021	2020	2019
Bonds.....	\$94,990,000	\$102,655,000	\$99,830,000	\$97,570,000	\$102,660,000	\$85,495,000
CWF Loan.....	21,358,420	-	-	-	-	-
Short-Term Debt						
Bond Anticipation Notes.....	21,500,000	17,000,000	27,500,000	25,000,000	17,500,000	30,000,000
Totals.....	<u>\$137,848,420</u>	<u>\$119,655,000</u>	<u>\$127,330,000</u>	<u>\$122,570,000</u>	<u>\$120,160,000</u>	<u>\$115,495,000</u>

¹ Does not include capital leases and other long-term commitments.

Source: Annual Audited Financial Statements 2019-2022, Estimates 2023-2024.

**THE TOWN OF ENFIELD HAS NEVER DEFAULTED IN THE PAYMENT OF
PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.**

VII. LEGAL AND OTHER LITIGATION

LITIGATION

The Town of Enfield, Connecticut, its officers, employees, boards and commissions, are defendants in a number of lawsuits. The Town Attorney is of the opinion that pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the Town which would materially adversely effect upon its financial position.

MUNICIPAL ADVISOR

The Town has retained Munistat Services, Inc. (the “Municipal Advisor”) to serve as its municipal advisor in connection with the issuance of the Notes. The Municipal Advisor has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy. The Municipal Advisor’s fee for services rendered with respect to the sale of the Notes is contingent upon the issuance and delivery of the Notes, and receipt by the Town of payment therefor. The Town may engage the Municipal Advisor to perform other services, including without limitation, providing certain investment services with regard to the investment of Note proceeds.

CLOSING DOCUMENTS

Upon the delivery of the Notes, the original purchaser(s) will be furnished with the following:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Notes or the levy or collection of taxes to pay the principal of and interest on the Notes.
2. A Certificate on behalf of the Town signed by the Town Manager and Director of Finance, dated the date of delivery of the Notes and attached to a signed copy of the Official Statement, and which will certify, to the best of said officials' knowledge and belief, that at the time the bids on the Notes were accepted, the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.
3. Receipts for the purchase price of the Notes.
4. An approving opinion of Shipman & Goodwin LLP, Bond Counsel, of Hartford, Connecticut for the Notes substantially in the form of Appendix B, attached hereto.
5. An executed Continuing Disclosure Agreement for the Notes substantially in the form of Appendix C, attached hereto.
6. The Town of Enfield has prepared a Preliminary Official Statement for this Note Issue which is dated July 16, 2024. The Town deems such Preliminary Official Statement final as of its date for purposes of SEC Rule 15c2-12 (b)(5), but it is subject to revision or amendment. The Town will make available to the winning purchaser(s) of the Notes a reasonable number of copies of the Official Statement at the Town’s expense within seven business days of the bid opening. Additional copies may be obtained by the original purchaser at their own expense by arrangement with the printer.

CONCLUDING STATEMENT

This Official Statement is not to be construed as a contract or agreement between the Town and the purchaser or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any of such opinion or estimate will be realized.

No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement, nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provisions of law are subject to repeal or amendment.

This Official Statement has been duly prepared and delivered by the Town, and executed for and on behalf of the Town by the following officials:

TOWN OF ENFIELD, CONNECTICUT

By: _____
Christopher Bromson, *Town Manager*

By: _____
John A. Wilcox, *Director of Finance*

Dated as of July _____, 2024

APPENDIX A – BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Appendix A - Basic Financial Statements - is taken from the Annual Report of the Town of Enfield for the Fiscal Year ended June 30, 2022 as presented by the Auditors and does not include all of the schedules or management letter made in such report. A copy of the complete report is available upon request to the Director of Finance, Town of Enfield, Connecticut.



INDEPENDENT AUDITORS' REPORT

Town Council
Town of Enfield, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Enfield, Connecticut, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Enfield, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Enfield, Connecticut, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Enfield, Connecticut and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 9 to the financial statements, a certain error was identified in the prior year financial statements during the current year. Accordingly, amounts have been restated in the 2022 financial statements now presented, and adjustments have been made to net position as of June 30, 2021, to correct this error. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Enfield, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Enfield, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Enfield, Connecticut's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management’s discussion and analysis, budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Enfield, Connecticut’s basic financial statements. The accompanying supplementary information such as the combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information such as the combining nonmajor fund financial statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors’ report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Town Council
Town of Enfield, Connecticut

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2023, on our consideration of the Town of Enfield, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Enfield, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Enfield, Connecticut's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

West Hartford, CT
March 23, 2023

TOWN OF ENFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022
(IN THOUSANDS)

This discussion and analysis of the Town of Enfield, Connecticut's (the Town) financial performance is provided by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2022. Please read this MD&A in conjunction with the transmittal letter and the Town's financial statements. All amounts in this section are reported in thousands unless otherwise noted.

Financial Highlights

- Net position of our governmental activities decreased by \$38,988 or (11.52%).
- During the year, the Town had expenses and transfers that were \$38,988 more than the \$204,664 generated in tax and other revenues for governmental programs.
- Total cost of all of the Town's programs was \$243,652.
- The General Fund reported a fund balance this year of \$38,246, an increase of \$221 or 0.6% over the prior year.

Overview of the Financial Statements

This annual report consists of a series of financial statements. The statement of net position and the statement of activities on pages 15 and 16 provide information about the activities of the Town as a whole and present a long-term view of the Town's finances. Fund financial statements are presented on pages 17 through 25. For governmental activities, the statements show how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The analysis of the Town, as a whole, begins on pages 15 and 16. The statement of net position and the statement of activities report information about the Town as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting. This is similar to the accounting methods used by most private sector companies. Current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the Town's net position and changes in them. The Town's net position, the difference between assets and liabilities, is one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net assets are indicators of whether its financial health is improving or deteriorating. The reader needs to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall financial health of the Town.

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

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

**TOWN OF ENFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022
(IN THOUSANDS)**

Fund Financial Statements

The fund financial statements begin on page 17 and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by Charter. However, the Town administration establishes many other funds to help control and manage financial activities for particular purposes like the Capital Nonrecurring fund and Community Development fund. The Town's funds are divided into three categories: governmental, proprietary, and fiduciary.

- Governmental Funds (pages 17 through 19) - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The differences between governmental activities reported in the statement of net position and the statement of activities and governmental funds is described in a reconciliation between fund balances - all governmental funds and net position of governmental activities on pages 7 and 10.
- Proprietary Funds (pages 20 through 23) - When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. Internal service funds (a component of proprietary funds) are used to report activities that provide supplies and services for the Town's other programs and activities - such as the Town's Information Technology Fund.
- Fiduciary Funds (pages 24 and 25) - The Town is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**TOWN OF ENFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022
(IN THOUSANDS)**

Government-Wide Financial Analysis

The Town's combined total net position decreased by \$38,988 from a year ago, changing from \$338,404 (restated) to \$299,416. The following analysis focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental activities.

**TABLE 1
NET POSITION**

	Governmental Activities	
	2022	2021 (as restated)
ASSETS		
Current and Other Assets	\$ 111,407	\$ 126,398
Capital Assets	453,936	431,105
Total Assets	<u>565,343</u>	<u>557,503</u>
DEFERRED OUTFLOWS OF RESOURCES	13,063	30,669
LIABILITIES		
Current Liabilities	72,841	71,726
Noncurrent Liabilities	159,092	160,597
Total Liabilities	<u>231,933</u>	<u>232,323</u>
DEFERRED INFLOWS OF RESOURCES	<u>47,057</u>	<u>17,445</u>
NET POSITION		
Net Investment in Capital Assets	281,955	265,419
Restricted	67,726	19,524
Unrestricted	<u>(50,265)</u>	<u>53,461</u>
Total Net Position	<u>\$ 299,416</u>	<u>\$ 338,404</u>

The largest component of the net position is the investment in capital assets (buildings, infrastructure, and equipment), which is presented less outstanding debt related to acquiring the assets. This portion of the net position is not available for spending. Unrestricted net position - the part of net position that can be used to finance day to day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, increased \$16,536 from the prior fiscal year.

The change in net position can also be analyzed by looking at the difference between revenues and program expenses. The Town's total revenues were \$204,664, a decrease of \$5,627 over the prior year. The total cost of all programs and services was \$243,652 an increase of \$118,510 over the prior year. A more detailed discussion of fiscal year 2022 activity follows in the next sections.

**TOWN OF ENFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022
(IN THOUSANDS)**

Government-Wide Financial Analysis (Continued)

**TABLE 2
CHANGE IN NET POSITION**

	Governmental Activities	
	2022	2021
REVENUES		
Program Revenues:		
Charges for Services	\$ 17,439	\$ 16,780
Operating Grants and Contributions	67,221	54,598
Capital Grants and Contributions	14,334	34,914
General Revenues:		
Property Taxes	104,508	101,471
Grants and Contributions Not Restricted to Specific Programs	1,474	1,513
Investment Income	(312)	1,015
Total Revenues	<u>204,664</u>	<u>210,291</u>
EXPENSES		
General Government	11,773	7,242
Public Safety	44,185	(235)
Public Works	34,659	27,907
Health and Social Services	7,755	5,239
Recreation	354	266
Library	2,693	2,185
Planning and Development	2,690	2,039
Education	135,737	77,248
Nondepartmental, Capital Outlay, and Other		
Interest on Long-Term Debt	3,806	3,251
Total Expenses	<u>243,652</u>	<u>125,142</u>
CHANGE IN NET POSITION	(38,988)	85,149
Net Position - Beginning of Year	<u>338,529</u>	<u>253,380</u>
NET POSITION - END OF YEAR	<u>\$ 299,541</u>	<u>\$ 338,529</u>

Table 3 presents the cost of each of the Town's five largest programs – general government, public safety, public works, education, and health and social services - as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

**TOWN OF ENFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022
(IN THOUSANDS)**

Government-Wide Financial Analysis (Continued)

**TABLE 3
GOVERNMENTAL ACTIVITIES**

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
General Government	\$ 11,773	\$ 7,242	\$ 4,266	\$ 1,091
Public Safety	44,185	(235)	43,518	(1,083)
Public Works	34,659	27,907	26,969	19,935
Education	135,737	77,248	61,464	(7,579)
Health and Social Services	7,755	5,239	(920)	(1,077)
All Others	9,543	7,741	9,361	7,970
Total	\$ 243,652	\$ 125,142	\$ 144,658	\$ 19,257

The total cost of services increased \$118,510 or 94.70% from 2021 to 2022. There was no change in services provided by the Town. The primary cost drivers for the fiscal year were increases in education, general government, public safety, public works, health, and social services and other.

Town Funds Financial Analysis

Governmental Funds

As the Town completed the year, its governmental funds (as presented in the balance sheet - page 17) reported a combined total fund balance of \$10,317 which is a \$12,581 increase from last year's total of (\$2,264). The fund balance in the general fund increased \$221 from the prior year. Page 45 shows the details of the governmental fund balances. More detail with respect to activity in the General Fund is presented in the General Fund Budgetary Highlights section.

The Water Pollution Control Fund ended the fiscal year with a fund balance of \$4,381, an increase of \$2,382 from the prior year. In fiscal year 2013-2014 the Council voted to convert the funding basis for the WPCA from ad valorem to user fee, in order to raise revenue to foot the cost of approximately \$36 million in upgrades to the plant. The change to user fee went into effect January 1, 2014. The rates are structured to provide enough revenue to support ongoing operations, as well as anticipated debt repayment of approximately \$36 million for plant upgrades and repairs. The primary reason for the increase of the fund balance is the delay in obtaining authorization to complete the flood control portion of the project.

The fund balance in the Bonded Projects Fund has a deficit of \$52,017, a decrease of \$7,706 over the prior year. The increase is the result of the issuance of \$8,980 bonds and the receipt of \$26,073 in state grants for the JFK Renovation project offset by \$27,847 in spending associated with the "Roads 2015" paving program, the High School Consolidation project, the Water Pollution Control project, and the JFK Middle School project. During the year, bond anticipation notes were issued in the amount of \$27,500 to cover deficits in cash flows. Bonds issued in future fiscal years will reduce this deficit.

The fund balance in the Capital Nonrecurring Fund increased \$1,371 to \$15,047. Spending in the Capital and Nonrecurring Fund in fiscal year 2022 was \$8,446 compared to \$4,041 in fiscal year 2021. The Town records purchases of equipment, capital grants and major maintenance projects in this fund.

**TOWN OF ENFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022
(IN THOUSANDS)**

Town Funds Financial Analysis (Continued)

Governmental Funds (Continued)

The fund balances in the Nonmajor Governmental Funds is \$4,660, an increase of \$901 over the prior year. Pages 112 and 113 show the activity details for Nonmajor governmental funds. Spending activity is primarily education related and pertains to grants, community development and cafeteria expenditures and revenues.

Fund balance in the governmental funds is classified according to the strength of the spending constraints governing how the class can be used. The classifications are listed on the balance sheet according to the strength of the restriction, from most to least restrictive. Nonspendable fund balance represents \$157 of the total fund balance. Amounts classified in this category include inventory and the corpus of endowment funds and prepaid items. Restricted fund balance is \$1,726 of the total fund balance and represents donations and grants whose spending is restricted to a particular purpose by the donor or granting authority. Committed fund balance is \$22,384 of the total fund balance and represents amounts committed by the Town Council for a particular purpose. The amounts in this category are committed primarily through the budget making process or by resolution. Assigned fund balance represents encumbrances outstanding at year end. It also includes the amount of fund balance used to balance the fiscal year 2022 budget. Assigned fund balance represents \$11,893 of the total fund balance. The unassigned fund balance, which is available for spending, is (\$25,843). As mentioned earlier in this discussion, the Bonded Projects fund is currently running a deficit thereby causing the unassigned fund balance deficit. The deficit in the Bonded Projects Fund will be eliminated with future bonding.

Proprietary Funds

The Town of Enfield utilizes internal service funds to report the costs associated with liability insurance, health insurance and information technology for the Board of Education and the Town. Details of the activities in these funds are shown on pages 97 to 99. The net position of these funds increased \$1,485 to \$4,778. The increase was primarily due to increases in health insurance premium equivalents.

General Fund Budgetary Highlights

General fund revenues and expenditures are presented on a budgetary basis on pages 107-109.

Revenue Variances

Collection on prior year tax levies resulted in a positive variance of \$1,053 for all tax collections. Tax collections are currently budgeted on a cash basis and included \$1,000 for prior year collections. Real estate collections were budgeted at 98.65%, motor vehicle at 94.2% and personal property at 97.1%. The blended tax collection rate for current year taxes was 97.97%, which represents a slight reduction from the prior year collection rate.

Intergovernmental revenue had a net positive variance of \$1,018. Most of the variances in intergovernmental revenue were caused by changes made by the state during the year to individual grant line items.

Charges for services had a total positive variance of \$589. Budgets in this category are estimated based on historical averages and normally vary from year to year. Conveyance contributed \$324 and Recording Fees contributed \$114 to the positive variance. The remaining items netted to a positive variance of \$151.

**TOWN OF ENFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022
(IN THOUSANDS)**

Town Funds Financial Analysis (Continued)

Revenue Variances (Continued)

Licenses and permits had a positive variance of \$363. This was mainly due to a \$345 positive variance in Building Permits.

Interest earned had a positive variance of \$48. General fund investments are limited by state statute to risk free instruments as specified in Note 3. Unfavorable economic conditions have kept investment interest rates low so this line is budgeted conservatively.

Overall, the general fund had a total negative revenue variance of \$4,291.

Expenditure Variances

Budgetary expenditures had a total positive variance of \$5,192. The largest variances occurred in the following areas: Non-departmental charges \$1,419, Police \$919, General Government \$288 Public Works \$194 and Planning and Development \$125. Transfers out had a positive variance of \$1,891 due to positive expenditure variances in the Social Services, EMS, and Library funds.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2022, the Town had \$453,936 invested in a broad range of capital assets, including land, buildings, building improvements, machinery and equipment, vehicles, and infrastructure (roads, sewer lines, sidewalks) – Note 3C. page 44. This amount represents a net increase (including additions and deductions) of \$22,831 over the prior year.

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

	Governmental Activities	
	2022	2021
Land	\$ 12,706	\$ 12,706
Construction in Progress	118,468	86,718
Buildings and Improvements	137,265	142,561
Machinery and Equipment	21,591	21,537
Vehicles	9,320	8,471
Infrastructure	154,577	159,085
Computer Equipment	9	27
Total	<u>\$ 453,936</u>	<u>\$ 431,105</u>

**TOWN OF ENFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022
(IN THOUSANDS)**

Capital Asset and Debt Administration (Continued)

Capital Assets (Continued)

This year's major additions included:

- The continuation of a variety of road rehabilitation projects - "Roads 2015" in the amount of \$932.
- WPC Upgrade Project in the amount of \$108.
- Renovation of JFK school in the amount of \$25,888.
- Various road rehabilitation projects approved in "Roads 2021" in the amount of \$211.

Long-Term Debt

At June 30, 2022, the Town had \$99,830 in bonds outstanding compared to \$97,570 last year - an increase of 2.32% as shown in Table 5.

**TABLE 5
OUTSTANDING DEBT**

	Governmental Activities	
	2022	2021
General Obligation Bonds - Town	\$ 74,704	\$ 77,440
General Obligation Bonds - School Improvements	25,126	20,130
Total	\$ 99,830	\$ 97,570

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

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total tax collections including interest and lien fees and the tax relief for elderly freeze grant. The current debt limitation for the Town is \$794,269 which significantly exceeds the Town's outstanding general obligation debt.

At the end of fiscal 2015 the Town was authorized to bond an additional \$35 million for the High School Consolidation projects, which is substantially complete.

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

In November of 2015, voters approved borrowing an additional \$36 million to finance reconstruction, repair and improvements to the water pollution control facility and sewerage collection infrastructure.

In November of 2016, voters approved borrowing \$11.2 million to finance energy performance upgrades at various town buildings.

**TOWN OF ENFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022
(IN THOUSANDS)**

Long-Term Debt (Continued)

In November of 2018, voters approved borrowing \$27 million for reconstruction and renovations to the John F. Kennedy Middle School.

In November of 2021, voters approved borrowing \$27.5 million for the Roads 2021 road reconstruction program. Voters also approved borrowing \$9 million for the various school and town roof projects.

In November of 2022, voters approved borrowing \$2.3 million for an addition to the Public Safety Complex subject to the receipt of State funding for the remainder of the project.

Other obligations include accrued vacation pay and sick leave. More detailed information about the Town's long-term liabilities is presented in Note 3E. of the financial statements (page 45.)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town's elected and appointed officials considered many factors when setting the fiscal year 2022-2023 budget. Overall economic conditions as well as citizens' ability to sustain an increase in taxes continue to be primary concerns of town officials. The mill rate for the Town was unchanged at 23.88 for fiscal years 2008-2012. The mill rate for the 2012-2013 budget increased to 27.84. The increase in the mill rate was the result of a town wide revaluation in which property values dropped an average of 13%. Property values for residential property dropped an average of 15% and commercial property values dropped an average of 10%. After factoring in the change in the grand list, the increase in the mill rate was .90 mills.

For fiscal year 2019, the State of Connecticut increased the mill rate cap on motor vehicles. As a result, Council established a single mill rate of 33.40 mills for real estate, business personal property and motor vehicles. The real estate and business personal property rate increased 1.97 mills over the prior year while the motor vehicle mill rate increased 4.60 mills. The mill rate for fiscal year 2019-2020 increased to 34.23 for real estate, business personal property and motor vehicles. The mill rate for fiscal year 2020-2021 remained the same at 34.23.

The adopted budget for fiscal year 2021-2022 also had no increase in the mill rate, which stayed at 34.23. Even though we had mandatory increases in items such as health insurance, pension and contractual union raises, we managed to avoid an increase by being selective in the programs and projects we funded.

The grand list of October 2021 was subject to a revaluation as required by Connecticut General Statutes. Due to market conditions that resulted from the COVID-19 pandemic, the adopted mill rate decreased to 27.89 mills.

Unemployment (not seasonally adjusted) in the Town as of June 2022 was 3.8% versus 9.6% a year ago.

Contacting the Town's Financial Management

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

BASIC FINANCIAL STATEMENTS

TOWN OF ENFIELD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2022
(IN THOUSANDS)

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 71,198
Investments	7,950
Receivables, Net	31,228
Prepaid Items	917
Supplies	114
Capital Assets, Nondepreciable	131,174
Capital Assets, Net of Accumulated Depreciation	322,762
Total Assets	565,343
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charge on Refunding	539
Deferred Outflows - Pension	4,429
Deferred Outflows - OPEB	8,095
Total Deferred Outflows of Resources	13,063
LIABILITIES	
Accounts Payable and Accrued Liabilities	14,735
Unearned Revenue	7,441
Due to Fiduciary Funds	50
Bond Anticipation Notes Payable	27,500
Premium on Bond Anticipation Notes Payable	526
Clean Water Interim Funding Obligation	22,589
Noncurrent Liabilities, Due Within One Year	10,525
Noncurrent Liabilities, Due in More Than One Year	148,567
Total Liabilities	231,933
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows - Pension	15,308
Deferred Inflows - OPEB	29,278
Related to Leases	2,336
Advance Property Tax Collections	135
Total Deferred Inflows of Resources	47,057
NET POSITION	
Net Investment in Capital Assets	281,955
Restricted for:	
Trust Purposes:	
Expendable	27,000
Nonexpendable	39,000
Grants	1,726
Unrestricted	(50,265)
Total Net Position	\$ 299,416

See accompanying Notes to Financial Statements.

TOWN OF ENFIELD, CONNECTICUT
 STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2022
 (IN THOUSANDS)

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
GOVERNMENTAL ACTIVITIES					
General Government	\$ 11,773	\$ 4,576	\$ 2,931	\$ -	\$ (4,266)
Public Safety	44,185	604	63	-	(43,518)
Public Works	34,659	7,074	19	597	(26,969)
Health and Social Services	7,755	4,501	4,174	-	920
Recreation	354	9	-	-	(345)
Library	2,693	17	5	-	(2,671)
Planning and Development	2,690	4	147	-	(2,539)
Education	135,737	654	59,882	13,737	(61,464)
Interest Expense	3,806	-	-	-	(3,806)
Total Governmental Activities	\$ 243,652	\$ 17,439	\$ 67,221	\$ 14,334	(144,658)
GENERAL REVENUES					
Property Taxes					104,508
Grants and Contributions Not Restricted to Specific Programs					1,474
Investment Income (Loss)					(312)
Total General Revenues					105,670
CHANGE IN NET POSITION					
Net Position - Beginning of Year, as restated					(38,988)
					338,404
NET POSITION - END OF YEAR					\$ 299,416

See accompanying Notes to Financial Statements.

**TOWN OF ENFIELD, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022
(IN THOUSANDS)**

	General	Water Pollution Control	Bonded Projects	Capital Nonrecurring	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 34,156	\$ 4,945	\$ 2,248	\$ 11,730	\$ 10,107	\$ 63,186
Investments	4,599	-	-	2,408	197	7,204
Receivables, Net	16,458	1,857	7,565	4	5,253	31,137
Due from Other Funds	5,887	-	104	2,837	33	8,861
Prepaid Items	4	-	-	-	-	4
Supplies	-	-	-	-	114	114
Total Assets	\$ 61,104	\$ 6,802	\$ 9,917	\$ 16,979	\$ 15,704	\$ 110,506
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable and Accrued Liabilities	\$ 4,640	\$ 1,354	\$ 3,897	\$ 1,915	\$ 182	\$ 11,988
Due to Other Funds	3,024	224	-	-	2,190	5,438
Bond Anticipation Notes Payable	-	-	27,500	-	-	27,500
Premium on Bond Anticipation Notes Payable	143	-	383	-	-	526
Clean Water Interim Funding	-	-	22,589	-	-	22,589
Unearned Revenue	114	-	-	17	7,310	7,441
Total Liabilities	7,921	1,578	54,369	1,932	9,682	75,482
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Property Taxes	9,880	-	-	-	-	9,880
Unavailable Revenue - Sewer User Fees	-	843	-	-	-	843
Unavailable Revenue - EMS Receivable	2,530	-	-	-	-	2,530
Unavailable Revenue - Grants Receivable	56	-	7,565	-	-	7,621
Unavailable Revenue - Loans Receivable	-	-	-	-	1,362	1,362
Related to Leases	2,336	-	-	-	-	2,336
Advance Property Tax Collections	135	-	-	-	-	135
Total Deferred Inflows of Resources	14,937	843	7,565	-	1,362	24,707
FUND BALANCES						
Nonspendable	4	-	-	-	153	157
Restricted	175	-	-	-	1,551	1,726
Committed	-	4,381	-	15,047	2,956	22,384
Assigned	11,893	-	-	-	-	11,893
Unassigned	26,174	-	(52,017)	-	-	(25,843)
Total Fund Balances	38,246	4,381	(52,017)	15,047	4,660	10,317
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 61,104	\$ 6,802	\$ 9,917	\$ 16,979	\$ 15,704	\$ 110,506

See accompanying Notes to Financial Statements.

**TOWN OF ENFIELD, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022
(IN THOUSANDS)**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances - Governmental Funds (Exhibit III)	\$	10,317
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Amounts reported for governmental activities in the statement of net position (Exhibit I) are different from the governmental fund balance sheet. The details of this difference are as follows:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental Capital Assets		625,281
Less: Accumulated Depreciation		(171,345)
Total		453,936

Internal service funds are used by management to charge costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.

4,778

Other long-term assets and deferred outflows of resources are not available to pay for current period expenditures and, therefore, are unavailable in the funds:

Property Tax Receivables		4,909
Interest on Property Taxes		4,971
Sewer Use Receivable		843
EMS Receivable		2,530
Grants Receivable		7,621
Housing Loans		1,362
Deferred Charge on Refunding		539
Deferred Outflows Related to Pension		4,429
Deferred Outflows Related to OPEB		8,095

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

Bonds and Sewer Notes Payable		(99,830)
Bond Premium		(6,652)
Compensated Absences		(7,558)
Accrued Interest Payable		(1,236)
Equipment Financing		(9,250)
Net Pension Liability		(13,297)
Landfill Closure		(90)
Claims Payable		(273)
Net OPEB Liability		(22,142)
Deferred Inflows Related to Pension		(15,308)
Deferred Inflows Related to OPEB		(29,278)

Net Position of Governmental Activities as Reported on the Statement of Net Position (Exhibit I)	\$	299,416
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See accompanying Notes to Financial Statements.

**TOWN OF ENFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	General	Water Pollution Control	Bonded Projects	Capital Nonrecurring	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes	\$ 104,744	\$ 623	\$ -	\$ -	\$ -	\$ 105,367
Intergovernmental	50,437	-	26,073	113	17,871	94,494
Charges for Services	8,912	7,190	-	138	417	16,657
Contributions and Donations	115	-	-	-	39	154
Investment Income (Loss)	(338)	-	-	(139)	(6)	(483)
Other Revenues	1,067	7	-	-	3	1,077
Total Revenues	164,937	7,820	26,073	112	18,324	217,266
Expenditures						
Current:						
General Government	6,763	-	-	-	1,916	8,679
Public Safety	18,278	-	-	-	83	18,361
Public Works	17,237	3,729	-	-	-	20,966
Health and Social Services	5,827	-	-	-	420	6,247
Planning and Development	1,677	-	-	-	-	1,677
Recreation	353	-	-	-	-	353
Library	1,970	-	-	-	7	1,977
Intergovernmental and Interagency	404	-	-	-	-	404
Education	87,520	-	-	-	14,424	101,944
Nondepartmental	5,860	-	-	109	-	5,969
Capital Outlay	-	-	27,491	8,337	-	35,828
Debt Service	12,303	544	356	-	-	13,203
Total Expenditures	158,192	4,273	27,847	8,446	16,850	215,608
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,745	3,547	(1,774)	(8,334)	1,474	1,658
OTHER FINANCING SOURCES (USES)						
Bond Issuance	-	-	8,980	-	-	8,980
Bond Issuance Premium	762	326	-	-	-	1,088
Equipment Lease Issuance	-	-	-	855	-	855
Transfers In	391	-	500	8,850	27	9,768
Transfers Out	(7,677)	(1,491)	-	-	(600)	(9,768)
Net Other Financing Sources (Uses)	(6,524)	(1,165)	9,480	9,705	(573)	10,923
NET CHANGE IN FUND BALANCES	221	2,382	7,706	1,371	901	12,581
Fund Balances - Beginning of Year, as Restated	38,025	1,999	(59,723)	13,676	3,759	(2,264)
FUND BALANCES - END OF YEAR	\$ 38,246	\$ 4,381	\$ (52,017)	\$ 15,047	\$ 4,660	\$ 10,317

See accompanying Notes to Financial Statements.

**TOWN OF ENFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Governmental Funds (Exhibit IV) \$ 12,581

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital Outlay	34,888
Depreciation Expense	(12,013)

The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets. (44)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

Property Tax Receivable - Accrual Basis Change	72
Property Tax Interest Revenue - Accrual Basis Change	(930)
Sewer Use Receivable - Accrual Basis Change	(258)
EMS Receivable - Accrual Basis Change	176
Grants Receivable - Accrual Basis Change	(11,783)
Housing Loans Receivable - Accrual Basis Change	(50)
Changes in Deferred Outflows Related to Pension	(17,784)
Changes in Deferred Outflows Related to OPEB	251

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

Issuance of Bonds	(8,980)
Premium on Bond Issuance	(1,088)
Bond Principal Payments	6,720
Equipment Financing Issuance	(855)
Equipment Financing Payments	1,645

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated Absences	(192)
Change in Accrued Interest	212
Amortization of Bond Premiums	899
Amortization of Deferred Charge on Refunding	(73)
Claims Payable	92
Landfill Closure	15
Change in Net Pension Asset/Liability	(30,467)
Change in Net OPEB Liability	16,546
Changes in Deferred Inflows Related to Pension	(13,622)
Changes in Deferred Inflows Related to OPEB	(16,431)

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. 1,485

Change in Net Position of Governmental Activities as Reported on the
Statement of Activities (Exhibit II) \$ (38,988)

See accompanying Notes to Financial Statements.

TOWN OF ENFIELD, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022
(IN THOUSANDS)

	Governmental Activities
	Internal Service Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 8,012
Investments	746
Accounts Receivable	91
Prepaid Expenses	913
Total Current Assets	9,762
LIABILITIES	
Current Liabilities:	
Accounts Payable	253
Claims Payable	1,258
Due to Other Funds	3,473
Total Current Liabilities	4,984
NET POSITION	
Unrestricted	\$ 4,778

See accompanying Notes to Financial Statements.

TOWN OF ENFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	Governmental Activities
	Internal Service Funds
OPERATING REVENUES	
Charges for Services	\$ 27,958
Total Operating Revenues	27,958
OPERATING EXPENSES	
Health Insurance Claims	21,537
Risk Management Claims	1,028
Technology Services	4,110
Total Operating Expenses	26,675
OPERATING INCOME (LOSS)	1,283
NONOPERATING REVENUE (EXPENSE)	
Intergovernmental Revenue	205
Investment Income (Loss)	(3)
Net Nonoperating Revenue (Expense)	202
CHANGE IN NET POSITION	1,485
Net Position At Beginning Of Year	3,293
NET POSITION - END OF YEAR	\$ 4,778

See accompanying Notes to Financial Statements.

**TOWN OF ENFIELD, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Governmental Activities
	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Charges for Services	\$ 28,095
Payments for Claims, Premiums, and Fees	(26,946)
Net Cash Provided (Used) by Operating Activities	1,149
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Intergovernmental Grants	205
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investments	(960)
Sales of Investments	214
Investment Income	(3)
Net Cash Provided (Used) by Investing Activities	(749)
NET INCREASE (DECREASE) IN CASH	605
Cash - Beginning of Year	7,407
CASH - END OF YEAR	\$ 8,012
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating Income (Loss)	\$ 1,283
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
(Increase) Decrease in Accounts Receivable	
(Increase) Decrease in Prepaid Expenses	(4)
(Increase) Decrease in Due from Other Funds	141
Increase (Decrease) in Accounts Payable and Other Payables	14
Increase (Decrease) in Claims Payable	108
Increase (Decrease) in Due to Other Funds	(393)
Net Cash Provided (Used) by Operating Activities	\$ 1,149

See accompanying Notes to Financial Statements.

TOWN OF ENFIELD, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022
(IN THOUSANDS)

	<u>Pension and Other Employee Benefit Trust Funds</u>
ASSETS	
Cash and Cash Equivalents	\$ 408
Investments:	
Common Stock	1,452
Deferred Retirement Option Program	1,686
Mutual Funds	898
Exchange Traded Products	4,313
Guaranteed Deposit	16,370
Insurance Company-Pooled Separate Account	129,596
Real Estate Funds	8,785
Total Investments	<u>163,100</u>
Due from Other Funds	<u>50</u>
Total Assets	163,558
NET POSITION	
Restricted for Pension Benefits	156,437
Restricted for OPEB Benefits	<u>7,121</u>
Total Net Position	<u><u>\$ 163,558</u></u>

See accompanying Notes to Financial Statements.

TOWN OF ENFIELD, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	<u>Pension and Other Employee Benefit Trust Funds</u>
ADDITIONS	
Contributions:	
Employer Contributions	\$ 3,980
Employee Contributions	1,337
Total Contributions	<u>5,317</u>
Investment Earnings:	
Interest and Dividends	2,966
Net Change in Fair Value of Investments	(26,804)
Total Investment Earnings	<u>(23,838)</u>
Less: Investment Expenses:	
Investment Management Fees	105
Net Investment Earnings	<u>(23,943)</u>
Total Additions	(18,626)
DEDUCTIONS	
Benefits Paid	10,184
Administration Expenses	263
Total Deductions	<u>10,447</u>
CHANGE IN NET POSITION	(29,073)
Net Position - Beginning of Year	<u>192,631</u>
NET POSITION - END OF YEAR	<u><u>\$ 163,558</u></u>

See accompanying Notes to Financial Statements.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Enfield, Connecticut (the Town) was settled in 1683. The Town operates under a Council-manager form of government and provides the following services as authorized by its charter (last revised in 2014); public safety (police and fire), highways and streets, sanitation, social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

Accounting principles generally accepted in the United State of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

Fiduciary Component Units

The Town has established a single-employer Public Retirement Systems (PERS) and a postretirement retiree health plan (OPEB) to provide retirement benefits and post-retirement healthcare benefits to employees and their beneficiaries. The Town is required to make contributions to the pension and OPEB plans and can impose its will.

The financial statements of the fiduciary component units are reported as Pension and OPEB Trust funds in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

B. Basis of Presentation

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

Government-Wide and Fund Financial Statements

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

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements.

Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

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

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Government-Wide and Fund Financial Statements (Continued)

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension obligations, other post-employment benefits, and claims and judgments, are recorded only when payment is due (matured).

The Town reports the following major governmental funds:

General Fund

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

Water Pollution Control Fund

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

Bonded Projects Fund

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

Capital Nonrecurring Fund

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

Additionally, the Town reports the following fund types:

Internal Service Funds

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

Pension and Other Employee Benefit Trust Funds

The Pension and Other Employee Benefit Trust Funds are used to account for the activities of the Enfield Employees Retirement System and to account for the retiree health benefits of the single-employer defined benefit plan.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

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

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

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

C. Cash Equivalents

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

D. Investments

Investments are stated at fair value.

E. Prepaid Items

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

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Receivables and Payables

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

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

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

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

G. Capital Assets

Capital assets, which include property, buildings, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 for vehicles and equipment, \$20,000 for buildings and improvements, and \$100,000 for infrastructure (amounts not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

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

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

Building	50 to 75 Years
Buildings and Improvements	20 to 75 Years
Machinery and Equipment	10 to 30 Years
Vehicles	10 to 30 Years
Infrastructure:	
Roads	40 Years
Sidewalks	40 Years
Bridges	70 to 80 Years
Sewer Lines	100 Years

H. Leases

Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The Town adopted the requirements of the guidance effective January 1, 2019, and has elected to apply the provisions of this standard to the beginning of the period of adoption.

Lessor

The Town is a lessor for noncancellable leases of land. The Town recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities in the government-wide and in the governmental fund financial statements.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Leases (Continued)

Lessor (Continued)

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience or other inputs. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from changes in assumptions. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). Additionally, the Town reports advance property tax collections in both the government-wide statement of net position and in the governmental funds. The advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, sewer user fees, EMS, grants, and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

J. Compensated Absences

Town employees are granted vacation leave based upon length of employment and sick time depending on which union the employee belongs to. In the event of termination, employees are compensated for accumulated vacation and sick time. The Board of Education has employment contracts, which provide for the accrual of sick pay based on length of service. Vacation and sick leave expenses to be paid in the future periods are accrued when incurred in the government-wide statement. A liability for these amounts is reported in governmental funds only for amounts expected to be paid (matured), for example, as a result of employee resignations and retirements. Compensated absences are generally paid out of the General Fund.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Net Pension Liability (Asset)

The net pension liability (asset) is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability (asset) is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

L. Net OPEB Liability

The net OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total OPEB liability), net of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

M. Long-Term Obligations

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

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

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Equity

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

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

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

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

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

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

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

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

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

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

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Property Taxes

Property taxes are assessed as of October 1. Real estate and personal property taxes are due and payable in two installments on July 1 and the following January 1. Motor vehicle taxes are due and payable July 1, and motor vehicle supplemental taxes are due and payable on January 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date.

P. Accounting Estimates

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

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

- Prior to July 1, the budget is legally enacted through passage of a resolution.
- Management is authorized to transfer amounts without approval of the Town Council within certain expenditure categories (i.e., salaries and overtime) of the Town's operating divisions. The remaining transfers within divisions require Town Council approval. Transfers between divisions or between departments can only be made by the Town Council and only within the last six months of the year.
- The Department of Education is not a separate legal entity, but a separate function of the Town. Its Board is authorized under state law to make any transfers required within their budget at their discretion. Any additional appropriations must have Town Council approval and, if necessary, approval at a public hearing or referendum.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

- Formal budgetary integration is employed as a management control device during the year.
- The budget is generally prepared on the modified accrual basis of accounting.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level for the General Fund and at the fund level for the Water Pollution Control Plant Fund.
- Budgeted amounts shown are as amended by the Town Council during the course of the year. There were additional appropriations in the General Fund totaling \$2,439 during the year.
- Generally, all appropriations lapse at year-end, except those for the Capital Projects Fund. Appropriations for capital projects are continued until completion of applicable projects, even when project extend more than one fiscal year.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract, or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures in the current year.
- Budgets are also legally adopted and presented for the Social Services Fund, Emergency Medical Fund, Library and Leisure Services Fund, and Water Pollution Control Fund.

B. Deficit Fund Equity

The following governmental funds had a fund balance deficit at June 30, 2022:

- The Bonded Projects Fund had a deficit fund balance of \$52,017 which will be funded from the issuance of general obligation bond anticipation notes and bonds.

C. Overexpended Appropriations

The following governmental funds had a fund balance deficit at June 30, 2022:

- The Town overexpended the final budget economic development under planning and development by \$24.
- The Town overexpended the final budget of the social services fund by \$116.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents, and Investments

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

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

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares. STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Deposits

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$46,205 of the Town’s bank balance of \$48,919 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 1,101
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name	45,104
Total Amount Subject to Custodial Credit Risk	<u>\$ 46,205</u>

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2022, the Town's cash equivalents amounted to \$24,858. The following table provides summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor's</u>
State of Connecticut Short-Term Investment Fund (STIF)	AAAm
LPL Financial	*
MetLife Securities	*
Wells Fargo	*

*Not Rated

Investments

As of June 30, 2022, the Town had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
		<u>Less Than 1</u>	<u>1 - 10</u>	<u>More Than 10</u>
Interest-Bearing Investments:				
U.S. Government Securities	\$ 382	\$ -	\$ 382	\$ -
Municipal Bonds	984	100	884	-
Certificates of Deposit	1,440	1,303	137	-
Total	<u>2,806</u>	<u>\$ 1,403</u>	<u>\$ 1,403</u>	<u>\$ -</u>
Other Investments:				
Mutual Funds	5,099			
Deferred Retirement Option Program	1,686			
Insurance Company-Pooled Separate Account	129,596			
Exchange Traded Products	5,256			
Guaranteed Deposit	16,370			
Common Stock	1,452			
Real Estate	8,785			
Total Investments	<u>\$ 171,050</u>			

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

Investments (Continued)

Average Rating	U.S. Government Securities	Municipal Bonds	Certificates of Deposit
Aaa	\$ 382	\$ 122	\$ -
Aa3	-	733	-
A1	-	129	-
Unrated	-	-	1,440
Total	<u>\$ 382</u>	<u>\$ 984</u>	<u>\$ 1,440</u>

Investment Custodial Credit Risk

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

Credit Risk

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

Interest Rate Risk

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

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

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2022:

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Securities	\$ 382	\$ 382	\$ -	\$ -
Municipal Bonds	984	984	-	-
Common Stock	1,452	1,452	-	-
Mutual Funds	5,099	5,099	-	-
Deferred Retirement Option Program	1,686	1,686	-	-
Insurance Company-Pooled Separate Account	129,596	120,458	9,138	-
Exchange Traded Products	5,256	5,256	-	-
Guaranteed Deposit	16,370	-	-	16,370
Total Investments by Fair Value Level	160,825	<u>\$ 135,317</u>	<u>\$ 9,138</u>	<u>\$ 16,370</u>
Investments Measured at NAV:				
Prudential Real Estate	3,495			
PGIM Real Estate	5,290			
Total Investments Measured at NAV	<u>8,785</u>			
Total Investments Measured at Fair Value	169,610			
Investments Not Included Above (CDs)	<u>1,440</u>			
Total Investments	<u>\$ 171,050</u>			

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

Fair Value (Continued)

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Guaranteed deposit investments classified in Level 3 are not actively traded and significant observable inputs are not available; therefore, a degree of judgment is necessary to estimate fair value. The valuation process for guaranteed deposit investments takes into consideration factors such as interest rate changes, movement in credit spreads, default rate assumptions, prepayment assumptions, type and quality of collateral, and market dislocation valued using discounted cash flow techniques.

Real estate investments are valued as described in the following schedule.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table:

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Prudential Real Estate	\$ 3,495	\$ -	Quarterly	30-60 Days
PGIM Real Estate	5,290	-	Quarterly	30-60 Days
Total Investments Measured at NAV	<u>\$ 8,785</u>	<u>\$ -</u>		

B. Receivables

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

	Governmental Activities					Total
	General	Water Pollution Control	Bonded Projects	Capital Nonrecurring	Nonmajor and Other Funds	
Receivables:						
Taxes	\$ 6,702	\$ -	\$ -	\$ -	\$ -	\$ 6,702
Interest	4,971	-	-	-	-	4,971
Sewer User Fees	-	1,924	-	-	-	1,924
Accounts and Other	4,141	-	-	4	93	4,238
Lease	2,367	-	-	-	-	2,367
Housing Loans	-	-	-	-	1,362	1,362
Intergovernmental	336	-	7,565	-	3,889	11,790
Gross Receivables	<u>18,517</u>	<u>1,924</u>	<u>7,565</u>	<u>4</u>	<u>5,344</u>	<u>33,354</u>
Less: Allowance for						
Collection Losses	2,059	67	-	-	-	2,126
Net Total Receivables	<u>\$ 16,458</u>	<u>\$ 1,857</u>	<u>\$ 7,565</u>	<u>\$ 4</u>	<u>\$ 5,344</u>	<u>\$ 31,228</u>

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 12,706	\$ -	\$ -	\$ 12,706
Construction in Progress	86,718	31,949	199	118,468
Total Capital Assets Not Being Depreciated	99,424	31,949	199	131,174
Capital Assets Being Depreciated:				
Buildings and Improvements	193,452	-	-	193,452
Machinery and Equipment	32,798	1,294	-	34,092
Vehicles	15,883	1,844	164	17,563
Infrastructure	248,910	-	-	248,910
Computer Equipment	90	-	-	90
Total Capital Assets Being Depreciated	491,133	3,138	164	494,107
Less: Accumulated Depreciation for:				
Buildings and Improvements	50,891	5,296	-	56,187
Machinery and Equipment	11,261	1,240	-	12,501
Vehicles	7,412	951	120	8,243
Infrastructure	89,825	4,508	-	94,333
Computer Equipment	63	18	-	81
Total Accumulated Depreciation	159,452	12,013	120	171,345
Total Capital Assets Being Depreciated, Net	331,681	(8,875)	44	322,762
Governmental Activities Capital Assets, Net	<u>\$ 431,105</u>	<u>\$ 23,074</u>	<u>\$ 243</u>	<u>\$ 453,936</u>

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

Governmental Activities:	
General Government	\$ 164
Public Safety	490
Public Works	5,884
Health and Social Services	274
Library	76
Education	5,125
Total Depreciation Expense - Governmental Activities	<u>\$ 12,013</u>

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Construction Commitments

The government has active construction projects as of June 30, 2022. At year-end, the government's commitments with contractors are as follows:

<u>Project</u>	<u>Remaining Commitment</u>
Road Improvement Program 2021	\$ 216
Road Improvement Program 2015	109
WPC Facility Upgrades	326
JFK Renovation	7,871
High School Expansion and Renovation	41
Total	<u>\$ 8,563</u>

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

D. Lease Receivables

The Town, acting as lessor, leases land and buildings under various long-term, noncancelable lease agreements through 2052. Total principal and interest payments for the year ended June 30, 2022 were \$99 and \$32, respectively.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 72	\$ 47
2024	77	45
2025	64	44
2026	69	42
2027	74	41
2028-2032	447	180
2033-2037	599	128
2038-2042	416	74
2043-2047	247	43
2048-2052	302	15
Total	<u>\$ 2,367</u>	<u>\$ 659</u>

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2022, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Water Pollution Control	\$ 224
General Fund	Internal Service Funds	3,473
General Fund	Nonmajor Governmental Funds	2,190
Nonmajor Governmental Funds	General Fund	33
Bonded projects	General Fund	104
Capital Nonrecurring Fund	General Fund	2,837
Fiduciary Fund	General Fund	50
Total		<u>\$ 8,911</u>

The outstanding balances between funds result mainly from the timing between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made. All balances are expected to be repaid within a year.

	Transfers In				Total Transfers Out
	General Fund	Bonded Projects	Capital Nonrecurring	Nonmajor Governmental Funds	
Transfers Out:					
General Fund	\$ -	\$ 500	\$ 7,150	\$ 27	\$ 7,677
Water Pollution Control	391	-	1,100	-	1,491
Nonmajor Governmental	-	-	600	-	600
Total Transfers In	<u>\$ 391</u>	<u>\$ 500</u>	<u>\$ 8,850</u>	<u>\$ 27</u>	<u>\$ 9,768</u>

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 97,570	\$ 8,980	\$ 6,720	\$ 99,830	\$ 7,175
Bond Premiums	6,463	1,088	899	6,652	-
Total Bonds Payable	104,033	10,068	7,619	106,482	7,175
Compensated Absences	7,366	3,741	3,549	7,558	1,819
Landfill Closure Cost	105	-	15	90	15
Claims Payable	365	-	92	273	-
Equipment Financing*	10,040	855	1,645	9,250	1,516
Net Pension Liability	-	13,297	-	13,297	-
Net OPEB Liability	38,688	-	16,546	22,142	-
Total Governmental Activities Long-Term Liabilities	<u>\$ 160,597</u>	<u>\$ 27,961</u>	<u>\$ 29,466</u>	<u>\$ 159,092</u>	<u>\$ 10,525</u>

*Included in the beginning balance of equipment financing is \$98 of items that in the prior year were reported as capital leases. This adjustment was due to the implementation of GASB Standard 87.

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

General Obligation Bonds

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

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

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Debt (Continued)

General Obligation Bonds (Continued)

General obligation bonds currently outstanding are as follows:

Description	Date of Issue	Maturity	Interest Rate (%)	Amount of Original Issue	Annual Principal	Balance Outstanding June 30, 2022
General Purpose:						
Road Reconstruction	8/5/14	8/1/34	2.25-4.0	\$ 25,000	Various	\$ 1,315
Refunding	7/15/15	7/15/28	2.0-5.0	10,770	Various	6,010
Road Reconstruction	7/30/15	7/30/35	3.0-5.0	10,000	Various	7,000
Road Reconstruction	8/1/17	8/1/37	2.0-5.0	15,000	Various	12,080
Road Reconstruction	8/1/18	8/1/38	1.5-3.5	10,000	Various	8,500
Road Reconstruction	7/23/19	8/1/39	3.0-5.0	22,500	Various	20,590
Refunding	7/28/20	8/1/34	0.53-2.09	16,885	Various	16,515
Sewer	8/1/21	8/1/41	2.0-5.0	2,694	Various	2,694
Total General Purpose				112,849		74,704
School:						
School Construction	7/30/15	7/30/35	3.0-5.0	10,000	Various	7,000
School Construction	8/1/17	8/1/37	2.0-5.0	15,000	Various	11,840
School Construction	8/1/21	8/1/41	2.0-5.0	6,286	Various	6,286
Total School				31,286		25,126
Total Outstanding				\$ 144,135		\$ 99,830

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

Year Ending June 30,	Principal	Interest
2023	\$ 7,175	\$ 3,254
2024	7,165	2,942
2025	7,135	2,654
2026	7,125	2,372
2027	7,110	2,094
2028-2032	24,355	6,196
2033-2037	28,400	3,636
2038-2042	11,365	585
Total	\$ 99,830	\$ 23,733

Clean Water Fund Loans

The Town is participating in the state of Connecticut's Clean Water program, which provides low-interest loans bearing a 2% interest for eligible wastewater projects. Projects are financed by interim loan obligations until completion, at which time interim loan obligations are replaced by permanent loan obligations. As of June 30, 2022, the Town has received \$22,589 of clean water loans to fund the water pollution facility project currently underway. The loan is considered short-term until the project is completed and a permanent loan is put in place.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Debt (Continued)

General Obligation Bonds - Refunding

On July 28, 2020, the Town issued \$16,885 of general obligation refunding bonds with interest rates ranging from 0.53% to 2.09% to refund the outstanding principal amount of \$15,780, General Obligation Bonds, issue of 2014.

The balance in escrow was \$16,034 at June 30, 2022. The outstanding balance of the defeased bonds as of June 30, 2022, is \$16,515.

Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2022, is \$36,538. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

Landfill Closure and Post-Closure Care Costs

State and federal laws and regulations require that the Town perform certain maintenance and monitoring functions at the landfill site for 19 years after closure. The liability for the landfill post-closure care, aggregating \$90, is based on the amount estimated to be paid for all equipment, facilities and services required to monitor and maintain the landfills as of June 30, 2022. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

Equipment Financing

The town finances various capital purchases through equipment financing agreements. These agreements are considered lease purchase agreements whereas the Town is responsible to pay rental payments on a set schedule and purchases assets in accordance with the budgeted capital plan. For accounting purposes, titles transfer at the end of lease terms and, therefore, are recorded at the present value of the future minimum lease payments as of the date of their inception.

	Governmental Activities
Asset	
Vehicles and Equipment	\$ 12,431
Less: Accumulated Depreciation	1,939
Total	\$ 10,492

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Debt (Continued)

Equipment Financing (Continued)

The following is a schedule of future minimum rental payments under the financing agreements and the present value of the net minimum rental payments at June 30, 2022:

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 1,516	\$ 202
2024	1,297	171
2025	946	146
2026	899	126
2027	758	107
2028-2032	3,598	281
2033	236	3
Lease Payments	<u>\$ 9,250</u>	<u>\$ 1,036</u>

The Town currently has six equipment financing agreements with three different banks, TD Bank, Key Bank, and BCI Capital Bank. Each bank has various requirements for the equipment financing agreements.

For agreements with TD Bank, the Town must provide, annually, the audited statement of financial condition within 180 days after fiscal year-end. The Town is responsible for any repairs and replacement of equipment as necessary. The Town must maintain insurance over the assets as determined in the agreements with TD Bank. The bank also requires the town to have irrevocable standby letters of credit as identified in each agreement.

For agreements with Key Bank, the Town will provide the bank with current financial statements, budgets, and proof of appropriation for the ensuing budget year and other financial information relating to the ability of the Town to continue the agreement and the property schedule in such form and containing such information as requested by the bank. The Town must purchase capital assets and cannot invest in any securities, obligations, or other investments with bank funds.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Debt (Continued)

Equipment Financing (Continued)

For agreements with BCI Capital, the Town must not permit the equipment to be directly or indirectly used for a private business. The Town must procure and maintain public liability insurance for death or injuries to persons, or damage to property arising out of or in any way connected to the equipment, with a coverage of not less than \$1,000,000 per incident. The Town must maintain equipment in good condition and proper working order and shall make all necessary repairs and replacements to keep equipment in such condition. The Town shall not install, use, operate, or maintain the equipment improperly, carelessly, in violation of any manufacturer's guidelines or in violation of any applicable law or regulation or in a manner contrary to that contemplated in the agreement with BCI Capital. The Town shall deliver to BCI Capital its annual audited financial statements within 270 days after the end of each fiscal year, its annual budget for each fiscal year promptly following approval and any other financial statements and information relating to the ability of the Town to satisfy its obligation under the agreement with BCI Capital.

Legal Debt Limit

The Town is subject to the General Statutes of Connecticut, which limit the amount of debt outstanding at June 30, 2022, to the following:

Category	Debt Limitation	Net Indebtedness	Balance
General Purpose	\$ 255,301	\$ 118,578	\$ 136,723
Schools	510,602	25,126	485,476
Sewers	425,501	-	425,501
Urban Renewal	368,768	-	368,768
Pension Deficit	340,401	-	340,401

General purpose indebtedness includes fire district debt of \$7,396.

Total debt outstanding may not exceed seven times annual receipts from taxation, \$794,269.

G. Short-Term Debt

The following is a summary of bond anticipation note activity for the year ended June 30, 2022:

Project	Issue Date	Due Date	Original Issue Amount	Interest Rate (%)	Balance July 1, 2021	Issued	Retired	Balance Outstanding June 30, 2022
JFK Middle School/ WPC Facility Upgrades	8/6/2020	8/5/20021	\$ 25,000	3.00%	\$ 25,000	\$ -	\$ 25,000	\$ -
JFK Middle School/ WPC Facility Upgrades EHS Renovations	8/5/2021	8/4/2022	<u>27,500</u>	3.00%	<u>-</u>	<u>27,500</u>	<u>-</u>	<u>27,500</u>
Total			<u>\$ 52,500</u>		<u>\$ 25,000</u>	<u>\$ 27,500</u>	<u>\$ 25,000</u>	<u>\$ 27,500</u>

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Fund Balance

The components of fund balance for the governmental funds at June 30, 2022, are as follows:

	General Fund	Water Pollution Control	Bonded Projects	Capital Nonrecurring	Nonmajor Governmental Funds	Total
Fund Balances:						
Nonspendable:						
Inventory	\$ -	\$ -	\$ -	\$ -	\$ 114	\$ 114
Prepaid Expenditures	4	-	-	-	-	4
Permanent Fund						
Principal	-	-	-	-	39	39
Restricted for:						
Grants	175	-	-	-	1,551	1,726
Committed:						
Student Activities	-	-	-	-	790	790
Open Space						
Acquisition	-	-	-	-	637	637
Community						
Development	-	-	-	-	462	462
Public Library	-	-	-	-	311	311
Town Memorial	-	-	-	-	213	213
Scholarship	-	-	-	-	277	277
Macioek Post						
Ambulance	-	-	-	-	239	239
Library Trust	-	-	-	-	27	27
Water Pollution Control	-	4,381	-	-	-	4,381
Capital Improvements	-	-	-	15,047	-	15,047
Assigned:						
Subsequent Year's						
Budget	7,144	-	-	-	-	7,144
School Miscellaneous	3,425	-	-	-	-	3,425
Emergency Medical						
Services	626	-	-	-	-	626
Police Outside						
Services	122	-	-	-	-	122
Revaluation						
Revaluation	133	-	-	-	-	133
Emergency Fuel Bank						
Emergency Fuel Bank	5	-	-	-	-	5
Elderly Relief						
Elderly Relief	98	-	-	-	-	98
Culture and Arts						
Commission	34	-	-	-	-	34
General Government -						
Encumbrances	24	-	-	-	-	24
Public Safety -						
Encumbrances	8	-	-	-	-	8
Public Works -						
Encumbrances	118	-	-	-	-	118
Planning and						
Development -						
Encumbrances	156	-	-	-	-	156
Unassigned	26,174	-	(52,017)	-	-	(25,843)
Total Fund	<u>38,246</u>	<u>4,381</u>	<u>(52,017)</u>	<u>15,047</u>	<u>4,660</u>	<u>10,317</u>
Balances	<u>\$ 38,246</u>	<u>\$ 4,381</u>	<u>\$ (52,017)</u>	<u>\$ 15,047</u>	<u>\$ 4,660</u>	<u>\$ 10,317</u>

Encumbrances of \$306 at June 30, 2022, are contained in the above table in the assigned category of the General Fund.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 4 EMPLOYEE RETIREMENT PLAN

Pension Trust Fund

The Town of Enfield administers two single-employer, contributory defined benefit pension plans. The two plans, Town and Police, are included in the financial statements as pension trust funds. The plans do not issue stand-alone financial statements.

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

A. Plan Description and Benefits Provided

Employee's Pension Plan

The Town of Enfield Pension Plan covers all employees working more than 19 hours a week and for more than five months per calendar year except teachers covered and the State of Connecticut Teachers' Retirement System and Police.

Police Pension Plan

The Town of Enfield Police Pension Plan covers employees in the Police Department working more than 35 hours a week and for more than five months per calendar year.

B. Benefit Provisions

Employee's Pension Plan

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

Police Pension Plan

The Town provides all retirement benefits through a single-employer, contributory defined benefit plan. All employees are 100% vested after 10 years of continuous service. Employees who retire at normal retirement at age of the latter of age 50 or 20 years of service receive a retirement benefit.

At July 1, 2021, Plan membership consisted of the following (amounts not in thousands):

	<u>Employee's Pension Plan</u>	<u>Police Pension Plan</u>
Retirees and Beneficiaries Currently Receiving Benefits	354	76
Terminated Plan Members Entitled to Benefits but Not Yet Receiving them and Inactive with Vested Benefits	300	24
Active Plan Members	485	84
Total	<u>1,139</u>	<u>184</u>

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Pension Trust Fund (Continued)

C. Summary of Significant Accounting Policies

Basis of Accounting

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

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

Funding Policy

Town employees contribute 3.5% of earnings and Police employees contribute 8%, prior year 7%, of earnings. The Town is required to contribute the amounts necessary to finance the benefits for its employees. Administrative costs of the Plan are financed through investment earnings.

D. Investments

Investment Policy

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

Concentrations

The pension plans held the following investments representing 5% or more of the pension trust fund's fiduciary net position as of June 30, 2022:

Private Placement Fund	\$	129,596
Guaranteed Deposit Account		16,370

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on pension plan investments for the Employee's and Police Pension Plans, net of pension plan investment expense, was (12.7)% and (12.2)%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Pension Trust Fund (Continued)

E. Deferred Retirement Option Program (DROP)

The Police Pension Plan offers a Deferred Retirement Option Program (DROP) to its bargaining unit employees employed on or after July 1, 2011. The DROP is intended to provide an alternative retirement option to police employees who are eligible to retire. An employee is considered eligible if they are a full-time employee and must have completed less than 35.25 years of service. During the DROP period, pension payments will be made depending on the DROP factor based on the age of the employee. Amounts held by the Police Pension Plan DROP investments at June 30, 2022, were \$1,686.

F. Net Pension (Asset) Liability of the Town

The net pension liability of the Employee's and Police Pension Plans at June 30, 2022, were as follows:

	Employee's Pension Plan	Police Pension Plan
Total Pension Liability	\$ 93,726	\$ 76,008
Plan Fiduciary Net Position	85,320	71,117
Net Pension Liability	\$ 8,406	\$ 4,891
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.03%	93.57%

Actuarial Assumptions

The total pension liability for the Employee's and Police Pension Plans were determined by an actuarial valuation as of July 1, 2021, rolled forward to June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25% for Employees' Plan, 2.25% for Police
Salary Increases	5% for the First Five Years, then 3% Thereafter for Employees' Plan 4.25% for the First Five Years, then 3% Thereafter for Police Plan
Investment Rate of Return	6.85%, Net of Investment and Contract Fees, Including Inflation

Employees' Pension Plan – Mortality rates were based on the RP-2014 Blue Collar Mortality Table (adjusted to 2006) with scale MP-2020 (prior MP-2017) for males and females, as appropriate.

Police Pension Plan – Mortality rates were based on the RP-2014 Blue Collar Mortality Table (adjusted to 2006) with scale MP-2020 (prior MP-2017) for males and females, as appropriate.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Pension Trust Fund (Continued)

F. Net Pension (Asset) Liability of the Town (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022 (see the discussion of the pension plan's investment policy) are summarized in the following table along with the Board's adopted asset allocation policy:

	Target Allocation	Long-Term Expected Rate of Return
Large Cap Equity	30 %	7.50 %
Small Cap Equity	7	8.50
International Equity	13	7.00
Int-Term Fixed	16	4.75
Long Duration Bond	16	5.75
Real Estate	5	6.50
Stable Value	13	4.35
Total	100 %	

Discount Rate

The discount rate used to measure the total pension liability was 6.85% for both the Employee's Pension Plan and the Police Pension Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Pension Trust Fund (Continued)

F. Net Pension (Asset) Liability of the Town (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Employee's and Police Pension Plans, calculated using the current discount rate, as well as what the net pension (asset) liabilities would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (5.85%)	Current Discount Rate (6.85%)	1% Increase (7.85%)
Employee's Net Pension Liability	\$ 19,220	\$ 8,406	\$ (716)
Police Plan Net Pension Liability	12,324	4,891	(4,569)

Changes in the Net Pension (Asset) Liability

	Employees' Pension Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a)-(b)
Balances - July 1, 2021	\$ 90,222	\$ 100,817	\$ (10,595)
Changes for the Year:			
Service Cost	2,112	-	2,112
Interest on Total Pension Liability	6,014	-	6,014
Differences Between Expected and Actual Experience, Including Assumption Changes	322	-	322
Employer Contributions	-	1,483	(1,483)
Member Contributions	-	757	(757)
Net Investment Income	-	(12,663)	12,663
Benefit Payments, Including Refund to Employee Contributions	(4,944)	(4,944)	-
Administrative Expenses	-	(130)	130
Net Changes	3,504	(15,497)	19,001
Balances - June 30, 2022	<u>\$ 93,726</u>	<u>\$ 85,320</u>	<u>\$ 8,406</u>

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Pension Trust Fund (Continued)

F. Net Pension (Asset) Liability of the Town (Continued)

Changes in the Net Pension (Asset) Liability (Continued)

	Police Pension Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a)-(b)
Balances - July 1, 2021	\$ 77,189	\$ 83,764	\$ (6,575)
Changes for the Year:			
Service Cost	1,200	-	1,200
Interest on Total Pension Liability	5,156	-	5,156
Differences Between Expected and Actual Experience	(3,629)	-	(3,629)
Changes in Assumptions	-	-	-
Employer Contributions	-	864	(864)
Member Contributions	-	580	(580)
Net Investment Income	-	(10,050)	10,050
Benefit Payments, Including Refund to Employee Contributions	(3,908)	(3,908)	-
Administrative Expenses	-	(133)	133
Net Changes	<u>(1,181)</u>	<u>(12,647)</u>	<u>11,466</u>
Balances - June 30, 2022	<u>\$ 76,008</u>	<u>\$ 71,117</u>	<u>\$ 4,891</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the Town recognized pension expense (revenue) of \$1,430 and \$(22) for the Employees' Pension Plan and Police Pension Plan, respectively. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Employees' Pension Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 78	\$ 753
Changes of Assumptions	502	58
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	7,287
Total	<u>\$ 580</u>	<u>\$ 8,098</u>

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Pension Trust Fund (Continued)

F. Net Pension (Asset) Liability of the Town (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

	Police Pension Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 69	\$ 1,453
Changes of assumptions	3,780	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	5,757
Total	\$ 3,849	\$ 7,210

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Employees' Pension Plan	Police Pension Plan
<u>Year Ending June 30,</u>		
2023	\$ (1,114)	\$ (197)
2024	(1,270)	(382)
2025	(1,246)	(233)
2026	(3,888)	(2,549)
Total	\$ (7,518)	\$ (3,361)

Connecticut Teachers Retirement System – Pension

A. Plan Description

Teachers, principals, superintendents, or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

B. Benefit Provisions

The plan provides retirement, disability, and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the three years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

C. Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the state of Connecticut are approved, amended, and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the state of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the state was \$11,719 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

C. Contributions (Continued)

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	139,956
Total	<u><u>\$ 139,956</u></u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. At June 30, 2022, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2022, the Town recognized pension expense and revenue of \$9,035 in Exhibit II for on-behalf amounts for the benefits provided by the state.

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increase	3.00% - 6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

Assumption changes since the prior year are as follows:

- There were no changes in assumptions that affected the measurement of the TPL since the prior measurement date.

Benefit changes since the prior year are as follows:

- There were no changes in benefit provisions that affected the measurement of the TPL since the prior measurement date.

Cost-of-Living Allowance

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

Long-Term Rate of Return

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the State of Connecticut Treasurer’s Office are summarized in the following table:

Asset Class	Expected Return	Target Allocation
Domestic Equity Fund	5.60 %	20.00 %
Developed Market Intl. Stock Fund	6.00	11.00
Emerging Market Intl. Stock Fund	7.90	9.00
Core Fixed Income Fund	2.10	16.00
Inflation Linked Bond Fund	1.10	5.00
Emerging Market Debt Fund	2.70	5.00
High Yield Bond Fund	4.00	6.00
Real Estate Fund	4.50	10.00
Private Equity	7.30	10.00
Alternative Investments	2.90	7.00
Liquidity Fund	0.40	1.00
Total		<u>100.00 %</u>

F. Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that state contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The Town's proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the state of Connecticut.

H. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at www.ct.gov.

I. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

Aggregate Pension Information

The Town recognized the following amounts related to pension plans as of and for the year ended June 30, 2022:

Plan	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
Employee's Pension Plan	\$ 8,406	\$ 580	\$ 8,098	\$ 1,430
Police Pension Plan	4,891	3,849	7,210	(22)
Connecticut Teachers Retirement System	-	-	-	11,719
Total	<u>\$ 13,297</u>	<u>\$ 4,429</u>	<u>\$ 15,308</u>	<u>\$ 13,127</u>

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS

Other Post-Employment Benefit – Town

A. Plan Description

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

The plan covers Town, Police, and Board of Education employees. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Town (Continued)

A. Plan Description (Continued)

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

At July 1, 2021, plan membership consisted of the following (amounts not rounded):

Active Plan Members	972	
Retirees	290	
Total	1,262	

B. Funding Policy and Benefits Provided

The Town has established a trust fund to irrevocably segregate assets to fund the liability associated with post-employment benefits. The fund is reported as a trust fund in accordance with GASB guidelines. The annual actuarially determined contribution payment is transferred into this account annually from the General Fund and budgeted as part of the budgeting process, which is approved by the Town Council.

The Town’s funding strategy for post-employment obligations are based upon characteristics of benefits on three distinct groups of employees established within their respective collective bargaining units and/or contracts and include the following:

- AFSCME Board of Education and Town employees are eligible for retiree healthcare coverage until age 65 upon attainment of normal or early retirement. Normal retirement is the earlier of age 63 or completion of 25 years of service. Early retirement is age 55, and five years of continuous service or 15 years of aggregate service. Coverage is pre-65 only. Post-65 non-Medicare eligible retirees can continue coverage at their own expense.
- Police officers are eligible for retiree healthcare coverage until age 65 upon attainment of normal or early retirement. Normal retirement is the earlier of age 50 or completion of 20 years of service. Early retirement is age 45 and 10 years of continuous service. For officers hired on or after January 1, 2007, normal retirement is the completion of 25 years of service regardless of age and an officer retiring prior to normal retirement shall not be eligible for retiree healthcare benefits.
- Per state statute, any Teacher and School Certified Administrator hired prior to March 1986 that does not qualify for Medicare can be eligible for retiree health coverage for lifetime at the earlier of age 55 with 20 years of service or 25 years of service. Those qualifying for Medicare are allowed to remain on the health insurance plan until age 65.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Town (Continued)

B. Funding Policy and Benefits Provided (Continued)

- Surviving spouses of retired teachers and nonteachers at the school are allowed to remain on the plan.
- Surviving spouses of retirees and actives eligible to retire are allowed to remain on the plan.

C. Investments

Investment Policy

OPEB Benefits Plan’s policy in regard to the allocation of invested assets is established and may be amended by the Employee Insurance and Pension Benefits Committee by a majority vote of its members. It is the policy of the Employee Insurance and Pension Benefits Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. Employee Insurance and Pension Benefits Committee’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was (15.28)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net OPEB Liability of the Town

The Town’s net OPEB liability was measured as of June 30, 2022. The components of the net OPEB liability of the Town at June 30, 2022, were as follows:

Total OPEB Liability	\$	29,263
Plan Fiduciary Net Position		7,121
Net OPEB Liability	\$	22,142

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		24.33%
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**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Town (Continued)

D. Net OPEB Liability of the Town (Continued)

Actuarial Assumptions

The total OPEB liability at June 30, 2022, was determined by an actuarial valuation as of July 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	Graded by Service for Teachers and Administrators; 3.00% for All Others
Investment Rate of Return	4.50%
Healthcare Cost Trend Rates	6.50% - 3.90% Over 75 Years
Cost Method	Entry Age Normal

Mortality rates for teachers and administrators were based on the PubT.H-2010 Total Mortality Table with Mortality Scale MP-2021 (formerly MP-2020). Mortality rates for police were based on the PubS.H-2010 Total Mortality Table with Mortality Scale MP-2020. All others were based on the PubG.H-2010 Total Mortality Table with Mortality Scale MP-2021 (formerly MP-2020).

Assumption changes in the current year included increasing the discount rate from 2.75% to 4.50% for the year ended June 30, 2022. The BOE Certified members election decreased from 90% to 50%. The Medicare eligibility assumption was increased from 94% to 97%. The salary, turnover, and retirement assumptions for administrators and teachers was updated based on the 2020 valuation for the Connecticut State Teachers' Retirement System.

Benefit terms were updated for police officers to receive single party medical coverage by paying 65% of the premium and custodial workers are now eligible for fully subsidized Medicare supplemental coverage.

The plan has not had a formal actuarial experience study performed.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Town (Continued)

D. Net OPEB Liability of the Town (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Domestic Equity	64.74 %	3.00 %
International Equity	1.49	4.00
Fixed Income	23.64	2.00
Real Estate	0.36	3.25
Multi-Asset	1.37	3.00
Cash	8.40	0.25
Total	<u>100.00 %</u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 4.50%, prior 2.75%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members. Therefore, the municipal bond rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Town (Continued)

E. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances - July 1, 2021	\$ 46,738	\$ 8,050	\$ 38,688
Changes for the Year:			
Service Cost	1,917	-	1,917
Interest on Total OPEB Liability	1,318	-	1,318
Change in Benefit Terms	1,066		1,066
Differences Between Expected and Actual Experience	834	-	834
Changes in Assumptions	(21,278)	-	(21,278)
Employer Contributions	-	1,633	(1,633)
Member Contributions	-	-	-
Net Investment Income	-	(1,230)	1,230
Benefit Payments, Including Refund to Employee Contributions	(1,332)	(1,332)	-
Net Changes	<u>(17,475)</u>	<u>(929)</u>	<u>(16,546)</u>
Balances - June 30, 2022	<u>\$ 29,263</u>	<u>\$ 7,121</u>	<u>\$ 22,142</u>

F. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease 3.50%	Current Discount Rate 4.50%	1% Increase 5.50%
Net OPEB Liability	\$ 26,200	\$ 22,142	\$ 18,802

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Town (Continued)

G. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 5.5% Decreasing to 2.9%	Healthcare Cost Trend Rates 6.5% Decreasing to 3.9%	1% Increase 7.5% Decreasing to 4.9%
Net OPEB Liability	\$ 18,406	\$ 22,142	\$ 29,796

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the Town recognized OPEB expense of \$1,266. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 758	\$ 9,269
Changes of Assumptions	6,854	20,009
Net Difference Between Projected and Actual Earning on Pension Plan Investments	483	-
Total	<u>\$ 8,095</u>	<u>\$ 29,278</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Employees' Pension Plan</u>
2023	\$ (2,654)
2024	(2,646)
2025	(2,676)
2026	(2,168)
2027	(1,854)
Thereafter	(9,185)
Total	<u>\$ (21,183)</u>

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Connecticut State Teachers Retirement Plan

A. Plan Description

Teachers, principals, superintendents, or supervisors engaged in service of public schools plus professional employees at state Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost-sharing, multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

B. Benefit Provisions (Not Rounded)

There are two types of the healthcare benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue healthcare coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost and contributes at least \$220 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue healthcare coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Connecticut State Teachers Retirement Plan (Continued)

B. Benefit Provisions (Not Rounded) (Continued)

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees, and the state pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their healthcare coverage or elect to not enroll in a CTRB sponsored healthcare coverage option must wait two years to re-enroll.

Survivor Healthcare Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

C. Eligibility

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, state employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

No service requirement if incurred in the performance of duty, and five years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Connecticut State Teachers Retirement Plan (Continued)

D. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the state of Connecticut are approved, amended, and certified by the State Teachers’ Retirement Board and appropriated by the General Assembly. The state appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the state. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the state will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

For the year ended June 30, 2022, the amount of “on-behalf” contributions made by the state was \$276 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers’ pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

E. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related state support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's Proportionate Share of the Net OPEB Liability	\$	-
State's Proportionate Share of the Net OPEB Liability Associated with the Town		15,248
Total	\$	<u>15,248</u>

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Connecticut State Teachers Retirement Plan (Continued)

E. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2020. At June 30, 2022, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2022, the Town recognized OPEB expense (revenue) of \$(563) in Exhibit II for on-behalf amounts for the benefits provided by the state.

F. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Healthcare Costs Trend Rate	5.125% for 2020, Decreasing to an Ultimate Rate of 4.50% by 2023
Salary Increases	3.00% - 6.50%, Including Inflation
Investment Rate of Return	2.17%, Net of OPEB Plan Investment Expense, Including Inflation
Year Fund Net Position will be Depleted	2023

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

The changes in the assumptions since the prior year are as follows:

- Discount rate changed from 2.21% to 2.17%
- Expected annual per capita claims costs were updated to better reflect anticipated Medicare and prescription drug claim experience based on scheduled premium increases through calendar year 2024.

The changes in the benefit terms since the prior year are as follows:

- There were no changes to benefit terms in the two years preceding the measurement date.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

**Other Post-Employment Benefit – Connecticut State Teachers Retirement Plan
(Continued)**

F. Actuarial Assumptions (Continued)

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.42%).

G. Discount Rate

The discount rate used to measure the total OPEB liability was 2.17%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2020.

In addition to the actuarial methods and assumptions of the June 30, 2020, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2023 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

H. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate and the Discount Rate

The Town's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the healthcare cost trend rate or the discount rate would only impact the amount recorded by the state of Connecticut.

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Other Post-Employment Benefit – Connecticut State Teachers Retirement Plan (Continued)

I. OPEB Plan Fiduciary Net Position

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

J. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

Aggregate OPEB Information

The Town recognized the following amounts related to OPEB plans as of and for the year ended June 30, 2022:

Plan	Net OPEB Liability	Deferred Outflows	Deferred Inflows	OPEB Expense
Town OPEB Plan	\$ 22,142	\$ 8,095	\$ 29,278	\$ 1,266
Connecticut Teachers Retirement System	-	-	-	276
Total	<u>\$ 22,142</u>	<u>\$ 8,095</u>	<u>\$ 29,278</u>	<u>\$ 1,542</u>

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(IN THOUSANDS)

NOTE 6 COMBINING SCHEDULE OF PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

A. Combining Schedule of Plan Net Position

	Employee's Pension Plan	Police Pension Plan	OPEB Trust Fund	Total
ASSETS				
Cash	\$ -	\$ -	\$ 408	\$ 408
Investments:				
Common Stock	-	-	1,452	1,452
Exchange Traded Funds	-	-	4,313	4,313
Mutual Funds	-	-	898	898
Insurance Company- Pooled Separate Account	73,393	56,203	-	129,596
Deferred Retirement Option Program	-	1,686	-	1,686
Guaranteed Deposit	7,150	9,220	-	16,370
Real Estate Funds	4,777	4,008	-	8,785
Total Investments	<u>85,320</u>	<u>71,117</u>	<u>6,663</u>	<u>163,100</u>
Due from Other Funds	<u>-</u>	<u>-</u>	<u>50</u>	<u>50,000</u>
Total Assets	<u>\$ 85,320</u>	<u>\$ 71,117</u>	<u>\$ 7,121</u>	<u>\$ 163,558</u>
NET POSITION				
Restricted in Trust for Pension and Other Purposes	<u>\$ 85,320</u>	<u>\$ 71,117</u>	<u>\$ 7,121</u>	<u>\$ 163,558</u>

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 6 COMBINING SCHEDULE OF PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS (CONTINUED)

B. Combining Schedule of Changes in Plan Net Position

	Employee's Pension Plan	Police Pension Plan	OPEB Trust Fund	Total
ADDITIONS				
Contributions:				
Employer Contributions	\$ 1,483	\$ 864	\$ 1,633	\$ 3,980
Employee Contributions	757	580	-	1,337
Total Contributions	<u>2,240</u>	<u>1,444</u>	<u>1,633</u>	<u>5,317</u>
Investment Income:				
Interest and Dividends	1,248	1,548	170	2,966
Net Increase in Fair Value of Investments	<u>(13,885)</u>	<u>(11,576)</u>	<u>(1,343)</u>	<u>(26,804)</u>
Total Investment Gain	<u>(12,637)</u>	<u>(10,028)</u>	<u>(1,173)</u>	<u>(23,838)</u>
Less Investment Expenses:				
Investment Management Fees	26	22	57	105
Net Investment Income	<u>(12,663)</u>	<u>(10,050)</u>	<u>(1,230)</u>	<u>(23,943)</u>
Total Additions	(10,423)	(8,606)	403	(18,626)
DEDUCTIONS				
Benefits Paid	4,944	3,908	1,332	10,184
Administration Expenses	<u>130</u>	<u>133</u>	<u>-</u>	<u>263</u>
Total Deductions	<u>5,074</u>	<u>4,041</u>	<u>1,332</u>	<u>10,447</u>
CHANGE IN NET POSITION	(15,497)	(12,647)	(929)	(29,073)
Net Position - Beginning of Year	<u>100,817</u>	<u>83,764</u>	<u>8,050</u>	<u>192,631</u>
NET POSITION - END OF YEAR	<u>\$ 85,320</u>	<u>\$ 71,117</u>	<u>\$ 7,121</u>	<u>\$ 163,558</u>

C. Defined Contribution Plans

Town

The Town established two defined contribution plans effective November 1996 to provide benefits at retirement to full-time (and part-time) nonteacher employees. The Town's Finance Department in cooperation with the Human Resources Department administers this single-employer defined contribution benefit plan. Employees are fully vested in employee contributions.

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 6 COMBINING SCHEDULE OF PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS (CONTINUED)

C. Defined Contribution Plans (Continued)

Town (Continued)

The value of the plan at June 30, 2022, is \$36,117. There were 451 participants as of June 30, 2022. During the fiscal year ended June 30, 2022, employees contributed \$3,912 (exclusive of lump-sum conversion amounts). Covered payroll totaled \$28,718. Plan provisions and contribution requirements are determined by contract approval by the Enfield Town Council and may be amended only with bargaining unit approvals.

Board of Education

The Town of Enfield, Board of Education, established a defined contribution plan effective August 19, 2009, to provide benefits at retirement to Teachers and Administrators hired after January 1, 2006. The Board of Education's Finance Department in cooperation with the Human Resources Department administers this single-employer defined contribution benefit plan. Employees voluntarily contribute tax deferred contributions to various investments.

NOTE 7 OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2022.

The Town has chosen to establish a Self-Insurance Fund for risks associated with the workers' compensation coverage. The fund is accounted for as an Internal Service Fund where assets are set aside for claim settlements. An insurance policy is purchased to cover extraordinary claims above \$250.

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

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 7 OTHER INFORMATION (CONTINUED)

A. Risk Management (Continued)

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

	2022	2021
Claims Payable, July 1	\$ 1,150	\$ 1,130
Claims Incurred and Changes in Estimates	21,645	19,716
Claim Payments	(21,537)	(19,696)
Claims Payable, June 30	\$ 1,258	\$ 1,150

B. Contingent Liabilities

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

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

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

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 8 TAX ABATEMENTS

As of June 30, 2022, the Town provided a tax abatement for land and buildings within the Town as follows:

Program	PPF WE 25 Bacon Road, LLC	Nutmeg Solar
Purpose	Assist in rehabilitation of former Hallmark Building	Stabilize taxes over the life of the power purchase agreement.
Tax being abated	RE	RE and BPP
Authority under which agreements are entered into	12-65b	12-81(57)(F)
Eligibility criteria for tax abatement	12-65b	
How recipient's tax are reduced	Property Value is set at agreed value Normal assessed value (70%) is further reduced by 30%	Tax is set at a fixed amount
How the tax abatement is determined	Tax is calculated on a reduced assessed value.	Tax is set at a fixed amount
Provisions for recapturing abated taxes, if any	If taxes are not paid as due If operations cease during the term of the agreement, company must repay abated taxes + 9% interest.	Project ceases operations. Power Purchase Agreement is terminated Project no longer qualifies under 12-81(57)(F) If the agreement is terminated within the first 15 years, all prior tax benefits are due and payable.
Other commitments made by the government	None	None
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced as a result of the abatement agreement.	197,489	319,537

TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 9 RESTATEMENT

The Town restated beginning balances of the governmental activities, bonded projects and water pollution control for a bond anticipation note premium not recognized and accrued bond interest included in the incorrect fund in the prior year. The impact of these restatements are as follows:

	Balance as Previously Reported at June 30, 2021	BAN Premium Restatement	BAN Interest Accrual Restatement	CWF Interest Accrual Restatement	Balance as Restated June 30, 2021
Government-Wide					
Assets	\$ 557,503	\$ -	\$ -	\$ -	\$ 557,503
Deferred Outflow of Resources	30,669	-	-	-	30,669
Liabilities	(232,605)	282	-	-	(232,323)
Deferred Inflow of Resources	(17,445)	-	-	-	(17,445)
Net Position	(338,122)	(282)	-	-	(338,404)
General Fund					
Assets	53,250	-	-	-	53,250
Deferred Outflow of Resources	-	-	-	-	-
Liabilities	(6,544)	-	(160)	-	(6,704)
Deferred Inflow of Resources	(13,650)	-	-	-	(13,650)
Fund Balance	(33,056)	-	160	-	(32,896)
Bonded Projects					
Assets	19,404	-	-	-	19,404
Deferred Outflow of Resources	-	-	-	-	-
Liabilities	(60,315)	282	160	150	(59,723)
Deferred Inflow of Resources	(19,404)	-	-	-	(19,404)
Fund Balance	60,315	(282)	(160)	(150)	59,723

**TOWN OF ENFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 9 RESTATEMENT (CONTINUED)

Water Pollution Control							
Assets	\$	4,345	\$	-	\$	-	\$ 4,345
Deferred Outflow of Resources		-		-		-	-
Liabilities		(1,095)		-		(150)	(1,245)
Deferred Inflow of Resources		(1,101)		-		-	(1,101)
Fund Balance		(2,149)		-		150	(1,999)

NOTE 10 SUBSEQUENT EVENTS

On August 4, 2022, the Town issued \$10,000 in General Obligation Bonds with a coupon rate between 4.0% and 5.0%, maturing August 1, 2042.

The Town also issued \$17,000 of bond anticipation notes, on August 4, 2022, maturing on August 3, 2023. The bond anticipation note carries an interest rate of 3.5%.

REQUIRED SUPPLEMENTARY INFORMATION

**TOWN OF ENFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Property Taxes:				
Real Estate	\$ 82,552	\$ 82,552	\$ 82,540	\$ (12)
Motor Vehicle	10,516	10,516	10,510	(6)
Personal Property	8,759	8,759	8,657	(102)
Prior Year Levy	1,000	1,000	1,743	743
Penalties and Interest	800	800	1,231	431
Lien Fees	8	8	10	2
Fire District Tax Collection	-	-	(4)	(4)
Telephone Access Line	56	56	57	1
Total Property Taxes	<u>103,691</u>	<u>103,691</u>	<u>104,744</u>	<u>1,053</u>
Intergovernmental:				
Hospital - PILOT	17	17	-	(17)
Tax Loss - State Property	656	656	910	254
Tax Loss - Bingo	-	-	-	-
Tax Relief - Disability Exemption	5	5	6	1
Mashantucket Pequot Indians	1,225	1,225	1,225	-
Municipal Revenue Sharing	257	257	257	-
Municipal Revenue Sharing - MRSA	-	-	324	324
Tax Relief - Veterans Additional	33	33	32	(1)
Town Aid Road Grant	534	534	529	(5)
Education Cost Sharing	29,186	29,824	29,796	(28)
Health Services Private Schools	30	30	52	22
Miscellaneous Federal Grants	-	-	572	572
Medicaid - School Based Health	100	100	112	12
Probate Court Revenue	11	11	11	-
Miscellaneous State Grants	12	254	138	(116)
Total Intergovernmental	<u>32,066</u>	<u>32,946</u>	<u>33,964</u>	<u>1,018</u>
Charges for Services:				
Recording Legal Documents	180	180	294	114
Conveyance Tax	400	400	724	324
Vital Statistics	50	50	63	13
Planning and Zoning Fees	25	25	41	16
Zoning Board of Appeal Fees	2	2	-	(2)
Miscellaneous Clerk Fees	34	34	41	7
Photocopy Charges	3	3	2	(1)
Notary Fees	1	1	3	2
Fire District Tax Collection	340	340	372	32
Communication Center	120	120	160	40
Accident reports	9	9	8	(1)

**TOWN OF ENFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Charges for Services (Continued):				
Environment Recycling Programs	\$ 59	\$ 59	\$ 68	\$ 9
Fingerprinting Fees	1	1	2	1
Bulky Waste Fees	186	186	221	35
Other Charges	-	-	-	-
Total Charges for Services	<u>1,410</u>	<u>1,410</u>	<u>1,999</u>	<u>589</u>
Licenses and Permits:				
Building and Mechanical	900	900	1,245	345
Pistol Permits	13	13	16	3
Vendor Permits	1	1	1	-
Amusements	1	1	2	1
Dog Licenses	4	4	3	(1)
Marriage Licenses	2	2	4	2
Dump Permits	20	20	30	10
Other	-	-	3	3
Total Licenses and Permits	<u>941</u>	<u>941</u>	<u>1,304</u>	<u>363</u>
Fines and Forfeitures:				
Parking Fines	5	5	1	(4)
Alarm Fines	6	6	3	(3)
Snow Removal Fines	3	3	4	1
Total Fines and Forfeitures	<u>14</u>	<u>14</u>	<u>8</u>	<u>(6)</u>
Uses of Money and Property:				
Rental - Town Owned Property	75	75	141	66
Interest on Investments	110	110	158	48
Total Use of Money and Property	<u>185</u>	<u>185</u>	<u>299</u>	<u>114</u>
Miscellaneous Revenue:				
Gas - Outside Agencies	50	50	72	22
Sale - Leaf Bags	2	2	-	(2)
Insurance and Collection Claims	150	150	141	(9)
Insurance Claims - Vehicles	8	8	14	6
Other Revenue	2	2	9	7
Eversource Incentive	210	210	212	2
CT Bottle Surcharge	-	-	35	35
Miscellaneous Revenue	20	35	595	560
Total Miscellaneous Revenue	<u>442</u>	<u>457</u>	<u>1,078</u>	<u>621</u>
Other Financing Sources:				
Premium on Bond Issue	-	-	762	762
Transfers In	541	541	541	
Appropriated Fund Balance	7,261	8,805	-	(8,805)
Total Other Financing Sources	<u>7,802</u>	<u>9,346</u>	<u>1,303</u>	<u>(8,043)</u>

**TOWN OF ENFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Total	\$ 146,551	\$ 148,990	\$ 144,699	\$ (4,291)
Budgetary Revenues are Different Than GAAP Revenues Because:				
State of Connecticut On-Behalf Payments Related to the Connecticut State Teachers' Retirement System for Town Teachers Pension is Not Budgeted			11,719	
State of Connecticut OPEB On-Behalf Payments Related to the Connecticut State Teachers' Retirement System for Town Teachers OPEB is Not Budgeted			276	
Cancellation of Prior Year Encumbrances are Recognized as Budgetary Revenue			(72)	
Excess Cost and Talent Development Grant Revenue is Budgeted as a Credit to Education Expenditures			1,096	
Refunding Bond Issuance				
Out of District Tuition is Budgeted as a Credit to Education Expenditures			1,261	
Transfer in Eliminated for GASB 54 Purposes			(150)	
Funds Consolidated for GASB 54 Purposes			7,261	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds Exhibit IV			\$ 166,090	

**TOWN OF ENFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Original Budget	Final Budget	Actual	Variance with Final Budget
General Government:				
Town Council	\$ 8	\$ 8	\$ 4	\$ 4
Town Manager	531	549	522	27
Data Processing and MIS	3,008	3,008	3,008	
Town Attorney	421	525	514	11
Probate Court	42	42	27	15
Election and Voter Registration	130	130	103	27
Town Clerk - Administration	541	546	487	59
Town Clerk - Records Manager	86	89	88	1
Personnel Office and Human Resources	417	424	357	67
Finance Administration	310	310	301	9
Treasury	385	374	338	36
Assessment and Revenue Collection	638	638	610	28
General Services	157	157	153	4
Total General Government	6,674	6,800	6,512	288
Public Safety:				
Police Services	12,855	13,405	12,698	707
School Security	254	254	218	36
Public Safety Communications	1,691	1,691	1,515	176
Emergency Management	7	7	7	
Total Public Safety	14,807	15,357	14,438	919
Public Works:				
Public Works Administration	863	817	775	42
Maintenance, Buildings, and Grounds	4,959	5,123	5,083	40
Custodial Maintenance	4,656	4,537	4,503	34
Highway and Sanitation Supervision	1,716	1,751	1,748	3
Equipment Maintenance and Repair	1,274	1,300	1,293	7
Refuse Collection	3,628	3,714	3,646	68
Total Public Works	17,096	17,242	17,048	194
Planning and Development:				
Town Planner	330	363	308	55
Building Inspection	623	631	629	2
Community Development	229	452	449	3
Economic Development	228	195	219	(24)
Code Enforcement	85	86	82	4
Thompsonville Revitalization	210	210	125	85
Total Planning and Development	1,705	1,937	1,812	125

**TOWN OF ENFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Boards and Commissions:				
Board of Assessment Appeals	\$ 10	\$ 10	\$ 2	\$ 8
Beautification Committee	1	9	7	2
Historic District Commission	4	4	3	1
Planning and Zoning	15	15	11	4
Zoning Board of Appeals	5	5	3	2
Inland Wetlands and Waterways	9	8	7	1
Agriculture and Conservation	3	3	2	1
Cultural Arts Committee	9	9	9	-
Community Emergency Resp Team	-	-	-	-
Total Boards and Commissions	60	67	44	23
Intergovernmental and Interagency:				
Capital Region Council of Governments	31	31	31	-
Capital Region Growth Council	9	9	9	-
Enfield Cemetery Association	-	39	39	-
Enfield Historical Society	-	18	18	-
Connecticut Conference of Municipalities	32	32	32	-
National League of Cities	-	4	4	-
District Fire Marshall	-	-	-	-
Enfield Veteran's Council	35	35	35	-
North Central Health District	204	204	204	-
Clean Energy Committee	-	-	-	-
Celebrations and Special Events	-	65	23	42
Safe Grad Committee	-	-	-	-
Greater Hartford Transit District	7	7	7	-
Housing Education Resource	-	-	-	-
Athletic Hall of Fame	2	2	2	-
Total Intergovernmental and Interagency	320	446	404	42
Board of Education	72,110	72,747	72,746	1

**TOWN OF ENFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Nondepartmental:				
Insurance and Bond Charges	\$ 708	\$ 708	\$ 511	\$ 197
Employee Benefit	5,309	5,049	3,893	1,156
Miscellaneous Charges	1,253	1,500	1,434	66
Total Nondepartmental	<u>7,270</u>	<u>7,257</u>	<u>5,838</u>	<u>1,419</u>
Debt Service	13,093	13,093	12,803	290
Transfers Out	<u>13,416</u>	<u>14,044</u>	<u>12,153</u>	<u>1,891</u>
Total	<u>\$ 146,551</u>	<u>\$ 148,990</u>	143,798	<u>\$ 5,192</u>

Budgetary Expenditures are Different than GAAP Expenditures Because:

State of Connecticut On-Behalf Payments Related to the Connecticut State Teachers' Retirement System for Town Teachers Pension are Not Budgeted	11,719
State of Connecticut OPEB On-Behalf Payments Related to the Connecticut State Teachers' Retirement System for Town Teachers OPEB are Not Budgeted	276
Encumbrances for Purchases and Commitments Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, But in the Year Received for Financial Reporting Purposes	70
Transfers Out Eliminated for GASB 54 Purposes	(5,126)
Excess Cost Grant Revenue is Budgeted as a Credit to Education Expenditures	1,096
Out of District Tuition is Budgeted as a Credit to Education Expenditures	1,261
Funds Consolidated for GASB 54 Purposes	<u>12,775</u>

Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds - Exhibit IV

\$ 165,869

TOWN OF ENFIELD, CONNECTICUT
WATER POLLUTION CONTROL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES				
Charges for Services	\$ 6,793	\$ 6,793	\$ 7,813	\$ 1,020
Miscellaneous	25	25	35	10
Total Revenues	<u>6,818</u>	<u>6,818</u>	<u>7,848</u>	<u>1,030</u>
EXPENDITURES				
Current:				
Public Works	4,511	4,511	4,209	302
Total Expenditures	<u>4,511</u>	<u>4,511</u>	<u>4,209</u>	<u>302</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,307	2,307	3,639	1,332
OTHER FINANCING USES				
Premium on Bond Issuance			326	326
Transfers Out	(1,778)	(1,778)	(1,528)	250
Total Other Financing Uses	<u>(1,778)</u>	<u>(1,778)</u>	<u>(1,202)</u>	<u>576</u>
NET CHANGE IN FUND BALANCE	<u>\$ 529</u>	<u>\$ 529</u>	2,437	<u>\$ 1,908</u>
Fund Balance - Beginning of Year			<u>329</u>	
FUND BALANCE - END OF YEAR	6,289		<u>\$ 2,766</u>	
<u>Reconciliation to GAAP Basis</u>				
	Revenue and Transfers	Expenditures and Transfers	Fund Balance	
Balance, Budgetary Basis - End of Year	\$ 8,174	\$ 5,737	\$ 2,766	
Encumbrances Outstanding at End of Year, Charged to Budgetary Expenditures	-	(347)	347	
Encumbrances Cancelled During the Year	(28)	-	-	
Prior Encumbrances Still Open	-	-	1,268	
Payments on Prior Year Encumbrances	-	374	-	
Balance, GAAP Basis - June 30, 2022	<u>\$ 8,146</u>	<u>\$ 5,764</u>	<u>\$ 4,381</u>	

**TOWN OF ENFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY AND RELATED RATIOS
EMPLOYEE'S PENSION PLAN
LAST NINE FISCAL YEARS*
(IN THOUSANDS)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability:									
Service Cost	\$ 1,971	\$ 2,064	\$ 2,073	\$ 2,168	\$ 2,079	\$ 2,081	\$ 2,153	\$ 2,058	\$ 2,112
Interest	4,227	4,457	4,513	4,827	5,124	5,292	5,560	5,796	6,014
Changes in Benefit Terms	-	-	-	-	-	381	-	-	-
Differences Between Expected and Actual Experience Including Assumption Changes	-	(627)	842	340	400	(19)	(290)	113	322
Benefit Payments, Including Refunds of Member Contributions	(2,797)	(2,827)	(2,886)	(3,157)	(3,376)	(3,733)	(3,910)	(4,340)	(4,944)
Net Change in Total Pension Liability	3,401	3,067	4,542	4,178	4,227	4,002	3,513	3,617	3,504
Total Pension Liability - Beginning	59,675	63,076	66,143	70,685	74,863	79,090	83,092	86,605	90,222
Total Pension Liability - Ending (a)	63,076	66,143	70,685	74,863	79,090	83,092	86,605	90,222	93,726
Plan Fiduciary Net Position:									
Contributions - Employer	2,239	2,128	2,099	2,084	2,192	2,217	2,155	2,171	1,483
Contributions - Member	711	778	784	711	749	748	743	836	757
Net Investment Income	7,808	2,660	1,377	6,580	4,981	5,914	5,731	18,838	(12,663)
Benefit Payments, Including Refunds of Member Contributions	(2,797)	(2,827)	(2,886)	(3,157)	(3,376)	(3,733)	(3,910)	(4,340)	(4,944)
Administrative Expense	(77)	(96)	(93)	(100)	(103)	(115)	(115)	(138)	(130)
Net Change in Plan Fiduciary Net Position	7,884	2,643	1,281	6,118	4,443	5,031	4,604	17,367	(15,497)
Plan Fiduciary Net Position - Beginning	51,446	59,330	61,973	63,254	69,372	73,815	78,846	83,450	100,817
Plan Fiduciary Net Position - Ending (b)	59,330	61,973	63,254	69,372	73,815	78,846	83,450	100,817	85,320
Net Pension Liability (Asset) - Ending (a)-(b)	\$ 3,746	\$ 4,170	\$ 7,431	\$ 5,491	\$ 5,275	\$ 4,246	\$ 3,155	\$ (10,595)	\$ 8,406
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.06%	93.70%	89.49%	92.67%	93.33%	94.89%	96.36%	111.74%	91.03%
Covered Payroll	\$ 20,611	\$ 21,017	\$ 21,969	\$ 21,718	\$ 21,612	\$ 21,860	\$ 21,027	\$ 22,012	\$ 23,090
Net Pension Liability as a Percentage of Covered Payroll	18.17%	19.84%	33.82%	25.28%	24.41%	19.42%	15.00%	-48.13%	36.41%

*Note: This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**TOWN OF ENFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY AND RELATED RATIOS
POLICE PENSION PLAN
LAST NINE FISCAL YEARS*
(IN THOUSANDS)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability:									
Service Cost	\$ 921	\$ 962	\$ 1,020	\$ 1,163	\$ 1,163	\$ 1,122	\$ 1,047	\$ 1,059	\$ 1,200
Interest	3,758	3,910	3,952	4,481	4,678	4,628	4,785	4,956	5,156
Changes in Benefit Terms	-	-	-	-	290	-	-	(65)	-
Differences Between Expected and Actual Experience Including Assumption Changes	-	(187)	5,328	54	(1,730)	213	330	876	(3,629)
Benefit Payments, Including Refunds of Member Contributions	(2,170)	(2,113)	(2,694)	(2,758)	(3,453)	(3,890)	(3,440)	(3,904)	(3,908)
Net Change in Total Pension Liability	2,509	2,572	7,606	2,940	948	2,073	2,722	2,922	(1,181)
Total Pension Liability - Beginning	52,897	55,406	57,978	65,584	68,524	69,472	71,545	74,267	77,189
Total Pension Liability - Ending (a)	55,406	57,978	65,584	68,524	69,472	71,545	74,267	77,189	76,008
Plan Fiduciary Net Position:									
Contributions - Employer	1,378	1,428	1,966	1,914	1,813	1,810	1,828	1,946	864
Contributions - Member	443	545	476	467	508	492	500	656	580
Net Investment Income	6,735	2,368	970	5,843	4,230	4,855	4,551	15,714	(10,050)
Benefit Payments, Including Refunds of Member Contributions	(2,170)	(2,113)	(2,694)	(2,758)	(3,453)	(3,890)	(3,440)	(3,904)	(3,908)
Administrative Expense	(78)	(86)	(76)	(92)	(91)	(108)	(96)	(116)	(133)
Net Change in Plan Fiduciary Net Position	6,308	2,142	642	5,374	3,007	3,159	3,343	14,296	(12,647)
Plan Fiduciary Net Position - Beginning	45,493	51,801	53,943	54,585	59,959	62,966	66,125	69,468	83,764
Plan Fiduciary Net Position - Ending (b)	51,801	53,943	54,585	59,959	62,966	66,125	69,468	83,764	71,117
Net Pension Liability (Asset) - Ending (a)-(b)	\$ 3,605	\$ 4,035	\$ 10,999	\$ 8,565	\$ 6,506	\$ 5,420	\$ 4,799	\$ (6,575)	\$ 4,891
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.49%	93.04%	83.23%	87.50%	90.64%	92.42%	93.54%	108.52%	93.57%
Covered Payroll	\$ 5,918	\$ 6,263	\$ 6,293	\$ 6,472	\$ 6,518	\$ 6,095	\$ 6,249	\$ 6,986	\$ 7,064
Net Pension Liability as a Percentage of Covered Payroll	60.92%	64.43%	174.78%	132.34%	99.82%	88.93%	76.80%	-94.12%	69.24%

*Note: This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**TOWN OF ENFIELD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
EMPLOYEE'S PENSION PLAN
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 2,083	\$ 2,239	\$ 2,128	\$ 2,099	\$ 2,084	\$ 2,192	\$ 2,217	\$ 2,155	\$ 2,171	\$ 1,483
Contributions in Relation to the Actuarially Determined Contribution	2,083	2,239	2,128	2,099	2,084	2,192	2,217	2,155	2,171	1,483
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 20,851	\$ 20,611	\$ 21,017	\$ 21,969	\$ 21,718	\$ 21,612	\$ 21,860	\$ 21,027	\$ 22,012	\$ 23,090
Contributions as a Percentage of Covered Payroll	9.99%	10.86%	10.13%	9.55%	9.60%	10.14%	10.14%	10.25%	9.86%	6.42%

Notes to Schedule:

Valuation Date: July 1, 2021
 Measurement Date: June 30, 2022
 Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method: Entry Age Normal
 Amortization Method: Changes in assumptions and differences between assumptions and actual experience are recognized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees, including retirees). Differences between expected earnings on plan investments and actual investment earnings are recognized over a five-year period. Changes in benefit terms are recognized immediately.

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

Salary Increases: 5.00% for the first five years and 3.00% thereafter

Investment Rate of Return: 6.85%, net of investment and contract fees, including inflation

Mortality: The RP-2014 (adjusted to 2006) Blue Collar Mortality with Scale MP-2020 (prior MP-2017).

**TOWN OF ENFIELD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION PLAN
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 1,239	\$ 1,378	\$ 1,427	\$ 1,966	\$ 1,914	\$ 1,813	\$ 1,810	\$ 1,828	\$ 1,946	\$ 864
Contributions in Relation to the Actuarially Determined Contribution	1,239	1,378	1,427	1,966	1,914	1,813	1,810	1,828	1,946	864
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 6,381	\$ 5,918	\$ 6,263	\$ 6,293	\$ 6,472	\$ 6,518	\$ 6,095	\$ 6,249	\$ 6,986	\$ 7,064
Contributions as a Percentage of Covered Payroll	19.42%	23.28%	22.78%	31.24%	29.57%	27.82%	29.70%	29.25%	27.86%	12.23%

Notes to Schedule:

Valuation Date July 1, 2021
 Measurement Date June 30, 2022
 Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial cost method
 Amortization method

Asset valuation method

Salary increases
 Investment rate of return
 Mortality

Entry Age Normal

Changes in assumptions and differences between assumptions and actual experience are recognized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees, including retirees). Differences between expected earnings on plan investments and actual investment earnings are recognized over a five-year period. Changes in benefit terms are recognized immediately.

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

4.25% for the first five years, then 3.00% thereafter.

6.85% per annum, compounded annually, net of investment and contract fees.

The RP-2014 (adjusted to 2006) Blue Collar Mortality with Scale MP-2020 (prior 2017).

**TOWN OF ENFIELD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS - PENSION
LAST NINE FISCAL YEARS***

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Annual Money-Weighted Rate of Return, Net of Investment Expense:									
Employee's Pension Plan	15.2%	4.5%	2.2%	10.4%	7.2%	8.1%	7.3%	22.8%	-12.7%
Police Pension Plan	14.9%	4.6%	1.8%	10.8%	7.1%	7.9%	7.0%	22.9%	-12.2%

*Note: This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

TOWN OF ENFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST SIX FISCAL YEARS*
(IN THOUSANDS)

	2017	2018	2019	2020	2021	2022
Total OPEB Liability:						
Service Cost	\$ 2,145	\$ 1,520	\$ 1,418	\$ 1,461	\$ 1,743	\$ 1,917
Interest	1,496	1,729	1,549	1,540	1,350	1,318
Changes of Benefit Terms	-	-	-	-	-	1,066
Differences Between Expected and Actual Experience	-	(8,585)	-	(7,648)	-	834
Changes of Assumptions	(5,885)	(1,539)	2,317	6,679	1,023	(21,278)
Benefit Payments	(1,312)	(1,342)	(1,233)	(1,324)	(1,356)	(1,332)
Net Change in Total OPEB Liability	(3,556)	(8,217)	4,051	708	2,760	(17,475)
Total OPEB Liability - Beginning	50,992	47,436	39,219	43,270	43,978	46,738
Total OPEB Liability - Ending (a)	47,436	39,219	43,270	43,978	46,738	29,263
Plan Fiduciary Net Position:						
Contributions - Employer	1,312	1,542	1,433	1,574	1,606	1,633
Contributions - Member	-	-	-	-	-	-
Net Investment Income (Loss)	387	383	311	140	1,654	(1,230)
Benefit Payments	(1,312)	(1,342)	(1,233)	(1,324)	(1,356)	(1,332)
Net Change in Plan Fiduciary Net Position	387	583	511	390	1,904	(929)
Plan Fiduciary Net Position - Beginning	4,275	4,662	5,245	5,756	6,146	8,050
Plan Fiduciary Net Position - Ending (b)	4,662	5,245	5,756	6,146	8,050	7,121
Net OPEB Liability - Ending (a)-(b)	\$ 42,774	\$ 33,974	\$ 37,514	\$ 37,832	\$ 38,688	\$ 22,142
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.83%	13.37%	13.30%	13.98%	17.22%	24.33%
Covered Payroll	\$ 74,684	\$ 74,684	\$ 68,098	\$ 65,773	\$ 65,773	\$ 69,597
Net OPEB Liability as a Percentage of Covered Payroll	57.27%	45.49%	55.09%	57.52%	58.82%	31.81%

*Note: This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**TOWN OF ENFIELD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution (1) Contributions in Relation to the Actuarially Determined Contribution	\$ 1,901	\$ 2,030	\$ 2,261	\$ 2,356	\$ 2,730	\$ 2,947	\$ 2,655	\$ 2,465	\$ 2,625	\$ 2,035
	1,279	1,266	1,403	1,387	1,312	1,542	1,433	1,574	1,606	1,632
Contribution Deficiency (Excess)	\$ 622	\$ 764	\$ 858	\$ -	\$ 1,418	\$ 1,405	\$ 1,222	\$ 891	\$ 1,019	\$ 403
Covered Payroll	N/A	\$ 58,329	\$ 58,329	\$ 58,329	\$ 74,684	\$ 74,684	\$ 68,098	\$ 65,773	\$ 65,773	\$ 69,597
Contributions as a Percentage of Covered Payroll	N/A	2.17%	2.41%	2.38%	1.76%	2.06%	2.10%	2.39%	2.44%	2.34%

(1) Actuarially Determined Contributions prior to fiscal year ended June 30, 2017, is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45

Notes to Schedule:

Valuation Date July 1, 2021
Measurement Date June 30, 2022

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

Methods and Assumptions Used to Determine

- Contribution Rates:
 - Actuarial Cost Method Entry age normal
 - Amortization Method Level percentage of payroll, closed
 - Asset Valuation Method 17 years
 - Inflation Fair Value
 - Healthcare Cost Trend Rates 2.50%
 - Salary Increases 6.5% in 2022, 6.0% in 2023, 5.5% in 2024 through 2025
 - Investment Rate of Return Rates gradually decrease from 5.4% in 2026 to 3.9% in 2075 and later.
 - 3% for all and for teachers and administrators a merit increase which varies by service from 3.5% to 0.00%
 - 4.50% (previously 2.75% for fiscal year 2021)

**TOWN OF ENFIELD, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS
 OPEB
 LAST SIX FISCAL YEARS***

	2017	2018	2019	2020	2021	2022
Annual Money-Weighted Rate of Return,	9.05%	8.18%	5.92%	2.41%	26.92%	-15.28%
Net of Investment Expense						

*Note: This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**TOWN OF ENFIELD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST EIGHT FISCAL YEARS*
(IN THOUSANDS)**

	2015	2016	2017	2018	2019	2020	2021	2022
Town's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	100,299	108,513	133,953	126,969	120,823	156,697	176,711	139,956
Total	<u>\$ 100,299</u>	<u>\$ 108,513</u>	<u>\$ 133,953</u>	<u>\$ 126,969</u>	<u>\$ 120,823</u>	<u>\$ 156,697</u>	<u>\$ 176,711</u>	<u>\$ 139,956</u>
Town's Covered Payroll	\$ 37,326	\$ 34,801	\$ 34,906	\$ 36,217	\$ 38,364	\$ 38,364	\$ 35,638	\$ 40,412
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.51%	59.50%	52.26%	55.93%	57.69%	52.00%	49.24%	60.77%

Notes to Schedule:

Changes in Benefit Terms
Changes of Assumptions

None
None

Actuarial Cost Method
Amortization Method
Single Equivalent Amortization Period
Asset Valuation Method
Inflation
Salary Increase
Investment Rate of Return

Entry Age
Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
30 Years
4-Year Smoothed Market
2.50%
3.25%-6.50%, including Inflation
6.90%, Net of Investment Related Expense

Notes:

- This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date.

**TOWN OF ENFIELD, CONNECTICUT
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 TEACHERS RETIREMENT PLAN
 LAST FIVE FISCAL YEARS*
 (IN THOUSANDS)**

	2018	2019	2020	2021	2022
Town's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	<u>32,680</u>	<u>24,153</u>	<u>24,438</u>	<u>26,356</u>	<u>15,248</u>
Total	<u>\$ 32,680</u>	<u>\$ 24,153</u>	<u>\$ 24,438</u>	<u>\$ 26,356</u>	<u>\$ 15,248</u>
Town's Covered Payroll	\$ 36,217	\$ 38,364	\$ 37,633	\$ 35,638	\$ 40,412
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	1.79%	1.49%	2.08%	2.50%	6.11%

Notes to Schedule:

Changes in Benefit Terms
 Changes of Assumptions

None

Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2021 was updated to equal the Municipal Bond Index Rate as of June 30, 2021; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience based on scheduled premium increases through calendar year 2024

Actuarial Cost Method
 Amortization Method
 Remaining Amortization Period
 Asset Valuation Method
 Investment Rate of Return
 Price Inflation

Entry Age
 Level Percent of Payroll Over an Open Period
 30 Years
 Fair Value of Assets
 3.00%, Net of Investment-Related Expense Including Price Inflation
 2.75%

Notes:

- This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date

APPENDIX B - FORM OF LEGAL OPINION OF BOND COUNSEL AND TAX EXEMPTION

The legal opinion of the firm of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished to the successful purchaser when the Notes are delivered, and a copy of the legal opinion will be included in the record of proceedings of the Town authorizing the Notes. The opinion will be dated and given on and will speak only as of the date of original delivery of the Notes to the successful purchaser.

The opinion of Shipman & Goodwin LLP will be in substantially the following form:

Town of Enfield, Connecticut
Town Hall
820 Enfield Street
Enfield, Connecticut 06082

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Town of Enfield, Connecticut (the "Town") of its \$19,500,000 General Obligation Bond Anticipation Notes, dated August 2, 2024, maturing July 30, 2025 (the "Notes").

In connection with our representation of the Town as bond counsel with respect to the Notes, we have examined the executed Tax Certificate and Tax Compliance Agreement of the Town, each dated as of August 2, 2024, the executed Notes, and certified records of proceedings of the Town authorizing the Notes. In addition, we have examined and relied on originals or copies, identified to us as genuine, of such other documents, instruments or records, and have made such investigations of law as we considered necessary or appropriate for the purposes of this opinion. In making the statements contained in this opinion, we have assumed, without independently verifying, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of documents submitted to us as certified or photostatic copies, and the legal capacity and authority of all persons executing such documents.

On the basis of our review noted above and subject to the qualifications set forth herein:

1. We are of the opinion that the proceedings and above-referenced evidence show lawful authority for the issuance and sale of the Notes under the authority of the constitution and statutes of the State of Connecticut, and that the Notes are valid and binding general obligations of the Town payable, with respect to both principal and interest, unless paid from other sources, from *ad valorem* taxes which may be levied on all property subject to taxation by the Town without limitation as to rate or amount except as to classified property. Classified property includes certified forest land which is taxable at a limited rate. Classified property also includes dwelling houses of qualified elderly persons of low income which are taxable at limited amounts.

2. We are of the opinion that the Tax Compliance Agreement is a valid and binding agreement of the Town and that the Tax Certificate and Tax Compliance Agreement were duly authorized by the Town.

3. The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes if interest on the Notes is to be excludable from gross income under Section 103 of the Code. The Town has covenanted in the Tax Compliance Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Notes will not be includable in the gross income of the owners thereof for federal income tax purposes under the Code. In our opinion, under existing law:

(i) interest on the Notes is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code; and

(ii) such interest is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations under the Code.

We express no opinion regarding other federal income tax consequences caused by ownership of, or receipt of interest on, the Notes. In rendering the foregoing opinions regarding the federal income tax treatment of interest on the Notes, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate and the Tax Compliance Agreement, and (ii) full compliance by the Town with the covenants set forth in the Tax Compliance Agreement. The inaccuracy of the representations, statements of intention and reasonable expectations, and certifications of fact, contained in the Tax Certificate or the Tax Compliance Agreement, or the failure of the Town to fully comply with the covenants set forth therein, may cause interest on the Notes to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

4. We are of the opinion that, under existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

The rights of the holders of the Notes and the enforceability of the Notes and the enforceability of the Tax Compliance Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Notes.

This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law, regulation or judicial interpretation that may hereafter occur.

Very truly yours,

Shipman & Goodwin LLP

CERTAIN ADDITIONAL FEDERAL TAX CONSEQUENCES.

The following is a brief discussion of certain federal income tax matters with respect to the Notes under existing statutes. It does not purport to deal with all aspects of federal taxation that may be relevant to a particular owner of the Notes. Prospective owners of the Notes, particularly those that may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Notes.

Recent Tax Legislation. The opinion of Bond Counsel is rendered as of its date and Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to its attention or any changes in law or the interpretation thereof that may occur after the date of its opinion.

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Notes or otherwise prevent holders of the Notes from realizing the full benefit of the tax exemption of interest on the Notes.

In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Notes. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Notes would be impacted thereby.

Purchasers of the Notes should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Notes, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Alternative Minimum Tax. The Code imposes an alternative minimum tax. The alternative minimum tax is imposed on alternative minimum taxable income, which includes items of tax preference. The interest on certain tax-exempt “private activity bonds” is treated as an item of tax preference. The Town’s Tax Compliance Agreement will contain certain representations and covenants to ensure that the Notes are not “private activity bonds” so that interest on the Notes will not be treated as an item of tax preference for purposes of calculating the federal alternative minimum tax. However, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations under the Code.

Financial Institutions. The Code provides that commercial banks, thrift institutions and certain other financial institutions may not deduct the portion of their interest expense allocable to tax-exempt obligations acquired after August 7, 1986, other than “qualified tax-exempt obligations”. The Notes **shall not** be designated by the Town as “qualified tax-exempt obligations” for purposes of the deduction for federal income tax purposes by financial institutions of a portion of interest expense allocable to tax-exempt obligations.

Changes in Federal Tax Law. Legislation affecting municipal bonds is regularly under consideration by the United States Congress. There can be no assurance that legislation proposed or

enacted after the date of issuance of the Notes will not have an adverse effect on the tax exempt status or the market price of the Notes.

Other. Ownership of the Notes may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, and individuals otherwise eligible for the earned income credit, and to taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is not included in gross income for federal income tax purposes.

STATE OF CONNECTICUT TAX ON INTEREST.

The opinion of Bond Counsel will state in substance that, based on the record of proceedings authorizing the Notes, under existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

Interest on the Notes is included in gross income for purposes of the Connecticut corporation business tax.

Owners of the Notes should consult their tax advisors with respect to other applicable state and local tax consequences of ownership of the Notes and the disposition thereof, including the extent to which gains and losses from the sale or exchange of Notes held as capital assets reduce and increase, respectively, amounts taken into account in computing the Connecticut income tax on individuals, trusts and estates and may affect the net Connecticut minimum tax on such taxpayers who are also required to pay the federal alternative minimum tax.

ORIGINAL ISSUE DISCOUNT.

The initial public offering price of the Notes (the “OID Notes”) may be less than the stated principal amount. Under existing law, the difference between the stated principal amount and the initial offering price of the OID Notes to the public (excluding bond houses and brokers) at which a substantial amount of the OID Notes is sold will constitute original issue discount (“OID”). The offering price relating to the yield set forth in this Official Statement for the OID Notes is expected to be the initial offering price to the public at which a substantial amount of the OID Notes are sold. Under existing law, OID on the Notes accrued and properly allocable to the owners thereof under the Code is not included in gross income for federal income tax purposes if interest on the Notes is not included in gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner’s adjusted basis in an OID Note, OID treated as having accrued while the owner holds the OID Note will be added to the owner’s basis. OID will accrue on a constant-yield-to-maturity method based on regular compounding. The owner’s adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of an OID Note.

Prospective purchasers of OID Notes should consult their own tax advisors as to the calculation of accrued OID, the accrual of OID in the cases of owners of the OID Notes purchasing such Notes after

the initial offering and sale, and the state and local tax consequences of owning or disposing of such OID Notes.

ORIGINAL ISSUE PREMIUM.

The initial public offering price of the Notes (the “OIP Notes”) may be more than the stated principal amount. An owner who purchases a Note at a premium to its principal amount must amortize bond premium as provided in applicable Treasury Regulations, and amortized premium reduces the owner’s basis in the Note for federal income tax purposes. Prospective purchasers of OIP Notes should consult their tax advisors regarding the amortization of premium and the effect upon basis.

* * * * *

The information above does not purport to deal with all aspects of federal or state taxation that may be relevant to particular investors. Prospective investors, particularly those that may be subject to special rules, are advised to consult their own tax advisors regarding the federal and state tax consequences of owning and disposing of the Notes, including any tax consequences arising under the laws of any state or other taxing jurisdiction.

APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain listed events with respect to the Notes, pursuant to a Continuing Disclosure Agreement for the Notes in substantially the following form:

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is made as of the 2nd day of August, 2024 by the Town of Enfield, Connecticut (the "Town") acting by its undersigned officers, duly authorized, in connection with the issuance of the Town's \$19,500,000 General Obligation Bond Anticipation Notes, dated August 2, 2024 (the "Notes"), for the benefit of the beneficial owners from time to time of the Notes.

Section 1. Definitions. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto. As of the date of this Agreement, the MSRB has designated its Electronic Municipal Market Access System ("EMMA") (<http://emma.msrb.org>) to receive submissions of continuing disclosure documents that are described in the Rule.

"Rule" means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Listed Events.

The Town agrees to provide, or cause to be provided, in a timely manner, not in excess of ten (10) business days after the occurrence of the event, to the MSRB in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Notes:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;

- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Notes;
- (g) modifications to rights of holders of the Notes, if material;
- (h) Note calls, if material, and tender offers;
- (i) Note defeasances;
- (j) release, substitution, or sale of property securing repayment of the Notes, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Town;
- (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

For purposes of events (o) and (p) above, the term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with the MSRB pursuant to the Rule.

Section 3. Use of Agents.

Any notices to be provided pursuant to this Agreement may be provided by the Town or by any agents which may be employed by the Town for such purposes from time to time.

Section 4. Termination.

The obligations of the Town under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Notes, or (ii) such time as the Town ceases to be an obligated person with respect to the Notes within the meaning of the Rule.

Section 5. Identifying Information.

All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Section 6. Enforcement.

The Town acknowledges that the undertakings set forth in Section 2 of this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Notes. In the event the Town shall fail to perform its duties hereunder, the Town shall have the option to cure such failure within a reasonable time (but not exceeding five business days with respect to the undertakings set forth in Section 2 hereof) from the time the Town Manager receives written notice from any beneficial owner of the Notes of such failure. The present address of the Town Manager is Town of Enfield, Town Hall, 820 Enfield Street, Enfield, Connecticut 06082.

In the event the Town does not cure such failure within the time specified above, the beneficial owner of the Notes shall be entitled only to the remedy of specific performance. The Town expressly acknowledges and the beneficial owners are hereby deemed to expressly agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Notes.

Section 7. Miscellaneous.

(a) The Town shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Town from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Notes. If the Town elects to provide any such additional information, data or notices, the Town shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(b) This Agreement shall be governed by the laws of the State of Connecticut.

(c) Notwithstanding any other provision of this Agreement, the Town may amend this Agreement, and any provision of this Agreement may be waived, if (i) such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Town, (ii) the Agreement as so amended or waived would have complied with the requirements of the Rule as of the date of the Agreement, taking into account any amendments or interpretations of the Rule, as

well as any changes in circumstances, and (iii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not materially adversely affect the beneficial owner of the Notes. A copy of any such amendment or waiver will be filed in a timely manner with the MSRB.

TOWN OF ENFIELD, CONNECTICUT

By _____
Christopher Bromson
Town Manager

By _____
John A. Wilcox
Director of Finance

APPENDIX D – NOTICE OF SALE

NOTICE OF SALE

\$19,500,000

TOWN OF ENFIELD, CONNECTICUT

GENERAL OBLIGATION BOND ANTICIPATION NOTES

TELEPHONE PROPOSALS or ELECTRONIC PROPOSALS via PARITY® (“PARITY”) will be received by the Town of Enfield, Connecticut (the "Town"), at Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443 Telephone (860) 372-1887 until **11:30 A.M. (Eastern Time) on TUESDAY,**

JULY 23, 2024

for the purchase, when issued, of the Town's \$19,500,000 General Obligation Bond Anticipation Notes dated August 2, 2024, maturing July 30, 2025 (the "Notes"). The Notes are not subject to redemption prior to maturity. The Notes will be payable with interest at maturity and delivered against payment in Federal funds in New York, New York on or about August 2, 2024. The Notes will be general obligations of the Town payable, as to both principal and interest, unless paid from other sources, from *ad valorem* taxes levied on all property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income taxable at limited amounts.

Certifying Agent, Registrar, Transfer and Paying Agent. The Notes will be certified by U.S. Bank Trust Company, National Association, Hartford, Connecticut, which will also act as transfer and paying agent and registrar.

DTC Book-Entry. The Notes will be issued by means of a book-entry-only system with no physical distribution of note certificates made to the public. The Notes will be issued in registered form and one note certificate for each interest rate will be issued to the Depository Trust Company ("DTC"), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. Ownership of the Notes will be evidenced in principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its Participants pursuant to rules and procedures adopted by DTC and its Participants. The purchaser, as a condition to delivery of the Notes, will be required to deposit the note certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Notes will be payable by the Town or its agent to DTC or its nominee as registered owner of the Notes. Principal and interest payments by DTC to Participants of DTC will be the responsibility of DTC; principal and interest payments to Beneficial Owners by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The Town will not be responsible or liable for payments by DTC to its Participants or by DTC Participants or Indirect Participants to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants.

Telephone Proposals Bidding Procedure. Telephone proposals for the purchase of the Notes must be given by telephone to the Town's municipal advisor, Ms. Susan Caron, Vice President, Munistat Services, Inc. at (860) 327-1887 by **11:25 A.M. (Eastern Time), on Tuesday, July 23, 2024** in order to ensure compliance with the 11:30 A.M. (Eastern Time) bid deadline.

Electronic Proposals Bidding Procedure. Electronic proposals for the purchase of the Notes must be submitted through the facilities of PARITY by **11:30 A.M. (Eastern Time), on Tuesday, July 23, 2024**. Any prospective bidder must be a subscriber of Bidcomp's competitive bidding system. Further information about Bidcomp/ PARITY, including any fee charged, may be obtained from i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, (telephone (212) 849-5021). The Town will neither confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic proposal made through the facilities of PARITY is communicated to the Town, it shall constitute an irrevocable offer, in response to this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed proposal delivered to the Town. By submitting a proposal for the Notes via PARITY, the bidder represents and warrants to the Town that such bidder's proposal for the purchase of the Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such proposal by the Town will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Notes on the terms described in this Notice of Sale. The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

Disclaimer- Each PARITY prospective electronic bidder shall be solely responsible to make necessary arrangements to access PARITY for the purposes of submitting its proposal in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Town nor PARITY shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Town nor PARITY shall be responsible for a bidder's failure to make a proposal or for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, PARITY. The Town is using PARITY as a communication mechanism, and not as the Town's agent, to conduct the electronic bidding for the Notes. The Town is not bound by any advice and determination of PARITY to the effect that any particular proposal complies with the terms of this Notice of Sale and in particular the proposal requirements set forth herein. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of proposals via PARITY are the sole responsibility of the bidders, and the Town is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a proposal for the Notes, the prospective bidder should telephone PARITY at (212) 849-5021. If any provision of this Notice of Sale shall conflict with information provided by PARITY, this Notice of Sale shall control.

For the purpose of the bidding process, the time as maintained on PARITY shall constitute the official time. For information purposes only, bidders are requested to state in their proposals the net interest cost to the Town, as described under "Basis of Award" below, represented by the rate or rates of interest and the premium, if any, specified in their respective proposals. All electronic proposals shall be deemed to incorporate the provisions of this Notice of Sale.

Proposals. Proposals may be made for all or any part of the Notes, but any proposal for a part must be for \$100,000 or a whole multiple thereof, and a separate proposal will be required for each part of the Notes for which a separate interest rate is bid. No proposal for less than the minimum denomination or for less than par and accrued interest will be accepted. Each proposal must specify the amount bid for the Notes (which shall be the aggregate par value of the Notes, and, at the option of the bidder, a premium), and must specify one rate of interest in a multiple of one-hundredth (1/100) of one percent (1%) per annum for each part of the Notes bid for in the proposal. Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

Basis of Award. As between proposals which comply with this Notice of Sale, the Notes will be sold to the responsible bidder or bidders offering to purchase the Notes at the lowest net interest cost to the Town, which will be determined by computing as to each interest rate stated the total interest to be payable at such rate and deducting therefrom any premium. If there is more than one responsible bidder making an offer to purchase all or any portion of the Notes at the same lowest net interest cost, the Notes will be sold to the responsible bidder with the proposal for the largest principal amount of the Notes specified. If more than one responsible bidder makes an offer to purchase all or any portion of the Notes at the same lowest net interest cost and for the same largest principal amount of the Notes specified, the Notes or any portion thereof will be sold to the responsible bidder who is chosen by lot. If a bidder is awarded only a part of the Notes, any premium offered in such proposal will be proportionately reduced so that the resulting net interest cost to the Town with respect to the Notes awarded is the same as that contained in the bidder's proposal with respect to the entire amount bid, carried to four decimal places. It is requested that each proposal be accompanied by a statement of the percentage of net interest cost completed to four decimal places. Such statement shall not be considered as part of the proposal.

The Town reserves the right to reject any and all proposals and to waive any irregularity or informality with respect to any proposal.

Qualified Tax-Exempt Obligations. The Notes will not be designated by the Town as “qualified tax-exempt obligations” for purposes of the deduction for federal income tax purposes by financial institutions of a portion of interest expense allocable to tax-exempt obligations.

Bond Counsel Opinion. The legal opinion of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished without charge and will be placed on file with the certifying bank for the Notes. A copy of the opinion will be delivered to each purchaser of the Notes. The opinion of Bond Counsel will cover the following matters: (1) that the Notes will be valid and binding general obligations of the Town when duly certified, (2) that, assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the “Code”), based on existing law, interest on the Notes is excludable from gross income of the owners thereof for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations under the Code, and (3) that interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

Obligation to Deliver Issue Price Certificate. Pursuant to the Code and applicable Treasury Regulations, the Town must establish the “issue price” of the Notes. **In order to assist the Town, the winning bidder is obligated to deliver to the Town a certificate (an “Issue Price Certificate”) and such additional information satisfactory to Bond Counsel described below, prior to the delivery of the Notes.** The Town will rely on the Issue Price Certificate and such additional information in determining the issue price of the Notes. The form of Issue Price Certificate is available by contacting Ms. Susan Caron, Vice President, Munistat Services, Inc., Email: susan.caron@munistat.com, Telephone: (860) 372-1887, municipal advisor to the Town (the “Municipal Advisor”).

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale rule relating to the establishment of the issue price of the Notes pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Rule”).

The Municipal Advisor will advise the winning bidder if the Competitive Sale Rule was met at the same time it notifies the winning bidder of the award of the Notes. **Bids will not be subject to cancellation in the event that the Competitive Sale Rule is not satisfied.**

Competitive Sale Rule Met. If the Municipal Advisor advises the winning bidder that the Competitive Sale Rule has been met, the winning bidder shall, within one (1) hour after being notified of the award of the Notes, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial offering price to the public of each maturity of the Notes as of July 23, 2024 (the “Sale Date”).

Competitive Sale Rule Not Met. By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Notes for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Rule is not met, it will satisfy either the **10% Sale Rule** or the **Hold the Offering Price Rule** described below with respect to each maturity of the Notes prior to the delivery date of the Notes. The rule selected with respect to each maturity of the Notes shall be set forth on an Issue Price Rule Selection Certificate, which shall be sent to the winning bidder promptly after the award of the Notes. The winning bidder shall complete and execute the Issue Price Rule Selection Certificate and email it to Bond Counsel and the Municipal Advisor by 5:00 P.M. Eastern Time on the day after the Sale Date. **If the Issue Price Rule Selection Certificate is not returned by this deadline, or if no selection is made with respect to maturity, the winning bidder agrees that the Hold the Offering Price Rule shall apply to such maturities.**

10% Sale Rule. To satisfy the 10% Sale Rule for any maturity, the winning bidder:

(i) will make a bona fide offering to the public of all of the Notes at the initial offering prices and provide the Town with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

(ii) will report to the Town information regarding the actual prices at which at least 10 percent (10%) of the Notes of each maturity have been sold to the public;

(iii) will provide the Town with reasonable supporting documentation or certifications of such sales prices, the form of which is acceptable to Bond Counsel. If the 10% Sale Rule is used with respect to a maturity of the Notes, this reporting requirement will continue, beyond the closing date of the Notes, if necessary, until such date that at least 10 percent (10%) of such maturity of the Notes has been sold to the public; and

(iv) has or will include in any agreement among underwriters, selling group agreement or retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

Hold the Offering Price Rule. To satisfy the Hold the Offering Price Rule for any maturity, the winning bidder:

(i) will make a bona fide offering to the public of all of the Notes at the initial offering prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

(ii) will neither offer nor sell to any person any Notes of such maturity at a price that is higher than the initial offering price of each maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least ten percent (10%) of the Notes of such maturity at a price that is no higher than the initial offering price of such maturity or (ii) the close of business on the fifth (5th) business day after the Sale Date of the Notes; and

(iii) has or will include within any agreement among underwriters, selling group agreement or retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Notes as set forth above.

For purposes of the 10% Sale Rule or the Hold the Offering Price Rule, a “maturity” refers to Notes that have the same interest rate, credit and payment terms.

If the winning bidder has purchased any maturity of the Notes for its own account and not with a view to distribution or resale to the public, then, whether or not the Competitive Sale Rule was met, the Issue Price Certificate will recite such facts and identify the price or prices at which such maturity of the Notes was purchased.

For purposes of this Notice of Sale, the “public” does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Notes to the public (such as a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Notes to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any “derivative products” (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Notes.

Preliminary Official Statement and Official Statement. The Town has prepared a Preliminary Official Statement dated July 16, 2024 for this Note issue. The Town deems such Preliminary Official Statement final as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), except for omissions permitted thereby, but the Preliminary Official Statement is subject to revision or

amendment. The Town will make available to each winning purchaser a reasonable number of copies of the final Official Statement at the Town's expense by the delivery of the Notes or, if earlier, by the seventh business day after the day proposals on the Notes are received. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies may be obtained by the purchaser at its own expense by arrangement with the printer.

CUSIP Numbers. The deposit of the Notes with DTC under a book-entry-only system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the Town's Municipal Advisor, Munistat Services, Inc., to apply for CUSIP numbers for the Notes by no later than one business day after dissemination of this Notice of Sale. Munistat Services, Inc. will provide CUSIP Global Services with the final details of the sale of the Notes in accordance with Rule G-34 of the Municipal Securities Rulemaking Board, including the identity of the winning purchaser. The Town will not be responsible for any delay caused by the inability to deposit the Notes with DTC due to the failure of Munistat Services, Inc. to obtain such numbers and provide them to the Town in a timely manner. The Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

Continuing Disclosure Agreement. The Town will agree, in a Continuing Disclosure Agreement entered into in accordance with the requirements of Securities and Exchange Commission Rule 15c2-12(b)(5), to provide timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain listed events with respect to the Notes. The winning purchaser's obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to the delivery of the Notes, an executed copy of the Continuing Disclosure Agreement for the Notes.

Additional Information. For more information regarding this Note issue and the Town, reference is made to the Preliminary Official Statement dated July 16, 2024. The Preliminary Official Statement may be accessed via the Internet at www.i-dealprospectus.com. Electronic access to the Preliminary Official Statement is being provided as a matter of convenience only. The only official version of the Preliminary Official Statement is the printed version for physical delivery. Copies of the Preliminary Official Statement and the Official Statement may be obtained from Ms. Susan Caron, Vice President, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, telephone (860) 372-1887.

July 16, 2024

Christopher Bromson
Town Manager

John A. Wilcox
Director of Finance

ISSUE PRICE RULE SELECTION CERTIFICATE

Town of Enfield, Connecticut
 \$19,500,000 General Obligation Bond Anticipation Notes

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (the “Representative”), on behalf of itself and [OTHER UNDERWRITERS] (together, the “Underwriting Group”), hereby certifies that it will use the rule selected below for the respective maturity of the above-captioned notes (the “Notes”), as described in the Notice of Sale for the Notes, dated July 16, 2024 (the “Notice of Sale”). For a description of the requirements of each rule, please refer to the section “Obligation to Deliver Issue Price Certificate” in the Notice of Sale. Capitalized terms used but not defined herein are defined in the Notice of Sale.

<u>Date of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	10% Sale Rule (Underwriter has or will comply with 10% Sale Rule for this Maturity)		Hold the Offering Price Rule (Underwriter will comply with Hold the Offering Price Rule for this Maturity)	
			<u>Check Box</u>	<u>Sales Price</u>	<u>Check Box</u>	<u>Initial Offering Price</u>
07/30/2025	\$19,500,000	_____ %	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____

(All Sales Prices or Initial Offering Prices must be filled in prior to the delivery date of the Notes.)

**[NAME OF UNDERWRITER/
REPRESENTATIVE]**

By: _____
 Name:
 Title:

Email this completed and executed certificate to the following by 5:00 P.M. (Eastern Time) on July 24, 2024:

Bond Counsel: dbraun@goodwin.com **Municipal Advisor:** susan.caron@munistat.com