

TOWN OF BROOKFIELD, CONNECTICUT



Comprehensive Annual Financial Report

For The Year Ended
June 30, 2010

Prepared by:

Department of Finance

**TOWN OF BROOKFIELD, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2010**

TABLE OF CONTENTS

INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	i
Organizational Chart	vi
Principal Town Officials	vii
Certificate of Achievement for Excellence in Financial Reporting	viii

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
-------------------------------------	---

MANAGEMENT'S DISCUSSION AND ANALYSIS	3
---	---

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements	
Statement of Net Assets	16
Statement of Activities	17

Fund Financial Statements

Governmental Fund Financial Statements	
Balance Sheet	18
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	19
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Budgetary Basis - General Fund	23

Proprietary Funds Financial Statements

Statement of Net Assets	24
Statement of Revenues, Expenses and Changes in Fund Net Assets	25
Statement of Cash Flows	26

Fiduciary Fund Financial Statements

Statement of Fiduciary Net Assets	27
Statement of Changes in Fiduciary Net Assets	28

Notes to the Financial Statements	29
-----------------------------------	----

REQUIRED SUPPLEMENTARY INFORMATION

Schedules of Funding Progress	58
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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Governmental Funds

General Fund	
Schedule of Revenues - Budget and Actual - Budgetary Basis	59
Schedule of Expenditures and Other Financing Uses - Budget and Actual - Budgetary Basis	60
Schedule of Property Taxes Levied, Collected and Outstanding	64
Schedule of Debt Limitation	65

**TOWN OF BROOKFIELD, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2010**

TABLE OF CONTENTS *(Continued)*

FINANCIAL SECTION *(Continued)*

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES *(Continued)*

	<u>Page</u>
Governmental Funds <i>(Continued)</i>	
Nonmajor Governmental Funds	
Narrative	66
Combining Balance Sheet	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	71
Fiduciary Funds	
Agency Funds	
Narrative	74
Combining Statement of Fiduciary Assets and Liabilities	75
Combining Statement of Changes in Fiduciary Assets and Liabilities	76
STATISTICAL SECTION	
Narrative	77
Financial Trends	
Table 1 – Net Assets by Component	78
Table 2 – Changes in Net Assets	79
Table 3 – Program Revenues by Function/Program	80
Table 4 – Fund Balances - Governmental Funds	81
Table 5 – Changes in Fund Balances - Governmental Funds	82
Revenue Capacity	
Table 6 – Assessed Value and Estimated Actual Value of Taxable Property	84
Table 7 – Principal Property Taxpayers	85
Table 8 – Property Tax Levies and Collections	86
Debt Capacity	
Table 9 – Ratios of Outstanding Debt by Type	87
Table 10 – Legal Debt Margin Information	88
Demographic and Economic Information	
Table 11 – Demographic and Economic Statistics	89
Table 12 – Principal Employers	90
Operating Information	
Table 13 – Full-time Equivalent Town Government Employees by Function	91
Table 14 – Operating Indicators by Function	92
Table 15 – Capital Asset Statistics by Function	93

INTRODUCTORY SECTION



TOWN OF BROOKFIELD

BROOKFIELD, CT 06804

February 20, 2011

To the Honorable William Davidson, First Selectman, the Members of the Board of Selectmen, Board of Finance and the Citizens of the Town of Brookfield.

The State of Connecticut under Sec. 7-392 of the General Statutes requires all municipalities to annually conduct an audit of their financial statements. A complete set of the audited financial statements shall be filed within six months of the municipality's fiscal year end. In addition, the Treasurer shall annually provide a report concerning the accounts and finances of such municipality. This report is published to fulfill these requirements for the fiscal year ended June 30, 2010.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. Note that because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

CCR LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the Town of Brookfield's (the "Town") financial statements of the governmental activities, each major fund, and the aggregate remaining fund information as of and for the year ended June which collectively comprise the Town's basic financial statements. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The Town was incorporated in 1788 under statutes of the State of Connecticut. The Town, located in Fairfield County in western Connecticut, encompasses an area of 19.8 square miles with an estimated current population of 16,510 residents. The Town is empowered by state statute to levy property tax on real and personal property including vehicles located within its boundaries.

The Town embraces a Town Meeting form of government structure, with a three member Board of Selectmen elected to two-year terms, a six member Board of Finance elected to two and four year staggered terms and a seven member Board of Education elected to two and four year staggered terms. Elections are held biennially in November in odd numbered years. The legislative body also has the power and privileges conferred and granted to Towns and Cities under the Constitution and the General Statutes of the State of Connecticut.

The First Selectman is the full-time Chief Executive and Administrative Officer of the Town and oversees the execution of all laws and ordinances governing the Town. He presides over the Board of Selectmen and has full voting privileges on the Board. The First Selectman is also an ex-officio member of the Board of Finance in the capacity of breaking a tie vote when necessary.

The Board of Finance is responsible for proposing annual budgets and special appropriations at Town Meetings. Brookfield's professional staff also includes a Town Controller and a part-time Treasurer. The Town Controller is responsible for the coordination of the activities of the accounting staff, the maintenance of the general ledgers of the various funds and account groups of the Town, financial planning, cost accounting, financial report preparation, and supervision of the annual independent audit.

The Board of Education is a legal body created by the statutes of the State of Connecticut with the responsibility to establish, implement and appraise the educational activities of the Town.

The Town provides a full range of municipal services including police and fire protection; infrastructure maintenance, recreational and cultural activities, educational services and social service needs. Approximately 479 full-time municipal employees provide services to the Town community. The Town has 99.7 miles of roads.

The Town's budget procedure is handled in accordance with state statute and the requirements of the Town Charter. The process begins 165 days before the end of the fiscal year with each office or agency of the Town presenting their budget requests to the First Selectman. The Board of Education presents its request for budget funding 150 days before end of the fiscal year. At 135 days before the end of the fiscal year, the First Selectman presents his budget to the Board of Selectmen for review. At 120 days before the end of the fiscal year, the Board of Selectmen presents their budget to the Board of Finance. The Board of Finance reviews the proposed Board of Selectmen budget and is required to hold at least one public hearing on the proposed budget not less than 14 days before the Annual Town Meeting. The proposed fiscal budget is adopted by Town Meeting on the first Tuesday in May. In the event that the budget is not approved, a revised budget is presented every other Tuesday until adopted. Requests for special appropriations are initiated with the Board of Selectmen and forwarded with a recommendation to the Board of Finance in accordance with the Town Charter.

Local Economy

Brookfield is fortunate to be located in close proximity to the greater New York business centers. Brookfield's employment base is not located within the greater Brookfield area, but in areas of the lower Fairfield County of Connecticut, Westchester County in New York and in the New York City business environment. The general economic climate is facing an overall economic slowdown and the Town is not oblivious to the future effects of such a slowdown. The Town monitors the metrics of such a situation.

The area supports medium to small technology based companies which blends with the Town's Plan of Development. It has a number of financial institutions and warehouse distribution centers. The Town's economy is diverse with services, manufacturing and trade being the leading components. Comparing the number of high tech jobs to the level of total employment, the ratio of the number of high tech jobs per capita is impressive and growing.

The Town has always been proactive in the attraction of new companies to enhance its tax base and will continue to improve and expand the infrastructure in its commercial area. Such improvements include the expansion of the public water supply including the installation of fire suppression access.

The Town continues to maintain a strong credit rating receiving an increase to Aa1 rating from Moody's Investor's Service and Standard and Poor's in 2010. The rating agencies have given positive comment to the Town's diverse tax base, and its conservative approach to debt management.

For the fiscal year ending June 30, 2010, the Town (as did a number of municipalities) experienced revenue short falls both from local sources and state revenues. Such local and state revenues as previously mentioned were all affected and dependent upon the energy of the economy. The administration of the Town, both the Board of Selectmen and Board of Finance have indicated that the Town will take all necessary steps to reenergize the fund balance to the levels as formally designated by the Board of Finance.

Major Initiatives

While the general economy has slowed, the Town continues to show economic progress. This is demonstrated through the activity in our Land Use Department. A number of new development projects within Town, both residential and commercial are awaiting Land Use approvals

- ***The Southern Route Seven Commercial Corridor*** - The Southern Commercial district of the Town continues to have a strong level of development. The construction consists of a mixture of commercial, retail and a blend of age restricted residences. The area is also in the process of planning for the installation of water lines for potable water and fire suppression. The area is already serviced by a sanitary sewer system.
- ***The Northern Route Seven Commercial Corridor*** - This area continues to develop with the completion of the new Route 7 bypass. Several projects are being developed in conjunction with the new traffic flow pattern. The Town recognizes the need for a public water system in this area and has appropriated funds to install water service to the entire Route 7 business corridor.
- ***Enhancements to the Town's Recreational Facilities*** – Over the past year the Town has successfully implemented and approved several of the recreational projects. A major project, the Greenway Biking and Walkway, following the Still River outline has been funded and is actively being programmed for construction. The Town has received financial assistance for the project.
- ***Brookfield Senior Center*** - The Town has appropriated a total of \$2,250,000 for the reconstruction, expansion and energy updates to the Brookfield Senior Center. Grants, in excess of \$1,250,000 both from the State of Connecticut and Federal Government, will benefit this project. The project was completed in October 2010.
- ***Cash Management Policies and Practices*** - The Town invests the Town's operating and working capital funds in the following short term investments: (1) various certificates of deposit with Connecticut banks; (2) money market accounts; (3) overnight repurchase agreements, which are collateralized by U.S. government agency obligations such as Federal Home Loan Mortgage Corporation, which are valued daily. All investment services are approved by the Board of Selectmen. For an extensive description of the Town's investment policy and investments related to the Town's pension funds, see Notes to the Financial Statements.

- **Risk Management** - The risk management function of the Town is a shared responsibility. The function is to identify and control exposure the Town may have to financial loss. These responsibilities include the administration of safety programs within Town departments, the implementation of risk management controls and purchasing insurance. The Town's risk management function includes purchasing employee bonds for various positions as required by State statutes.

The Town purchases commercial insurance for all risks of loss including health insurance. The Town is not self-insured but may from time to time establish deductibles at a higher limit in order to affect a more competitive insurance premium.

A number of labor contracts were settled for both the Town and Board of Education during the 2010 fiscal year. All of the settlements contain higher premium share and deductibles along with the ability to utilize multiple providers.

- **Pension Benefits** - The Town has a single employer, contributory defined benefit pension plan covering substantially all of its employees, except teachers who are covered by the State Teachers' Retirement Fund. The plan has a fiscal year end of December 31. After one year of service, full time employees are required to contribute 5% of their earnings to participate in the plan. The Town's funding policy is to make contributions on an actuarially determined basis using the entry age cost method. Total employer and employee pension contributions for the plan year ended December 31, 2010 were \$800,815. The Town does not contribute to the State Teachers' Retirement Fund.

As of December 31, 2009, the plan had aggregate net assets of \$25,535,170, an increase of \$4,317,893 in comparison to the prior year. The change in net assets is net of all expenses and benefit payments.

Long Range Financial Planning and Debt Management

The Town has a recent history of maintaining a healthy fund balance ratio in excess of the Board of Finance's 7% target for fund balance ratio. It is still the expectation of the Town that it can safely manage its modest burden and maintain a repayment schedule that reduces the principal of any bond issue by at least 50% during the first ten years. Currently, the Town averages debt principal reduction of 60% during the first ten years. It is important that the Board of Finance continues to work with the First Selectman, Board of Selectmen and independent boards to develop and implement program review in order to control and reduce budgetary financial demands. The purpose of a program review process is to monitor the programs and services provided by the Town, develop ways to measure services that are useful to both the departments and citizens, identify the net costs of each program or service and provide financial guidance for the development of long range plans.

The Town issued \$12,305,000 in short-term bond anticipation notes payable during fiscal year 2010. The proceeds of these notes were used to finance various other capital projects. At June 30, 2010, the Town had \$32,320,000 outstanding in general obligation bonds, and \$395,348 outstanding in a Clean Water Fund note payable, satisfied by the assessments to the beneficiaries.

Awards and Acknowledgements

The Government Finance Officers Association ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Brookfield for its comprehensive annual financial report ("CAFR") for the fiscal year ended June 30, 2009. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

The preparation of this report could not have been accomplished without the dedication and hard work of the entire staff of the Finance Department. I would like to express my appreciation and gratitude to all members of the Finance Department who assisted and contributed to its preparation. I also appreciate the assistance and dedication of the audit team from CCR LLP. Finally, I would like to thank the First Selectmen and the Board of Finance for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David Schubert". The signature is written in a cursive style with a large initial "D".

Treasurer

Town of Brookfield, Connecticut Organizational Chart June 30, 2010

* = Appointed by the Board of Selectmen - Statutory

** = Appointed by the Board of Selectmen - Charter

*** = Hired by the First Selectman/Approved by BOS

Elected Officials				
Registrars	Town Clerk	First Selectman	Board of Selectmen	Treasurer
Board of Education	Board of Finance	Planning Commission	Zoning Commission	Zoning Board Of Appeals Board of Assessment Appeals

Department Heads***				
Executive Assistant	Director of Finance**	Director of Operations/HR	Assessor*	Tax Collector*
Chief of Police**	Building Official*	Parks & Recreation Director**	Community-Senior Center Director	Social Services Director/ Municipal Agent for the Elderly*
				Director of Public Works**/ Engineer Library Director

Appointed Officers***	
Fire Marshal*/ Director of Civil Preparedness*	Land Use Enforcement Officer**/ Erosion & Sedimentation Ctrl Officer**/ Wetlands Enforcement Officer**/ Zoning Enforcement Officer**

Appointed Officers (Non-employees)			
Director of Health*	Municipal Historian**	Town Attorney**	Tree Warden*

Boards/Commissions Appointed by the Board of Selectmen				
Arts Cmsn	Board of Ethics	Candlewood Lake Authority	Commission on Aging	Conservation Commission
Housing Partnership Task Force	Inland/Wetlands Commission	Lake Lillinonah Authority	Library Board of Trustees	Municipal Bd. of Appeals
	Police Commission	Water Pollution Control Authority	Youth Commission	Municipal Building Committee
			Economic Development Commission	Historic District Commission
				Housing Authority
				Parks & Recreation Commission

**TOWN OF BROOKFIELD, CONNECTICUT
PRINCIPAL TOWN OFFICIALS
JUNE 30, 2010**

TOWN MEETING - BOARD OF SELECTMEN FORM OF GOVERNMENT

First Selectman

Bill Davidson

Board of Selectmen

Howard Lasser

Steve O'Reilly

Town Clerk

Joan Locke

Chairman, Board of Finance

William Tinsley

Treasurer

David Scribner

Superintendent of Schools

Anthony Bivona

Department Heads

Town Controller

Jay Wahlberg

Director of HR

Catherine Greenwood

Assessor

Denise Hames

Tax Collector

Georgia Lawrence

**Director of Public Works/
Town Engineer**

Ralph Tedesco

Chief of Police

Robin Montgomery

**Parks, Recreation &
Senior Center**

Dennis DiPinto

Building Official

Demetrio Parpana

**Community/Senior Center
Director**

Ellen Melville

Library Director

Anita Barney

Town Attorney

David Grogins

Cohen and Wolf

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Brookfield
Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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



President

Executive Director

FINANCIAL SECTION

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

To the Board of Finance of the
Town of Brookfield, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Brookfield, Connecticut (the "Town") as of and for the year ended June 30, 2010, which collectively comprise the Town's basic financial statements, as listed in the accompanying table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Brookfield, Connecticut as of June 30, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2011 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 15 and the schedules of funding progress on page 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements as a whole. The introductory section, combining and individual fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

CCR LLP

Glastonbury, Connecticut
February 28, 2011

Management's Discussion and Analysis

TOWN OF BROOKFIELD, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Town of Brookfield, Connecticut (the "Town") offers the readers of its financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - v of this report.

The Town of Brookfield, Connecticut has modified its reporting model for the year ended June 30, 2010 to include sewer activities previously reported as governmental funds as business-type activities. Because of this change and the fact that the prior year figures have not been restated, much of the information in this management's discussion and analysis is not comparable to information reported in prior years. In subsequent years, the management's discussion and analysis will focus on year-to-year comparisons that will enhance the readers understanding of the Town's financial position and results of operations.

FINANCIAL HIGHLIGHTS

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$41,205,473 (net assets). Of this amount, \$6,509,406 represents unrestricted net assets. Of this amount, \$8,195,151 represents unrestricted net assets attributed to the operations of the Town's Water Pollution Control Authority (business-type activities).
- The Town's total net assets increased by \$6,398,411 during the current fiscal year, which consisted of a decrease of \$632,061 relating to the Town's governmental activities offset by an increase of \$7,030,472 relating to the Town's business-type activities.
- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$5,167,066, an increase of \$5,458,709 in comparison with the prior year. The primary cause of this fund balance increase was due to expenditures incurred in the bonded projects fund for various ongoing capital projects, which were financed with general obligation bonds subsequent to year end (and reported as other financing sources as of June 30, 2010).
- At the close of the current fiscal year, unreserved fund balance of the General Fund was \$4,327,757 or 8% of total general fund expenditures and net other financing uses.
- The Town's total long-term bonded debt (governmental and business-type activities combined) decreased by \$2,795,000 or 8% during the current fiscal year due to scheduled principal repayments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

TOWN OF BROOKFIELD, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

Government-wide Financial Statements *(Continued)*

The statement of activities presents information showing how the Town's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements are intended to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include activities such as: general government, land use, finance and taxation, regional services, human services, public works, public safety, recreation and leisure, library, education and miscellaneous. The business-type activities of the Town include sewer activities.

The government-wide financial statements can be found on pages 16 and 17 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains 18 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Bonded Projects Fund, both of which are considered to be major funds. Data from the other 16 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 18 - 23 of this report.

TOWN OF BROOKFIELD, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

Fund Financial Statements *(Continued)*

Proprietary Funds

Enterprise funds are used to report the same functions presented as business type activities in the government-wide financial statements. The Town uses enterprise funds to account for its sewer operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its risk management activities. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 24 - 26 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 27 and 28 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 - 57 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information other than this management's discussion and analysis that can be found on page 58 of this report. Combining and individual fund statements and schedules can be found on pages 59 - 76 of this report and statistical information can be found on pages 77 - 93 of this report.

**TOWN OF BROOKFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

Over time, net assets may serve as one measure of a government's financial position. Total net assets of the Town (governmental and business type activities combined) totaled \$41,205,473 as of June 30, 2010 and are summarized as follows:

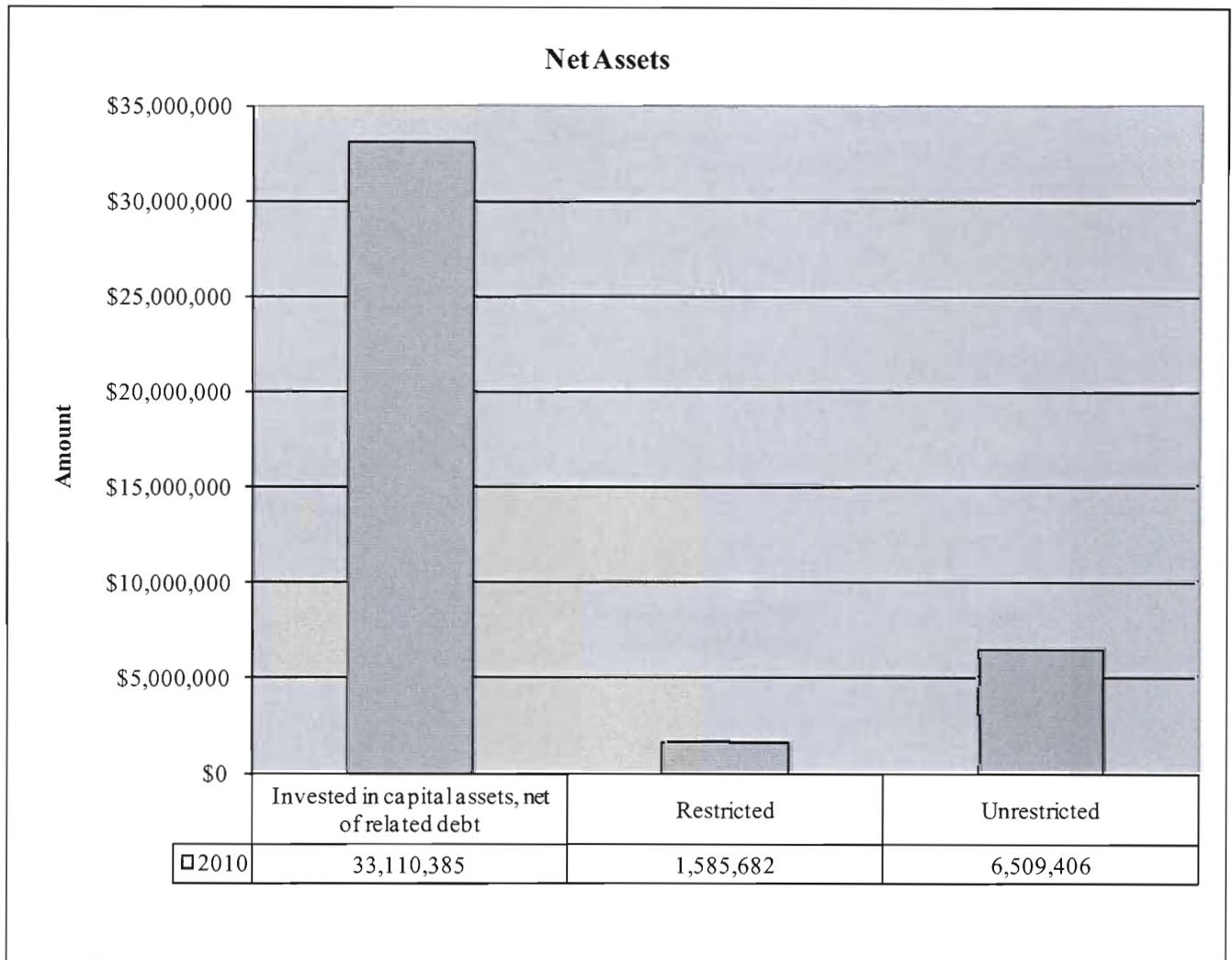
**Town of Brookfield, Connecticut
Net Assets
June 30, 2010**

	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 10,656,277	\$ 10,401,217	\$ 21,057,494
Capital assets	70,481,773	8,850,562	79,332,335
Total assets	<u>81,138,050</u>	<u>19,251,779</u>	<u>100,389,829</u>
Other liabilities	13,004,251	4,156,287	17,160,538
Long-term liabilities	39,814,613	2,159,732	41,974,345
Total liabilities	<u>52,818,864</u>	<u>6,316,019</u>	<u>59,134,883</u>
Net assets:			
Invested in capital assets, net of related debt	30,004,931	3,105,454	33,110,385
Restricted	-	1,585,682	1,585,682
Unrestricted	(1,685,745)	8,195,151	6,509,406
Total net assets	<u>\$ 28,319,186</u>	<u>\$ 12,886,287</u>	<u>\$ 41,205,473</u>

**TOWN OF BROOKFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Net Assets (Continued)



As of June 30, 2010, approximately 80.4% of the Town's net assets reflect its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

3.8% of the Town's net assets are subject to external restrictions on how they may be used and are therefore presented as restricted net assets.

The remainder of the Town's net assets are considered unrestricted.

Overall, net assets increased by \$6,398,411 in comparison with the prior year.

**TOWN OF BROOKFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Assets

Changes in net assets for the year ended June 30, 2010 are as follows:

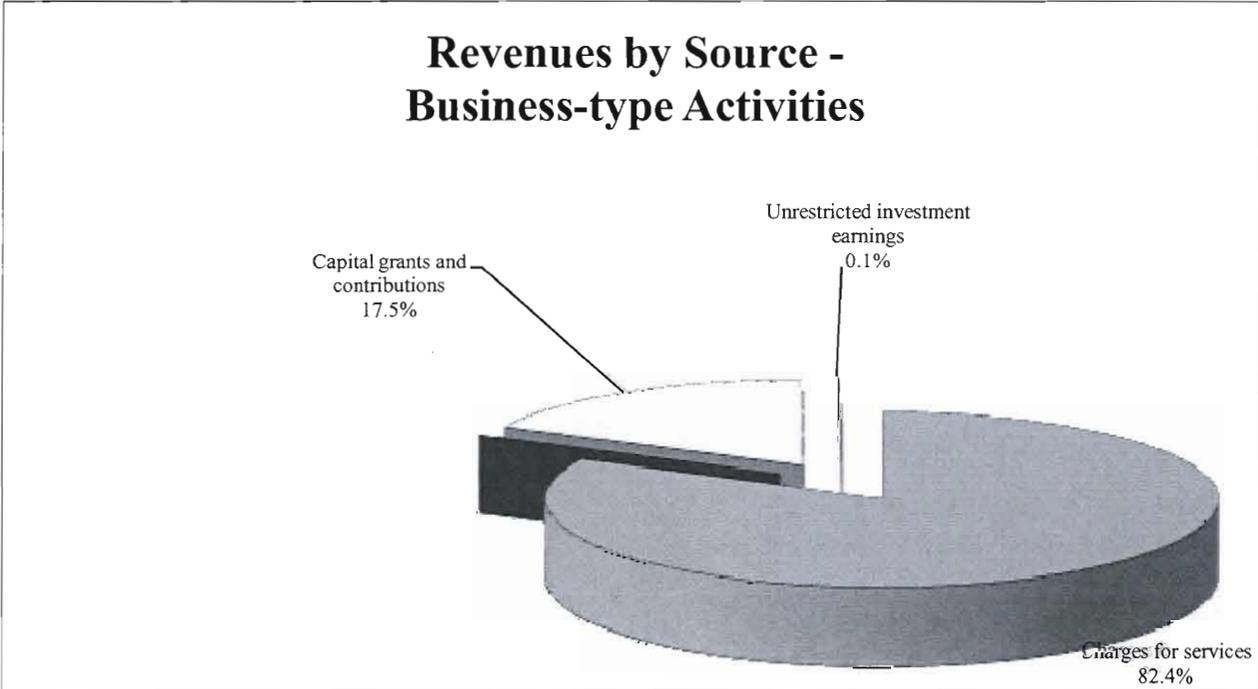
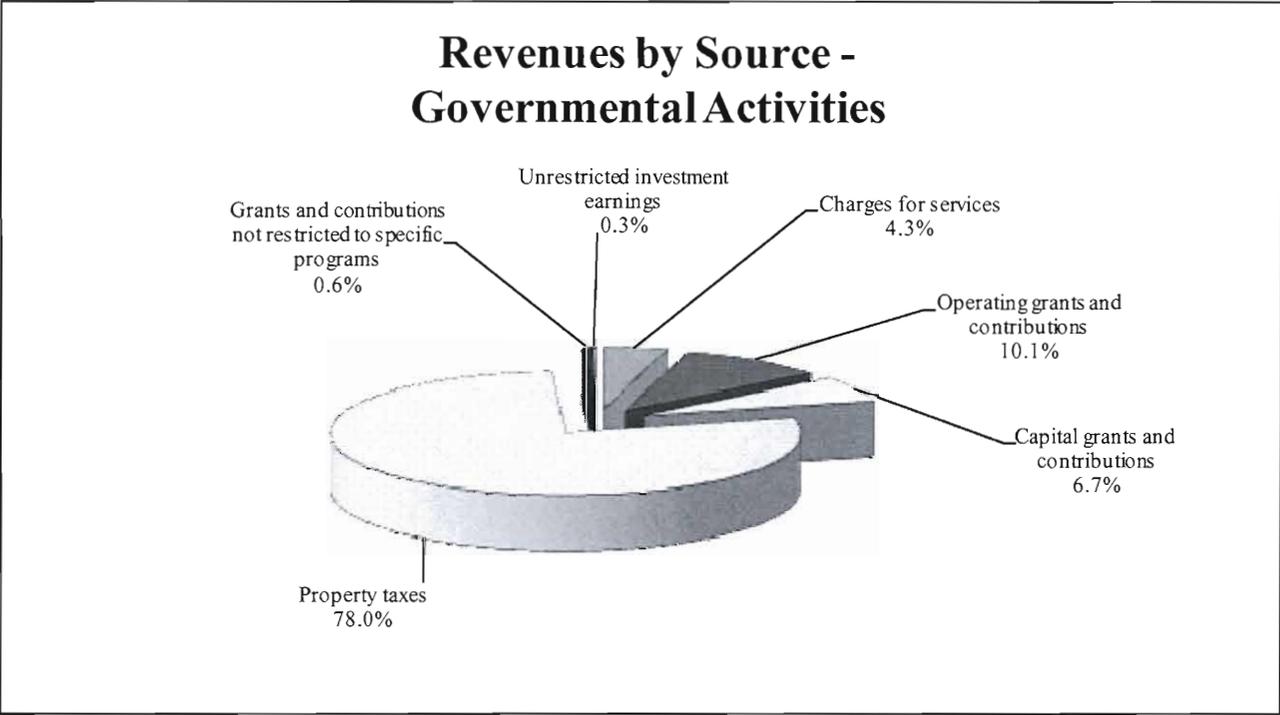
**Town of Brookfield, Connecticut
Changes in Net Assets
For The Year Ended June 30, 2010**

	Governmental Activities	Business-type Activities	Total
Revenues			
Program revenues:			
Charges for services	\$ 2,636,094	\$ 5,240,464	\$ 7,876,558
Operating grants and contributions	6,218,507	-	6,218,507
Capital grants and contributions	4,118,164	1,110,699	5,228,863
General revenues:			
Property taxes, levied for general purposes	47,940,182	-	47,940,182
Grants and contributions not restricted to specific programs	341,533	-	341,533
Unrestricted investment earnings	182,366	6,042	188,408
Total revenues	<u>61,436,846</u>	<u>6,357,205</u>	<u>67,794,051</u>
Expenses			
General government	2,521,729	-	2,521,729
Land use	808,734	-	808,734
Finance and taxation	971,491	-	971,491
Regional services	257,475	-	257,475
Human services	266,374	-	266,374
Public works	3,615,244	-	3,615,244
Public safety	6,570,991	-	6,570,991
Recreation and leisure	1,418,325	-	1,418,325
Human resources	714,627	-	714,627
Library	604,174	-	604,174
Education	40,949,902	-	40,949,902
Water Pollution Control Authority	-	1,027,904	1,027,904
Interest on long-term debt	1,668,670	-	1,668,670
Total expenses	<u>60,367,736</u>	<u>1,027,904</u>	<u>61,395,640</u>
Change in net assets before transfers	1,069,110	5,329,301	6,398,411
Transfers	(1,701,171)	1,701,171	-
Change in net assets	(632,061)	7,030,472	6,398,411
Net assets, beginning, as originally reported	32,487,872	1,904,075	34,391,947
Adjustments (see Note 14)	(3,536,625)	3,951,740	415,115
Net assets, beginning, as adjusted	<u>28,951,247</u>	<u>5,855,815</u>	<u>34,807,062</u>
Net assets, ending	<u>\$ 28,319,186</u>	<u>\$ 12,886,287</u>	<u>\$ 41,205,473</u>

**TOWN OF BROOKFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

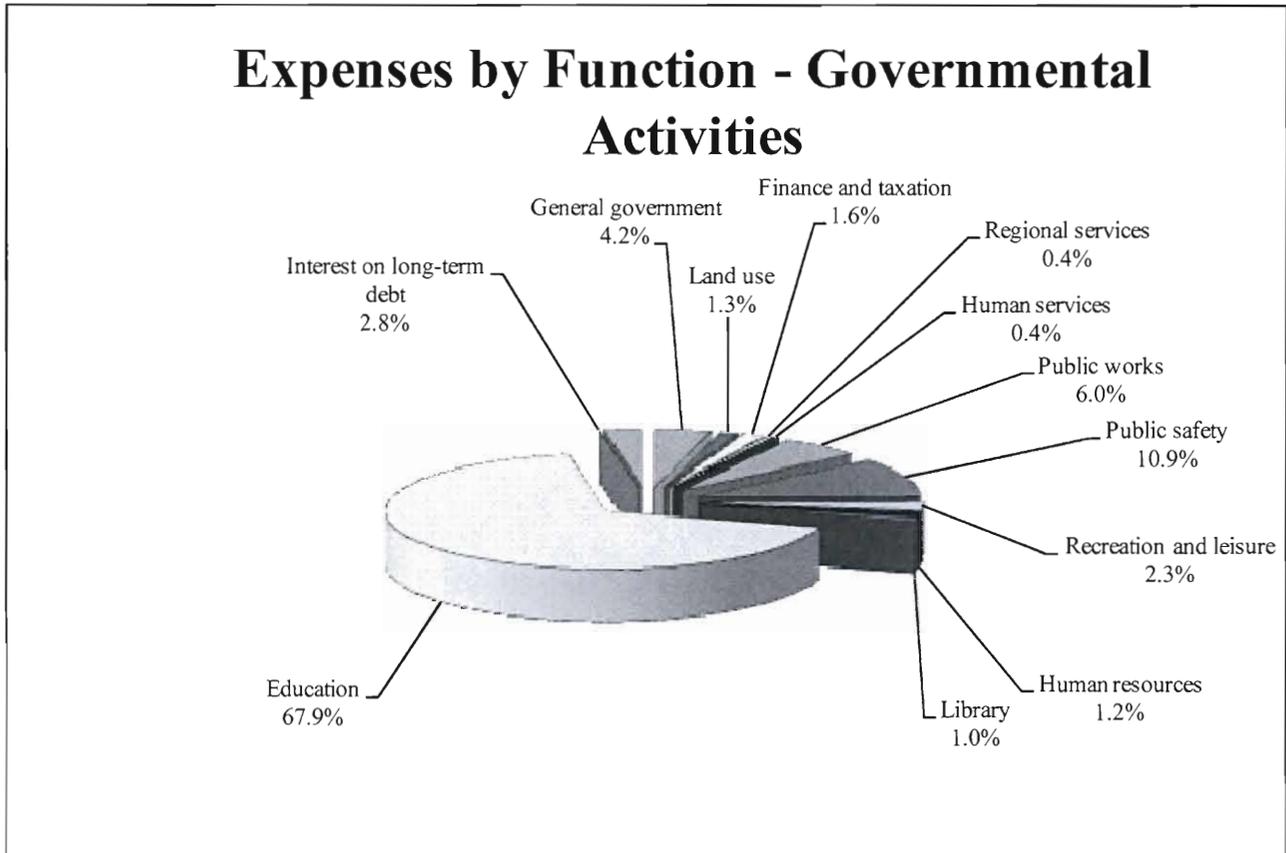
Change in Net Assets (Continued)



**TOWN OF BROOKFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Change in Net Assets (Continued)



Governmental Activities

Governmental activities decreased the Town's net assets by \$632,061. The key elements of this decrease were due to increases in the Town's net pension obligation and net OPEB obligation offset by various increases in revenues and decreases in expenditures on a budgetary basis.

Business-type Activities

Business-type activities increased the Town's net assets by \$7,030,472. The current year surplus is primarily due to the Town receiving grant funding from the State of Connecticut under the Clean Water Fund program, the expenditures of which were capitalized at June 30, 2010. In addition, new assessments totaling \$4,303,170 for a recently completed sewer project were levied and recorded in revenue in the current year.

TOWN OF BROOKFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (*Continued*)

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$5,167,066.

General Fund

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unreserved fund balance of the general fund was \$4,327,757. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 8% of total general fund expenditures and transfers out.

The fund balance of the Town's general fund increased by \$2,219,820 during the current fiscal year, which was primarily due to substantial transfers made from other funds.

Bonded Projects Fund

The fund balance of the Bonded Projects Fund increased by \$5,209,101 during the current fiscal year. This increase was primarily due to the receipt of proceeds from a bond anticipation note recognized as an other financing source (funded with general obligation bonds payable issued subsequent to year end), offset by expenditures incurred for various ongoing water and sewer projects and the high school renovation/expansion project.

GENERAL FUND BUDGETARY HIGHLIGHTS

The actual net change in fund balance of the General Fund on a budgetary basis was an increase of \$2,219,820. Expenditures were \$241,447 less than budgeted and total budgetary revenues were \$78,016 less than expected due primarily to decreases in investment earnings and property taxes. Transfers in were \$2,240,104 greater than anticipated due to large transfers made from the Heart and Hypertension Fund, the Capital and Nonrecurring Fund and the Risk Management Fund.

**TOWN OF BROOKFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental and business type activities as of June 30, 2010 totaled \$79,332,335 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings and improvements, vehicles, machinery and equipment, and infrastructure, including roads and sewer lines. The total increase in the Town's investment in capital assets for the current fiscal year was \$6,116,946 or 8.4%. This increase consisted of capital asset additions of \$7,536,556, offset by depreciation expense of \$1,372,401. Major capital asset events during the current fiscal year included the following:

- Outlays for construction in progress and land totaling \$6,669,325, including expenditures related to the high school renovation/expansion project and various ongoing water and sewer projects.
- Outlays for infrastructure totaling \$580,126, to capitalize various roads reconstructed in the current year.
- Deletions of vehicles no longer in use totaling \$460,953.

The following is a table of the investment in capital assets presented for both governmental and business-type activities:

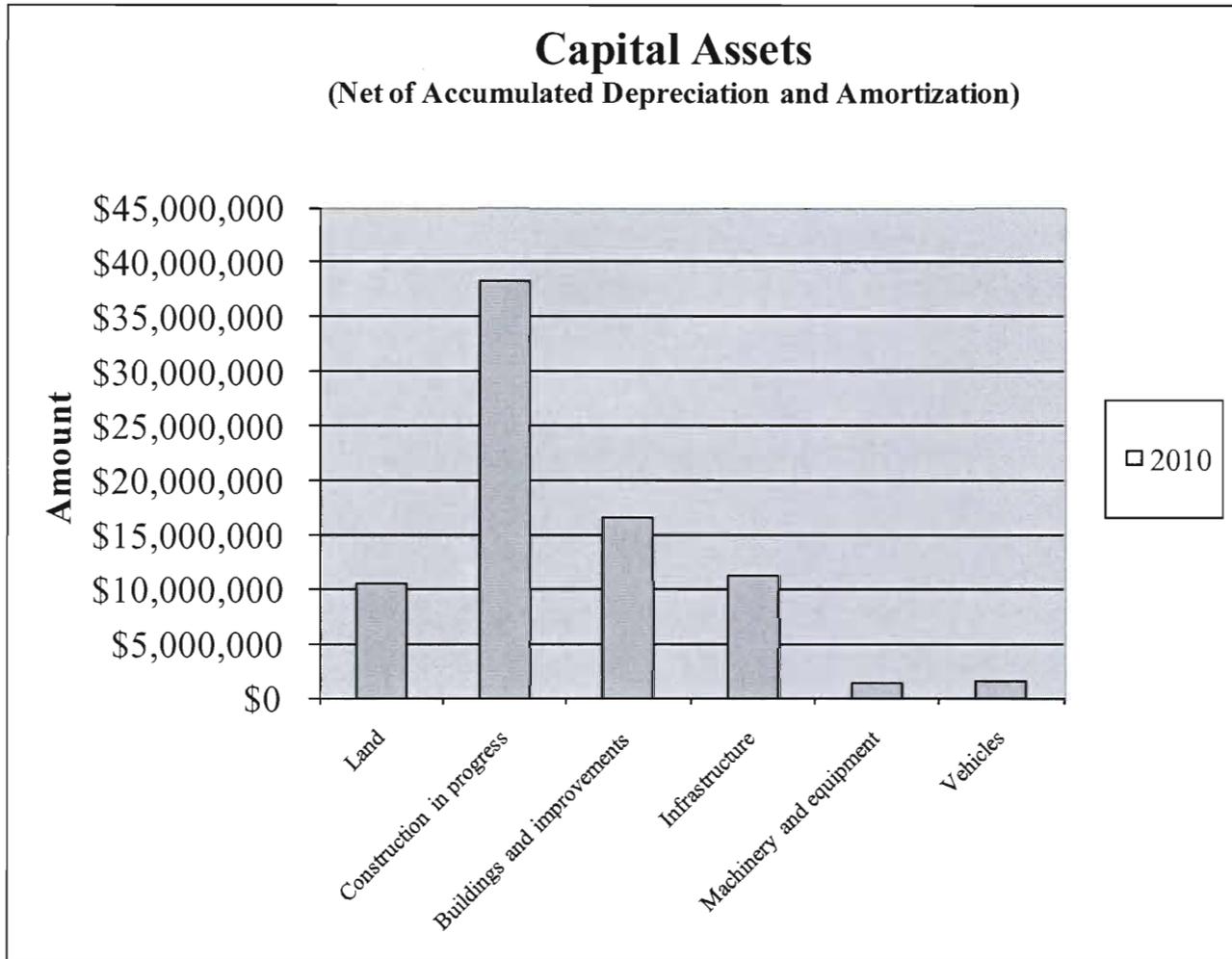
**Town of Brookfield, Connecticut
Capital Assets, Net
June 30, 2010**

	Governmental Activities	Business-type Activities	Total
Land	\$ 10,424,573	\$ -	\$ 10,424,573
Construction in progress	38,197,176	-	38,197,176
Buildings and improvements	16,405,452	97,260	16,502,712
Infrastructure	2,631,298	8,580,293	11,211,591
Machinery and equipment	1,274,069	134,628	1,408,697
Vehicles	1,549,205	38,381	1,587,586
Totals	<u>\$ 70,481,773</u>	<u>\$ 8,850,562</u>	<u>\$ 79,332,335</u>

**TOWN OF BROOKFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)



Additional information on the Town's capital assets can be found in Note 4 on pages 40 - 41 of this report.

**TOWN OF BROOKFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Long-term Debt

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$32,320,000. This entire amount is comprised of debt backed by the full faith and credit of the Town. The Town's total bonded debt decreased by \$2,795,000 or 8% during the current fiscal year due to current year principal repayments. The Town maintains an Aa1 rating from Moody's Investor Service for general obligation debt.

State statutes limit the amount of general obligation debt the Town may issue to seven times its annual receipts from taxation, as defined by the statutes. The current debt limitation for the Town is \$336,750,596, which is significantly in excess of the Town's outstanding general obligation debt.

The following is a table of long-term bonded debt:

Town of Brookfield, Connecticut			
Long-term Debt			
June 30, 2010			
	Governmental Activities	Business-type Activities	Total
General obligation bonds	\$ 30,570,240	\$ 1,749,760	\$ 32,320,000
Totals	\$ 30,570,240	\$ 1,749,760	\$ 32,320,000

Additional information on the Town's long-term debt can be found in Note 8 on pages 43 - 47 of this report.

TOWN OF BROOKFIELD, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS (*Continued*)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

A summary of key economic factors affecting the Town are as follows:

- The unemployment rate for the Town is currently 7.2%. This compares favorably to the state's average unemployment rate of 8.9% and the national unemployment rate of 9.6%.
- During the current fiscal year, unreserved fund balance of the General Fund increased to \$4,327,757.
- Significant estimates affecting next year's budget that are subject to change in the near term consist of the following:
 - For purposes of calculating property tax revenues for fiscal year 2011, the assessor's grand list was used along with an estimated tax rate, and an estimated rate of collection, with deductions for taxes to be paid by the State on behalf of certain taxpayers.
 - Intergovernmental grants were based on estimates from the State.
 - It is unknown how changes in market interest rates will impact real estate activity and related revenues collected by the Land Use Department, the Town Clerk and the amount of conveyance taxes and interest income.

The Town utilizes a five year financial plan that projects peaks and valleys of fund balance levels for each year and also determines the amount of expenditures that are affordable for the upcoming year's budget. The Town, in essence, backs into the expenditure increase percentage that is affordable for the upcoming budget using an analysis that allows the Town to review revenues, operating expenditures, debt service expenditures and capital outlays for five years into the future. For peak years of expenditures, the Town determines that revenues plus available surplus are adequate to meet these obligations without the need for spikes in the tax rates.

All of these factors were considered in preparing the Town's budget for fiscal year 2011.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Director, Town of Brookfield, 100 Pocono Road, Brookfield, Connecticut 06804.

Basic Financial Statements

TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF NET ASSETS
JUNE 30, 2010

	<u>Primary Government</u>		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
ASSETS			
Cash and cash equivalents	\$ 7,863,014	\$ 445,812	\$ 8,308,826
Investments	517,990	-	517,990
Receivables:			
Property taxes, net of allowance for uncollectibles of \$54,000	689,617	-	689,617
Interest on property taxes, net of allowance for uncollectibles of \$23,000	142,222	-	142,222
Assessments and user charges receivable	-	480,574	480,574
Outlet capacity charges receivable		72,687	72,687
Grants and contracts receivable	1,601,014	1,110,699	2,711,713
Other	214,160	43,340	257,500
Internal balances	(878,539)	878,539	-
Inventories	3,657	-	3,657
Grants and contracts receivable, long-term portion	503,142	-	503,142
Assessments receivable, long-term portion	-	5,313,373	5,313,373
Outlet capacity charges receivable, long-term portion	-	248,476	248,476
Restricted cash and cash equivalents	-	1,758,244	1,758,244
Capital assets:			
Non-depreciable	48,621,749	-	48,621,749
Depreciable, net	21,860,024	8,850,562	30,710,586
Total assets	<u>81,138,050</u>	<u>19,202,306</u>	<u>100,340,356</u>
LIABILITIES			
Accounts payable	2,980,807	-	2,980,807
Accrued liabilities:			
Salaries and benefits payable	217,972	-	217,972
Accrued interest	209,329	23,111	232,440
Other accrued liabilities	85,776	200,151	285,927
Unearned revenue	222,995	160,463	383,458
Notes payable	582,372	-	582,372
Bond anticipation notes payable	8,705,000	3,600,000	12,305,000
Other liabilities	-	172,562	172,562
Noncurrent liabilities:			
Due within one year	2,936,497	289,749	3,226,246
Due in more than one year	36,878,116	1,869,983	38,748,099
Total liabilities	<u>52,818,864</u>	<u>6,316,019</u>	<u>59,134,883</u>
NET ASSETS			
Invested in capital assets, net of related debt	30,004,931	3,105,454	33,110,385
Restricted	-	1,585,682	1,585,682
Unrestricted (deficit)	(1,685,745)	8,195,151	6,509,406
Total net assets	<u>\$ 28,319,186</u>	<u>\$ 12,886,287</u>	<u>\$ 41,205,473</u>

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

**TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions		Governmental Activities	Primary Government Business-type Activities		Total
			Grants and Contributions	Capital Grants and Contributions		Governmental Activities	Business-type Activities	
Primary Government:								
Governmental activities:								
General government	\$ 2,521,729	\$ 532,488	\$ 57,206	\$ -	\$ (1,932,035)	\$ -	\$ -	\$ (1,932,035)
Land use	808,734	217,172	-	-	(591,562)	-	-	(591,562)
Finance and taxation	971,491	-	-	-	(971,491)	-	-	(971,491)
Regional services	257,475	-	-	-	(257,475)	-	-	(257,475)
Human services	266,374	-	3,105	-	(263,269)	-	-	(263,269)
Public works	3,615,244	7,200	116,595	2,137,886	(1,353,563)	-	-	(1,353,563)
Public safety	6,570,991	506,941	32,107	-	(6,031,943)	-	-	(6,031,943)
Recreation and leisure	1,418,325	447,659	-	1,077,397	106,731	-	-	106,731
Human resources	714,627	-	-	-	(714,627)	-	-	(714,627)
Library	604,174	16,500	8,750	-	(578,924)	-	-	(578,924)
Education	40,949,902	908,134	6,000,744	902,881	(33,138,143)	-	-	(33,138,143)
Interest on long-term debt	1,668,670	-	-	-	(1,668,670)	-	-	(1,668,670)
Total governmental activities	60,367,736	2,636,094	6,218,507	4,118,164	(47,394,971)	-	-	(47,394,971)
Business-type activities								
Water Pollution Control Authority	1,027,904	5,240,464	-	1,110,699	-	5,323,259	-	5,323,259
Total primary government	\$ 61,395,640	\$ 7,876,558	\$ 6,218,507	\$ 5,228,863	(47,394,971)	5,323,259	-	(42,071,712)
General revenues:								
Property taxes, levied for general purposes					47,940,182	-	-	47,940,182
Grants and contributions not restricted to specific programs					341,533	-	-	341,533
Unrestricted investment earnings					182,366	6,042	-	188,408
Total general revenues					48,464,081	6,042	-	48,470,123
Transfers					(1,701,171)	1,701,171	-	-
Total general revenues and transfers					46,762,910	1,707,213	-	48,470,123
Change in net assets					(632,061)	7,030,472	-	6,398,411
Net assets - beginning, as originally reported					32,487,872	1,904,075	-	34,391,947
Adjustments (see Note 14)					(3,536,625)	3,951,740	-	415,115
Net assets - beginning, as adjusted					28,951,247	5,855,815	-	34,807,062
Net assets - ending					\$ 28,319,186	\$ 12,886,287	\$ -	\$ 41,205,473

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

TOWN OF BROOKFIELD, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	<u>General Fund</u>	<u>Bonded Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 6,575,587	\$ 598,857	\$ 688,570	\$ 7,863,014
Investments	166,133	1,118	350,739	517,990
Receivables:				
Property taxes, net of allowance for doubtful accounts of \$54,000	689,617	-	-	689,617
Grants and contracts	105,000	1,189,977	106,361	1,401,338
Other	68,748	-	137,912	206,660
Due from other funds	5,681,989	4,234,507	1,940,350	11,856,846
Inventories	-	-	3,657	3,657
Total assets	<u>\$ 13,287,074</u>	<u>\$ 6,024,459</u>	<u>\$ 3,227,589</u>	<u>\$ 22,539,122</u>
LIABILITIES AND FUND BALANCES (DEFICIT)				
Liabilities:				
Accounts payable	\$ 199,401	\$ 1,745,375	\$ 247,185	\$ 2,191,961
Notes payable	-	582,372	-	582,372
Accrued liabilities:				
Salaries and benefits payable	217,972	-	-	217,972
Other accrued liabilities	85,776	-	-	85,776
Due to other funds	7,766,551	5,016,874	597,938	13,381,363
Unearned/deferred revenue	689,617	-	222,995	912,612
Total liabilities	<u>8,959,317</u>	<u>7,344,621</u>	<u>1,068,118</u>	<u>17,372,056</u>
Fund Balances (deficit):				
Reserved for:				
Inventory	-	-	3,657	3,657
Unreserved	4,327,757	(1,320,162)	-	3,007,595
Unreserved, reported in nonmajor:				
Special revenue funds	-	-	1,659,977	1,659,977
Capital project fund	-	-	495,837	495,837
Total fund balances (deficit)	<u>4,327,757</u>	<u>(1,320,162)</u>	<u>2,159,471</u>	<u>5,167,066</u>
Total liabilities and fund balances (deficit)	<u>\$ 13,287,074</u>	<u>\$ 6,024,459</u>	<u>\$ 3,227,589</u>	<u>\$ 22,539,122</u>

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

TOWN OF BROOKFIELD, CONNECTICUT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010

Total fund balances (deficit) for governmental funds		\$ 5,167,066
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:		
Land	\$ 10,424,573	
Construction in progress	38,197,176	
Buildings and improvements	30,825,334	
Infrastructure	9,910,637	
Machinery and equipment	3,578,160	
Vehicles	3,520,096	
Less accumulated depreciation and amortization	<u>(25,974,203)</u>	
Total capital assets, net		70,481,773
Accrued interest on property taxes are not susceptible to accrual and therefore are not reported in the funds.		
		142,222
School construction grants receivable from the State of Connecticut are not susceptible to accrual and are therefore not reported in the funds.		
		702,818
Some of the Town's taxes will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds.		
		689,617
Long term assessments payable to the WPCA are not susceptible to accrual and therefore are not reported in the funds.		
		(535,368)
Bond anticipation notes payable financed with general obligation bonds subsequent to year end are reported as other financing sources in the fund financial statements.		
		(8,705,000)
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets.		
Accrued interest payable	(209,329)	
Long-term debt:		
Bonds and notes payable	(30,760,745)	
Obligations under capital lease	(428,725)	
Net OPEB obligation	(5,215,556)	
Net pension obligation	(2,691,409)	
Other long-term liabilities:		
Compensated absences	<u>(718,178)</u>	
Total long-term liabilities		(40,023,942)
An internal service fund is used by the Town to charge the cost of risk management activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		
		<u>400,000</u>
Net assets of governmental activities		<u>\$ 28,319,186</u>

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

TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>General Fund</u>	<u>Bonded Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 47,963,413	\$ -	\$ -	\$ 47,963,413
Interest and lien fees	217,374	-	-	217,374
Intergovernmental	4,975,659	2,965,654	2,697,743	10,639,056
Charges for services	670,454	-	1,814,517	2,484,971
Donations	-	-	33,742	33,742
Investment earnings	142,637	-	39,729	182,366
Miscellaneous	129,184	547	152,050	281,781
Total revenues	<u>54,098,721</u>	<u>2,966,201</u>	<u>4,737,781</u>	<u>61,802,703</u>
EXPENDITURES				
Current:				
General government	532,986	-	78,764	611,750
Land use	559,896	-	-	559,896
Finance and taxation	710,430	-	-	710,430
Regional services	257,475	-	-	257,475
Human services	162,381	-	23,761	186,142
Public works	2,408,388	-	-	2,408,388
Public safety	3,588,659	-	323,137	3,911,796
Recreation and leisure	576,621	-	454,909	1,031,530
Human resources	3,203,006	-	-	3,203,006
Library	-	-	566,674	566,674
Education	36,461,447	-	2,879,082	39,340,529
Debt service:				
Principal payments	2,917,214	-	-	2,917,214
Interest and fiscal charges	1,623,201	59,629	-	1,682,830
Capital outlays	-	5,327,516	1,324,855	6,652,371
Total expenditures	<u>53,001,704</u>	<u>5,387,145</u>	<u>5,651,182</u>	<u>64,040,031</u>
Excess (deficiency) of revenues over expenditures	1,097,017	(2,420,944)	(913,401)	(2,237,328)
OTHER FINANCING SOURCES (USES)				
Bond anticipation note payable	-	8,705,000	-	8,705,000
Note payable	-	-	190,505	190,505
Transfers in	2,316,104	626,216	1,342,403	4,284,723
Transfers out	(1,193,301)	(1,701,171)	(2,589,719)	(5,484,191)
Total other financing sources (uses)	<u>1,122,803</u>	<u>7,630,045</u>	<u>(1,056,811)</u>	<u>7,696,037</u>
Net change in fund balances	2,219,820	5,209,101	(1,970,212)	5,458,709
Fund balances (deficit) - beginning, as originally reported	2,427,650	(10,536,263)	5,025,480	(2,174,108)
Adjustments (<i>see Note 14</i>)	(319,713)	4,007,000	(895,797)	1,882,465
Fund balances (deficit) - beginning, as adjusted	<u>2,107,937</u>	<u>(6,529,263)</u>	<u>4,129,683</u>	<u>(291,643)</u>
Fund balances (deficit) - ending	<u>\$ 4,327,757</u>	<u>\$ (1,320,162)</u>	<u>\$ 2,159,471</u>	<u>\$ 5,167,066</u>

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

TOWN OF BROOKFIELD, CONNECTICUT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Net change in fund balances (deficit) - total governmental funds \$ 5,458,709

Total change in net assets reported for governmental activities in the statement of activities is different because:

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

Expenditures for capital assets	\$ 5,835,385	
Depreciation and amortization expense	<u>(1,270,154)</u>	
Net adjustment		4,565,231

In the statement of activities, only the gain (loss) on the sale of capital assets is reported whereas the proceeds from the sale increase financial resources in the governmental funds. (47,209)

Interest on property taxes receivable are not susceptible to accrual and therefore are only reported as revenue in the funds when the cash is received by the Town. The change in interest receivable during the year reduced revenues recognized in the funds. (39,493)

Intergovernmental revenue on school construction grants is not susceptible to accrual and therefore is only reported as revenue in the funds when the cash is received by the Town. In the government-wide financial statements, the cash received reduces the grant receivable recognized in the government-wide statement of net assets. (200,811)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. The net effect of these differences in the treatment of long-term obligations is as follows:

Debt issued or incurred:		
Bond anticipation notes payable refinanced subsequent to year end	\$ (8,705,000)	
Note payable	(190,505)	
Principal repayments:		
Bonds payable	2,610,000	
Obligations under capital lease	<u>307,214</u>	
Net adjustment		(5,978,291)

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

TOWN OF BROOKFIELD, CONNECTICUT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES *(Continued)*
FOR THE YEAR ENDED JUNE 30, 2010

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The net effect of such items is as follows:

Compensated absences	\$	(12,819)	
Accrued interest		14,160	
Net pension obligation		(1,195,742)	
Net OPEB obligation		(2,568,540)	
			\$ (3,762,941)

Certain revenues reported in the statement of activities do not provide current financial resources and therefore are reported as deferred revenues in governmental funds. This amount represents the change in deferred revenue. (125,553)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of a certain internal service fund is reported with governmental activities. (501,703)

Change in net assets of governmental activities \$ (632,061)

**TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 47,758,279	\$ 48,158,279	\$ 47,963,413	\$ (194,866)
Intergovernmental	2,270,694	2,311,103	2,349,695	38,592
Charges for services	835,000	635,000	670,454	35,454
Interest and lien fees	180,000	180,000	217,374	37,374
Investment earnings	375,000	175,000	142,637	(32,363)
Miscellaneous	82,500	82,500	120,293	37,793
Total revenues	<u>51,501,473</u>	<u>51,541,882</u>	<u>51,463,866</u>	<u>(78,016)</u>
EXPENDITURES				
Current:				
General government	589,024	585,024	532,986	(52,038)
Land use	559,260	560,260	559,896	(364)
Finance and taxation	715,533	718,533	710,430	(8,103)
Regional services	258,957	258,957	257,475	(1,482)
Human resources	3,010,183	3,230,183	3,203,006	(27,177)
Public works	2,259,276	2,425,385	2,408,388	(16,997)
Public safety	3,605,186	3,605,186	3,588,659	(16,527)
Recreation and leisure	580,247	584,747	584,621	(126)
Social services	166,714	162,514	162,381	(133)
Education	34,007,575	34,007,575	33,940,184	(67,391)
Miscellaneous	270,000	-	-	-
Debt service	4,477,932	4,477,932	4,426,823	(51,109)
Total expenditures	<u>50,499,887</u>	<u>50,616,296</u>	<u>50,374,849</u>	<u>(241,447)</u>
Excess of revenues over expenditures	1,001,586	925,586	1,089,017	163,431
OTHER FINANCING SOURCES (USES)				
Appropriation of fund balance	-	184,000	-	(184,000)
Transfers in	-	76,000	2,316,104	2,240,104
Transfers out	(1,001,586)	(1,185,586)	(1,185,301)	(285)
Total other financing sources (uses)	<u>(1,001,586)</u>	<u>(925,586)</u>	<u>1,130,803</u>	<u>2,055,819</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	2,219,820	<u>\$ 2,219,250</u>
Fund balance - beginning, as originally reported			2,427,650	
Adjustment (see Note 14)			<u>(319,713)</u>	
Fund balance - beginning, as adjusted			2,107,937	
Fund balance - ending			<u>\$ 4,327,757</u>	

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

TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF NET ASSETS -
PROPRIETARY FUNDS
JUNE 30, 2010

	Governmental Activities	Business-type Activities
	Internal Service Fund - Risk Manage- ment Fund	Water Pollution Control Authority
ASSETS		
Current assets:		
Cash and cash equivalents	\$ -	\$ 445,812
Receivables:		
User charges	-	44,419
Assessments	-	436,155
Interest and fees	-	30,197
Outlet capacity charges	-	72,687
Intergovernmental	-	1,110,699
Other	-	13,143
Due from other funds	400,000	402,848
Total current assets	400,000	2,555,960
Noncurrent assets:		
Restricted cash and cash equivalents	-	1,758,244
Due from other funds	-	535,368
Receivables:		
Assessments, less current portion	-	5,313,373
Outlet capacity charges, less current portion	-	248,476
Capital assets:		
Depreciable, net	-	8,850,562
Total noncurrent assets	-	16,706,023
Total assets	400,000	19,261,983
LIABILITIES		
Current liabilities:		
Due to other funds	-	59,677
Bond anticipation note payable	-	3,600,000
Accrued liabilities:		
Accrued interest	-	23,111
Other	-	200,151
Unearned revenue	-	160,463
Bonds and note payable - current	-	287,749
Compensated absences - current	-	2,000
Total current liabilities	-	4,333,151
Non-current liabilities:		
Permanent maintenance deposits	-	172,562
Bonds and note payable	-	1,857,359
Compensated absences	-	12,624
Total non-current liabilities	-	2,042,545
Total liabilities	-	6,375,696
NET ASSETS		
Invested in capital assets, net of related debt	-	3,105,454
Restricted	-	1,585,682
Unrestricted	400,000	8,195,151
Total net assets	\$ 400,000	\$ 12,886,287

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

**TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
	<u>Internal Service Fund - Risk Manage- ment Fund</u>	<u>Water Pollution Control Authority</u>
OPERATING REVENUES		
Charges for services	\$ -	\$ 5,234,124
Intergovernmental	-	1,110,699
Other income	-	6,340
Total operating revenues	<u>-</u>	<u>6,351,163</u>
OPERATING EXPENSES		
Personnel services	-	355,213
Capacity charges	-	205,688
Depreciation	-	102,247
Professional services	-	98,081
Utilities	-	47,816
Equipment, repairs and maintenance	-	60,070
Administration	-	26,656
Office supplies	-	8,278
Total operating expenses	<u>-</u>	<u>904,049</u>
Operating income	-	5,447,114
NON-OPERATING INCOME (EXPENSE)		
Interest income	-	6,042
Interest expense	-	(123,855)
Total non-operating expense	<u>-</u>	<u>(117,813)</u>
Change in net assets before transfers	-	5,329,301
Transfer in	-	1,701,171
Transfer out	(501,703)	-
Change in net assets	<u>(501,703)</u>	<u>7,030,472</u>
Net assets - beginning, as originally reported	901,703	1,904,075
Adjustments (see Note 14)	<u>-</u>	<u>3,951,740</u>
Net assets - beginning, as adjusted	<u>901,703</u>	<u>5,855,815</u>
Net assets - ending	<u>\$ 400,000</u>	<u>\$ 12,886,287</u>

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

TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Governmental Activities	Business-type Activities
	Internal Service Fund - Risk Manage- ment Fund	Water Pollution Control Authority
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received for the following:		
Charges for services	\$ -	\$ 1,718,218
Other income	-	4,503
Cash paid for the following:		
Personnel services	-	(353,224)
Capacity charges	-	(132,860)
Professional services	-	(98,081)
Utilities	-	(47,816)
Equipment, repairs and maintenance	-	(41,894)
Administration	-	(26,656)
Office supplies	-	(8,278)
Net cash provided by operating activities	-	1,013,912
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Decrease in due from other funds, net	501,703	468,834
Transfer out	(501,703)	-
Net cash provided by financing activities	-	468,834
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Interest paid on capital debt	-	(125,072)
Principal paid on capital debt	-	(307,626)
Net cash used in capital and related financial activities	-	(432,698)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	-	6,042
Net cash provided by investing activities	-	6,042
Net increase in cash and cash equivalents	-	1,056,090
Cash and cash equivalents, beginning of year	-	1,147,966
Cash and cash equivalents, end of year	\$ -	\$ 2,204,056
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ -	\$ 5,447,114
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	-	102,247
Changes in assets and liabilities:		
Increase in other liabilities	-	169,676
Increase in unearned revenue	-	124,598
Decrease in user charges receivable	-	53,898
Decrease in outlet capacity charges receivable	-	48,667
Increase in performance maintenance deposits	-	9,018
Increase in interest and fees receivable	-	(1,919)
Increase in other receivables	-	(10,855)
Decrease in accounts payable	-	(20,398)
Increase in intergovernmental receivable	-	(1,110,699)
Increase in assessments receivable	-	(3,797,435)
Net cash provided by operating activities	\$ -	\$ 1,013,912
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Increase in depreciable capital assets through transfer in	\$ -	\$ 1,701,171

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

**TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2009 AND JUNE 30, 2010**

	December 31, 2009	June 30, 2010	
	Pension Trust Fund - Town of Brookfield Pension Plan	Private Purpose Trust Fund - Raymond Waidelich Scholarship Fund	Agency Funds
ASSETS			
Cash and cash equivalents	\$ 3,975	\$ -	\$ 453,904
Due from other funds	-	-	788,846
Investments:			
Corporate bonds	6,997,295	-	-
Common stocks	4,147,017	-	-
Mortgage backed securities	8,040,587	-	-
Real estate investment trusts	1,331,010	-	-
U.S. Agencies	53,531	-	-
U.S. Treasuries	2,940,304	-	-
Asset backed securities	822,952	-	-
Money market mutual funds	1,053,532	-	-
Accounts receivable:			
Plan member contributions	248,037	-	-
Other	-	161,701	-
Accrued income receivable	168,699	-	-
Total assets	<u>25,806,939</u>	<u>161,701</u>	<u>\$ 1,242,750</u>
LIABILITIES			
Accounts payable	271,769	-	-
Due to others	-	-	1,242,750
Due to other funds	-	7,500	-
Total liabilities	<u>271,769</u>	<u>7,500</u>	<u>\$ 1,242,750</u>
NET ASSETS			
Held in trust for pension benefits and other purposes	<u>\$ 25,535,170</u>	<u>\$ 154,201</u>	

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

TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2009
AND JUNE 30, 2010

	<u>December 31, 2009</u>	<u>June 30, 2010</u>
	Pension Trust Fund - Town of Brookfield Pension Plan	Private Purpose Trust Fund - Raymond Waidelich Scholarship Fund
ADDITIONS		
Contributions:		
Employer	\$ 495,547	\$ -
Plan members	305,268	-
Total contributions	<u>800,815</u>	<u>-</u>
Investment earnings:		
Interest	1,137,836	7,382
Net increase in the fair value of investments	<u>3,492,004</u>	<u>21,741</u>
Total investment earnings	4,629,840	29,123
Less: investment expense	88,934	1,793
Net investment earnings	<u>4,540,906</u>	<u>27,330</u>
Total additions	<u>5,341,721</u>	<u>27,330</u>
DEDUCTIONS		
Benefit payments	1,021,278	-
Administrative expenses	2,550	-
Awards expense	-	2,750
Total deductions	<u>1,023,828</u>	<u>2,750</u>
Change in net assets	4,317,893	24,580
Net assets - beginning, as originally reported	21,316,530	129,621
Adjustment (<i>see Note 14</i>)	<u>(99,253)</u>	<u>-</u>
Net assets - beginning, as adjusted	<u>21,217,277</u>	<u>129,621</u>
Net assets - ending	<u>\$ 25,535,170</u>	<u>\$ 154,201</u>

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

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Brookfield, Connecticut (the "Town") conform to accounting principles generally accepted in the United States of America, as applicable to governmental organizations. The following is a summary of significant accounting policies:

FINANCIAL REPORTING ENTITY

The Town of Brookfield, Connecticut was settled in 1788 and adopted its original charter in 1975. The Town operates under a Board of Selectmen and Board of Finance form of government and provides the following services as authorized by its charter: public safety, public works, recreation and leisure, education encompassing grades K-12, human and regional services, a free public library, water and sewers, and miscellaneous programs not included in the above.

The Town administers the Town of Brookfield Pension Plan (the "Plan") which is a single employer, contributory, defined benefit plan. Per the plan document as adopted on July 1, 1968 and as amended on January 1, 1994, the plan has a calendar fiscal year end. The Plan does not issue stand-alone financial statements and is part of the Town's financial reporting entity. As such, balances of the Plan as of and for the year ended December 31, 2009, the Plan's most recently completed fiscal year, are accounted for in the fiduciary fund financial statements as a pension trust fund. The Plan is discussed more fully in Note 10.

The basic financial statements of the reporting entity include only the funds of the Town (the primary government) as no component units exist based on operational or financial relationships with the Town.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the Town and include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. The statements are intended to distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net assets presents the Town's non-fiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

Invested in capital assets, net of related debt - This category consists of capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of capital assets.

Restricted net assets - This category consists of net assets whose use is restricted either through external restrictions imposed by creditors, grantors, contributors, and the like, or through restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets - This category consists of net assets which do not meet the definition of the two preceding categories.

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

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

Government-wide Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Fund Financial Statements

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds and enterprise funds, each displayed in a separate column. All remaining governmental funds and enterprise funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

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

Bonded Projects Fund - This fund is used to account for the revenues and expenditures related to significant capital projects funded by general obligation bonded debt.

The Town reports the following major enterprise fund:

Water Pollution Control Authority - This fund is used to account for revenues and expenses associated with the sewer collection and processing services for the Town's residences and businesses.

In addition, the Town reports the following fund types:

Internal Service Fund (proprietary) - This fund accounts for activities that provide goods or services to other funds, departments, or agencies of the Town on a cost-reimbursement basis. The Town utilizes an internal service fund to account for risk management activities as permitted by GASB Statement No. 10.

Pension Trust Funds - This fund type is used to account for resources held in trust for the members and beneficiaries of the Town of Brookfield Pension Plan, which is a defined benefit pension plan. This plan is discussed more fully in Note 10.

Private Purpose Trust Funds - This fund type is used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The Town utilizes a private purpose trust fund to account for activities of the Raymond Waidelich Scholarship Fund.

Agency Funds - These funds are used to account for resources held by the Town in a purely custodial capacity. The Town utilizes these funds to account for assets of the student activities funds and the performance bonds fund. The student activities funds account for monies generated by student activities in the Town's school system. The performance bonds fund accounts for monies received to ensure that driveways and lawns are installed to correct specifications for new home construction.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-wide, Proprietary and Fiduciary Fund Financial Statements

The government-wide, proprietary, and fiduciary fund financial statements (except for Agency Funds) are prepared using the economic resources measurement focus and the accrual basis of accounting. Agency Funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connections with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise fund consist of charges to customers for services relating to sewer usage. Operating expenses of the Town's enterprise fund consist of salaries and employee benefits, utilities, maintenance and repairs, supplies and administrative expense, processing expense and depreciation of capital assets. The principal operating revenues of the Town's internal service fund consist of charges for services. Operating expenses of the Town's internal service fund consist of claims incurred and administrative expenses. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Accounting and financial reporting for governmental and business-type activities and proprietary funds is based on all applicable Governmental Accounting Standards Board ("GASB") pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements:

- a. Financial Accounting Standards Board ("FASB") Statements and Interpretations;
- b. Accounting Principles Board Opinions;
- c. Accounting Research Bulletins of the Committee on Accounting Procedure.

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Town may also apply FASB pronouncements issued after November 30, 1989 to business-type activities and enterprise funds, unless these pronouncements conflict with or contradict GASB pronouncements. The Town has elected not to follow subsequent private-sector pronouncements.

Governmental Fund Financial Statements

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are susceptible to accrual, that is, when they are both measurable and available. Revenues are considered to be available if they are collected 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 period. Property taxes, grants and contracts, and interest associated with the current period are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when the cash is received by the Town. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ASSETS, LIABILITIES AND FUND EQUITY

Cash Equivalents

Cash and cash equivalents include short-term, highly liquid investments with original maturities of three months or less when purchased.

Investments

In accordance with Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the Town presents all investments at fair value.

Inventories

Inventories are reported at cost using the first-in first-out (FIFO) method, except for USDA donated commodities, which are recorded at market value. Inventories are recorded as expenditures when consumed rather than when purchased.

Restricted Cash and Cash Equivalents

Restricted cash consists of amounts held in escrow in accordance with permanent maintenance agreements executed with certain property owners in the Town. The funds may only be disbursed in accordance with the permanent maintenance agreements. In addition, restrictions have been placed on certain cash and cash equivalent balances for outlet capacity and other maintenance related expenditures.

Property Taxes, Sewer Assessment and Usage Charges

Property taxes are assessed as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and January 1. Personal property and motor vehicle taxes are billed in July and are due in one installment, July 1. Liens are effective on the assessment date and are continued by filing before the end of the year following the due date. Based on historical collection experience and other factors, the Town has established an allowance for uncollectible taxes of \$54,000 as of June 30, 2010.

Upon completion of projects, sewer assessments are levied and assessed to the users each December. Usage charges are billed quarterly. Assessments and user charges are due and payable within thirty days and delinquent amounts are subject to interest at prevailing rates. Liens are filed on all properties until the assessment is paid in full.

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets placed in service prior to June 30, 1980 (e.g. roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$20,000 for infrastructure assets and more than \$5,000 for all other assets. Such assets are recorded at historical cost, or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of a capital asset or materially extend capital asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ASSETS, LIABILITIES AND FUND EQUITY (Continued)

Capital Assets (Continued)

Capital assets of the Town are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	50
Infrastructure	12 - 100
Machinery and equipment	5 - 25
Vehicles	5 - 20

Capital assets acquired under capital lease are amortized over the life of the lease term or estimated useful life of the asset, as applicable.

Unearned/Deferred Revenue

In the government-wide and fund financial statements, this liability represents resources that have been received but not yet earned. In the fund financial statements, this liability also represents revenues considered measurable but not available during the current period.

Compensated Absences

Under the terms of various union contracts, non-certified and certified Board of Education employees may accumulate and vest in 100 to 180 days of sick time after 12 years of continuous service. Upon termination, these employees receive from \$25 up to \$60 per day of accumulated sick time. Vacation time for Board of Education employees must be used during the fiscal year and cannot be carried over. However, there may be an occasional exception to this policy based upon the terms of a specific individual's contract.

Town employees earn vacation time based upon years of service and under the terms of various union contracts. Police officers earn vacation based on each anniversary date. A maximum of five days may be carried over, but it must be used within the first three months of the new anniversary year. All other Town employees earn vacation based on a calendar year. A maximum of five days may be carried over, but it must be used within the first six months of the new calendar year.

All compensated absences are accrued when incurred in the government-wide, proprietary fund and fiduciary fund financial statements. Expenditures for compensated absences are recognized in the governmental fund financial statements in the current year to the extent they have matured (i.e. due to resignation or retirement).

Long-term Obligations

In the government-wide financial statements and proprietary 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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges.

In the fund financial statements, governmental funds 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 BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ASSETS, LIABILITIES AND FUND EQUITY (Continued)

Fund Equity

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

INTERFUND ACTIVITIES

Interfund activities are reported as follows:

Interfund Receivables and Payables

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

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

Interfund Services Provided and Used

Sales and purchases of goods and services between funds for a price approximating their external exchange value are reported as revenues and expenditures, or expenses, in the applicable funds.

Interfund Transfers

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after non-operating revenues and expenses.

Interfund Reimbursements

Interfund reimbursements represent repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

USE OF 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 and disclosures in the financial statements. Actual results could differ from those estimates.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 2 - BUDGETARY INFORMATION AND DEFICIT FUND BALANCES

BUDGETARY INFORMATION

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements.

- On the first Tuesday in May, the Board of Finance submits a proposed operating budget for the fiscal year commencing July 1 to a Town Meeting, at which taxpayer comments are obtained. The operating budget includes proposed expenditures and the means of financing them.
- Prior to July 1, the budget is legally adopted by a vote of the annual Town Meeting.
- Expenditures are budgeted by function, department and object. The legal level of budgetary control, the level at which expenditures may not exceed appropriations, is established by function and department. Transfers of budgeted amounts between departments must be approved by the Board of Finance. Management may transfer amounts between line items within a department. The Board of Finance may approve additional appropriations for a department, provided such additional appropriations do not exceed, in the aggregate in any one year, the lesser of ten percent of the amount originally appropriated or \$20,000, provided that the aggregate sum of all additional appropriations may not exceed one percent of the total original annual appropriation. Appropriations in excess of the amount which the Board of Finance may approve must be approved by vote of a Town Meeting. Additional appropriations from fund balance totaling \$184,000 were approved during the year ended June 30, 2010.
- Formal budgetary integration is employed as a management control device during the year.
- The budget is prepared on the modified accrual basis of accounting. "On behalf" payments made by the State of Connecticut into the State Teacher's Retirement System (*see Note 10*) are not recorded for budgetary purposes.
- 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 of the current year.
- All unexpended appropriations lapse at year-end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 2 - BUDGETARY INFORMATION AND DEFICIT FUND BALANCES (Continued)

BUDGETARY INFORMATION (Continued)

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP basis"). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2010:

	<u>Total Revenues</u>	<u>Total Expenditures</u>	<u>Other Financing Sources - Transfers, Net</u>	<u>Net Change in Fund Balance</u>
Budgetary basis	\$ 51,463,866	\$ 50,374,849	\$ 1,130,803	\$ 2,219,820
"On-behalf" payments - State Teachers Retirement Fund (see Note 10)	2,634,855	2,634,855	-	-
Certain transfers recorded as expenditures for budgetary purposes	-	(8,000)	(8,000)	-
GAAP basis	<u>\$ 54,098,721</u>	<u>\$ 53,001,704</u>	<u>\$ 1,122,803</u>	<u>\$ 2,219,820</u>

DEFICIT FUND BALANCES

The following funds have deficit fund balances as of June 30, 2010, which does not constitute a violation of statutory provisions:

<u>Fund</u>	<u>Amount</u>
Bonded Projects Fund	\$ 1,320,162
Cafeteria Fund	3,415

The deficit in the Bonded Projects Fund will be funded through the issuance of additional long term debt. The deficit in the Cafeteria Fund will be funded through future charges for services.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 3 - CASH DEPOSITS AND INVESTMENTS

A reconciliation of the Town's cash and cash equivalents as of June 30, 2010 is as follows:

Government-wide statement of net assets:

Unrestricted:

Cash and cash equivalents	\$ 8,308,826
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Restricted:

Cash and cash equivalents	1,758,244
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10,067,070

Statement of fiduciary net assets:

Cash and cash equivalents - Agency Funds	453,904
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Cash and cash equivalents - Pension Trust Fund	3,975
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457,879

\$ 10,524,949

CASH DEPOSITS – CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2010, \$9,388,674 of the Town's bank balance of \$11,657,720 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 3,194,884
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Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the Town's name	6,193,790
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\$ 9,388,674

All of the Town's deposits were in qualified public institutions as defined by Connecticut state statute. Under this statute, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (Continued)

INVESTMENTS

As of June 30, 2010, the Town's investments consisted of the following:

Investments (except Pension Trust Funds)					
Investment type	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
Debt Securities:					
Money Market Mutual Funds	\$ 167,251	\$ 167,251	\$ -	\$ -	\$ -
Other investments:					
Equity Securities	350,739				
Total	<u>\$ 517,990</u>				

Because the money market mutual funds had weighted average maturities of less than 90 days, they were presented as investments with maturities of less than one year.

In accordance with GASB Statement No. 40 *Deposit and Investment Risk Disclosures*, the Town has separately disclosed its Pension Trust Fund investments, as these investments have greater risk exposures than the Town's investments.

As of June 30, 2010, the Pension Trust Fund investments consisted of the following:

Pension Trust Fund					
Investment type	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
Debt Securities:					
Asset backed securities	\$ 822,952	\$ -	\$ -	\$ -	\$ 822,952
Corporate bonds	6,997,295	298,980	1,681,922	3,620,149	1,396,244
Mortgage backed securities	8,040,587	-	22,897	852,263	7,165,427
Real Estate Investment Trusts	1,331,010	149,470	801,148	380,392	-
U.S. Agencies	53,531	53,531	-	-	-
U.S. Treasuries	2,940,304	-	1,591,286	1,284,012	65,006
Money market mutual funds	1,053,532	1,053,532	-	-	-
	21,239,211	<u>\$ 1,555,513</u>	<u>\$ 4,097,253</u>	<u>\$ 6,136,816</u>	<u>\$ 9,449,629</u>
Other investments:					
Equity securities	4,147,017				
Total	<u>\$ 25,386,228</u>				

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (Continued)

INVESTMENTS (Continued)

Interest Rate Risk

The Town does not have a formal investment policy that limits Town investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the Pension Trust Fund investments are subject to guidelines as set forth by the Town to the investment manager, which provide for a maximum of 20% of total investments in cash, 20% in equity securities and 60% in asset backed securities, corporate bonds, mortgage backed securities, U.S. Agencies and U.S. Treasuries.

Credit Risk

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut state statutes. Connecticut state statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. The Pension Trust Funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee, with the care of a prudent investor.

The Town's investments in debt securities were unrated at June 30, 2010.

The Pension Trust Fund investments in debt securities, whose ratings are required to be disclosed in accordance with GASB No. 40, were rated by Standard & Poor's as follows at June 30, 2010:

Pension Trust Funds						
Standard & Poor's	Asset Backed Securities	Corporate Bonds	Mortgage Backed Securities	Money Market Mutual Funds	Real Estate Investment Trusts	Total Fair Value
AAA	\$ 822,952	\$ 3,568,620	\$ 7,236,777	\$ -	\$ 1,331,010	\$ 12,959,359
AA	-	349,865	-	-	-	349,865
A	-	629,757	-	-	-	629,757
BBB	-	2,029,216	-	-	-	2,029,216
BB	-	349,865	-	-	-	349,865
B	-	69,973	-	-	-	69,973
Unrated	-	-	-	1,053,532	-	1,053,532
Total	<u>\$ 822,952</u>	<u>\$ 6,997,295</u>	<u>\$ 7,236,777</u>	<u>\$ 1,053,532</u>	<u>\$ 1,331,010</u>	<u>\$ 17,441,566</u>

No credit risk disclosures are required under GASB Statement No. 40 relating to the Pension Trust Fund investments in U.S. Treasuries and U.S. Agencies. In addition, mortgage backed securities explicitly guaranteed by the U.S. government totaling \$803,810 have been excluded from the above disclosure.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (Continued)

INVESTMENTS (Continued)

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Town or Pension Trust Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's and Pension Trust Fund's investments are not exposed to custodial credit risk at June 30, 2010, as they are held by a trustee in the Town's name.

Concentrations of Credit Risk

The Town places no limit on the amount of investment in any one issuer. More than 5 percent of the Town's investments are in money market funds and equity securities. These investments represent 32% and 68% of the Town's total investments, respectively. Although the total portfolio in these investments exceeds 5%, the following represents the only individual holding which exceeded 5% of the Town's total investments:

Investment Type	Issuer	Fair Value
Equity Security	Wellpoint	\$ 105,297

The Pension Trust Fund investments in U.S. Agencies and U.S. Treasuries are not exposed to concentrations of credit risk. However, more than 5 percent of the Pension Trust Fund investments are in corporate bonds, mortgage backed securities, Real Estate Investment Trusts, and equity securities. These investments represent 28%, 32%, 5% and 16%, respectively, of the Pension Trust Fund total investments. Although the total portfolio in these investments exceeds 5%, no individual holding within these categories exceeded 5% of the Pension Trust Fund total investments.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 consisted of the following:

	Beginning Balance	Adjustment (See Note 14)	Increases	Decreases	Ending Balance
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 9,619,220	\$ -	\$ 805,353	\$ -	\$ 10,424,573
Construction in progress	37,687,457	(3,653,082)	4,162,801	-	38,197,176
Total capital assets, not being depreciated	47,306,677	(3,653,082)	4,968,154	-	48,621,749
Capital assets, being depreciated:					
Buildings and improvements	30,983,494	(158,160)	-	-	30,825,334
Infrastructure	13,546,884	(4,216,373)	580,126	-	9,910,637
Machinery and equipment	3,971,956	(585,300)	191,504	-	3,578,160
Vehicles	3,938,504	(53,056)	95,601	(460,953)	3,520,096
Total capital assets, being depreciated	52,440,838	(5,012,889)	867,231	(460,953)	47,834,227
Less accumulated depreciation and amortization for:					
Buildings and improvements	13,880,478	(57,737)	597,141	-	14,419,882
Infrastructure	8,060,503	(921,398)	140,234	-	7,279,339
Machinery and equipment	2,418,292	(425,325)	311,124	-	2,304,091
Vehicles	2,172,853	(9,873)	221,655	(413,744)	1,970,891
Total accumulated depreciation and amortization	26,532,126	(1,414,333)	1,270,154	(413,744)	25,974,203
Total capital assets, being depreciated, net	25,908,712	(3,598,556)	(402,923)	(47,209)	21,860,024
Governmental activities capital assets, net	\$ 73,215,389	\$ (7,251,638)	\$ 4,565,231	\$ (47,209)	\$ 70,481,773

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 4 - CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Adjustment (See Note 14)</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type Activities					
Capital assets, not being depreciated:					
Construction in progress	\$ -	\$ 3,653,082	\$ 1,701,171	\$ (5,354,253)	\$ -
Total capital assets, not being depreciated	<u>-</u>	<u>3,653,082</u>	<u>1,701,171</u>	<u>(5,354,253)</u>	<u>-</u>
Capital assets, being depreciated:					
Buildings and improvements	-	158,160	-	-	158,160
Infrastructure	-	4,216,373	5,354,253	-	9,570,626
Machinery and equipment	-	585,300	-	-	585,300
Vehicles	-	53,056	-	-	53,056
Total capital assets, being depreciated	<u>-</u>	<u>5,012,889</u>	<u>5,354,253</u>	<u>-</u>	<u>10,367,142</u>
Less accumulated depreciation and amortization for:					
Buildings and improvements	-	57,737	3,163	-	60,900
Infrastructure	-	921,398	68,935	-	990,333
Machinery and equipment	-	425,325	25,347	-	450,672
Vehicles	-	9,873	4,802	-	14,675
Total accumulated depreciation and amortization	<u>-</u>	<u>1,414,333</u>	<u>102,247</u>	<u>-</u>	<u>1,516,580</u>
Total capital assets, being depreciated, net	<u>-</u>	<u>3,598,556</u>	<u>5,252,006</u>	<u>-</u>	<u>8,850,562</u>
Business-type activities capital assets, net	<u>\$ -</u>	<u>\$ 7,251,638</u>	<u>\$ 6,953,177</u>	<u>\$ (5,354,253)</u>	<u>\$ 8,850,562</u>

Depreciation and amortization expense was charged to functions of the Town as follows:

Governmental Activities:	
General government	\$ 133,431
Human services	5,581
Public works	268,666
Public safety	247,714
Recreation and leisure	49,465
Education	565,297
Total depreciation and amortization expense - governmental activities	<u>\$ 1,270,154</u>
Business-type Activities:	
Water Pollution Control Authority	\$ 102,247
Total depreciation and amortization expense - business-type activities	<u>\$ 102,247</u>

As of June 30, 2010, the Town had authorized ongoing construction projects with unexpended amounts totaling approximately \$12 million.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2010 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental Funds:		
General Fund	Other Governmental Funds	\$ 597,938
	Bonded Projects Fund	5,016,874
	Raymond Waidelich Scholarship Fund	7,500
	Water Pollution Control Authority	59,677
		<u>5,681,989</u>
Bonded Projects Fund	General Fund	<u>4,234,507</u>
Other Governmental Funds	General Fund	1,940,350
		<u>\$ 11,856,846</u>
Proprietary Funds:		
Risk Management Fund	General Fund	\$ 400,000
Water Pollution Control Authority	General Fund	402,848
		<u>\$ 802,848</u>
Fiduciary Funds:		
Performance Bonds Fund	General Fund	<u>\$ 788,846</u>

The above balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE 6 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2010 consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Governmental Funds		
General Fund	Other Governmental Funds	\$ 1,814,401
General Fund	Risk Management Fund	501,703
		<u>2,316,104</u>
Bonded Projects Fund	General Fund	184,000
Bonded Projects Fund	Other Governmental Funds	442,216
		<u>626,216</u>
Other Governmental Funds	General Fund	1,009,301
Other Governmental Funds	Other Governmental Funds	333,102
		<u>1,342,403</u>
Total transfers		<u>\$ 4,284,723</u>
Proprietary Funds:		
Water Pollution Control Authority	Bonded Projects Fund	<u>\$ 1,701,171</u>

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 6 - INTERFUND TRANSFERS (Continued)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 7 - SHORT-TERM DEBT

In September 2009, the Town issued a \$7,305,000 general obligation bond anticipation note that bears a net interest cost of 2% and matures in September 2010. In June 2010, the Town issued a \$5,000,000 general obligation bond anticipation note that bears a net interest cost of 1% and also matures in September 2010. As discussed more fully in Note 15, the Town retired these bond anticipation notes through the issuance of general obligation bonds in September 2010. As such, these bond anticipation notes payable have been reported as other financing sources in the governmental fund financial statements.

During 2010, the State of Connecticut approved a project loan to the Town under the Drinking Water Program to finance the Silvermine Water Project. The Town has received certain advances under this loan, which is considered short term until the project is completed and a closing on the long term loan takes place.

The following is a summary of changes in short-term debt for the year ended June 30, 2010:

	<u>Beginning Balance</u>	<u>Adjustment (See Note 14)</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities					
Bond anticipation notes payable	\$ 10,745,000	\$ (3,600,000)	\$ 8,705,000	\$ (7,145,000)	\$ 8,705,000
Drinking water loans payable	-	-	582,372	-	582,372
	<u>\$ 10,745,000</u>	<u>\$ (3,600,000)</u>	<u>\$ 9,287,372</u>	<u>\$ (7,145,000)</u>	<u>\$ 9,287,372</u>
Business-type Activities					
Bond anticipation note payable	\$ -	\$ 3,600,000	\$ 3,600,000	\$ (3,600,000)	\$ 3,600,000
	<u>\$ -</u>	<u>\$ 3,600,000</u>	<u>\$ 3,600,000</u>	<u>\$ (3,600,000)</u>	<u>\$ 3,600,000</u>

NOTE 8 - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2010:

	<u>Beginning Balance</u>	<u>Adjustment (See Note 14)</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities						
General obligation bonds	\$ 35,115,000	\$ (1,934,760)	\$ -	\$ (2,610,000)	\$ 30,570,240	\$ 2,567,560
Other liabilities:						
Note payable	517,974	(517,974)	190,505	-	190,505	45,427
Capital leases	735,939	-	-	(307,214)	428,725	319,510
Compensated absences	721,972	(16,613)	12,819	-	718,178	4,000
Net pension obligation	1,495,667	-	1,195,742	-	2,691,409	-
Net OPEB obligation	2,647,016	-	2,568,540	-	5,215,556	-
	<u>\$ 41,233,568</u>	<u>\$ (2,469,347)</u>	<u>\$ 3,967,606</u>	<u>\$ (2,917,214)</u>	<u>\$ 39,814,613</u>	<u>\$ 2,936,497</u>

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 8 - LONG-TERM LIABILITIES (Continued)

	<u>Beginning Balance</u>	<u>Adjustment (See Note 14)</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type Activities						
General obligation bonds	\$ -	\$ 1,934,760	\$ -	\$ (185,000)	\$ 1,749,760	\$ 162,440
Other liabilities:						
Note payable	-	517,974	-	(122,626)	395,348	125,309
Compensated absences	-	16,613	-	(1,989)	14,624	2,000
	<u>\$ -</u>	<u>\$ 2,469,347</u>	<u>\$ -</u>	<u>\$ (309,615)</u>	<u>\$ 2,159,732</u>	<u>\$ 289,749</u>

Certain general obligation bonds and the note payable allocable to sewer projects are secured by the full faith and credit of the Town but are substantially liquidated by sewer use and assessment billings. The remaining liabilities above typically have been liquidated in the General and other governmental funds.

GENERAL OBLIGATION BONDS AND NOTE PAYABLE

A summary of general obligation bonds and note payable outstanding at June 30, 2010 is as follows:

<u>Description</u>	<u>Final Maturity Dates</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>
Governmental Activities			
Bonds Payable			
General obligation bonds issued 1992, original amount \$4,827,000	2012	5.2% - 6.5%	\$ 315,000
General obligation bonds issued 1993, original amount \$4,890,000	2014	4.2% - 5.25%	790,000
School bonds issued 1997, original amount \$4,000,000	2017	4.65% - 5.75%	1,470,240
General obligation bonds issued 1999, original amount \$2,705,000	2020	4.75% - 5.875%	1,350,000
General obligation and school bonds issued 2002, original amount \$7,900,000	2022	4.0% - 5.0%	4,800,000
General obligation bonds issued 2006, original amount \$26,000,000	2026	3.5% - 5.0%	21,845,000
			<u>30,570,240</u>
Note Payable			
Note payable issued 2009, original amount \$190,505	2014	3.0%	190,505
			<u>\$ 30,760,745</u>

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 8 - LONG-TERM LIABILITIES (Continued)

GENERAL OBLIGATION BONDS AND NOTE PAYABLE (Continued)

Description	Final Maturity Dates	Interest Rates	Amount Outstanding
Business-type Activities			
Bonds Payable			
Sewer bonds issued 1993, original amount \$3,400,000	2022	3.65% - 5.375%	\$ 1,400,000
Sewer bonds issued 1997, original amount \$980,000	2017	4.65% - 5.75%	349,760
			<u>1,749,760</u>
Note Payable			
Clean Water Fund note payable issued 1994, original amount \$2,096,973	2013	2.0%	395,348
			<u>\$ 2,145,108</u>

Annual debt service requirements to maturity on general obligation bonds and the note payable are as follows as of June 30, 2010:

Year ending June 30:	Governmental Activities					
	General Obligation Bonds		Note Payable		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 2,567,560	\$ 1,224,319	\$ 45,427	\$ 5,906	\$ 2,612,987	\$ 1,230,225
2012	2,403,780	1,121,500	46,920	4,413	2,450,700	1,125,913
2013	2,323,780	1,024,489	48,339	2,994	2,372,119	1,027,483
2014	2,313,780	929,936	49,819	1,515	2,363,599	931,451
2015	2,123,780	840,027	-	-	2,123,780	840,027
2016-2020	9,992,560	2,855,049	-	-	9,992,560	2,855,049
2021-2025	7,600,000	981,000	-	-	7,600,000	981,000
2026	1,245,000	24,900	-	-	1,245,000	24,900
	<u>\$ 30,570,240</u>	<u>\$ 9,001,220</u>	<u>\$ 190,505</u>	<u>\$ 14,828</u>	<u>\$ 30,760,745</u>	<u>\$ 9,016,048</u>

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 8 - LONG-TERM LIABILITIES (Continued)

GENERAL OBLIGATION BONDS AND NOTE PAYABLE (Continued)

Year ending June 30:	Business-type Activities					
	General Obligation Bonds		Note Payable		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 162,440	\$ 84,157	\$ 125,309	\$ 6,747	\$ 287,749	\$ 90,904
2012	171,220	75,699	127,839	4,217	299,059	79,916
2013	171,220	67,143	130,419	1,637	301,639	68,780
2014	171,220	58,501	11,781	-	183,001	58,501
2015	166,220	49,912	-	-	166,220	49,912
2016-2020	677,440	134,804	-	-	677,440	134,804
2021-2022	230,000	11,500	-	-	230,000	11,500
	<u>\$ 1,749,760</u>	<u>\$ 481,716</u>	<u>\$ 395,348</u>	<u>\$ 12,601</u>	<u>\$ 2,145,108</u>	<u>\$ 494,317</u>

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts, as defined in the Statute, or \$336,750,596 as of June 30, 2010. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2010.

As of June 30, 2010, the Town had authorized but unissued bonds totaling \$22,526,000.

SCHOOL BOND REIMBURSEMENTS

The State of Connecticut reimburses the Town for eligible school bond principal and interest costs. The amount of reimbursement for the year ended June 30, 2010 was \$246,380. Additional reimbursements of principal and interest aggregating \$702,818 and \$98,096, respectively, are expected to be received through the applicable bonds' maturity dates. The Town has recorded a receivable relating to the principal portion of these payments in the accompanying statement of net assets. The long term portion of \$503,142 will be realized by the Town through fiscal year 2016.

CAPITAL LEASES

A summary of assets acquired through capital leases is as follows as of June 30, 2010:

	Governmental Activities
Machinery and Equipment	\$ 1,321,165
Less: accumulated amortization	642,315
	<u>\$ 678,850</u>

Amortization expense relative to leased property under capital leases totaled \$188,738 for the year ended June 30, 2010 and is included in depreciation and amortization expense disclosed in Note 4.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 8 - LONG-TERM LIABILITIES (Continued)

CAPITAL LEASES (Continued)

Future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2010 are as follows:

	Governmental Activities
Year Ending June 30:	
2011	\$ 336,651
2012	113,575
Total minimum lease payments	450,226
Less: amount representing interest	21,501
Present value of minimum lease payments	\$ 428,725

NOTE 9 - UNEARNED/DEFERRED REVENUE

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Governmental Activities:		
Delinquent property taxes receivable	\$ 689,617	\$ -
Grant drawdowns prior to meeting all eligibility requirements	-	21,982
Park and Recreation Program Fees	-	201,013
	689,617	222,995
 Business-type Activities:		
Sewer usage fees billed in advance	-	160,463
	\$ 689,617	\$ 383,458

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 10 - PENSION PLANS

DEFINED BENEFIT PLAN

Plan Description

The Town administers the Town of Brookfield Pension Plan (the "Plan") which is a single employer, contributory, defined benefit plan. Plan benefits and contribution requirements are established by the plan document adopted July 1, 1968, and as amended January 1, 1994, by approval of the Board of Selectmen. All full time employees eligible to participate in the plan become a plan participant on the first day of the month following completion of one year of employment. The Plan does not issue stand-alone financial statements and is part of the Town's financial reporting entity. As such, the Plan is accounted for in the fiduciary fund financial statements as a pension trust fund.

Summary of Significant Accounting Policies

The Plan is accounted for using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments are recorded at fair value. Securities traded on national exchanges are valued at the last reported sales price. Investment income is recognized when earned and gains and losses on sales or exchanges are recognized on the transaction date.

Administrative costs of the Plan are funded by the Town.

Plan Membership

Membership of the Plan consisted of the following as of the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	84
Terminated plan members entitled to but not yet receiving benefits	8
Active plan members	152
	<u>244</u>

Contributions

The contribution requirements of plan members and the Town are established and may be amended by the Board of Selectmen. The Town's funding policy provides for periodic employer contributions at rates that, when expressed as a percentage of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The contribution rate for normal costs of the Plan was determined using the entry age normal cost method.

Employees are required to contribute 5% of their earnings to the Plan.

For the year ended June 30, 2010, employer contributions to the Plan represented 6.1% of covered payroll.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 10 - PENSION PLANS (Continued)

DEFINED BENEFIT PLAN (Continued)

Benefit Provisions

Benefit provisions are established and may be amended by the Board of Selectmen. The normal retirement benefit is calculated as a percentage of the participant's average monthly earnings during the highest three consecutive years (five years for Board of Education participants) of employment multiplied by years of service. The percentages are as follows: Board of Education - 1.75% for years service prior to January 1, 1994 and 2.0% for years of service thereafter; Other - 2.0% for all years of service.

Normal retirement age is the earlier of age 55 with 10 years of service or 25 years of service regardless of age for police and age 62 for all others. Police are 100% vested after 10 years of service. All others are 50% vested after 5 years of service plus 10% for each additional year until becoming 100% vested. The Town has not given any post-retirement benefit increases.

Police officers who retire on or after July 1, 2006 will receive an annual 1% cost of living adjustment every July 1st.

Concentrations

There are no individual investments representing 5% or more of plan net assets.

Funded Status and Funding Progress

The funded status of the plan as of January 1, 2009 (the most recent actuarial date), is as follows:

Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Entry Age Normal Cost Method (B)	Overfunded (Unfunded) AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
\$ 21,311,002	\$ 29,300,663	\$ (7,989,661)	72.7%	\$ 8,078,903	98.9%

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial values of the plan assets are increasing or decreasing over time relative to the AALs for benefits.

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contributions	Actual Contributions	Percentage Contributed
2005	\$ 561,020	\$ 388,060	69.2%
2006	573,244	330,334	57.6%
2007	794,358	346,881	43.7%
2008	993,194	340,362	34.3%
2009	1,119,831	499,126	44.6%
2010	1,736,719	495,547	28.5%

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 10 - PENSION PLANS (Continued)

DEFINED BENEFIT PLAN (Continued)

Additional Information and Actuarial Assumptions

Valuation date:	January 1, 2009
Actuarial cost method:	Entry Age Normal Cost Method
Amortization method:	Level Dollar Amount
Remaining amortization period:	15 years, open
Asset valuation method:	Market value
Actuarial assumptions:	
Investment rate of return*	7.50%
Projected salary increases*	5.00%

* Includes inflation at 3.5%.

Annual Pension Cost and Net Pension Obligation

Annual required contribution	\$ 1,736,719
Interest on net pension obligation	112,175
Adjustment to annual required contribution	<u>(157,605)</u>
Annual pension cost	1,691,289
Contributions made	<u>495,547</u>
Increase in net pension obligation	1,195,742
Net pension obligation, beginning of year	<u>1,495,667</u>
Net pension obligation, end of year	<u><u>\$ 2,691,409</u></u>

Three-Year Trend Information

Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2008	\$ 985,378	34.5%	\$ 902,370
2009	1,092,423	45.7%	1,495,667
2010	1,691,289	29.3%	2,691,409

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 10 - PENSION PLANS (Continued)

DEFINED BENEFIT PLAN (Continued)

Plan Financial Statements

TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF PLAN NET ASSETS
DECEMBER 31, 2009

	Pension Trust Fund
	Town of Brookfield Pension Plan
ASSETS	
Cash	\$ 3,975
Investments, at fair value:	
Corporate bonds	6,997,295
Common stocks	4,147,017
Mortgage backed securities	8,040,587
Real estate investment trusts	1,331,010
U.S. Agencies	53,531
U.S. Treasuries	2,940,304
Asset backed securities	822,952
Money market mutual funds	1,053,532
Contributions receivable:	
Plan members	248,037
Accrued income receivable	168,699
Total assets	25,806,939
LIABILITIES	
Accounts payable	271,769
Total liabilities	271,769
NET ASSETS	
Held in trust for pension benefits (See schedule of funding progress on pages 50 and 58)	25,535,170
Total net assets	\$ 25,535,170

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 10 - PENSION PLANS (Continued)

DEFINED BENEFIT PLAN (Continued)

Plan Financial Statements (Continued)

TOWN OF BROOKFIELD, CONNECTICUT
STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Pension Trust Fund
	Town of Brookfield Pension Plan
ADDITIONS	
Contributions:	
Employer	\$ 495,547
Plan members	305,268
Total contributions	800,815
Investment earnings:	
Interest	1,137,836
Net increase in the fair value of investments	3,492,004
Total investment earnings	4,629,840
Less: investment expense	88,934
Net investment earnings	4,540,906
Total additions	5,341,721
DEDUCTIONS	
Benefit payments	1,021,278
Administrative expenses	2,550
Total deductions	1,023,828
NET INCREASE	4,317,893
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
Beginning of year, as originally reported	21,316,530
Adjustment (see Note 14)	(99,253)
Beginning of year, as adjusted	21,217,277
End of year	\$ 25,535,170

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 10 - PENSION PLANS (Continued)

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.

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. After five years of service, teachers are fully vested in their own contributions. After ten years of service, teachers are fully vested in the monthly pension benefit which is payable at the age of sixty. The State of Connecticut contributes based on actuarially determined amounts. The funding level was determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual Town basis. For the year ended June 30, 2010, Town teachers contributed \$1,234,822 to the plan and covered payroll for the year was \$17,032,028.

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 24, the Town has reported "on behalf" payments of \$2,634,855 made by the State of Connecticut into the plan as intergovernmental revenues and education expenditures of the General Fund in the accompanying statement of revenues, expenditures and changes in fund balances of governmental funds.

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

The Town of Brookfield administers an Other Post-Employment Benefits Plan (the "Plan"), which is a single-employer defined benefit healthcare plan. The Plan provides healthcare insurance benefits for eligible retirees and their spouses through the Town's group health insurance plan, which covers both active and retired members, as well as certain life insurance benefits. Benefit provisions are established through negotiations between the Town and the unions representing Town employees and are renegotiated each three-year bargaining period. The Plan does not issue a publicly available financial report and is not included in the financial statements of another entity.

Funding Policy

Contribution requirements of the plan members and the Town are established in the Plan document and may be amended through negotiations between the Town and the unions. Currently, the Town contributes the following for various classes of employees covered:

Town Employees (excluding highway, public works and police): Prior to age 65 and with ten years of service, the Town pays 15% and the retiree pays 85% of the cost of current year premiums for both the retiree and spouse. The retiree portion is reduced by 5% for each additional year of service, until at 25 years of service, the Town pays 90% and the retiree pays 10% of the cost of current year premiums. The Town pays 100% of the premium cost for retirees with over twenty-five years of service. The Town pays 100% of the premium costs for retirees and their spouses at the age of sixty-five and beyond.

Highway and Public Works Employees: Prior to age 65, the Town pays 60% and the retiree pays 40% of the cost of current year premiums for both the retiree and spouse. The Town pays 80% of the premium cost for retirees and 75% of the premium costs for the retiree's spouse at the age of sixty-five and beyond. The Town pays 100% of the premium costs for existing retirees.

TOWN OF BROOFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Funding Policy (Continued)

Police: Prior to age 65 and with less than five years of service, the Town pays 80% and the retiree pays 20% of the cost of current year premiums for both the retiree and spouse. Prior to age 65 and with five years of service, the Town pays 80% and the retiree pays 20% of the cost of current premiums for the retiree only. The retiree pays 100% of the cost of current premiums for the spouse. The Town pays 95% and the retiree pays 5% of the premium cost for retirees and spouse at the age of sixty-five and beyond. The Town pays 100% of the premium costs for existing retirees.

Teachers and Administrators: Retirees pay 100% of the contribution depending on the plan selected, up to the age of sixty-five. Teachers who are not eligible for Medicare may remain in the pre-65 medical plan and pay 100% of the premium.

For fiscal year 2010, the Town contributed \$600,384 to the Plan. The Plan is financed on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation

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

Annual required contribution	\$ 3,210,263
Interest on net OPEB obligation	105,881
Adjustment to annual required contribution	<u>(147,220)</u>
Annual OPEB cost (expense)	3,168,924
Contributions made	<u>600,384</u>
Increase in net OPEB obligation	2,568,540
Net OPEB obligation, beginning of year	<u>2,647,016</u>
Net OPEB obligation, end of year	<u><u>\$ 5,215,556</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2010 and 2009 (the only available years) is as follows:

Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 3,148,463	16.0%	\$ 2,647,016
2010	3,168,924	19.0%	5,215,556

TOWN OF BROOFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2008 (the date of the most recent actuarial valuation) was as follows:

Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Projected Unit Credit Cost Method (B)	Overfunded (Unfunded) AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
\$ -	\$ 28,275,976	\$ (28,275,976)	0.0%	\$ 7,750,003	364.9%

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the Town are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits are based on the substantive plan (the plan as understood by the Town and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Town and the plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Town and plan members in the future. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Valuation date:	July 1, 2008
Actuarial cost method:	Projected Unit Credit Actuarial Cost Method
Amortization method:	Level Dollar Amount
Remaining amortization period:	30 years
Asset valuation method:	N/A
Actuarial assumptions:	
Inflation rate	4.00%
Healthcare cost trend rate	10.0% initial 5.00% final in 2013 and beyond for medical 5.00% per year for dental

TOWN OF BROOFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 12 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God for which the Town carries commercial insurance. During 2009, deductibles paid by the Town were insignificant. Neither the Town nor its insurers have settled any claims which exceeded the Town's insurance coverage during the past three years. There have been no significant reductions in any insurance coverage from amounts in the prior year.

The Risk Management Fund, an internal service fund, was established to provide health coverage for all Town and Board of Education employees. The program's general objectives are to formulate on behalf of the members, a health insurance program at lower costs of coverage and to develop a systematic method to control health care costs. Effective July 1, 2006, the Town converted from self insurance for health coverage to a full premium program with a commercial insurance carrier and during fiscal year 2010, the Town ceased using the internal service fund to account for insurance activities.

The Town is a member of the Connecticut Interlocal Risk Management Agency ("CIRMA"), an unincorporated association of Connecticut local public agencies, which was formed in 1980 by the Connecticut Conference of Municipalities ("CCM") for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-479a et. seq. of the Connecticut General Statutes. The Town is a member of CIRMA's worker's compensation pool, a risk sharing pool, which commenced operations on July 1, 1980. The worker's compensation pool provides statutory benefits pursuant to the provisions of the Connecticut Worker's Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 30, and 42 months after the effective date of coverage. CIRMA's worker's compensation pool retains \$1,000,000 per occurrence and purchases reinsurance above that amount to the limit of liability of \$10 million per occurrence.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

The State of Connecticut, Department of Environmental Protection ("DEP") issued a pollution abatement order that requires the Town to assure both a short-term and long-term supply of potable water to certain properties in Town whose wells are polluted. The enabling statute for the potable water order provides for state grants to reimburse the Town for the cost of the short-term supply of potable water together with the cost of an engineering study that is required to identify the best long-term option for potable water. The Town's engineers estimated the cost of the long-term potable water supply to be approximately \$600,000. The final cost to the Town will not be known until the DEP approves a long-term water supply option and all requisite contracts and regulatory approvals are in place.

There are several other matters pending against the Town. The outcome and eventual liability to the Town, if any, in these cases is not known at this time. The Town's management, based upon consultation with legal counsel, estimates that potential claims against the Town, not covered by insurance, resulting from such litigation would not materially affect the financial position of the Town.

TOWN OF BROOKFIELD, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS (Continued)
JUNE 30, 2010

NOTE 14 - ADJUSTMENTS

Net assets in the government-wide and fiduciary fund financial statements and fund balance in the governmental funds financial statements as of July 1, 2009 have been adjusted as follows:

	Governmental Activities	Business-Type Activities	Governmental Funds	Fiduciary Funds
Adjustments to record Water Pollution Control Authority activities as business-type activities	\$ (3,187,797)	\$ 3,503,659	\$ 1,695,925	\$ -
Adjustment to record overpayment of bonds	(319,713)	319,713	(319,713)	-
Adjustment to record previously recorded interfund balance as a long-term benefit assessment	(128,368)	128,368	407,000	-
Adjustment to segregate employee contributions to an OPEB Fund previously deposited into the Pension Trust Fund	99,253	-	99,253	(99,253)
	<u>\$ (3,536,625)</u>	<u>\$ 3,951,740</u>	<u>\$ 1,882,465</u>	<u>\$ (99,253)</u>

The effect of the adjustments on the changes in net assets and fund balance for the year ended June 30, 2009 is not readily determinable.

NOTE 15 - SUBSEQUENT EVENTS

In September 2010, the Town issued \$9,575,000 in general obligation bonds that bear interest rates ranging from 2.0% to 4.0% and mature in September 2030. In addition, the Town has been approved for advances up to \$3,747,082 under a Clean Water Program and \$898,361 under a Drinking Water Program.

NOTE 16 - PRONOUNCEMENT ISSUED BUT NOT YET EFFECTIVE

The Town has not completed the process of implementing GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The Town is therefore unable to disclose the impact that adopting this statement will have on its financial position when such statement is implemented. GASB Statement No. 54 establishes fund balance classifications based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds, and clarifies existing governmental fund type definitions. GASB Statement No. 54 is effective for fiscal periods beginning after June 15, 2010.

**Required
Supplementary
Information**

TOWN OF BROOKFIELD, CONNECTICUT
SCHEDULES OF FUNDING PROGRESS
JUNE 30, 2010

Pension Trust Fund

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Entry Age (B)	Overfunded (Unfunded) AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
January 1, 2004	\$ 19,818,825	\$ 18,382,667	\$ 1,436,158	107.8%	\$ 6,391,547	-22.5%
January 1, 2005	21,444,475	19,986,560	1,457,915	107.3%	6,452,082	-22.6%
January 1, 2006	22,028,908	21,809,032	219,876	101.0%	7,102,907	-3.1%
January 1, 2007	23,382,236	25,128,024	(1,745,788)	93.1%	7,534,785	23.2%
January 1, 2008	24,311,602	26,877,510	(2,565,908)	90.5%	7,947,320	32.3%
January 1, 2009	21,311,002	29,300,663	(7,989,661)	72.7%	8,078,903	98.9%

Other Post Employments Benefits Fund

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Projected Unit Credit Cost Method (B)	Overfunded (Unfunded) AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
July 1, 2008	\$ -	\$ 28,275,976	\$ (28,275,976)	0.0%	\$ 7,750,003	364.9%

**Combining and
Individual Fund
Statements and
Schedules**

General Fund

TOWN OF BROOKFIELD, CONNECTICUT
SCHEDULE OF REVENUES
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
PROPERTY TAXES				
Revenues from property taxes	\$ 47,630,210	\$ 48,030,210	\$ 47,879,058	\$ (151,152)
Telephone access	128,069	128,069	75,559	(52,510)
Northeast Utilities - deregulation	-	-	8,796	8,796
Total property taxation	<u>47,758,279</u>	<u>48,158,279</u>	<u>47,963,413</u>	<u>(194,866)</u>
INTERGOVERNMENTAL REVENUES				
Mashantucket Pequot grant	31,154	31,154	20,875	(10,279)
Manufacturer PILOT	110,318	110,318	106,778	(3,540)
Property tax relief	93,114	93,114	84,802	(8,312)
LOCIP	104,383	104,383	105,000	617
Pleasure boat registrations	21,076	21,076	10,799	(10,277)
PILOT grant	36,717	36,717	36,780	63
Town aid road	112,058	152,467	152,025	(442)
Other grants - general government	15,000	15,000	34,942	19,942
Education cost sharing grant	1,530,693	1,530,693	1,525,479	(5,214)
School transportation	38,942	38,942	25,835	(13,107)
School building grants	170,000	170,000	246,380	76,380
Non-public transportation	4,040	4,040	-	(4,040)
Adult education	3,199	3,199	-	(3,199)
Total intergovernmental revenues	<u>2,270,694</u>	<u>2,311,103</u>	<u>2,349,695</u>	<u>38,592</u>
CHARGES FOR SERVICES				
Rental	45,000	45,000	56,226	11,226
Town clerk	350,000	350,000	341,927	(8,073)
Land use	380,000	180,000	244,413	64,413
Police department	15,000	15,000	17,796	2,796
Tuition	20,000	20,000	10,092	(9,908)
Reimbursed programs	25,000	25,000	-	(25,000)
Total charges for services	<u>835,000</u>	<u>635,000</u>	<u>670,454</u>	<u>35,454</u>
INTEREST AND LIEN FEES	<u>180,000</u>	<u>180,000</u>	<u>217,374</u>	<u>37,374</u>
INVESTMENT INCOME	<u>375,000</u>	<u>175,000</u>	<u>142,637</u>	<u>(32,363)</u>
MISCELLANEOUS INCOME	<u>82,500</u>	<u>82,500</u>	<u>120,293</u>	<u>37,793</u>
Total revenues	<u>51,501,473</u>	<u>51,541,882</u>	<u>51,463,866</u>	<u>(78,016)</u>
OTHER FINANCING SOURCES				
Appropriation of fund balance	-	184,000	-	(184,000)
Transfers in	-	76,000	2,316,104	2,240,104
Total other financing sources	<u>-</u>	<u>260,000</u>	<u>2,316,104</u>	<u>2,056,104</u>
Total revenues and other other financing sources	<u>\$ 51,501,473</u>	<u>\$ 51,801,882</u>	<u>\$ 53,779,970</u>	<u>\$ 1,978,088</u>

TOWN OF BROOKFIELD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
GENERAL GOVERNMENT				
Selectmen	\$ 137,876	\$ 141,876	\$ 141,781	\$ (95)
Town clerk	158,004	158,004	155,979	(2,025)
Registrar of voters	76,344	76,344	52,685	(23,659)
Legal	216,800	208,800	182,541	(26,259)
Total general government	<u>589,024</u>	<u>585,024</u>	<u>532,986</u>	<u>(52,038)</u>
LAND USE				
Land use	554,880	555,880	555,871	(9)
Conservation commission	730	730	699	(31)
Historic district commission	2,150	2,150	1,876	(274)
Gurski commission	1,500	1,500	1,450	(50)
Total land use	<u>559,260</u>	<u>560,260</u>	<u>559,896</u>	<u>(364)</u>
FINANCE AND TAXATION				
Assessor	191,817	191,817	191,720	(97)
Tax collector	199,038	199,038	192,314	(6,724)
Finance department	275,853	275,853	275,756	(97)
Board of finance	46,500	49,500	49,490	(10)
Board of assessment appeals	1,500	1,500	1,150	(350)
Economic development commission	825	825	-	(825)
Total finance and taxation	<u>715,533</u>	<u>718,533</u>	<u>710,430</u>	<u>(8,103)</u>
REGIONAL SERVICES				
Regional services	258,957	258,957	257,475	(1,482)
Total regional services	<u>258,957</u>	<u>258,957</u>	<u>257,475</u>	<u>(1,482)</u>
HUMAN RESOURCES				
Operations/human resources	175,810	195,810	195,721	(89)
Employee benefits	2,354,745	2,514,745	2,488,379	(26,366)
Insurance	479,628	519,628	518,906	(722)
Total human resources	<u>3,010,183</u>	<u>3,230,183</u>	<u>3,203,006</u>	<u>(27,177)</u>
PUBLIC WORKS				
Highway	1,432,140	1,407,887	1,407,781	(106)
Building services/maintenance	467,973	247,233	241,519	(5,714)
BOE building services	193,900	193,900	193,900	-
Water advisory committee	-	515,602	510,095	(5,507)
Assessments and capital	165,263	60,763	55,093	(5,670)
Total public works	<u>2,259,276</u>	<u>2,425,385</u>	<u>2,408,388</u>	<u>(16,997)</u>
PUBLIC SAFETY				
Police department	3,101,386	3,101,386	3,084,866	(16,520)
Fire department - Center	238,305	238,305	238,305	-
EMS	151,050	151,050	151,050	-
Fire department - Candlewood	112,445	112,445	112,445	-
Civil defense	2,000	2,000	1,993	(7)
Total public safety	<u>3,605,186</u>	<u>3,605,186</u>	<u>3,588,659</u>	<u>(16,527)</u>

(Continued)

TOWN OF BROOKFIELD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
RECREATION AND LEISURE				
Parks and recreation department	\$ 161,941	\$ 161,941	\$ 161,934	\$ (7)
Grounds department	418,056	422,556	422,464	(92)
Arts commission	250	250	223	(27)
Total recreation and leisure	<u>580,247</u>	<u>584,747</u>	<u>584,621</u>	<u>(126)</u>
SOCIAL SERVICES				
Social services	54,050	45,350	45,263	(87)
Community center	98,164	103,164	103,147	(17)
Regional social services	11,000	11,000	11,000	-
Probate	3,500	3,000	2,971	(29)
Total social services	<u>166,714</u>	<u>162,514</u>	<u>162,381</u>	<u>(133)</u>
EDUCATION				
Teachers salaries	15,500,424	15,500,424	15,400,722	(99,702)
Administrators' salaries	1,710,106	1,710,106	1,740,982	30,876
Team/curriculum leaders	57,047	57,047	53,788	(3,259)
Extended duty	133,470	133,470	129,030	(4,440)
Other	199,083	199,083	194,562	(4,521)
Para professionals	705,865	705,865	667,590	(38,275)
Clerical/computer technicians	1,280,399	1,280,399	1,280,353	(46)
Health staff	327,910	327,910	322,714	(5,196)
Custodians	818,642	818,642	823,749	5,107
Maintenance	222,420	222,420	223,132	712
Substitutes non-certified	2,000	2,000	-	(2,000)
Monitors	71,272	71,272	50,868	(20,404)
Overtime	61,750	61,750	61,389	(361)
Student salary	13,100	13,100	1,186	(11,914)
Homebound tutors	55,680	55,680	16,483	(39,197)
Co-curricular coaches	343,184	343,184	341,756	(1,428)
Other	177,405	177,405	142,848	(34,557)
Negotiations	107,379	107,379	122,693	15,314
Permanent building substitutes	229,020	229,020	68,672	(160,348)
Daily substitutes	-	-	83,399	83,399
Long term substitutes	-	-	140,528	140,528
Special education substitutes	10,000	10,000	5,274	(4,726)
Teacher-to-teacher substitutes	-	-	5,190	5,190
Nurse substitute	600	600	4,493	3,893
Day substitutes non-certified	72,200	72,200	53,797	(18,403)
Para professionals differential	13,850	13,850	-	(13,850)
Health insurance	4,484,282	4,484,282	4,578,673	94,391
Group life insurance	60,466	60,466	58,420	(2,046)
Long term disability	134,000	134,000	126,345	(7,655)
Social security	554,558	554,558	523,770	(30,788)

(Continued)

TOWN OF BROOKFIELD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EDUCATION (Continued)				
Pension contribution	\$ 133,508	\$ 133,508	\$ 133,508	\$ -
Unemployment compensation	15,000	15,000	17,272	2,272
Workers' compensation	230,766	230,766	230,766	-
Professional ed services	159,395	159,395	150,407	(8,988)
Tutor	8,050	8,050	4,117	(3,933)
Other professional	539,766	539,766	634,112	94,346
Legal/negotiations	161,400	161,400	219,040	57,640
Technical services	95,150	95,150	85,541	(9,609)
Electricity	570,000	570,000	616,676	46,676
Water/sewage	35,098	35,098	35,100	2
Refuse/Recycling	35,745	35,745	33,374	(2,371)
Repairs/maintenance building	110,000	110,000	114,421	4,421
Repairs/maintenance equipment	96,500	96,500	57,277	(39,223)
Lease-copier	119,000	119,000	153,650	34,650
Lease/rent	227,200	227,200	220,635	(6,565)
General transportation	1,283,775	1,283,775	1,336,624	52,849
Special ed transportation-out	230,000	230,000	106,132	(123,868)
Special ed transportation-in	88,945	88,945	47,518	(41,427)
Vocational/agri transportation	37,380	37,380	38,112	732
Athletic transportation	67,000	67,000	74,248	7,248
Field trips	23,350	23,350	17,995	(5,355)
Liability insurance	171,312	171,312	180,030	8,718
Telephone	141,012	141,012	152,690	11,678
Postage	35,762	35,762	26,452	(9,310)
Advertising	2,250	2,250	2,625	375
Printing	34,226	34,226	23,144	(11,082)
Special education tuition	423,145	423,145	442,636	19,491
Vocational/agri tuition	59,743	59,743	59,454	(289)
Conference/travel	47,738	47,738	65,044	17,306
Office supplies	39,075	39,075	30,722	(8,353)
Instructional supplies	289,758	289,758	253,557	(36,201)
Custodial supplies	44,000	44,000	53,531	9,531
Maintenance supplies	3,500	3,500	4,512	1,012
Other supplies	169,587	169,587	160,029	(9,558)
Oil heat	288,172	288,172	290,180	2,008
Fuel-transportation	244,800	244,800	227,396	(17,404)
Text/work books	159,572	159,572	140,675	(18,897)
Library books	26,860	26,860	29,150	2,290
Periodical/subscriptions	20,838	20,838	26,086	5,248
Instructional equipment - replace	8,295	8,295	7,404	(891)
Furniture and fixtures	10,400	10,400	9,227	(1,173)
Other capital	106,728	106,728	146,667	39,939
Instructional equipment - new	2,040	2,040	10,038	7,998

(Continued)

TOWN OF BROOKFIELD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (Concluded)
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EDUCATION (Continued)				
Non-instructional equipment - replace	\$ 10,650	\$ 10,650	\$ 5,450	\$ (5,200)
Non-instructional equipment - new	872	872	1,491	619
Dues and fees	54,100	54,100	43,063	(11,037)
Total education	<u>34,007,575</u>	<u>34,007,575</u>	<u>33,940,184</u>	<u>(67,391)</u>
MISCELLANEOUS				
Prior year/designated income	10,000	-	-	-
Contingency	260,000	-	-	-
Total miscellaneous	<u>270,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEBT SERVICE				
Total expenditures	<u>4,477,932</u>	<u>4,477,932</u>	<u>4,426,823</u>	<u>(51,109)</u>
	<u>50,499,887</u>	<u>50,616,296</u>	<u>50,374,849</u>	<u>(241,447)</u>
OTHER FINANCING USES				
Transfers out	1,001,586	1,185,586	1,185,301	(285)
Total other financing uses	<u>1,001,586</u>	<u>1,185,586</u>	<u>1,185,301</u>	<u>(285)</u>
Total expenditures and other financing uses	<u>\$ 51,501,473</u>	<u>\$ 51,801,882</u>	<u>\$ 51,560,150</u>	<u>\$ (241,732)</u> <i>(Concluded)</i>

**TOWN OF BROOKFIELD, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2010**

Grand List Year	Balance Uncollected June 30, 2009	Current Levy	Lawful Corrections		Transfers To Suspense	Balance To Be Collected	Collections			Balance Uncollected June 30, 2010	
			Additions	Deductions			Taxes	Interest	Lien Fees		Total
2008	\$ -	\$ 48,047,404	\$ 53,777	\$ 110,557	\$ -	\$ 47,990,624	\$ 47,501,986	\$ 125,372	\$ 1,032	\$ 47,628,390	\$ 488,638
2007	573,567	-	8,523	40,494	68,896	472,700	332,027	63,607	2,325	397,959	140,673
2006	168,606	-	785	15,465	59,936	93,990	35,106	16,618	312	52,036	58,884
2005	114,112	-	36	2,339	59,858	51,951	14,483	6,038	96	20,617	37,468
2004	62,307	-	-	1,490	45,821	14,996	4,167	1,807	75	6,049	10,829
2003	25,670	-	-	707	21,499	3,464	35	32	-	67	3,429
2002	4,386	-	-	683	1,246	2,457	29	32	-	61	2,428
2001	1,558	-	-	-	601	957	21	28	-	49	936
2000	405	-	-	-	230	175	-	-	-	-	175
1999	395	-	-	-	238	157	-	-	-	-	157
1998	164	-	-	-	164	-	-	-	-	-	-
	<u>\$ 951,170</u>	<u>\$ 48,047,404</u>	<u>\$ 63,121</u>	<u>\$ 171,735</u>	<u>\$ 258,489</u>	<u>\$ 48,631,471</u>	<u>\$ 47,887,854</u>	<u>\$ 213,534</u>	<u>\$ 3,840</u>	<u>\$ 48,105,228</u>	<u>\$ 743,617</u>

**TOWN OF BROOKFIELD, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)
FOR THE YEAR ENDED JUNE 30, 2010**

Total cash collections for the year ended
June 30, 2010:

Taxes	\$ 47,887,854
Interest and lien fees	217,374
Total	<u>48,105,228</u>

Reimbursement for revenue loss:

Tax relief for elderly (CGS 12-129d)	2,000
Base	<u>\$ 48,107,228</u>

Debt limitation:

	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
2-1/4 times base	\$ 108,241,263	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	216,482,526	-	-	-
3-3/4 times base	-	-	180,402,105	-	-
3-1/4 times base	-	-	-	156,348,491	-
3 times base	-	-	-	-	<u>144,321,684</u>

Total debt limitation

	<u>108,241,263</u>	<u>216,482,526</u>	<u>180,402,105</u>	<u>156,348,491</u>	<u>144,321,684</u>
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Indebtedness:

Bonds payable	3,357,924	27,212,316	1,749,760	-	-
Notes payable	7,895,000	1,000,505	3,995,348	-	-
Authorized but unissued bonds	16,225,000	300,000	6,001,000	-	-
	<u>11,252,924</u>	<u>28,512,821</u>	<u>11,746,108</u>	<u>-</u>	<u>-</u>
Less: amounts to be provided by the state	-	702,818	-	-	-
Less: sewer assessments receivable	-	-	5,749,528	-	-

Total indebtedness

	<u>11,252,924</u>	<u>27,810,003</u>	<u>5,996,580</u>	<u>-</u>	<u>-</u>
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Debt limitation in excess of outstanding
and authorized debt

	<u>\$ 96,988,339</u>	<u>\$ 188,672,523</u>	<u>\$ 174,405,525</u>	<u>\$ 156,348,491</u>	<u>\$ 144,321,684</u>
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Total capacity of borrowing (7 times base)

	\$ 336,750,596
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Total present indebtedness

	<u>45,059,507</u>
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Margin for additional borrowing

	<u>\$ 291,691,089</u>
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*Nonmajor
Governmental
Funds*

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted for specified purposes. Nonmajor special revenue funds include the following:

Library Operating Fund - To account for the operations of the library.

Park and Recreation Fund - To account for the self-sustaining special programs.

Police Contract Services Fund - To account for police special outside duty activities.

Town Aid Road Fund - To account for funds received from the State of Connecticut for road improvements.

Economic Development Fund - To account for planning for the Four Corners town center.

Heart and Hypertension Reserve - To provide for current and future heart and hypertension claims.

Open Space Fund - To provide for future acquisitions of property to be held as open space.

Police Operating Grants - To account for grants received from the federal and state governments.

Library Benefit Fund - An endowment fund to provide for future capital needs.

Gurski Property Fund - To facilitate the collection of rents and operations of rental properties.

Education Grants - To account for expenditures of educational grants not otherwise accounted for in the general fund.

Cafeteria Fund - To account for the operation of the school lunch program.

Town Miscellaneous - To account for various Town proceeds of specific revenue sources that are legally restricted for specified purposes not recorded in another special revenue fund.

BOE Miscellaneous - To account for various Board of Education proceeds of specific revenue sources that are legally restricted for specified purposes not recorded in another special revenue fund.

OPEB Fund - To account for employee contributions for Medicare supplement benefits for which no trust exists and from which no benefit payments are paid.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUND

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure projects, other than those financed by proprietary funds. The nonmajor capital projects fund consists of the following:

Capital and Nonrecurring - To account for the acquisition of capital equipment and other nonrecurring capital expenditures.

**TOWN OF BROOKFIELD, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2010**

	Nonmajor Special Revenue Funds					
	Library Operating Fund	Park and Recreation Fund	Police Contract Services Fund	Sewer Assessment Fund	Town Aid Road Fund	Economic Development Fund
ASSETS						
Cash and cash equivalents	\$ 42,019	\$ 95,220	\$ 130,205	\$ -	\$ 85,336	\$ -
Investments	245,442	-	-	-	-	-
Receivables:						
Grants and contracts	-	-	-	-	-	-
Other	25,145	76	-	-	-	-
Due from other funds	-	270,754	137,865	-	366,040	33,036
Inventories	-	-	-	-	-	-
Total assets	<u>\$ 312,606</u>	<u>\$ 366,050</u>	<u>\$ 268,070</u>	<u>\$ -</u>	<u>\$ 451,376</u>	<u>\$ 33,036</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 4,206	\$ 10,822	\$ 944	\$ -	\$ -	\$ -
Due to other funds	74,393	-	-	-	451,028	1,113
Unearned/deferred revenue	-	201,013	-	-	-	-
Total liabilities	<u>78,599</u>	<u>211,835</u>	<u>944</u>	<u>-</u>	<u>451,028</u>	<u>1,113</u>
Fund Balances:						
Reserved for inventory	-	-	-	-	-	-
Unreserved	234,007	154,215	267,126	-	348	31,923
Total fund balances	<u>234,007</u>	<u>154,215</u>	<u>267,126</u>	<u>-</u>	<u>348</u>	<u>31,923</u>
Total liabilities and fund balances	<u>\$ 312,606</u>	<u>\$ 366,050</u>	<u>\$ 268,070</u>	<u>\$ -</u>	<u>\$ 451,376</u>	<u>\$ 33,036</u>

(Continued)

**TOWN OF BROOKFIELD, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)**

JUNE 30, 2010

	Nonmajor Special Revenue Funds					
	Heart and Hypertension Reserve	Open Space Fund	Police Operating Grants	Library Benefit Fund	Gurski Property Fund	Education Grants
ASSETS						
Cash and cash equivalents	\$ -	\$ 45,487	\$ -	\$ -	\$ -	\$ -
Investments	105,297	-	-	-	-	-
Receivables:						
Grants and contracts	-	-	-	-	-	90,754
Other	-	1,238	-	-	-	-
Due from other funds	291,940	94,908	95,537	-	80,352	2,336
Inventories	-	-	-	-	-	-
Total assets	<u>\$ 397,237</u>	<u>\$ 141,633</u>	<u>\$ 95,537</u>	<u>\$ -</u>	<u>\$ 80,352</u>	<u>\$ 93,090</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 2,555	\$ -	\$ 1,475	\$ -	\$ 4,000	\$ 21,623
Due to other funds	3,537	-	18,382	-	-	49,485
Unearned/deferred revenue	-	-	-	-	-	21,982
Total liabilities	<u>6,092</u>	<u>-</u>	<u>19,857</u>	<u>-</u>	<u>4,000</u>	<u>93,090</u>
Fund Balances:						
Reserved for inventory	-	-	-	-	-	-
Unreserved	391,145	141,633	75,680	-	76,352	-
Total fund balances	<u>391,145</u>	<u>141,633</u>	<u>75,680</u>	<u>-</u>	<u>76,352</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 397,237</u>	<u>\$ 141,633</u>	<u>\$ 95,537</u>	<u>\$ -</u>	<u>\$ 80,352</u>	<u>\$ 93,090</u>

(Continued)

**TOWN OF BROOKFIELD, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Concluded)**

JUNE 30, 2010

	Cafeteria Fund	Nonmajor Special Revenue Funds				Nonmajor Capital Project Fund		Total Nonmajor Governmental Funds
		Town Miscellaneous	BOE Miscellaneous	OPEB Fund	Capital and Non Recurring			
ASSETS								
Cash and cash equivalents	\$ 36,788	\$ 28,505	\$ 45,256	\$ -	\$ 179,754	\$ 688,570		
Investments	-	-	-	-	-	350,739		
Receivables:								
Grants and contracts receivable	15,607	-	-	-	-	106,361		
Other	-	-	-	111,453	-	137,912		
Due from other funds	-	43,750	65,656	-	458,176	1,940,350		
Inventories	3,657	-	-	-	-	3,657		
Total assets	\$ 56,052	\$ 72,255	\$ 110,912	\$ 111,453	\$ 637,930	\$ 3,227,589		

LIABILITIES AND FUND BALANCES

Liabilities:							
Accounts payable	\$ 59,467	\$ -	\$ -	\$ -	\$ 142,093	\$ 247,185	
Due to other funds	-	-	-	-	-	597,938	
Unearned/deferred revenue	-	-	-	-	-	222,995	
Total liabilities	59,467	-	-	-	142,093	1,068,118	
Fund Balances:							
Reserved for inventory	3,657	-	-	-	-	3,657	
Unreserved	(7,072)	72,255	110,912	111,453	495,837	2,155,814	
Total fund balances	(3,415)	72,255	110,912	111,453	495,837	2,159,471	
Total liabilities and fund balances	\$ 56,052	\$ 72,255	\$ 110,912	\$ 111,453	\$ 637,930	\$ 3,227,589	

(Concluded)

**TOWN OF BROOKFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	Nonmajor Special Revenue Funds						Economic Development Fund
	Library Operating Fund	Park and Recreation Fund	Police Contract Services Fund	Sewer Assessment Fund	Town Aid Road Fund		
REVENUES							
Intergovernmental	\$ 3,617	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	16,500	447,659	405,836	-	-	-	-
Donations	5,133	-	-	-	-	-	-
Investment earnings (loss)	455	1,147	604	-	2,781	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>25,705</u>	<u>448,806</u>	<u>406,440</u>	<u>-</u>	<u>2,781</u>	<u>-</u>	<u>-</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	5,019
Human services	-	-	-	-	-	-	-
Public safety	-	-	271,406	-	-	-	-
Recreation and leisure	-	454,909	-	-	-	-	-
Library	566,674	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Total expenditures	<u>566,674</u>	<u>454,909</u>	<u>271,406</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,019</u>
Excess (deficiency) of revenues over expenditures	(540,969)	(6,103)	135,034	-	2,781	-	(5,019)
OTHER FINANCING SOURCES (USES)							
Note payable	-	-	-	-	-	-	-
Transfers in	765,488	8,000	-	-	-	-	-
Transfers out	(22,191)	-	(85,000)	-	(77,347)	-	-
Total other financing sources (uses)	<u>743,297</u>	<u>8,000</u>	<u>(85,000)</u>	<u>-</u>	<u>(77,347)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	202,328	1,897	50,034	-	(74,566)	-	(5,019)
Fund balances (deficit) - beginning, as originally reported	31,679	152,318	217,092	995,050	74,914	-	36,942
Adjustments (see Note 14)	-	-	-	(995,050)	-	-	-
Fund balances (deficit) - beginning, as adjusted	<u>31,679</u>	<u>152,318</u>	<u>217,092</u>	<u>-</u>	<u>74,914</u>	<u>-</u>	<u>36,942</u>
Fund balances - ending	<u>\$ 234,007</u>	<u>\$ 154,215</u>	<u>\$ 267,126</u>	<u>\$ -</u>	<u>\$ 348</u>	<u>\$ -</u>	<u>\$ 31,923</u>

(Continued)

TOWN OF BROOKFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

	Nonmajor Special Revenue Funds					
	Heart and Hypertension Reserve	Open Space Fund	Police Operating Grants	Library Benefit Fund	Gurski Property Fund	Education Grants
REVENUES						
Intergovernmental	\$ -	-	\$ 1,397	\$ -	-	\$ 1,918,024
Charges for services	-	-	-	-	44,555	-
Donations	-	-	1,374	-	262	-
Investment earnings (loss)	(4,218)	3,471	-	33,701	-	-
Miscellaneous	-	-	9,999	-	-	-
Total revenues	<u>(4,218)</u>	<u>3,471</u>	<u>12,770</u>	<u>33,701</u>	<u>44,817</u>	<u>1,918,024</u>
EXPENDITURES						
Current:						
General government	-	34,677	-	-	20,263	-
Human services	-	-	-	-	-	-
Public safety	25,403	-	26,328	-	-	-
Recreation and leisure	-	-	-	-	-	-
Library	-	-	-	-	-	-
Education	-	-	-	-	-	1,918,024
Capital outlays	-	-	-	-	-	-
Total expenditures	<u>25,403</u>	<u>34,677</u>	<u>26,328</u>	<u>-</u>	<u>20,263</u>	<u>1,918,024</u>
Excess (deficiency) of revenues over expenditures	(29,621)	(31,206)	(13,558)	33,701	24,554	-
OTHER FINANCING SOURCES (USES)						
Note payable	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(935,000)	(405,353)	-	(262,143)	-	-
Total other financing sources (uses)	<u>(935,000)</u>	<u>(405,353)</u>	<u>-</u>	<u>(262,143)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(964,621)	(436,559)	(13,558)	(228,442)	24,554	-
Fund balances (deficit) - beginning, as originally reported	1,355,766	578,192	89,238	228,442	51,798	-
Adjustments (see Note 14)	-	-	-	-	-	-
Fund balances (deficit) - beginning, as adjusted	<u>1,355,766</u>	<u>578,192</u>	<u>89,238</u>	<u>228,442</u>	<u>51,798</u>	<u>-</u>
Fund balances - ending	<u>\$ 391,145</u>	<u>\$ 141,633</u>	<u>\$ 75,680</u>	<u>\$ -</u>	<u>\$ 76,352</u>	<u>\$ -</u>

(Continued)

TOWN OF BROOKFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Concluded)
FOR THE YEAR ENDED JUNE 30, 2010

	Nonmajor Special Revenue Funds			Nonmajor Capital Project Fund		Total Nonmajor Governmental Funds
	Cafeteria Fund	Town Miscellaneous	BOE Miscellaneous	OPEB Fund	Capital and Non Recurring	
REVENUES						
Intergovernmental	\$ 95,262	\$ 5,000	\$ 3,105	\$ -	\$ 671,338	\$ 2,697,743
Charges for services	492,533	13,056	380,053	14,325	-	1,814,517
Donations	-	24,873	2,100	-	-	33,742
Investment earnings (loss)	-	38	-	(2,125)	3,875	39,729
Miscellaneous	-	-	25,456	-	116,595	152,050
Total revenues	587,795	42,967	410,714	12,200	791,808	4,737,781
EXPENDITURES						
Current:						
General government	-	18,805	-	-	-	78,764
Human services	-	23,761	-	-	-	23,761
Public safety	-	-	-	-	-	323,137
Recreation and leisure	-	-	-	-	-	454,909
Library	-	-	-	-	-	566,674
Education	597,842	-	363,216	-	-	2,879,082
Capital outlays	-	-	-	-	1,324,855	1,324,855
Total expenditures	597,842	42,566	363,216	-	1,324,855	5,651,182
Excess (deficiency) of revenues over expenditures	(10,047)	401	47,498	12,200	(533,047)	(913,401)
OTHER FINANCING SOURCES (USES)						
Note payable	-	-	-	-	190,505	190,505
Transfers in	-	-	-	-	568,915	1,342,403
Transfers out	-	(2,685)	-	-	(800,000)	(2,589,719)
Total other financing sources (uses)	-	(2,685)	-	-	(40,580)	(1,056,811)
Net change in fund balances	(10,047)	(2,284)	47,498	12,200	(573,627)	(1,970,212)
Fund balances (deficit) - beginning, as originally reported	6,632	74,539	63,414	-	1,069,464	5,025,480
Adjustments (see Note 14)	-	-	-	99,253	-	(895,797)
Fund balances (deficit) - beginning, as adjusted	6,632	74,539	63,414	99,253	1,069,464	4,129,683
Fund balances - ending	\$ (3,415)	\$ 72,255	\$ 110,912	\$ 111,453	\$ 495,837	\$ 2,159,471

(Concluded)

*Fiduciary
Funds*

AGENCY FUNDS

Agency funds are used to report resources held by the Town in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Agency funds include the following:

Student Activities Funds - To account for monies generated by student activities in the Town's school system.

Performance Bonds Fund - To account for monies received to ensure that driveways and lawns are installed to correct specifications for new home construction.

TOWN OF BROOKFIELD, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2010

	<u>Student Activities</u>	<u>Performance Bonds</u>	<u>Total Agency Funds</u>
ASSETS			
Cash and cash equivalents	\$ 294,679	\$ 159,225	\$ 453,904
Due from other funds	-	788,846	788,846
Total assets	<u>\$ 294,679</u>	<u>\$ 948,071</u>	<u>\$ 1,242,750</u>
LIABILITIES			
Due to others	\$ 294,679	\$ 948,071	\$ 1,242,750
Total liabilities	<u>\$ 294,679</u>	<u>\$ 948,071</u>	<u>\$ 1,242,750</u>

**TOWN OF BROOKFIELD, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Balance, July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2010</u>
Student Activities				
Assets				
Cash and cash equivalents	\$ 334,754	\$ 682,521	\$ 722,596	\$ 294,679
Total assets	<u>\$ 334,754</u>	<u>\$ 682,521</u>	<u>\$ 722,596</u>	<u>\$ 294,679</u>
Liabilities				
Due to others	\$ 313,566	\$ 682,521	\$ 701,408	\$ 294,679
Due to other funds	21,188	-	21,188	-
Total liabilities	<u>\$ 334,754</u>	<u>\$ 682,521</u>	<u>\$ 722,596</u>	<u>\$ 294,679</u>
Performance Bonds				
Assets				
Cash and cash equivalents	\$ 981,371	\$ 96,593	\$ 918,739	\$ 159,225
Due from other funds	-	1,038,294	249,448	788,846
Total assets	<u>\$ 981,371</u>	<u>\$ 1,134,887</u>	<u>\$ 1,168,187</u>	<u>\$ 948,071</u>
Liabilities				
Due to others	\$ 981,371	\$ 1,134,887	\$ 1,168,187	\$ 948,071
Total liabilities	<u>\$ 981,371</u>	<u>\$ 1,134,887</u>	<u>\$ 1,168,187</u>	<u>\$ 948,071</u>
Total All Agency Funds				
Assets				
Cash and cash equivalents	\$ 1,316,125	\$ 779,114	\$ 1,641,335	\$ 453,904
Due from other funds	-	1,038,294	249,448	788,846
Total assets	<u>\$ 1,316,125</u>	<u>\$ 1,817,408</u>	<u>\$ 1,890,783</u>	<u>\$ 1,242,750</u>
Liabilities				
Due to others	\$ 1,294,937	\$ 1,817,408	\$ 1,869,595	\$ 1,242,750
Due to other funds	21,188	-	21,188	-
Total liabilities	<u>\$ 1,316,125</u>	<u>\$ 1,817,408</u>	<u>\$ 1,890,783</u>	<u>\$ 1,242,750</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Town's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

CONTENTS	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	78
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the Town's ability to generate its property taxes.	84
Debt Capacity	
These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	87
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place and to help make comparisons over time and with other governments.	89
Operating Information	
These schedules contain information about the Town's operations and resources to help the reader understand how the Town's financial information relates to the services the Town provides and the activities it performs.	91

Sources: Unless otherwise noted, the information in the accompanying tables is derived from the comprehensive annual financial reports for the relevant year. The Town implemented Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management Discussion and Analysis – for State and Local Governments* in fiscal year 2003; tables presenting government-wide information include information beginning in that year.

TOWN OF BROOKFIELD, CONNECTICUT
NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting - Unaudited)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities								
Invested in capital assets, net of related debt	\$ 12,902,616	\$ 18,028,862	\$ 20,734,582	\$ 25,368,071	\$ 18,946,692	\$ 28,858,038	\$ 26,101,476	\$ 30,004,931
Unrestricted	7,604,335	5,134,191	119,860	(2,056,449)	10,962,009	2,271,866	6,386,396	(1,685,745)
Total governmental activities net assets	\$ 20,506,951	\$ 23,163,053	\$ 20,854,442	\$ 23,311,622	\$ 29,908,701	\$ 31,129,904	\$ 32,487,872	\$ 28,319,186
Business-type activities								
Invested in capital assets, net of related debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,105,454
Restricted	-	-	-	-	-	-	-	1,585,682
Unrestricted	-	-	-	-	-	-	-	8,195,151
Total business-type activities net assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,886,287
Primary government								
Invested in capital assets, net of related debt	\$ 12,902,616	\$ 18,028,862	\$ 20,734,582	\$ 25,368,071	\$ 18,946,692	\$ 28,858,038	\$ 26,101,476	\$ 33,110,385
Restricted	-	-	-	-	-	-	-	1,585,682
Unrestricted	7,604,335	5,134,191	119,860	(2,056,449)	10,962,009	2,271,866	6,386,396	6,509,406
Total primary government net assets	\$ 20,506,951	\$ 23,163,053	\$ 20,854,442	\$ 23,311,622	\$ 29,908,701	\$ 31,129,904	\$ 32,487,872	\$ 41,205,473

Note: The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003. On July 1, 2009, the Water Pollution Control Authority was converted from a special revenue fund to an enterprise fund.

Table 2

TOWN OF BROOKFIELD, CONNECTICUT
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting - Unaudited)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental activities:								
General government	\$ 1,231,219	\$ 1,830,494	\$ 3,897,524	\$ 1,456,360	\$ 1,892,693	\$ 1,773,810	\$ 2,535,852	\$ 2,521,729
Land use	776,409	928,180	864,972	851,244	989,559	1,054,184	1,066,379	808,734
Finance and taxation	812,992	864,221	965,182	948,680	929,606	972,642	1,098,285	971,491
Regional services	151,795	212,385	230,331	230,558	244,196	253,947	259,999	257,475
Human services	272,744	277,855	297,574	287,240	288,589	316,340	358,269	266,374
Public works	3,460,861	3,313,880	4,157,140	4,378,867	4,182,941	4,422,022	5,322,372	3,615,244
Public safety	3,850,525	4,535,473	5,056,598	4,820,305	4,977,607	5,353,976	7,233,099	6,570,991
Recreation and leisure	1,117,036	1,271,489	1,371,056	1,384,573	1,433,703	1,518,443	1,413,707	1,418,325
Human resources	-	-	-	-	-	599,812	632,912	714,627
Library	478,255	521,341	517,462	526,993	610,771	560,880	590,484	604,174
Education	33,934,977	31,116,689	32,661,048	35,688,884	36,869,491	48,246,172	40,444,134	40,949,902
Interest on long-term debt	1,189,402	1,130,093	1,067,011	1,401,319	1,814,530	1,764,914	1,789,205	1,668,670
Total governmental activities expenses	47,276,215	46,002,100	51,085,898	51,975,023	54,233,686	66,837,142	62,744,698	60,367,736
Business-type activities:								
Water Pollution Control Authority	-	-	-	-	-	-	-	-
Total primary government expenses	\$ 47,276,215	\$ 46,002,100	\$ 51,085,898	\$ 51,975,023	\$ 54,233,686	\$ 66,837,142	\$ 62,744,698	\$ 61,395,640
Program Revenues (See Table 3)								
Governmental activities:								
Charges for services:								
General government	\$ 1,125,835	\$ 1,496,953	\$ 1,640,660	\$ 1,958,311	\$ 1,652,642	\$ 1,747,075	\$ 2,179,610	\$ 532,488
Land use	249,453	310,080	414,138	399,425	300,476	578,189	358,116	217,172
Human services	-	-	-	30,203	-	-	30,561	29,890
Public works	1,039,540	1,281,108	1,260,281	1,333,630	1,151,543	1,104,522	1,087,432	7,200
Public safety	213,499	248,640	196,804	222,787	208,283	523,371	740,478	506,941
Recreation and leisure	423,246	502,693	537,460	590,593	608,872	579,825	533,669	447,659
Library	32,803	45,291	30,359	33,193	39,245	27,987	22,999	16,500
Education	722,435	763,438	818,535	789,587	725,976	780,962	612,838	908,134
Operating grants and contributions	3,440,287	3,002,142	3,367,592	4,600,486	4,528,734	14,999,221	5,863,799	6,218,507
Capital grants and contributions	2,380,110	320,216	197,593	234,889	4,576,306	1,124,781	4,095,032	4,118,164
Total governmental activities program revenues	9,627,208	7,970,561	8,463,422	10,193,104	13,792,077	21,496,494	15,523,863	12,972,765
Business-type activities:								
Charges for services:								
Water Pollution Control Authority	-	-	-	-	-	-	-	5,240,464
Capital grants and contributions	-	-	-	-	-	-	-	1,110,699
Total business-type activities program revenues	\$ 9,627,208	\$ 7,970,561	\$ 8,463,422	\$ 10,193,104	\$ 13,792,077	\$ 21,496,494	\$ 15,523,863	\$ 19,323,928
Net (Expense)/Revenue								
Primary government	(37,649,007)	(38,031,539)	(42,622,476)	(41,781,919)	(40,441,609)	(45,340,648)	(47,220,835)	(42,071,712)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Property taxes levied for general purposes	35,496,473	37,550,546	39,275,494	42,757,445	45,159,250	45,405,068	47,773,200	47,940,182
Grants and contributions not restricted to specific programs	838,207	517,811	494,201	453,575	471,937	431,200	422,659	341,533
Unrestricted investment earnings	691,824	270,895	544,170	1,028,079	1,210,640	725,583	382,944	182,366
Miscellaneous	91,101	-	-	-	196,861	-	-	-
Transfers	-	-	-	-	-	-	-	(1,701,171)
Total governmental activities	37,117,605	38,339,252	40,313,865	44,239,099	47,038,688	46,561,851	48,578,803	46,762,910
Business-type activities:								
Unrestricted investment earnings	-	-	-	-	-	-	-	6,042
Transfers	-	-	-	-	-	-	-	1,701,171
Total business-type activities	-	-	-	-	-	-	-	1,707,213
Change in Net Assets								
Primary government	\$ (531,402)	\$ 307,713	\$ (2,308,611)	\$ 2,457,180	\$ 6,597,079	\$ 1,221,203	\$ 1,357,968	\$ 6,398,411

Note: The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003. On July 1, 2009, the Water Pollution Control Authority was converted from a special revenue fund to an enterprise fund.

TOWN OF BROOKFIELD, CONNECTICUT
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

(Accrual Basis of Accounting - Unaudited)

Function/Program	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities:								
General government	\$ 1,222,967	\$ 1,576,958	\$ 1,699,145	\$ 1,973,169	\$ 2,045,876	\$ 1,945,033	\$ 2,338,761	\$ 589,694
Land use	249,453	310,080	414,138	399,425	300,476	578,189	358,116	217,172
Human services	-	-	-	30,203	-	51,761	60,545	3,105
Public works	1,153,118	1,415,258	1,413,190	1,519,383	1,381,849	1,977,953	1,357,634	2,261,681
Public safety	236,923	261,238	244,829	378,963	212,734	550,732	801,283	539,048
Recreation and leisure	423,246	502,693	537,460	625,593	608,872	579,825	533,669	1,525,056
Library	40,459	47,927	36,412	42,252	42,252	56,537	26,362	25,250
Education	6,301,042	3,856,407	4,118,248	5,230,336	9,200,018	15,756,464	10,047,493	7,811,759
Total governmental activities	\$ 9,627,208	\$ 7,970,561	\$ 8,463,422	\$ 10,157,072	\$ 13,792,077	\$ 21,496,494	\$ 21,496,494	\$ 12,972,765
Business-type activities:								
Water Pollution Control Authority	-	-	-	-	-	-	-	6,351,163
Total primary government	\$ 9,627,208	\$ 7,970,561	\$ 8,463,422	\$ 10,157,072	\$ 13,792,077	\$ 21,496,494	\$ 21,496,494	\$ 19,323,928

Note: The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003. On July 1, 2009, the Water Pollution Control Authority was converted from a special revenue fund to an enterprise fund.

**TOWN OF BROOKFIELD, CONNECTICUT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

(Modified Accrual Basis of Accounting - Unaudited)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund										
Unreserved	\$ 4,246,072	\$ 4,447,254	\$ 4,665,012	\$ 4,458,905	\$ 4,203,983	\$ 3,938,006	\$ 4,083,405	\$ 2,693,690	\$ 2,427,650	\$ 4,327,757
Total general fund	\$ 4,246,072	\$ 4,447,254	\$ 4,665,012	\$ 4,458,905	\$ 4,203,983	\$ 3,938,006	\$ 4,083,405	\$ 2,693,690	\$ 2,427,650	\$ 4,327,757
All Other Governmental Funds										
Reserved	\$ 972,271	\$ 755,730	\$ 4,103	\$ 4,638	\$ 7,833	\$ 10,465	\$ 11,252	\$ 21,285	\$ 410,867	(1) \$ 3,657
Unreserved, reported in:										
Special revenue funds	2,503,574	2,800,522	3,879,100	4,408,157	4,305,874	4,547,112	4,838,729	4,328,987	4,454,174	1,659,977
Capital projects funds	(6,651,800)	(158,474)	(1,952,368)	(6,172,575)	(7,167,911)	(10,382,742)	1,494,148	(5,831,664)	(9,466,799)	(824,325)
Total all other governmental funds	\$ (3,175,955)	\$ 3,397,778	\$ 1,930,835	\$ (1,759,780)	\$ (2,854,204)	\$ (5,825,165)	\$ 6,344,129	\$ (1,481,392)	\$ (4,601,758)	\$ 839,309

(1) Increase represents reservation for advance to other fund recorded in 2009.

(2) Change attributable to various transfers made between funds and the conversion of the Water Pollution Control Authority from a special revenue fund to an enterprise fund.

(3) Increase attributable to other financing source recorded in 2010 related to long term financing issued subsequent to year end.

Table 5

TOWN OF BROOKFIELD, CONNECTICUT
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting - Unaudited)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Property taxes	\$ 30,824,506	\$ 34,656,367	\$ 35,800,031	\$ 37,605,078	\$ 39,384,660	\$ 42,730,225	\$ 44,983,599	\$ 45,336,942	\$ 47,374,881	\$ 47,963,413
Assessments	993,611	1,057,898	469,904	609,723	584,497	569,489	357,147	317,143	315,174	- (1)
Interest and lien fees	2,077,281	457,674	6,088,100	3,885,320	194,214	256,333	275,451	232,692	223,289	217,374
Intergovernmental	4,616,160	4,500,851	2,904,730	3,470,768	4,112,647	5,388,117	9,697,916	16,656,203	10,469,503	10,639,056
Charges for services	1,910,594	2,126,072	360,023	257,038	3,577,765	3,758,117	3,343,596	3,882,597	3,441,678	2,484,971
Donations	77,701	17,148	10,700	14,760	54,077	54,605	62,556	35,843	23,016	33,742
Investment earnings	961,135	462,471	344,336	271,696	542,658	999,254	1,156,978	718,253	368,886	182,366
Miscellaneous	368,828	141,348	300,223	158,667	224,502	359,278	384,526	375,103	354,345	281,781
Total revenues	41,829,816	43,419,829	46,278,047	46,273,050	48,675,020	54,115,498	60,261,769	67,554,776	62,570,772	61,802,703
Expenditures										
General government	897,981	951,063	939,683	879,114	746,491	1,646,256	1,676,337	1,839,303	629,083	611,750
Land use	497,335	545,288	563,342	599,102	539,564	617,527	698,684	741,204	674,742	559,896
Finance and taxation	505,208	584,753	574,405	594,975	645,062	716,855	669,230	687,166	700,312	710,430
Regional services	135,171	146,080	151,795	212,385	230,331	230,558	244,196	253,947	259,999	257,475
Human services	193,556	206,578	209,979	182,525	199,121	217,795	212,103	228,738	224,824	186,142
Public works	1,725,596	1,823,016	2,229,513	2,251,088	2,805,659	2,486,452	2,727,326	3,129,086	3,315,933	2,408,388 (1)
Public safety	2,565,312	2,558,336	2,769,388	3,062,929	3,260,576	3,381,780	3,476,505	3,759,787	4,096,271	3,911,796
Recreation and leisure	837,245	879,460	917,621	987,116	1,079,615	1,128,574	1,187,260	1,238,601	1,131,231	1,031,530
Human resources	1,674,264	1,837,126	2,007,352	2,170,620	2,215,115	2,460,957	2,346,332	2,778,766	3,075,699	3,203,006
Library	469,516	529,938	468,302	521,341	517,462	526,993	560,915	560,880	589,836	566,674
Education	25,492,969	28,047,191	29,168,312	30,439,964	31,964,532	34,989,577	36,270,060	47,463,828	38,711,580	39,340,529
Miscellaneous	10,000	10,000	17,830	31,757	19,408	104,729	110,879	67,301	18,834	-
Capital outlays	8,954,753	4,043,146	5,323,535	5,263,843	2,538,935	5,785,024	21,366,430	8,854,394	7,306,615	6,652,371
Debt service:										
Interest	676,710	923,509	1,174,221	1,204,534	1,093,271	1,427,693	1,871,760	1,752,195	1,817,685	1,682,830 (1)
Principal	2,116,054	2,005,517	2,079,977	2,340,304	2,169,224	1,924,978	1,850,224	3,414,816	3,404,534	2,917,214 (1)
Total expenditures	46,751,670	45,091,001	48,595,255	50,741,597	50,024,366	57,645,748	75,268,241	76,770,012	65,957,178	64,040,031
Excess of revenues over (under) expenditures	(4,921,854)	(1,671,172)	(2,317,208)	(4,468,547)	(1,349,346)	(3,530,250)	(15,006,472)	(9,215,236)	(3,386,406)	(2,237,328)

TOWN OF BROOKFIELD, CONNECTICUT
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS (Continued)
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting - Unaudited)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Other Financing Sources (Uses)										
Issuance of bonds	\$ -	\$ 7,900,000	\$ -	\$ -	\$ -	\$ -	\$ 26,000,000	\$ -	\$ -	\$ -
Issuance of note payable	-	-	-	-	-	-	-	-	-	190,505
Issuance of bond anticipation note	-	-	-	-	-	-	-	-	-	8,705,000 (2)
Capital leases	573,028	546,087	540,567	571,825	293,312	293,312	1,321,165	-	-	-
Transfers in	1,009,383	1,743,534	1,756,749	1,295,651	1,892,825	1,697,885	2,090,803	1,698,852	2,161,433	4,284,723 (1)
Transfers out	(1,009,383)	(1,743,534)	(1,410,826)	(1,295,651)	(1,892,825)	(1,697,885)	(2,090,803)	(1,698,852)	(2,161,433)	(5,484,191) (1)
Total other financing sources (uses)	573,028	8,446,087	886,490	571,825	-	293,312	27,321,165	-	-	7,696,037
Net change in fund balances	\$ (4,348,826)	\$ 6,774,915	\$ (1,430,718)	\$ (3,896,722)	\$ (1,349,346)	\$ (3,236,938)	\$ 12,314,693	\$ (9,215,236)	\$ (3,386,406)	\$ 5,458,709
Debt service as a percentage of noncapital expenditures	7.40%	7.10%	7.50%	8.31%	7.25%	6.70%	7.27%	8.09%	8.70%	7.90%

Note: The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003. Therefore, capital expenditures for infrastructure were not capitalized prior to the implementation of GASB Statement No. 34 and are not included in the debt service as a percentage of noncapital expenditures ratio above.

On July 1, 2009, the Water Pollution Control Authority was converted from a special revenue fund to an enterprise fund.

- (1) Change attributable to various transfers made between funds and the conversion of the Water Pollution Control Authority from a special revenue fund to an enterprise fund.
- (2) Long term financing executed subsequent to year end and as such, recorded as an other financing source at June 30, 2010.

TOWN OF BROOKFIELD, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year Ended June 30,	REAL PROPERTY				MOTOR VEHICLE AND PERSONAL PROPERTIES			(1) Total Direct Tax Rate
	Assessed Value	Less Exempt Property	Net Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	
2001	\$ 1,042,455,518	\$ 84,029,500	\$ 958,426,018	\$ 1,834,858,123	52.23%	\$ 177,459,850	\$ 253,514,071	26.90
2002	1,067,027,160	84,191,340	982,835,820	1,927,256,030	51.00%	190,579,559	272,256,513	29.40
2003	1,576,301,120	77,843,500	1,498,457,620	2,140,653,743	70.00%	199,864,397	285,520,567	21.13
2004	1,603,779,947	83,577,570	1,520,202,377	2,564,054,647	59.29%	207,176,387	295,966,267	21.87
2005	1,634,383,790	80,825,120	1,553,558,670	2,961,101,916	52.47%	203,985,830	291,408,329	22.62
2006	1,661,277,750	85,490,260	1,575,787,490	3,243,525,007	48.58%	217,329,067	310,470,096	23.90
2007	1,697,548,990	84,160,420	1,613,388,570	3,587,291,892	44.98%	230,376,830	329,109,757	24.58
2008	2,448,015,735	118,641,780	2,329,373,955	3,327,571,616	70.00%	222,713,499	318,162,141	17.96
2009	2,471,006,230	120,199,530	2,350,806,700	3,314,207,772	70.93%	228,607,246	326,581,780	18.65
2010	2,480,042,175	119,706,800	2,360,335,375	3,014,651,044	78.30%	213,759,358	305,370,511	18.86

(1) The Total Direct Tax Rate shown above is the mill rate. The mill rate is divided by 1,000 and then multiplied by the taxable assessed value in arriving at the current property tax levy.

Note: In accordance with Connecticut General Statutes, the assessed value is calculated as 70% of the estimated actual taxable value.

A revaluation was completed effective October 1, 2001 (fiscal year 2003) and October 1, 2006 (fiscal year 2008). This caused the Total Taxable Assessed Value to increase significantly and the mill rate to decrease significantly. The basis of taxable assessed value is 70% of the estimated actual value.

Source: Town of Brookfield, Office of the Assessor (Equalized Net Grand List Report).

**TOWN OF BROOKFIELD, CONNECTICUT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

(Unaudited)

Taxpayer	Nature of Business	2010			2001		
		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
R & F Danbury LLC	Shopping Center	\$ 23,771,830	1	0.88%	\$ -	-	-
Connecticut Light and Power	Utility	20,188,820	2	0.75%	11,861,540	1	0.97%
Roy Young	Warehouse and Commercial Buildings	15,155,700	3	0.56%	10,783,990	2	0.95%
Gary and Dennis Michael	Shopping Center	14,847,310	4	0.55%	5,499,340	6	0.49%
Iroquois Gas Transmission System, LP	Utility	14,686,340	5	0.55%	3,987,290	8	0.35%
WRL Brookfield, LLC	Shopping Center	12,645,690	6	0.47%	-	-	-
Photronics Labs Inc.	Manufacturing	10,683,860	7	0.40%	-	-	-
Brookfield E&A LLC	Shopping Center	10,261,030	8	0.38%	-	-	-
Benchmark Gpt Brookfield LLC	Real Estate	8,458,680	9	0.31%	-	-	-
Brookfield Square of Brookfield LLC	Commercial Buildings	6,311,910	10	0.23%	6,337,180	4	0.56%
Pension Commissioners Board of LA	Finance	-	-	-	6,909,070	3	0.61%
Village at Brookfield Commons	Assisted Living	-	-	-	5,638,290	5	0.50%
Danbury Properties	Real Estate	-	-	-	4,060,000	7	0.36%
Dade Behring	Electronic Components	-	-	-	3,256,740	9	0.29%
Rapid Power Technologies	Electric Components	-	-	-	2,701,370	10	0.24%
	Total	\$ 137,011,170		5.08%	\$ 61,034,810		5.32%

Source: Town of Brookfield, Offices of the Tax Collector and the Assessor

Table 8

**TOWN OF BROOKFIELD, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

(Unaudited)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$ 30,650,146	\$ 30,040,049	98.01%	\$ 609,702	\$ 30,649,751	100.00%
2002	34,354,605	33,737,650	98.20%	616,550	34,354,200	100.00%
2003	35,557,528	35,133,283	98.81%	422,687	35,555,970	100.00%
2004	37,543,309	37,062,925	98.72%	475,998	37,538,923	99.99%
2005	39,514,067	38,900,210	98.45%	588,187	39,488,397	99.94%
2006	42,667,101	42,080,189	98.62%	524,605	42,604,794	99.85%
2007	45,018,815	44,549,401	98.96%	355,302	44,904,703	99.75%
2008	45,569,609	45,066,134	98.90%	334,869	45,401,003	99.63%
2009	47,616,362	47,042,795	98.80%	325,062	47,367,857	99.48%
2010	48,047,404	47,501,986	98.86%	385,868	47,887,854	99.67%

Source: Town of Brookfield, Office of the Tax Collector.

TOWN OF BROOKFIELD, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	Governmental Activities			Business-type Activities			Total Primary Government	Percentage of Actual Property Value (1)	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Notes and Loans Payable	Capital Leases	General Obligation Bonds	Notes and Loans Payable					
2001	\$ 16,160,000	\$ 1,416,458	\$ -	\$ -	\$ -	\$ -	\$ 17,576,458	0.84%	3.02%	1,120
2002	22,515,000	1,311,775	-	-	-	-	23,826,775	1.08%	4.04%	1,497
2003	20,990,000	1,204,979	1,113,247	-	-	-	23,308,226	0.96%	3.95%	1,464
2004	19,335,000	1,096,029	1,108,718	-	-	-	21,539,747	0.75%	3.62%	1,343
2005	17,820,000	984,879	565,645	-	-	-	19,370,524	0.60%	3.23%	1,196
2006	16,320,000	871,485	254,061	-	-	-	17,445,546	0.49%	2.88%	1,067
2007	40,820,000	755,955	1,612,268	-	-	-	43,188,223	1.10%	7.06%	2,616
2008	37,960,000	8,638,174	1,175,273	-	-	-	47,773,447	1.31%	7.85%	2,908
2009	35,115,000	11,262,974	735,939	-	-	-	47,113,913	1.29%	7.74%	2,871
2010	30,570,240	9,477,877	428,725	1,749,760	3,995,348	-	46,221,950	1.39%	7.55%	2,800

Note:

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

On July 1, 2009, the Water Pollution Control Authority was converted from a special revenue fund to an enterprise fund.

(1) See Table 6 for taxable property value data

(2) See Table 11 for population and personal income data

TOWN OF BROOKFIELD, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$ 217,120,078	\$ 243,412,666	\$ 251,110,874	\$ 264,150,404	\$ 275,626,806	\$ 299,112,611	\$ 315,709,030	\$ 319,084,864	\$ 332,998,274	\$ 336,750,596
Total net debt applicable to limit	14,829,590	16,629,768	19,743,836	22,794,559	25,276,811	34,645,415	36,569,019	42,173,611	43,181,424	45,059,507
Legal debt margin	\$ 202,290,488	\$ 226,782,898	\$ 231,367,038	\$ 241,355,845	\$ 250,349,995	\$ 264,467,196	\$ 279,140,011	\$ 276,911,253	\$ 289,816,850	\$ 291,691,089
Total net debt applicable to the limit as a percentage of debt limit	6.83%	6.83%	7.86%	8.63%	9.17%	11.58%	11.58%	13.22%	12.97%	13.38%

Note: Connecticut General Statutes, Section 7-374(b) limits the amount of general obligation debt a government entity may use to 7 times total tax collections, including interest and lien fees and the tax relief for the elderly freeze grant. The calculation of the 2010 debt limit can be found on page 65 of this report.

Table 11

**TOWN OF BROOKFIELD, CONNECTICUT
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN CALENDAR YEARS**

(Unaudited)

Year	(1) Population	(1) Personal Income	(1) Per Capita Personal Income	(1) Median Age	Education Level in Years of Schooling	(2) School Enrollment	(3) Unemployment Rate
2001	15,700	\$ 581,889,100	\$ 37,063	39.2	12.0	3,041	2.1%
2002	15,916	589,894,708	37,063	39.2	12.0	3,086	3.3%
2003	15,923	590,154,149	37,063	39.2	12.0	3,032	4.2%
2004	16,037	594,379,331	37,063	39.2	12.0	3,067	3.8%
2005	16,201	600,457,663	37,063	39.2	12.0	3,111	3.8%
2006	16,354	606,128,302	37,063	39.2	12.0	3,118	3.3%
2007	16,507	611,798,941	37,063	39.2	12.0	2,971	3.8%
2008	16,429	608,908,027	37,063	39.2	12.0	2,969	3.5%
2009	16,413	608,315,019	37,063	39.2	12.0	2,948	6.9%
2010	16,510	611,910,130	37,063	39.2	12.0	2,936	7.2%

(1) U.S. Department of Commerce, Bureau of Census for year 2000

(2) Town of Brookfield, Board of Education

(3) State of Connecticut, Labor Department, Office of Research and Statistics

Source: Town of Brookfield, Office of the Town Clerk.

Table 12

**TOWN OF BROOKFIELD, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**
(Unaudited)

Employer	Nature of Business	2010			2001		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
COSTCO	Super Market	260	1	2.98%	226	1	2.71%
Shop Rite	Super Market	250	2	2.86%	183	2	2.20%
United Parcel Service	Delivery Service	217	3	2.49%	180	3	2.16%
Photonics Labs	Electronic Manufacturing	180	4	2.06%	98	4	1.18%
Kohl's	Retail Store	100	5	1.15%	93	6	1.12%
Wentworth Labs	Precision Equipment	100	6	1.15%	95	5	1.14%
TJ Maxx	Retail Store	79	7	0.90%	70	7	0.84%
Reymour & Flanagan	Retail Store	43	8	0.49%	35	8	0.42%
Bob's Stores	Retail Store	40	9	0.46%	20	10	0.24%
United Alarm	Alarm System Service	33	10	0.38%	24	9	0.29%
Total		1,302		14.92%	1,024		12.30%

Source: Town of Brookfield, Office of the Town Clerk

**TOWN OF BROOKFIELD, CONNECTICUT
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

(Unaudited)

	Full-time Equivalent Employees as of June 30									
<u>Function/Program</u>	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government										
General government:										
Selectmen	3.0	3.0	3.5	3.5	4.0	4.0	4.0	4.0	3.0	3.0
Human Resources/Operations	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	2.5	2.5
Land use	14.0	14.2	14.2	14.2	14.2	16.9	16.9	16.9	10.0	10.5
Finance and taxation	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	7.5	10.5
Public works	16.7	16.7	15.7	16.1	16.4	16.4	16.4	16.4	14.5	16.0
Public safety:										
Officers	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0
Civilians	10.6	10.6	10.6	10.6	10.6	10.6	10.0	10.0	10.0	10.0
Recreation and leisure	10.0	10.0	10.5	10.5	10.5	10.5	10.5	10.5	7.5	8.5
Library	7.0	8.0	8.0	8.0	10.0	10.0	10.0	10.0	9.5	9.5
Education	383.0	390.0	392.0	401.0	410.0	410.0	421.0	388.4	376.5	378.0
Total	<u>487.8</u>	<u>496.0</u>	<u>498.0</u>	<u>507.4</u>	<u>519.2</u>	<u>521.9</u>	<u>532.3</u>	<u>499.7</u>	<u>472.0</u>	<u>479.5</u>

Source: Town of Brookfield, Human Resources Office

Table 14

**TOWN OF BROOKFIELD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

(Unaudited)

Function/Program	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Land Use										
Residential Construction Permits Issued	390	436	464	424	406	459	275	282	145	238
Commercial Construction Permits Issued	50	80	73	88	75	92	66	82	45	106
Police										
General service calls	3,386	3,663	3,581	4,194	3,753	4,036	4,243	5,562	7,017	4,695
Criminal investigations	711	743	813	855	758	806	821	733	698	660
Non-criminal investigations	54	86	45	52	33	40	37	38	46	74
Traffic enforcement	4,080	4,144	5,759	6,061	6,537	5,650	5,426	6,574	5,188	4,668
Other public works										
Street resurfacing (miles)	3.5	3.0	10.0	2.0	2.5	2.5	2.0	3.0	2.4	6
Street repairs (miles)	18	23	36	8	13	16	16	18	25	25
Parks and recreation										
Athletic field events (18 facilities)	2,460	2,694	2,987	3,185	3,160	3,240	3,450	3,500	3,510	3,700
Community center visits (annually)	9,885	9,800	9,890	10,175	10,150	10,200	10,800	11,500	11,330	10,750
Library										
Volumes in collection (including multimedia)	60,495	61,550	62,340	62,440	59,160	60,192	63,160	65,280	62,950	61,290
Total volumes borrowed	152,200	151,550	153,000	153,500	155,500	156,000	146,882	149,602	150,410	155,943

Source: Various Town departments

Table 15

**TOWN OF BROOKFIELD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**
(Unaudited)

<u>Function/Program</u>	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	4	4	4	4	4	4	4	4	4	4
Other public works										
Streets (miles)	93.0	93.5	94.0	94.5	95.0	96.0	96.0	99.0	99.7	99.7
Streetlights	217	219	220	225	225	226	226	226	226	226
Traffic signals	1	1	1	1	3	3	4	4	7	5
Parks and recreation										
Acreage	180	180	180	180	180	180	180	180	180	180
Playgrounds	23	23	25	25	25	25	25	25	25	25
Baseball/softball diamonds	4	5	5	5	5	5	5	5	5	5
Soccer/football fields	12	12	12	12	13	13	13	13	13	13
Community centers	1	1	1	1	1	1	1	1	1	1
Wastewater										
Sanitary sewers (miles)	6.2	6.2	6.2	6.2	6.2	6.8	6.8	6.8	13.9	21.6
Storm sewers (miles)	48.3	48.8	49.3	49.5	50.0	50.8	51.0	51.0	51.5	51.7

Source: Various Town departments

