

# **TOWN OF BROOKFIELD, CONNECTICUT**



## **Comprehensive Annual Financial Report**

**For The Year Ended  
June 30, 2011**

**Prepared by:**

**Department of Finance**

**TOWN OF BROOKFIELD, CONNECTICUT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2011**

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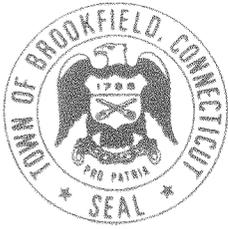
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# TOWN OF BROOKFIELD

BROOKFIELD, CT 06804

*Date – same as Audit report*

**To the** Honorable William Davidson, First Selectman  
Members of the Board of Selectmen and Board of Finance  
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, 2011.

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 unqualified ("clean") opinions 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 30, 2011, 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 16,452 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 Treasurer is responsible for the investment of all Town Funds.

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 477 full-time municipal employees provide services to the Town community. The Town has 99.7 miles of roads.

The Town provides other services, such as sanitation, that is handled by a legally separate Sewer Authority which functions, in essence, as a department of the Town and therefore has been included as an integral part of the Town's financial statements.

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 review 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 intends to monitor 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, with its close proximity to the New York labor market, continues to enjoy a solid employment base. Per capita earnings are very favorable in comparison to the national average. In addition, unemployment in the Town remains below the State average.

The Town continues to enjoy a strong credit rating; receiving an Aa1 rating from Moody's Investor's Service and an AA+ rating from Standard & Poors. These 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, 2011, the Town (as did a number of municipalities) suffered severe 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 the 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 7 Commercial Corridor** - The Southern Commercial district of the Town continues to enjoy a strong level of development. The construction continues to be 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.
- **Town's five year road paving program** – The Town has approved a bond appropriation of \$10,000,000 for a five year road paving program to upgrade its road and drainage infrastructure throughout the Town.
- **Four Corners Streetscape Project** – A major project to develop our Route 7 and Route 202 business district by improving the lighting and streetscape along the street. A grant for \$250,000 from the State of Connecticut will benefit this project.
- **Enhancement to the Town's Recreational Facilities** – Brookfield has been successful over the past year and has enjoyed success with the implementation and approval of 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 a State of Connecticut financial commitment of approximately \$2,000,000 for the project.
  - A major renovation project at Candlewood Lake that includes the replacement of the lake wall, installation of handicapped-accessible walkways, lighting, landscaping with benches and picnic tables. A grant for \$750,000 from the State of Connecticut will benefit this project.
- **Kid's Kingdom Park** - The Town has appropriated a total of \$500,000 for the reconstruction, expansion, *State of the Art* playground and safety updates to the Kid's Kingdom Park. A grant for \$250,000 from the State of Connecticut will benefit this project.

## **Relevant Financial Policies**

### **Long Range Financial Planning and Debt Management**

The Town maintains a five-year capital plan. Estimates are based on departmental projections and are complimented with a philosophy of conservative budgeting practices. 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. Town has already taken steps to fund their OPEB liability for post retirement benefits, including funding for a reserve for its payment of liabilities for current and future heart and hypertension claims.

It is still the expectation of the Town that it can safely manage its modest debt 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 especially important that during this period of financial unrest, the Board of Finance continues to work with the First Selectman 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.

### **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, 2010. 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,

David A. Scribner  
Treasurer

**TOWN OF BROOKFIELD, CONNECTICUT  
PRINCIPAL TOWN OFFICIALS  
JUNE 30, 2011**

**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, 2010

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.



*Linda C. Davison*

President

*Jeffrey R. Emer*

Executive Director

# **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, 2011, 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, 2011, 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 \_\_\_\_\_ 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.

Glastonbury, Connecticut

# **Management's Discussion and Analysis**

## MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2011

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### **Introduction**

This Comprehensive Annual Financial Report (CAFR) for the Town of Brookfield, Connecticut incorporates the financial reporting requirements of the Government Accounting Standards Board (GASB) Statement 34. Fund statements measure and report the “operating results” of many funds by presenting the short-term performance of individual funds using the same measures governments use when financing current operations. Showing budgetary compliance is an important part of governmental accountability, therefore we include the *original* budget as well as the final amended budget in this report.

Our objective is to provide a readable analysis of our financial performance for the year. Taken together, the following statements should enable you to assess whether the Town of Brookfield’s financial position has improved or deteriorated as a result of the year’s operations. The CAFR includes government-wide financial statements prepared on the accrual basis for all of the Town’s activities. Accrual accounting measures not just current assets and current liabilities, but long-term assets and liabilities as well. It also reports all revenues and all costs of providing services each year, not just those received or paid in the current fiscal year.

In summary, the government-wide financial statements will allow:

- The assessment of the finances of the Town in its entirety, including the year’s operating results;
- Determination whether the overall financial position improved or deteriorated;
- Evaluation of whether current year revenues were sufficient to pay for current year services;
- Presentation of the costs of services the Town provides;
- Presentation of how each service is financed – through user fees and other program revenues versus general tax revenues;
- Understanding the extent to which your government has invested in capital assets, including roads, bridges, sewers, schools, parks, and other infrastructure assets.

### **Overview of the Financial Statements**

**Management Discussion and Analysis (MD&A)** – An introduction to the basic financial statements and an analytical overview of the Town’s financial activities. The MD&A provides an objective and easily readable analysis of the Town’s financial activities based on currently known facts, decisions, or conditions.

#### **Basic Financial Statements**

**Government-Wide Financial Statements** are designed to provide readers with a broad overview of Brookfield’s finances in a manner similar to private-sector businesses. They include a *statement of net assets* which 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. The *statement of activities* presents information showing how the government’s net assets changed during the most recent fiscal year.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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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*. The government-wide financial statements include only the Town itself (known as the *primary government*). There are no *component units* reported separately from the financial information presented for the primary government itself.

Fiduciary activities whose resources are not available to finance our governmental programs are excluded from these statements.

Capital assets, including infrastructure, are reported along with depreciation expense in the statement of activities. Net assets are reported as capital assets net of related debt, restricted net assets, and unrestricted net assets. Permanent endowments, or permanent fund principal amounts included in restricted net assets, are shown as either expendable or nonexpendable.

Expenses are presented reduced by program revenues resulting in a measurement of “net (expense) revenue” for each of the government’s functions. Program expenses include all direct expenses. General revenues such as taxes, unrestricted grants and contributions, and investment income are reported separately, ultimately arriving at the change in net assets for the period.

***Fund Financial Statements*** are a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Brookfield, like other state and local governments, 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 fund* financial statements include financial data for the general fund, bonded projects fund, special revenue funds, capital projects, and permanent fund. *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 a government'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 activities* in the government-wide financial statements with similar information presented for *governmental funds* in the long-term impact of the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government'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 eighteen 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 sixteen special revenue and capital projects 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 Town of Brookfield adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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*Proprietary fund* financial statements include the financial data for the business-type activities of the WPCA and a risk management internal service fund. *Internal service funds* are an accounting device used to calculate and allocate costs internally among the Town's various functions.

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

### **Notes to Basic Financial Statements**

Consist of notes that provide information essential to your understanding of the data provided in the government-wide and fund financial statements.

### **Required Supplementary Information (RSI)**

Consists of MD&A and the Town of Brookfield's Retirement System progress in funding its obligation to provide pension benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions.

### **Financial Highlights**

- ❖ The governmental net assets of the Town of Brookfield exceeded its liabilities at the close of the most recent year by \$31,565,483 (governmental net assets) and the business-type net assets exceeded liabilities by \$11,740,053 (business-type activity net assets). Of these amounts, \$4,964,732 (*unrestricted net assets- governmental activities*) and \$6,860,516 (*unrestricted net assets- business-type activities*) may be used to meet the government's ongoing obligations to citizens and creditors.
- ❖ The governmental activities total net assets grew by \$3,246,297. This increase resulted in part from the transfer of \$1,414,632 from the WPCA to the general government, a net increase in capital assets of \$3,342,669 (after depreciation), a net reduction in debt of \$1,296,288, and a net increase in long-term liabilities of \$560,077. Business-type activity net assets declined \$1,146,234 due primarily to the transfer to the general government previously cited.
- ❖ As of the close of the current fiscal year, the Town's governmental funds reported combining ending fund balances of \$4,964,732, a decrease of \$202,332 in comparison with the prior year. Of this amount, \$4,956,443 is available for spending at the government's discretion (unreserved fund balance).
- ❖ At the end of the current fiscal year, unreserved undesignated fund balance, and total fund balance, for the general fund was \$4,602,745, or 8.19% of total general fund revenues of \$56,200,042.
- ❖ Brookfield issued new long-term governmental activities bonded debt in 2010 in the amount of \$9,145,000 and \$1,398,461 of long-term notes, but we retired \$9,287,372 short-term bond anticipation notes (BANs) and drinking water loans along with \$3,600,000 of business-type activity BANs.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

**Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Most (84.28%) of Brookfield's net assets reflect its investment in capital assets (e.g., land, construction in progress, buildings, machinery, vehicles, and equipment), 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.

**Table 1. Net Assets**

	Governmental Activities 2011	Business Type Activities 2011	Governmental Activities 2010	Business Type Activities 2010
Current and Other Assets .....	\$ 9,999,828	\$ 9,017,672	\$10,656,277	\$10,401,217
Capital Assets.....	73,824,442	9,104,758	70,481,773	8,850,562
Total Assets.....	<u>83,824,270</u>	<u>18,122,430</u>	<u>81,138,050</u>	<u>19,251,779</u>
Other Liabilities .....	1,086,758	420,026	13,004,251	4,156,287
Long-Term Liabilities .....	51,172,029	5,962,351	39,814,613	2,159,732
Total Liabilities.....	<u>52,258,787</u>	<u>6,382,377</u>	<u>52,818,864</u>	<u>6,316,019</u>
Net Assets:				
Invested in Capital Assets, net of debt .....	26,600,751	3,265,787	30,004,931	3,105,454
Restricted .....	--	1,613,750	--	1,585,682
Unrestricted.....	4,964,732	6,860,516	(1,685,745)	8,195,151
Total Net Assets.....	<u>\$31,565,483</u>	<u>\$11,740,053</u>	<u>\$28,319,186</u>	<u>\$12,886,287</u>

The balance of governmental *unrestricted net assets*, \$4,964,732, and business-type *unrestricted net assets* of \$6,860,516 may be used to meet the Town's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town is able to report positive balances two of the three categories of net assets for governmental activities and in all three categories of net assets for its business-like activities.

The governmental activity net assets increased by \$3,246,297 during the current fiscal year as previously indicated. The Town brought in net general revenues (and transfers) of \$55,947,734 which exceeded its net operating expenses of \$52,701,437 by the amount of the net asset increase. Gross expenses of \$62,824,096 were offset by \$2,859,964 in charges for services, \$6,703,537 in operating grants and contributions, and \$559,158 in capital grants and contributions. Of the net expenses, \$37,314,998 was accounted for by the Board of Education. Public safety net expenses of \$5,621,885, public works net expenses of \$3,574,746, interest expense of \$1,783,009, and recreation and leisure net expense of \$1,042,384 accounted for most of the expenses. The majority of the Town's revenue was \$50,082,141 in property tax collections. Other revenue sources were assessments levied for waterworks of \$4,245,516, investment income of \$181,108, and \$24,337 of miscellaneous revenues.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

**Table 2. Changes in Net Assets**

	Total Primary Government 2011	Business-Type Activities 2011	Total Primary Government 2010	Business-Type Activities 2010
Revenues:				
Program Revenues:				
Charges for Services.....	\$ 2,859,964	\$1,446,151	\$ 2,636,094	\$5,240,464
Operating Grants and Contributions .....	6,703,537	--	6,218,507	--
Capital Grants and Contributions .....	559,158	--	4,118,164	1,110,699
General Revenues:				
Property Taxes.....	50,082,141	--	47,940,182	--
Assessments for Waterworks.....	4,245,516	--	--	--
Grants and Contributions not Restricted to Specific Purpose.....	--	--	341,533	--
Unrestricted Investment Earnings .....	181,108	15,882	182,366	6,042
Miscellaneous .....	24,337	--	--	--
<b>Total Revenues .....</b>	<b>64,655,761</b>	<b>1,462,033</b>	<b>61,436,846</b>	<b>6,357,205</b>
Program Expenses:				
General Government.....	1,018,191	--	2,521,729	--
Land Use .....	1,036,604	--	808,734	--
Finance and Taxation.....	954,167	--	971,491	--
Regional Services.....	260,878	--	257,475	--
Human Services .....	483,516	--	266,374	--
Public Works.....	4,163,904	--	3,615,244	--
Public Safety .....	5,840,518	--	6,570,991	--
Recreation and Leisure.....	1,549,447	--	1,418,325	--
Human Resources .....	239,982	--	714,627	--
Library .....	579,707	--	604,174	--
Education .....	44,914,173	--	40,949,902	--
Water Pollution Control Authority.....	0	1,193,635	--	1,027,904
Interest Expense on Long-Term Debt ..	1,783,009	--	1,668,670	--
<b>Total Program Expenses .....</b>	<b>62,824,096</b>	<b>1,193,635</b>	<b>60,367,736</b>	<b>1,027,904</b>
Change in Net Assets before Transfers....	1,831,665	268,398	1,069,110	5,329,301
Transfers .....	1,414,632	(1,414,632)	(1,701,171)	1,701,171
Change in Net Assets.....	3,246,297	(1,146,234)	(632,061)	7,030,472
Net Assets as Originally Reported.....	--	--	32,487,872	1,904,075
Adjustments <sup>1</sup> .....	--	--	(3,536,625)	3,951,740
Net Assets, beginning, as Adjusted .....	28,319,186	12,886,287	28,951,247	5,855,815
<b>Net Assets, ending .....</b>	<b>\$31,565,483</b>	<b>\$11,740,053</b>	<b>\$28,319,186</b>	<b>\$12,886,287</b>

<sup>1</sup> Adjustment to record water works activity as business-type activity

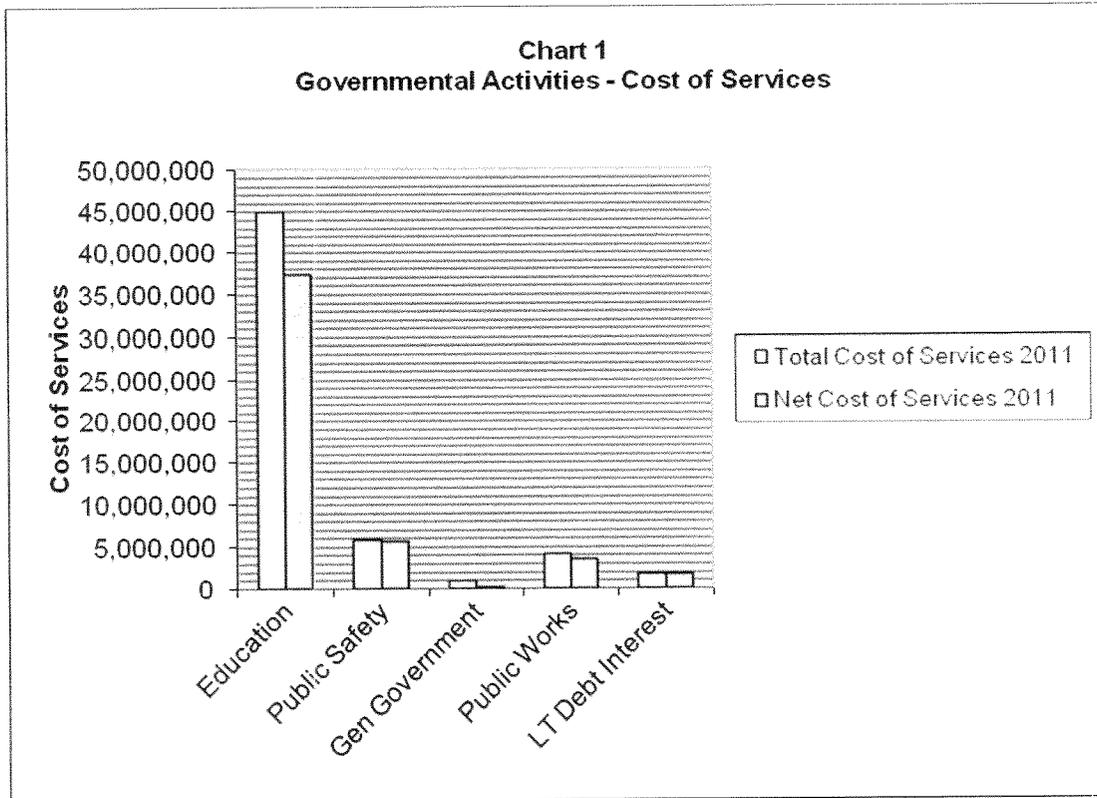
Capital grants and contributions fell off this year as we essentially completed the Silvermine and other waterline projects which were partially funded through grants as was the renovated Senior Center. Property taxes collected rose by \$2.142 million (4.47%) between fiscal year 2010 and 2011. Waterworks Assessments now appear under government activities whereas previously they were treated as business-like activities.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Overall, program expenses rose \$2.461 million from last year with the largest increase being education at \$3.969 million. These higher costs were offset somewhat by declines in other activities such as general government (\$1.504 million) and public safety (\$730 thousand).

Chart 1 presents the costs of educational services, interest expense, and other major government services as well as each group's net cost (total cost less revenues generated by the activities).

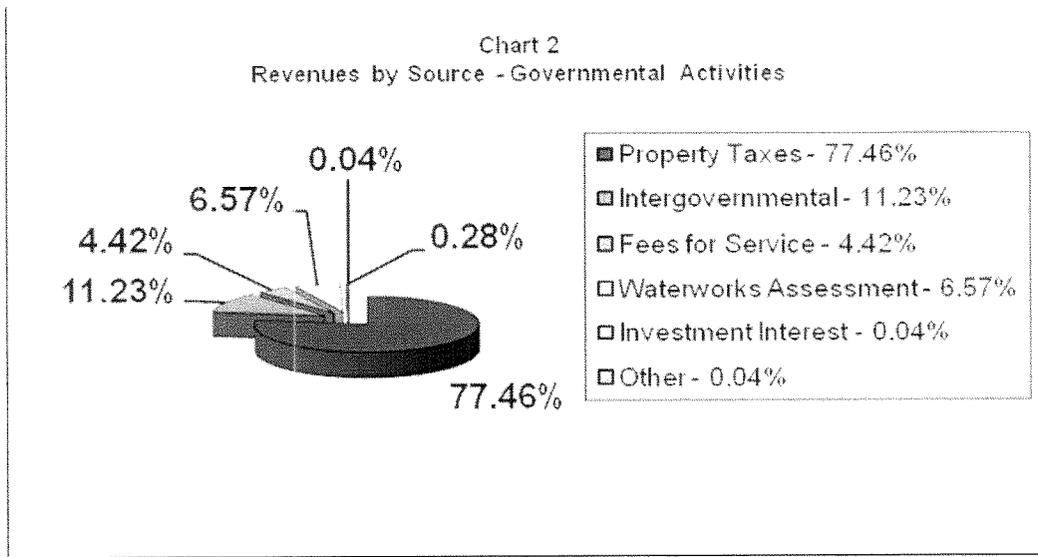
The Net Cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.



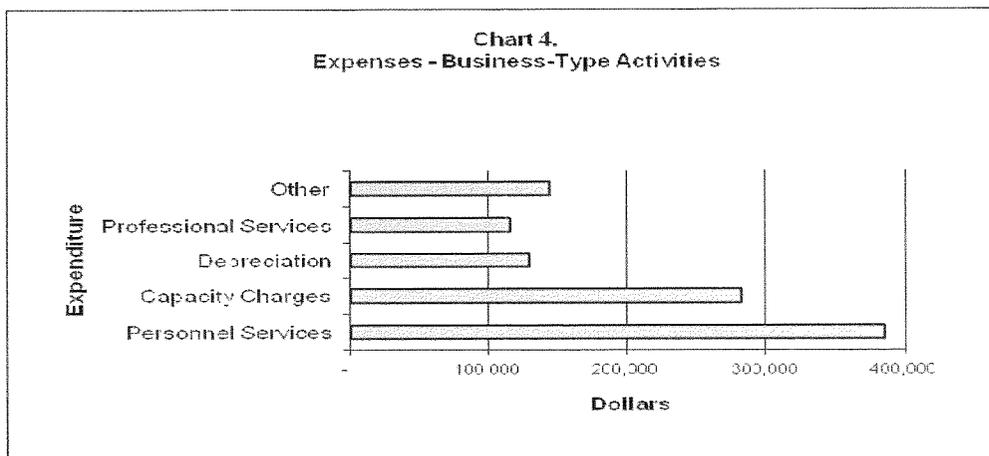
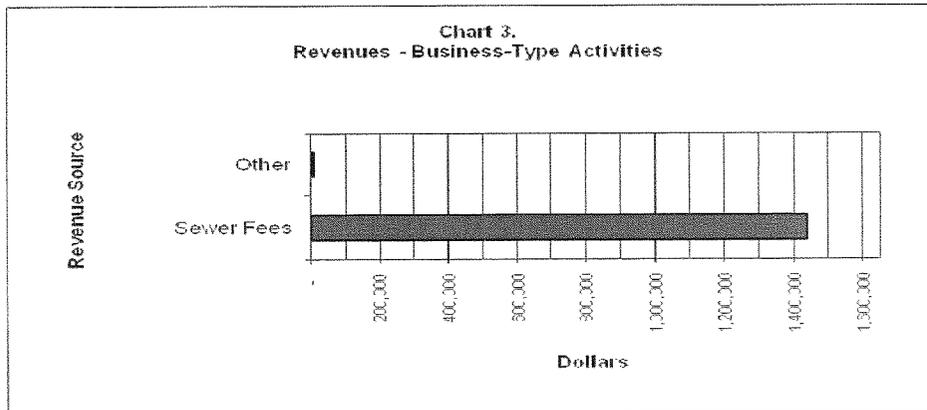
For the most part, the rise in expenses reflects the higher cost of education, greater fuel and power prices, and increased benefit (health care, pension) expense for Board of Education employees.

Chart 2 presents in five categories the most significant sources of revenues Brookfield drew upon to fund its operations during the year and the percentage of total revenues represented by each.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



Charts 3 and 4 show, respectively, the sources of revenue and the expenditures incurred in operating the WPCA business-type activity of the Town.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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### **Financial Analysis of the Government's Funds**

As noted earlier, Brookfield 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 a government'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 combined ending fund balances of \$4,964,732, a decrease of \$203,332 from the prior year's \$5,167,064. At June 30, 2011, \$4,956,443 of the governmental funds fund balance constitutes *unreserved fund balance* that is available for spending at the government's discretion. Included in the unreserved fund balances is a negative \$2,673,775 that represents a negative fund balance in the bonded projects fund, a condition that arises in such accounts when outlays have been made for capital expenditures that will later be repaid through the issuance of debt or transfers from other accounts. A small portion of the fund balance, \$8,289, is *reserved* for inventory in the cafeteria revenue fund to indicate that it is not available for new spending.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, the total general fund balance amounted to \$4,602,745 which was also the unreserved general fund balance. As a measure of the general fund's liquidity, it may be useful to compare both unreserved general fund balance and total general fund balance to total general fund revenues of \$56,200,042. Unreserved (and total) general fund balance represents 8.19% of total general fund revenues.

The Town of Brookfield's governmental funds fund balance decreased by \$202,332 during the current fiscal year. Key factors in this decrease are as follows:

- The General Fund realized revenues of \$56,200,042 and expenditures of \$55,178,676 for a positive operating result of \$1,021,366. Transfers in of \$447,000 and transfers out of \$1,193,378 to other nonmajor funds, the library operating fund (\$553,603) and the nonmajor capital project fund (\$639,775), generated a net other financing *use* of (\$746,378). The net change in fund balance for the general fund was an increase of \$274,988 to \$4,602,745. This increase was driven primarily by the careful monitoring of ongoing expenditures as the fiscal year progressed to insure the Town remained within its budgeted expenditures.
- The bonded projects fund accounts for our debt transactions and capital outlays not paid for from the operating budget. For FY 2011, the fund reflects revenues of \$6,758,415, primarily State of Connecticut progress payment grants for the ongoing high school construction project along with grants for the waterline project, and expenditures of \$4,952,028 producing a net excess of revenues over expenditures of \$1,806,387. Despite the inclusion of \$400,000 of bond proceeds, a transfer out of \$3.6 million to retire outstanding BANs pushed the fund balance from a negative \$1,320,162 to a negative \$2,673,775. We use this fund to account for our various construction projects and large fluctuations in fund balance are common due to the timing of cash flows in and out of the fund.
- Other nonmajor governmental funds reflect total revenues of \$4,600,510 and total expenditures of \$5,776,195 for a combined operating deficit of \$1,175,685. Coupled with a net other financing sources input of \$2,051,978, the nonmajor governmental funds fund balance increased a total of \$876,293 to \$3,035,762.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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### **General Fund Budgetary Highlights**

During the year, intergovernmental revenue was increased \$51,881 from \$2,387,023 to \$2,438,904 based on additional FEMA money for the January snowstorms. On the expenditure side, we made two additional appropriations, \$135,504 for public works and \$55,287 for recreation and leisure for unexpected snow storm expenses. The net effect of these actions was to increase the revenue budget to \$53,386,413 and the expenditure budget to \$52,614,232. The additional expenditures were funded, in part, by the increased revenues and use of \$94,800 budgeted for general contingency. We initially expected an operational surplus of \$819,181 and no impact on fund balance. The final budget contemplated \$772,181 of operating surplus.

Actual operational results generated a modest negative revenue variance from budget of \$8,461. On the plus side, the expenditure budget was \$190,816 under expectations resulting in a net positive budget variance of \$182,355, which, when added to the \$25,803 in reduced transfers out, generated an overall positive budget variance of \$208,158.

Notable budget to actual line items were \$126,373 in additional taxes collected, but investment earnings fell short of budget by \$106,023. Human resources expended \$68,678 under budget and public safety realized a savings of \$61,249.

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

**Capital Assets.** The Town of Brookfield's investment in capital assets for its governmental assets includes land, construction in progress, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges. Note 4. of Notes to the Financial Statements for June 30, 2011 details our capital asset net increase of \$13,597,080 during the fiscal year before dispositions of \$10,254,410. The total net increase (after depreciation) in the Town's investment in capital assets for the current fiscal year was \$ 3,342,670, a 4.74% increase for governmental activities. The net increase for business-type activities was a modest \$254,196 mostly in infrastructure enhancements.

Major capital asset acquisitions/disposals during the current fiscal year included the following:

- Our land holdings were increased \$805,000 with the acceptance of Nabby Road and \$141,230 of donated open space.
- Construction in progress reflected a \$6,515,340 net reduction as the waterline projects on Barnbeck, Silvermine, and North Federal Roads were finished and the Senior Center renovation was completed. About \$2.5 million of construction in progress was added as we continued construction at the High School and included the final values of the finished work on the waterlines.
- Our buildings and improvements grew by the value of the completed Senior Center renovation.
- The \$7,787,356 net increase in infrastructure represents the value of the waterline additions (\$6.907 million) and roads (\$2.156 million) less infrastructure no longer in use.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

**Table 3. Capital Assets at Year End**

	Governmental Activities 2011	Business-type Activities 2011	Governmental Activities 2010	Business-type Activities 2010
Land	\$11,370,803	--	\$10,424,573	--
Construction in Progress	31,681,836	--	38,197,176	--
Buildings and Improvements	17,673,814	\$ 94,097	16,405,452	\$ 97,260
Infrastructure	10,418,654	8,869,511	2,631,298	8,580,293
Machinery and Equipment	1,047,021	199,579	1,274,069	134,628
Vehicles	1,632,314	(58,429)	1,549,205	38,381
Totals	<u>\$73,824,442</u>	<u>\$9,104,758</u>	<u>\$70,481,773</u>	<u>\$8,850,562</u>

**Long-term and Short-term Debt.** At the end of the current fiscal year, the Town of Brookfield governmental activities had outstanding \$37,155,000 of long-term bonded debt and \$1,502,171 of long-term notes. During the year, we retired \$2,636,795 of bond and long-term note principal and paid off \$9,287,372 of BANs and loans. Business-type activities paid down \$492,663 of long-term bond and note principal and retired \$3,600,000 of BANs. Governmental activities issued \$9,145,000 of bonds and \$1,398,461 of long-term notes. Business-type activities issued \$430,000 of new bonded debt and \$3,747,081 of new long-term notes. All our debt is a general obligation of the Town for which we pledge our full faith and credit for the payment of principal and interest on our obligations.

**Table 4. General Obligation Debt Outstanding**

	2011	2010
<b>Governmental Activities</b>		
Long-term	\$38,657,171	\$30,750,505
Short-term	--	9,287,372
Sub-total	<u>38,657,171</u>	<u>40,037,877</u>
<b>Business-type Activities</b>		
Long-term	5,838,971	2,154,553
Short-term	--	3,600,000
Sub-total	<u>5,838,971</u>	<u>5,754,553</u>
<b>Total Debt</b>	<u>\$44,496,142</u>	<u>\$45,792,430</u>

The Town of Brookfield maintains a "Aa1" rating from Moody's Investors Service, Inc. and a "AA+" rating from Standard & Poor's.

Connecticut General Statutes Section 7-374(b) limits the amount of general obligation debt a governmental entity may issue to 7 times its tax collections plus interest and lien fees. For June 30, 2011, the maximum amount of borrowing permitted under the formula would be \$351,974,105. The State of Connecticut will reimburse us for some school bond principal over the coming years, and that amount, \$566,267, reduces our outstanding debt to \$43,929,875. With these net borrowings, the Town of Brookfield's outstanding general obligation debt is \$308,044,230 below the maximum debt limitation (see Note 8 of Notes to Financial Statements).

The Town of Brookfield has no overlapping debt.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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### **Economic Factors and Next Year's Budget and Rates**

- The unemployment rate for the Town of Brookfield at June 30, 2011 was 6.6% compared to 7.2% a year ago. This compares favorably to the Connecticut average unemployment rate of 9.1% and the national average rate of 9.3% (not seasonally adjusted).
- Inflationary trends in the region compare favorably to the national indices.

The FY 2011 – 12 revenue budget rose \$1,927,587 to \$55,314,000, or 3.61%, from the prior year's final adopted budget of \$53,386,413. Real and property taxes increased \$2,039,900, or 4.09%, to \$51,877,409. Given the current state of the state, we lowered estimates for intergovernmental revenues by \$152,813 to \$2,286,091. We considered the historically low level of interest rates by reducing estimated investment income by \$100,000 to \$50,000. The new revenue budget contemplates \$300,000 of general fund balance to be used. To fund the FY 2011 - 12 budget, the mill rate was set at 19.94 mills, up 0.47 mills (2.41%) from the prior year's 19.47.

On the expenditure side, Town operations were budgeted at \$19,164,000 (including capital outlays and debt service), a \$801,846, or 4.37%, increase from the prior year. School operations increased by \$730,622 to \$36,150,000, a 2.06% rise over the last fiscal year. Debt service increased \$83,816, or 2.03%. Capital project expenditures remained essentially unchanged from the prior year at \$592,943. Notable increases (or decreases) in existing Town functions are detailed below:

- ❖ Salaries for full-time employees rose \$96,168 (1.62%) to \$6,042,593;
- ❖ Insurance, employee benefits, and pension costs rose \$259,313 (8.73%) driven largely by increases in employee medical insurance premiums and higher pension contributions;
- ❖ Town utility expenses increased by \$149,660 (23.35%).

All of these factors contributed to Brookfield's budget for the 2012 fiscal year.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town of Brookfield's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Controller, Town of Brookfield Town Hall, 100 Pocono Road, Brookfield, CT 06804-3322.

# **Basic Financial Statements**

**TOWN OF BROOKFIELD, CONNECTICUT**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,570,926	\$ 1,056,851	\$ 5,627,777
Investments	499,333	-	499,333
Receivables:			
Property taxes, net of allowance for uncollectibles of \$136,000	724,032	-	724,032
Assessments and user charges receivable	181,648	711,198	892,846
Grants and contracts receivable	479,611	-	479,611
Inventories	8,289	-	8,289
Restricted cash	-	1,722,273	1,722,273
Receivable, long-term portion	-	-	-
Assessments and user charges receivable	3,269,675	5,527,350	8,797,025
Other	98,058	-	98,058
Advance to other fund	168,256	-	168,256
Inter-fund	-	-	-
Capital assets:			
Non-depreciable	43,052,639	-	43,052,639
Depreciable, net	30,771,803	9,104,758	39,876,561
Total assets	<u>83,824,270</u>	<u>18,122,430</u>	<u>101,946,700</u>
<b>LIABILITIES</b>			
Accounts payable	112,562	-	112,562
Accrued liabilities:			
Salaries and benefits payable	200,594	-	200,594
Accrued interest	408,381	30,769	439,150
Other accrued liabilities	73,249	133,145	206,394
Unearned revenue	-	256,112	256,112
Bond premium	291,972	-	291,972
Other liabilities	-	-	-
Inter-fund	-	-	-
Noncurrent liabilities:			
Due within one year	3,228,219	490,420	3,718,639
Due in more than one year	47,943,810	5,471,931	53,415,741
Total liabilities	<u>52,258,787</u>	<u>6,382,377</u>	<u>58,641,164</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	26,600,751	3,265,787	29,866,538
Restricted	-	1,613,750	1,613,750
Unrestricted	4,964,732	6,860,516	11,825,248
Total net assets	<u>\$ 31,565,483</u>	<u>\$ 11,740,053</u>	<u>\$ 43,305,536</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, 2011**

Functions/Programs	Program Revenues				Net (Expense)				
	Expenses	Charges for Services	Operating		Revenue and				
			Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total		
<b>Governmental activities:</b>									
General government	\$ 1,018,191	\$ 443,856	\$ 380,236	\$ -	\$ (194,099)	\$ -	\$ (194,099)	\$ (194,099)	
Land use	1,036,604	347,153	-	-	(689,451)	-	(689,451)	(689,451)	
Finance and taxation	954,167	-	-	-	(954,167)	-	(954,167)	(954,167)	
Regional services	260,878	-	-	-	(260,878)	-	(260,878)	(260,878)	
Human services	483,516	-	-	-	(483,516)	-	(483,516)	(483,516)	
Public works	4,163,904	-	30,000	559,158	(3,574,746)	-	(3,574,746)	(3,574,746)	
Public safety	5,840,518	211,352	7,281	-	(5,621,885)	-	(5,621,885)	(5,621,885)	
Recreation and leisure	1,549,447	507,063	-	-	(1,042,384)	-	(1,042,384)	(1,042,384)	
Social services	239,982	12,246	-	-	(227,736)	-	(227,736)	(227,736)	
Library	579,707	25,139	-	-	(554,568)	-	(554,568)	(554,568)	
Education	44,914,173	1,313,155	6,286,020	-	(37,314,998)	-	(37,314,998)	(37,314,998)	
Interest on long-term debt	1,783,009	-	-	-	(1,783,009)	-	(1,783,009)	(1,783,009)	
<b>Total governmental activities</b>	<b>62,824,096</b>	<b>2,859,964</b>	<b>6,703,537</b>	<b>559,158</b>	<b>(52,701,437)</b>	<b>-</b>	<b>(52,701,437)</b>	<b>(52,701,437)</b>	
<b>Business-type activities:</b>									
WPCA	1,193,635	1,446,151	-	-	-	252,516	252,516	252,516	
<b>Total business-type activities</b>	<b>1,193,635</b>	<b>1,446,151</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>252,516</b>	<b>252,516</b>	<b>252,516</b>	
<b>Total primary government</b>	<b>\$ 64,017,731</b>	<b>\$ 4,306,115</b>	<b>\$ 6,703,537</b>	<b>\$ 559,158</b>	<b>\$ (52,701,437)</b>	<b>\$ 252,516</b>	<b>\$ (52,448,921)</b>	<b>\$ (52,448,921)</b>	
General revenues:									
Property taxes, levied for general purposes					50,082,141	-	50,082,141	50,082,141	
Assessments, levied for waterworks					4,245,516	-	4,245,516	4,245,516	
Unrestricted investment earnings					181,108	15,882	196,990	196,990	
Miscellaneous					24,337	-	24,337	24,337	
Total general revenues					54,533,102	15,882	54,548,984	54,548,984	
Equity transfer					1,414,632	(1,414,632)	-	-	
Total general revenues and transfers					55,947,734	(1,398,750)	54,548,984	54,548,984	
Change in net assets					3,246,297	(1,146,234)	2,100,063	2,100,063	
Net assets - beginning					28,319,186	12,886,287	41,205,473	41,205,473	
Net assets - ending					31,565,483	11,740,053	43,305,536	43,305,536	

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

**TOWN OF BROOKFIELD, CONNECTICUT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2011**

	<u>General Fund</u>	<u>Bonded Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,006,498	\$ (1,540,804)	\$ 2,105,232	\$ 4,570,926
Investments	-	-	499,333	499,333
Receivables:				
Property taxes, net of allowance for doubtful accounts of \$140,000	724,032	-	-	724,032
Assessments and user charges	-	-	3,451,323	3,451,323
Grants and contracts	51,881	-	427,730	479,611
Other	72,913	-	25,145	98,058
Due from other funds	1,132,971	-	-	1,132,971
Inventories	-	-	8,289	8,289
Advance to other fund	-	-	168,256	168,256
Total assets	<u>\$ 5,988,295</u>	<u>\$ (1,540,804)</u>	<u>\$ 6,685,308</u>	<u>\$ 11,132,799</u>
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>				
Liabilities:				
Accounts payable	\$ 95,703	\$ -	\$ 16,859	\$ 112,562
Bond premium	291,972	-	-	291,972
Notes payable	-	-	-	-
Accrued liabilities:				
Salaries and benefits payable	200,594	-	-	200,594
Other accrued liabilities	73,249	-	-	73,249
Due to other funds	-	1,132,971	-	1,132,971
Unearned/deferred revenue	724,032	-	3,632,687	4,356,719
Advance from other fund	-	-	-	-
Total liabilities	<u>1,385,550</u>	<u>1,132,971</u>	<u>3,649,546</u>	<u>6,168,067</u>
Fund Balances (deficit):				
Reserved for:				
Inventory	-	-	8,289	8,289
Encumbrances	-	-	-	-
Unreserved	4,602,745	(2,673,775)	-	1,928,970
Unreserved, designated for:				
Capital projects	-	-	-	-
Capacity charges	-	-	-	-
Unreserved, reported in nonmajor:				
Special revenue funds	-	-	2,290,587	2,290,587
Capital project fund	-	-	736,886	736,886
Total fund balances (deficit)	<u>4,602,745</u>	<u>(2,673,775)</u>	<u>3,035,762</u>	<u>4,964,732</u>
Total liabilities and fund balances (deficit)	<u>\$ 5,988,295</u>	<u>\$ (1,540,804)</u>	<u>\$ 6,685,308</u>	<u>\$ 11,132,799</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, 2011**

Total fund balances (deficit) for governmental funds		\$ 4,964,732
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	\$ 11,370,803	
Construction in progress	31,681,836	
Buildings and improvements	32,734,437	
Infrastructure	17,988,173	
Machinery and equipment	3,410,057	
Vehicles	3,743,230	
WPCA	-	
Less accumulated depreciation and amortization	<u>(27,104,094)</u>	
Total capital assets, net		73,824,442
Some of the Town's taxes and water assessments 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.		
		4,356,719
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	(408,381)	
Current and long-term debt:		
Bonds and notes payable	(38,657,171)	
Obligations under capital lease	(254,301)	
Net OPEB obligation	(7,795,007)	
Net pension obligation	(3,747,372)	
Other long-term liabilities:		
Compensated absences	<u>(718,178)</u>	
Total long-term liabilities		(51,580,410)
Net assets of governmental activities		<u><u>\$ 31,565,483</u></u>

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*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, 2011**

	General Fund	Bonded Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ 49,963,882	\$ -	\$ -	\$ 49,963,882
Assessments	-	-	612,829	612,829
Interest and lien fees	224,545	-	1,521	226,066
Intergovernmental	5,220,865	6,428,086	1,691,645	13,340,596
Charges for services	746,773	-	2,113,191	2,859,964
Donations	-	330,000	20,185	350,185
Investment earnings (losses)	43,977	329	136,802	181,108
Miscellaneous	-	-	24,337	24,337
Total revenues	<u>56,200,042</u>	<u>6,758,415</u>	<u>4,600,510</u>	<u>67,558,967</u>
<b>EXPENDITURES</b>				
Current:				
General government	621,163	-	102,593	723,756
Land use	646,704	-	-	646,704
Finance and taxation	709,134	-	-	709,134
Regional services	260,878	-	-	260,878
Human services	3,296,243	-	-	3,296,243
Public works	2,803,206	-	33,529	2,836,735
Public safety	3,699,114	-	260,111	3,959,225
Recreation and leisure	647,903	-	478,933	1,126,836
Social Services	175,119	-	21,100	196,219
Library	-	-	579,707	579,707
Education	38,232,666	-	2,993,763	41,226,429
Miscellaneous	-	-	-	-
Debt service				
Principial	2,550,000	-	-	2,550,000
Interest	1,536,546	-	47,411	1,583,957
Capital outlays	-	4,952,028	1,259,048	6,211,076
Total expenditures	<u>55,178,676</u>	<u>4,952,028</u>	<u>5,776,195</u>	<u>65,906,899</u>
Excess (deficiency) of revenues over expenditures	1,021,366	1,806,387	(1,175,685)	1,652,068
<b>OTHER FINANCING SOURCES (USES)</b>				
Capital leases	-	-	428,600	428,600
Bond proceeds	-	440,000	430,000	870,000
Transfers in	447,000	-	1,193,378	1,640,378
Transfers out	(1,193,378)	(3,600,000)	-	(4,793,378)
Total other financing sources (uses)	<u>(746,378)</u>	<u>(3,160,000)</u>	<u>2,051,978</u>	<u>(1,854,400)</u>
Net change in fund balances	274,988	(1,353,613)	876,293	(202,332)
Fund balances (deficit) - beginning	<u>4,327,757</u>	<u>(1,320,162)</u>	<u>2,159,469</u>	<u>5,167,064</u>
Fund balances (deficit) - ending	<u>\$ 4,602,745</u>	<u>\$ (2,673,775)</u>	<u>\$ 3,035,762</u>	<u>\$ 4,964,732</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, 2011**

Net change in fund balances (deficit) - total governmental funds \$ (202,332)

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	\$ 7,555,300	
Depreciation and amortization expense	<u>(1,566,876)</u>	
Net adjustment		5,988,424

In the statement of activities, only the gain (loss) on the sale of capital assets in reported whereas the proceeds from the sale increase financial resources in the governmental funds. (185,660)

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. 142,222

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. -

*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, 2011**

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:			
Bonds issued	(9,145,000)		
Note payable issued	(1,398,461)		
Principal repayments:			
Bond anticipation note payable	8,705,000		
Drinking water loan payable	582,372		
Bonds payable	2,550,000		
Notes payable	86,795		
Obligations under capital lease	174,424		
Net adjustment			1,555,130

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	\$ (235,321)	
Accrued interest	(199,052)	
Net pension obligation	(1,055,963)	
Net OPEB obligation	(2,579,451)	
		\$ (4,069,787)

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.

Change in net assets of governmental activities	\$ 3,227,997
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*The accompanying notes are an integral part of these financial statements.*

**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, 2011**

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 49,837,509	\$ 49,837,509	\$ 49,963,882	\$ 126,373
Intergovernmental	2,387,023	2,438,904	2,398,775	(40,129)
Charges for services	780,000	780,000	746,773	(33,227)
Interest and lien fees	180,000	180,000	224,545	44,545
Investment earnings	150,000	150,000	43,977	(106,023)
Total revenues	<u>53,334,532</u>	<u>53,386,413</u>	<u>53,377,952</u>	<u>(8,461)</u>
<b>EXPENDITURES</b>				
Current:				
General government	636,075	639,165	621,163	(18,002)
Land use	649,110	649,110	646,704	(2,406)
Finance and taxation	728,273	728,273	720,834	(7,439)
Regional services	271,678	271,678	260,878	(10,800)
Human resources	3,383,221	3,364,921	3,296,243	(68,678)
Public works	2,652,108	2,797,612	2,803,206	5,594
Public safety	3,780,493	3,780,493	3,719,244	(61,249)
Recreation and leisure	611,285	666,872	647,903	(18,969)
Social services	167,367	175,167	175,119	(48)
Education	35,419,378	35,419,378	35,410,576	(8,802)
General Contingency	94,800	-	-	-
Debt service	4,121,563	4,121,563	4,121,546	(17)
Total expenditures	<u>52,515,351</u>	<u>52,614,232</u>	<u>52,423,416</u>	<u>(190,816)</u>
Excess (deficiency) of revenues over expenditures	819,181	772,181	954,536	182,355
<b>OTHER FINANCING SOURCES (USES)</b>				
Appropriation of fund balance	-	-	-	-
Transfers in	400,000	447,000	447,000	-
Transfers out	(1,219,181)	(1,219,181)	(1,193,378)	25,803
Total other financing sources (uses)	<u>(819,181)</u>	<u>(772,181)</u>	<u>(746,378)</u>	<u>25,803</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	208,158	<u>\$ 208,158</u>
Fund balance - beginning			<u>4,327,757</u>	
Fund balance - ending			<u>\$ 4,535,915</u>	

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

**TOWN OF BROOKFIELD, CONNECTICUT**  
**STATEMENT OF NET ASSETS -**  
**PROPRIETARY FUND**  
**JUNE 30, 2011**

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>WPCA Enterprise Fund</u>	<u>Internal Service Fund - Risk Manage- ment Fund</u>
<b>ASSETS:</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 1,056,851	\$ -
Receivables		
User charges	142,828	
Assessments	453,217	
Interests and fees	44,240	
Other	70,913	-
Other current assets	-	
<b>Total current assets</b>	<u>1,768,049</u>	<u>-</u>
<b>Noncurrent assets:</b>		
Restricted cash and cash equivalents	1,722,273	
Receivables:	-	
Assessments	5,351,559	
Other	175,791	
Capital assets:		
Depreciable, net	9,104,758	
<b>Total non-current assets</b>	<u>16,354,381</u>	<u>-</u>
<b>Total assets</b>	<u>18,122,430</u>	<u>-</u>
<b>LIABILITIES:</b>		
<b>Current liabilities:</b>		
Accrued liabilities	-	
Accrued interest	30,769	
Other	133,145	
Unearned revenue	256,112	
Bonds and notes payable	488,420	
Compensated absences	2,000	
<b>Total current liabilities</b>	<u>910,446</u>	<u>-</u>
<b>Noncurrent liabilities:</b>		
Escrow deposits	108,523	
Bonds and notes payable	5,350,551	
Compensated absences	12,857	
<b>Total non-current liabilities</b>	<u>5,471,931</u>	<u>-</u>
<b>Total liabilities</b>	<u>6,382,377</u>	<u>-</u>
<b>NET ASSETS:</b>		
Invested in capital assets, net of related debt	3,265,787	
Restricted	1,613,750	
Unrestricted	6,860,516	-
<b>Total net assets</b>	<u>\$ 11,740,053</u>	<u>\$ -</u>

*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 FUND  
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<b>WPCA Enterprise Fund</b>	<b>Internal Service Fund - Risk Manage- ment Fund</b>
<b><i>OPERATING REVENUES:</i></b>		
Charges for services	\$ 1,439,811	\$ -
Other	6,340	
<b>Total operating revenues</b>	<u>1,446,151</u>	<u>-</u>
<b><i>OPERATING EXPENSES:</i></b>		
Personnel services	385,366	
Capacity charges	281,829	
Depreciation	130,121	
Professional services	116,207	
Utilities	58,483	
Equipment, repairs and maintenance	62,756	
Administration	16,862	
Office supplies	6,156	
<b>Total operating expenses</b>	<u>1,057,780</u>	<u>-</u>
<b>Operating income (loss)</b>	388,371	-
<b><i>NON-OPERATING REVENUES (EXPENSES)</i></b>		
Transfer - Out	(1,414,632)	(400,000)
Interest income	15,882	
Interest expense	(135,855)	
	<u>(1,534,605)</u>	<u>(400,000)</u>
Change in net assets	(1,146,234)	(400,000)
NET ASSETS, beginning of year	12,886,287	400,000
NET ASSETS, end of year	<u>\$ 11,740,053</u>	<u>\$ -</u>

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

**TOWN OF BROOKFIELD, CONNECTICUT  
STATEMENT OF CASH FLOWS -  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>WPCA Enterprise Fund</u>	<u>Internal Service Fund - Risk Manage- ment Fund</u>
<b><i>CASH FLOWS FROM OPERATING ACTIVITIES</i></b>		
Cash received from users	\$ 1,907,146	\$ -
Payments to employees	(380,288)	-
Payments to suppliers	(558,389)	-
<b>Net cash provided by operating activities</b>	<b>968,469</b>	<b>-</b>
<b><i>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</i></b>		
Decrease due from other funds, net	360,821	-
Transfer out	-	(400,000)
<b>Net cash used by noncapital financing activities</b>	<b>360,821</b>	<b>(400,000)</b>
<b><i>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</i></b>		
Purchase of capital assets	(149,244)	-
Principal paid on capital debt	(492,663)	-
Interest paid on capital debt	(128,197)	-
<b>Net cash used by capital and related financing activities</b>	<b>(770,104)</b>	<b>-</b>
<b><i>CASH FLOWS FROM INVESTING ACTIVITIES</i></b>		
Interest received	15,882	-
<b>Net cash provided by investing activities</b>	<b>15,882</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>575,068</b>	<b>(400,000)</b>
Cash and cash equivalents, beginning of year	2,204,056	400,000
Cash and cash equivalents, end of year	<b>\$ 2,779,124</b>	<b>\$ -</b>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating income	\$ 388,371	\$ -
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	130,121	-
Increase in liabilities	7,730	-
Decrease in accounts payable	3,218	-
Increase in assessments receivable	439,029	-
<b>Net cash used in operating activities</b>	<b>\$ 968,469</b>	<b>\$ -</b>

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

**TOWN OF BROOKFIELD, CONNECTICUT  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
DECEMBER 31, 2010 AND JUNE 30, 2011**

	December 31, 2010	June 30, 2011	
	Pension Trust Fund - Town of Brookfield Pension Plan	Private Purpose Trust Fund - Raymond Waidelich Scholarship Fund	Agency Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,688	\$ 127,106	\$ 1,138,989
Investments:			
Corporate bonds	-	-	-
Common stocks	-	-	-
Mortgage backed securities	-	-	-
U.S. Agencies	-	-	-
U.S. Treasuries	-	-	-
Asset backed securities	-	-	-
Money market mutual funds	27,711,406	-	-
Contributions receivable:			
Employer	-	-	-
Plan members	171,297	-	-
Accrued income receivable	199,979	-	-
Due from other funds	-	27,330	-
Total assets	<u>\$ 28,084,370</u>	<u>\$ 154,436</u>	<u>\$ 1,138,989</u>
<b>LIABILITIES</b>			
Due to others	-	750	970,733
Due to other funds	27,330	-	168,256
Total liabilities	<u>27,330</u>	<u>750</u>	<u>\$ 1,138,989</u>
<b>NET ASSETS</b>			
Held in trust for pension benefits.	<u>\$ 28,057,040</u>	<u>\$ 153,686</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, 2010**  
**AND JUNE 30, 2011**

	<u>December 31, 2010</u>	<u>June 30, 2011</u>
	<u>Pension Trust Fund - Town of Brookfield Pension Plan</u>	<u>Private Purpose Trust Fund - Raymond Waidelich Scholarship Fund</u>
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 587,623	\$ -
Plan members	199,352	-
Total contributions	<u>786,975</u>	<u>-</u>
Investment earnings (losses):		
Investment earnings	1,066,882	2,235
Net increase in the fair value of investments	<u>1,847,630</u>	<u>-</u>
Total investment earnings (losses)	2,914,512	2,235
Less: investment expense	<u>114,284</u>	<u>-</u>
Net investment earnings (losses)	2,800,228	2,235
Total additions	<u>3,587,203</u>	<u>2,235</u>
<b>DEDUCTIONS</b>		
Benefit payments	1,063,121	-
Administrative expenses	2,212	
Awards expense	-	2,750
Total deductions	<u>1,065,333</u>	<u>2,750</u>
Change in net assets	2,521,870	(515)
Transfer out	-	
Net assets - beginning	<u>25,535,170</u>	<u>154,201</u>
Net assets - ending	<u>\$ 28,057,040</u>	<u>\$ 153,686</u>

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

**TOWN OF BROOKFIELD, CONNECTICUT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011**

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**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, 2010, 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, 2011**

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**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, 2011**

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**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, 2011**

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**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 \$864,032 as of June 30, 2011.

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, 2011**

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**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, 2011**

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**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, 2011**

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**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.
- 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, 2011**

**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, 2011:

	<u>Total</u> <u>Revenues</u>	<u>Total</u> <u>Expenditures</u>	<u>Other</u> <u>Financing Sources -</u> <u>Transfers, Net</u>	<u>Net Change</u> <u>in</u> <u>Fund Balance</u>
Budgetary basis	\$ 53,377,952	\$ 52,423,416	\$ (746,378)	\$ 208,158
"On-behalf" payments - State Teachers Retirement Fund (see Note 10)	2,822,090	2,822,090	-	-
Encumbrances recorded as expenditures for budgetary purposes		(66,830)		66,830
GAAP basis	<u>\$ 56,200,042</u>	<u>\$ 55,178,676</u>	<u>\$ (746,378)</u>	<u>\$ 274,988</u>

The following funds have deficit fund balances as of June 30, 2011, which does not constitute a violation of statutory provisions:

<u>Fund</u>	<u>Amount</u>
Bonded Projects Fund	\$ 2,673,775

The deficit in the Bonded Projects Fund will be funded through the issuance of additional long term debt.

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

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**NOTE 3 - CASH DEPOSITS AND INVESTMENTS**

A reconciliation of the Town's cash and cash equivalents as of June 30, 2011 is as follows:

Government-wide statement of net assets:

Unrestricted:

Cash and cash equivalents	\$ -
---------------------------	------

Restricted:

Cash and cash equivalents	-
	-

Statement of fiduciary net assets:

Cash and cash equivalents - Agency Funds

Cash and cash equivalents - Pension Trust Fund

	-
	-
	\$ -

**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, 2011, \_\_\_\_\_ of the Town's bank balance of \_\_\_\_\_ was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ -
--------------------------------	------

Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the Town's name

	-
	-
	\$ -

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, 2011**

**NOTE 3 - CASH DEPOSITS AND INVESTMENTS (Continued)**

**INVESTMENTS**

As of June 30, 2011, the Town's investments consisted of the following:

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

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, 2011, the Pension Trust Fund investments consisted of the following:

<b>Pension Trust Fund</b>					
<b>Investment type</b>	<b>Fair Value</b>	<b>Investment Maturities (In Years)</b>			
		<b>Less Than 1</b>	<b>1 to 5</b>	<b>6 to 10</b>	<b>More Than 10</b>
<b>Debt Securities:</b>					
Asset backed securities	\$ -				
Corporate bonds					
Mortgage backed securities					
Real Estate Investment Trusts					
U.S. Agencies					
U.S. Treasuries					
Money market mutual funds					
	-	\$ -	\$ -	\$ -	\$ -
<b>Other investments:</b>					
Equity securities	-				
<b>Total</b>	\$ -				

Government-wide statement of net assets:

Investments

Statement of fiduciary net assets:

Private-purpose trust fund

	-
	\$ -

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

**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, 2011.

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, 2011:

Pension Trust Funds						
	Asset Backed Securities	Corporate Bonds	Mortgage Backed Securities	Money Market Mutual Funds	Real Estate Investment Trusts	Total Fair Value
Standard & Poor's	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AAA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AA						
A						
BBB						
BB						
B						
Unrated						
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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 \_\_\_\_\_ have been excluded from the above disclosure.

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

**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 counter party, 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, 2011, 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	\$ 169,513

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, 2011 consisted of the following:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 10,424,573	\$ 946,230	\$ -	\$ 11,370,803
Construction in progress	38,197,176	2,567,782	(9,083,122)	31,681,836
Total capital assets, not being depreciated	48,621,749	3,514,012	(9,083,122)	43,052,639
Capital assets, being depreciated:				
Buildings and improvements	30,825,334	1,909,103	-	32,734,437
Infrastructure	9,910,637	9,063,164	(985,628)	17,988,173
Machinery and equipment	3,578,160	318,625	(486,728)	3,410,057
Vehicles	3,520,096	359,052	(135,918)	3,743,230
Total capital assets, being depreciated	47,834,227	11,649,944	(1,608,274)	57,875,897
Less accumulated depreciation and amortization for:				
Buildings and improvements	14,419,882	640,741	-	15,060,623
Infrastructure	7,279,339	290,179	-	7,569,519
Machinery and equipment	2,304,091	375,293	(316,348)	2,363,036
Vehicles	1,970,891	260,663	(120,638)	2,110,916
Total accumulated depreciation and amortization	25,974,203	1,566,876	(436,986)	27,104,094
Total capital assets, being depreciated	21,860,024	10,083,068	(1,171,288)	30,771,803
Governmental activities capital assets,	\$ 70,481,773	\$ 13,597,080	\$ (10,254,410)	\$ 73,824,442

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

**NOTE 4 - CAPITAL ASSETS (Continued)**

<b>Business-type Activities</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital assets, not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	-	-	-	-
Capital assets, being depreciated:				
Buildings and improvements	158,160	-	-	158,160
Infrastructure	9,570,626	294,020	-	9,864,647
Machinery and equipment	585,300	90,298	-	675,598
Vehicles	53,056	-	-	53,056
Total capital assets, being depreciated	10,367,142	384,318	-	10,751,461
Less accumulated depreciation and amortization for:				
Buildings and improvements	60,900	3,163	-	64,063
Infrastructure	990,333	4,802	-	995,136
Machinery and equipment	450,672	25,347	-	476,019
Vehicles	14,675	96,810	-	111,485
Total accumulated depreciation and amortization	1,516,580	130,122	-	1,646,703
Total capital assets, being depreciated	8,850,562	254,196	-	9,104,758
Business-type activities capital assets	\$ 8,850,562	\$ 254,196	\$ -	\$ 9,104,758

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

<b>Governmental Activities:</b>	
General government	\$ 184,963
Social services	43,763
Public works	440,128
Public safety	260,342
Recreation and leisure	58,944
Education	578,736
Total depreciation and amortization expense - governmental activities	<u>\$ 1,566,876</u>
<b>Business-type Activities</b>	
Water Pollution Control Authority	\$ 130,122
Total depreciation and amortization expense - business-type activities	<u>\$ 130,122</u>

As of June 30, 2011, the Town had authorized ongoing construction projects with unexpended amounts totaling approximately \$8 million..

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

**NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivable and payable balances at June 30, 2011 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<b>Governmental Funds:</b>		
General Fund	Bonded Projects Fund	\$ 1,132,971
		<u>1,132,971</u>
Bonded Projects Fund	General Fund	<u>(1,132,971)</u>
		<u>\$ -</u>
<b>Fiduciary Funds:</b>		
R. Waidelich Scholarship Fund	Pension Trust Fund	\$ 27,330
Pension Trust Fund	R. Waidelich Scholarship Fund	\$ (27,330)
		<u>\$ -</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, 2011 consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
<b>Governmental Funds</b>		
General Fund	Other Governmental Funds	\$ 47,000
	Risk Management Fund	400,000
		<u>447,000</u>
Other Governmental Funds	General Fund	<u>1,193,378</u>
		<u>1,193,378</u>
Total transfers - in		<u>\$ 1,640,378</u>
Other Governmental Funds	General Fund	\$ (1,193,378)
		<u>(1,193,378)</u>
Water Pollution Control Authority	Bonded Projects Fund	<u>(3,600,000)</u>
		<u>(3,600,000)</u>
Total transfers - out		<u>\$ (4,793,378)</u>
<b>Proprietary Funds:</b>		
Water Pollution Control Authority	Bonded Projects Fund	<u>\$ 3,600,000</u>

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

**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**

The following is a summary of changes in short-term debt for the year ended June 30, 2011:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Bond anticipation notes payable	\$ 8,705,000	\$ -	\$ (8,705,000)	\$ -
Drinking water loans payable	582,372	-	(582,372)	-
	<u>\$ 9,287,372</u>	<u>\$ -</u>	<u>\$ (9,287,372)</u>	<u>\$ -</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type Activities</b>				
Bond anticipation note payable	\$ 3,600,000	\$ -	\$ (3,600,000)	\$ -
	<u>\$ 3,600,000</u>	<u>\$ -</u>	<u>\$ (3,600,000)</u>	<u>\$ -</u>

**NOTE 8 - LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2011:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
General obligation bonds	\$ 30,560,000	\$ 9,145,000	\$ (2,550,000)	\$ 37,155,000	\$ 2,865,000
Other liabilities:					
Note payable	190,505	1,398,461	(86,795)	1,502,171	207,075
Capital leases	428,725	-	(174,424)	254,301	156,144
Compensated absences	718,173	235,321		953,499	-
Net pension obligation	2,691,409	1,055,963	-	3,747,372	-
Net OPEB obligation	5,215,556	2,579,451	-	7,795,007	-
	<u>\$ 39,804,373</u>	<u>\$ 14,414,196</u>	<u>\$ (2,811,219)</u>	<u>\$ 51,407,350</u>	<u>\$ 3,228,219</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Business-type Activities</b>					
General obligation bonds	\$ 1,760,000	\$ 430,000	\$ (180,000)	\$ 2,010,000	\$ 205,000
Other liabilities:					
Note payable	394,553	3,747,081	(312,663)	3,828,971	283,420
Compensated absences	14,624	-	(1,767)	12,857	2,000
	<u>\$ 2,154,553</u>	<u>\$ 4,177,081</u>	<u>\$ (494,430)</u>	<u>\$ 5,851,828</u>	<u>\$ 490,420</u>

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

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, 2011 is as follows:

<u>Description</u>	<u>Final Maturity Dates</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>
<b>Governmental Activities</b>			
<b>Bonds Payable</b>			
General obligation bonds issued 1992, original amount \$4,827,000	2012	5.2% - 6.5%	\$ 80,000
General obligation bonds issued 1993, original amount \$4,890,000	2014	4.2% - 5.25%	590,000
General obligation bonds issued 1997, original amount \$4,000,000	2017	4.65% - 5.75%	1,260,000
General obligation bonds issued 1999, original amount \$2,705,000	2020	4.75% - 5.875%	1,215,000
General obligation bonds issued 2002, original amount \$7,900,000	2022	4.0% - 5.0%	4,400,000
General obligation bonds issued 2006, original amount \$26,000,000	2026	3.5% - 5.0%	20,465,000
General obligation bonds issued 2010, original amount \$9,145,000	2030	2.0% - 4.0%	<u>9,145,000</u>
			<u>37,155,000</u>
<b>Note Payable</b>			
Note payable issued 2009, original amount \$190,505	2014	3.0%	145,078
Clean Water Fund note payable issued 2010, original amount \$827,361	2030	2.0%	785,993
Note payable issued 2011, original amount \$571,100	2017	3.0%	<u>571,100</u>
			<u>\$38,657,171</u>

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

**NOTE 8 - LONG-TERM LIABILITIES (Continued)**

**GENERAL OBLIGATION BONDS AND NOTE PAYABLE (Continued)**

Description	Final Maturity Dates	Interest Rates	Amount Outstanding
<b>Business-type Activities</b>			
<b>Bonds Payable</b>			
Sewer bonds issued 1993, original amount \$3,400,000	2022	3.65% - 5.375%	\$ 1,280,000
Sewer bonds issued 1997, original amount \$980,000	2017	4.65% - 5.75%	300,000
Sewer bonds issued 2010, original amount \$430,000	2030	2.0% - 4.0%	430,000
			<u>2,010,000</u>
<b>Note Payable</b>			
Clean Water Fund note payable issued 1994, original amount \$2,096,973	2013	2.0%	269,243
Clean Water Fund note payable issued 2010, original amount \$3,747,082	2030	2.0%	3,559,728
			<u>\$ 5,838,971</u>

Annual debt service requirements to maturity on general obligation bonds and the note payable are as follows as of June 30, 2011:

Year ending June 30:	Governmental Activities					
	General Obligation Bonds		Note Payable		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	2,865,000	1,516,300	207,075	28,264	3,072,075	1,544,564
2013	2,785,000	1,277,391	209,205	28,019	2,994,205	1,305,410
2014	2,775,000	1,173,903	211,409	23,022	2,986,409	1,196,925
2015	2,600,000	1,072,253	108,331	17,975	2,708,331	1,090,228
2016	2,600,000	960,754	133,786	16,711	2,733,786	977,465
2017-2020	9,740,000	2,819,006	180,621	44,424	9,920,621	2,863,430
2021-2025	9,875,000	1,542,888	214,260	35,868	10,089,260	1,578,756
2026-2031	3,915,000	275,063	237,484	12,643	4,152,484	287,706
	<u>\$ 37,155,000</u>	<u>\$ 10,637,558</u>	<u>\$ 1,502,171</u>	<u>\$ 206,926</u>	<u>\$ 38,657,171</u>	<u>\$ 10,844,484</u>

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

**NOTE 8 - LONG-TERM LIABILITIES (Continued)**

**GENERAL OBLIGATION BONDS AND NOTE PAYABLE (Continued)**

Year ending June 30:	General Obligation Bonds		Business-type Activities Note Payable		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	205,000	93,412	283,420	73,991	488,420	167,403
2013	205,000	77,700	289,139	68,271	494,139	145,971
2014	205,000	68,095	172,911	63,448	377,911	131,543
2015	180,000	58,945	165,193	60,161	345,193	119,106
2016	180,000	50,325	168,528	56,827	348,528	107,152
2017-2020	585,000	124,415	708,821	192,598	1,293,821	317,013
2021-2025	330,000	36,640	969,541	157,233	1,299,541	193,873
2026-2031	120,000	11,483	1,071,418	55,355	1,191,418	66,838
	<u>\$ 2,010,000</u>	<u>\$ 521,015</u>	<u>\$ 3,828,971</u>	<u>\$ 727,884</u>	<u>\$ 5,838,971</u>	<u>\$ 1,248,899</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 \$351,974,105 as of June 30, 2011. 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, 2011.

As of June 30, 2011, the Town had authorized but unissued bonds totaling \$6,819,017.

**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, 2011 was \$234,647. Additional reimbursements of principal and interest aggregating \$503,142 and \$63,125, 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 \$356,831 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, 2011:

	<u>Governmental Activities</u>
Machinery and Equipment	\$ 1,126,791
Less: accumulated amortization	689,014
	<u>\$ 437,777</u>

Amortization expense relative to leased property under capital leases totaled \$152,331 for the year ended June 30, 2011 and is included in depreciation and amortization expense disclosed in Note 4.

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

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**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, 2011 are as follows:

	<b>Governmental Activities</b>
Year Ending June 30:	
2012	\$ 164,925
2013	51,334
2014	51,333
Total minimum lease payments	267,592
Less: amount representing interest	13,291
Present value of minimum lease payments	\$ 254,301

**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:

	<b>Unavailable</b>	<b>Unearned</b>
<b>Governmental Activities:</b>		
Delinquent property taxes receivable	\$ 724,032	\$ -
Educational grants		5,545
Rent escrows		5,238
Water assessments		3,451,323
Park and Recreation Program Fees	-	170,581
	724,032	3,632,687
<b>Business-type Activities:</b>		
Sewer usage fees billed in advance	-	256,112
	\$ 724,032	\$ 3,888,799

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

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**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	89
Terminated plan members entitled to but not yet receiving benefits	7
Inactive plan members	2
Active plan members	148
	<u>246</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, 2011, employer contributions to the Plan represented 6.1% of covered payroll.

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

**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 1<sup>st</sup>.

**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, 2010 (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)
\$ 25,150,600	\$ 33,440,698	\$ (8,290,098)	75.2%	\$ 8,124,134	102.0%

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%
2011	1,687,026	587,623	34.8%

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

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**NOTE 10 - PENSION PLANS (Continued)**

**DEFINED BENEFIT PLAN (Continued)**

**Additional Information and Actuarial Assumptions**

Valuation date:	January 1, 2010
Actuarial cost method:	Entry Age Normal Cost Method
Amortization method:	Level Dollar Amount
Remaining amortization period:	15 years, open
Asset valuation method:	Market value and the expected return on Market Value over a 3 year period at 33.33% per year.

Actuarial assumptions:	
Investment rate of return*	6.50%
Projected salary increases*	3.00%

\* Includes inflation at 3.5%.

**Annual Pension Cost and Net Pension Obligation**

Annual required contribution	\$ 1,687,026
Interest on net pension obligation	109,657
Adjustment to annual required contribution	<u>(153,097)</u>
Annual pension cost	1,643,586
Contributions made	<u>587,623</u>
Increase in net pension obligation	1,055,963
Net pension obligation, beginning of year	<u>2,691,409</u>
Net pension obligation, end of year	<u>\$ 3,747,372</u>

**Three-Year Trend Information**

Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2009	1,092,423	45.7%	1,495,667
2010	1,691,289	29.3%	2,691,409
2011	1,643,586	35.8%	3,747,372

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

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**NOTE 10 - PENSION PLANS (Continued)**

**DEFINED BENEFIT PLAN (Continued)**

**Plan Financial Statements**

**TOWN OF BROOKFIELD, CONNECTICUT**  
**STATEMENT OF PLAN NET ASSETS**  
**DECEMBER 31, 2010**

	<b>Pension Trust Fund</b> <hr/> <b>Town of Brookfield Pension Plan</b> <hr/>
<b>ASSETS</b>	
Cash	\$ 1,688
Investments, at fair value:	
Corporate bonds	21,794,267
Common stocks	5,055,767
Mortgage backed securities	
Real estate investment trusts	
U.S. Agencies	
U.S. Treasuries	
Asset backed securities	
Money market mutual funds	871,791
Contributions receivable:	
Plan members	171,297
Accrued income receivable	199,979
Total assets	28,094,789
 <b>LIABILITIES</b>	
Accounts payable	27,330
Total liabilities	27,330
 <b>NET ASSETS</b>	
Held in trust for pension benefits (See schedule of funding progress on pages 50 and 58)	28,067,459
Total net assets	\$ 28,067,459

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

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**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, 2010**

	<b>Pension Trust Fund</b>
	<b>Town of Brookfield Pension Plan</b>
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 587,623
Plan members	199,352
Total contributions	786,975
Investment earnings:	
Earnings	1,066,882
Net increase in the fair value of investments	1,858,049
Total investment earnings	2,924,931
Less: investment expense	114,284
Net investment earnings	2,810,647
Total additions	3,597,622
<b>DEDUCTIONS</b>	
Benefit payments	1,063,121
Administrative expenses	2,212
Total deductions	1,065,333
<b>NET INCREASE</b>	2,532,289
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	
Beginning of year	25,535,170
End of year	\$ 28,067,459

**TOWN OF BROOKFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

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**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, 2011, Town teachers contributed \$1,286,801 to the plan and covered payroll for the year was \$17,748,987.

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 24, the Town has reported "on behalf" payments of \$2,822,090 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, 2011**

**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 2011, the Town contributed \$613,631 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	\$ 3,274,535
Interest on net OPEB obligation	208,622
Adjustment to annual required contribution	<u>(290,075)</u>
Annual OPEB cost (expense)	3,193,082
Contributions made	<u>613,631</u>
Increase in net OPEB obligation	2,579,451
Net OPEB obligation, beginning of year	<u>5,215,556</u>
Net OPEB obligation, end of year	<u><u>\$ 7,795,007</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the periods shown are as follows:

Year Ended	Annual	Percentage of	Net OPEB
<u>June 30</u>	<u>OPEB Cost</u>	<u>Annual OPEB</u>	<u>Obligation</u>
		Cost Contributed	
2009	\$ 3,148,463	16.0%	\$ 2,647,016
2010	3,168,924	19.0%	5,215,556
2011	3,193,082	19.0%	7,795,007

**TOWN OF BROOFIELD, CONNECTICUT**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2011**

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

**Funded Status and Funding Progress**

The funded status of the plan as of June 30, 2011 is 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, 2011**

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**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 2011, 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 2011, the Town ceased using the internal service fund to account for insurance activities.

The Town is a member of the Connecticut Inter-local 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**

There are several matters pending against the Town, with 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.

**NOTE 14 - SUBSEQUENT EVENTS**

**Required  
Supplementary  
Information**

**TOWN OF BROOKFIELD, CONNECTICUT**  
**SCHEDULES OF FUNDING PROGRESS**  
**JUNE 30, 2011**

**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, 2003	\$ 17,253,502	\$ 16,850,191	\$ 403,311	102.4%	\$ 6,058,798	6.7%
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%
January 1, 2010	25,150,600	33,440,698	(8,290,098)	75.2%	8,124,134	-102.0%
January 1, 2011	28,067,459	33,440,698	(5,373,239)	83.9%	8,124,134	-66.1%

**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)
June 30, 2008	\$ 99,253	\$ 28,275,976	\$ (28,176,723)	0.4%	\$ 7,750,003	363.6%
June 30, 2009	111,453	28,275,976	(28,164,523)	0.4%	7,750,003	-363.4%
June 30, 2010	111,453	28,275,976	(28,164,523)	0.4%	7,750,003	-363.4%
June 30, 2011	132,344	28,275,976	(28,143,632)	0.5%	7,750,003	-363.1%

# **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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>PROPERTY TAXES</b>				
Revenues from property taxes	\$ 49,709,440	\$ 49,709,440	\$ 49,888,935	\$ 179,495
Telephone access	128,069	128,069	74,947	(53,122)
Total property taxation	<u>49,837,509</u>	<u>49,837,509</u>	<u>49,963,882</u>	<u>126,373</u>
<b>INTERGOVERNMENTAL REVENUES</b>				
Mashantucket Pequot grant	20,757	20,757	20,991	234
Manufacturer PILOT	110,000	110,000	97,245	(12,755)
Property tax relief	94,500	94,500	93,588	(912)
LOCIP	105,434	105,434	106,000	566
Pleasure boat registrations	21,076	21,076	17,057	(4,019)
PILOT grant	29,792	29,792	29,963	171
Town aid road	152,025	152,025	153,158	1,133
Other grants - general government	25,000	76,881	81,879	4,998
Education cost sharing grant	1,530,693	1,530,693	1,529,073	(1,620)
School transportation	49,064	49,064	31,470	(17,594)
School building grants	245,000	245,000	234,647	(10,353)
Adult education	3,682	3,682	3,704	22
Total intergovernmental revenues	<u>2,387,023</u>	<u>2,438,904</u>	<u>2,398,775</u>	<u>(40,129)</u>
<b>CHARGES FOR SERVICES</b>				
Selectman's office	45,000	45,000	54,157	9,157
Town clerk	375,000	375,000	360,014	(14,986)
Land use	300,000	300,000	292,840	(7,160)
Police department	15,000	15,000	28,402	13,402
Tuition	20,000	20,000	3,375	(16,625)
Reimbursed programs	25,000	25,000	7,985	(17,015)
Total charges for services	<u>780,000</u>	<u>780,000</u>	<u>746,773</u>	<u>(33,227)</u>
<b>INTEREST AND LIEN FEES</b>	<u>180,000</u>	<u>180,000</u>	<u>224,545</u>	<u>44,545</u>
<b>INVESTMENT INCOME</b>	<u>150,000</u>	<u>150,000</u>	<u>43,977</u>	<u>(106,023)</u>
Total revenues	<u>53,334,532</u>	<u>53,386,413</u>	<u>53,377,952</u>	<u>(8,461)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers-In:				
Internal Service Fund	400,000	400,000	400,000	-
Capital non-bonded Fund	-	47,000	47,000	-
Special Revenue Fund	-	-	-	-
Appropriation of Restricted fund balance	-	-	-	-
Total other financing sources	<u>400,000</u>	<u>447,000</u>	<u>447,000</u>	<u>-</u>
<b>Total revenues and other other financing sources</b>	<u>\$ 53,734,532</u>	<u>\$ 53,833,413</u>	<u>\$ 53,824,952</u>	<u>\$ (8,461)</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, 2011**

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>GENERAL GOVERNMENT</b>				
Selectmen	\$ 142,897	\$ 145,305	\$ 145,272	\$ (33)
Town clerk	166,834	166,834	164,443	(2,391)
Registrar of voters	76,344	77,026	76,507	(519)
Legal	250,000	250,000	234,941	(15,059)
Total general government	<u>636,075</u>	<u>639,165</u>	<u>621,163</u>	<u>(18,002)</u>
<b>LAND USE</b>				
Land use	640,230	640,230	638,180	(2,050)
Conservation commission	5,230	5,230	5,540	310
Historic district commission	2,150	2,150	1,564	(586)
Gurski Homestead	1,500	1,500	1,420	(80)
Total land use	<u>649,110</u>	<u>649,110</u>	<u>646,704</u>	<u>(2,406)</u>
<b>FINANCE AND TAXATION</b>				
Assessor	208,862	208,862	207,625	(1,237)
Tax collector	190,573	190,573	189,364	(1,209)
Finance department	280,013	280,013	276,720	(3,293)
Board of finance	46,500	46,500	46,042	(458)
Board of assessment appeals	1,500	1,500	983	(517)
Economic development commission	825	825	100	(725)
Total finance and taxation	<u>728,273</u>	<u>728,273</u>	<u>720,834</u>	<u>(7,439)</u>
<b>REGIONAL SERVICES</b>				
Regional services	271,678	271,678	260,878	(10,800)
Total regional services	<u>271,678</u>	<u>271,678</u>	<u>260,878</u>	<u>(10,800)</u>
<b>HUMAN RESOURCES</b>				
Operations/human resources	201,414	201,414	195,207	(6,207)
Employee benefits	2,716,764	2,698,464	2,636,968	(61,496)
Insurance	465,043	465,043	464,068	(975)
Total human resources	<u>3,383,221</u>	<u>3,364,921</u>	<u>3,296,243</u>	<u>(68,678)</u>
<b>PUBLIC WORKS</b>				
Highway	1,376,645	1,425,149	1,443,541	18,392
Town buildings	258,340	258,340	252,215	(6,125)
School buildings	327,000	374,000	373,999	(1)
Town utilities	640,868	690,868	690,255	(613)
Recycling	49,255	49,255	43,196	(6,059)
Total public works	<u>2,652,108</u>	<u>2,797,612</u>	<u>2,803,206</u>	<u>5,594</u>
<b>PUBLIC SAFETY</b>				
Police department	3,219,071	3,219,071	3,158,612	(60,459)
Fire department - Center	246,977	246,977	246,977	-
EMS	200,000	200,000	200,000	-
Fire department - Candlewood	112,445	112,445	112,445	-
Civil Defense	2,000	2,000	1,210	(790)
Total public safety	<u>3,780,493</u>	<u>3,780,493</u>	<u>3,719,244</u>	<u>(61,249)</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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>RECREATION AND LEISURE</b>				
Parks and recreation department	\$ 171,828	\$ 176,228	\$ 176,193	\$ (35)
Grounds department	437,957	489,144	470,221	(18,923)
Arts Commission	1,500	1,500	1,489	(11)
Total recreation and leisure	<u>611,285</u>	<u>666,872</u>	<u>647,903</u>	<u>(18,969)</u>
<b>SOCIAL SERVICES</b>				
Social services	44,747	48,047	48,002	(45)
Community center	108,120	112,620	112,617	(3)
Regional social services	11,000	11,000	11,000	-
Probate	3,500	3,500	3,500	-
Total social services	<u>167,367</u>	<u>175,167</u>	<u>175,119</u>	<u>(48)</u>
<b>EDUCATION</b>				
Teachers salaries	16,192,337	16,040,402	16,034,910	(5,492)
Administrators' salaries	1,796,991	1,831,484	1,831,483	(1)
Team/curriculum leaders	67,921	53,312	53,312	-
Extended duty	133,581	142,816	142,816	-
Other	200,255	199,579	199,579	-
Para professionals	745,431	725,386	725,386	-
Clerical/computer technicians	1,328,871	1,344,211	1,344,211	-
Health staff	363,103	355,187	355,067	(120)
Custodians	843,272	826,613	826,613	-
Maintenance	229,112	222,064	222,064	-
Substitutes non-certified	2,000	-	-	-
Monitors	72,892	50,568	50,568	-
Overtime	64,250	51,194	51,194	-
Student salary	10,450	2,243	2,243	-
Homebound tutors	41,680	19,490	19,490	-
Co-curricular coaches	342,127	351,183	351,183	-
Other	163,215	164,642	162,014	(2,628)
Negotiations	28,936	-	-	-
Permanent building substitutes	244,670	69,497	69,497	-
Daily substitutes	-	113,839	113,839	-
Long term substitutes	-	107,827	107,827	-
Special education substitutes	10,000	188	188	-
Teacher-to-teacher substitutes	-	5,700	5,700	-
Nurse substitute	2,100	598	598	-
Day substitutes non-certified	73,908	64,485	64,485	-
Para professionals differential	16,210	-	-	-
Health insurance	4,656,108	4,771,205	4,771,205	-
Group life insurance	62,500	60,561	60,561	-
Long term disability	134,000	129,345	129,344	(1)
Social security	540,000	547,964	547,964	-

(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, 2011**

	<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	\$ 153,529	\$ 138,529	\$ 138,529	\$ -
Unemployment compensation	25,000	37,511	37,511	-
Workers' compensation	230,766	220,851	220,851	-
Professional ed services	180,107	173,295	173,295	-
Tutor	12,050	7,316	7,315	(1)
Other professional	661,406	550,411	550,310	(101)
Legal/negotiations	174,400	281,129	281,129	-
Technical services	90,900	93,352	92,451	(901)
Electricity	650,000	620,239	620,239	-
Water/sewage	35,098	39,780	39,780	-
Refuse/Recycling	35,500	32,482	32,482	-
Repairs/maintenance building	100,000	147,014	146,454	(560)
Repairs/maintenance equipment	96,275	143,600	144,599	999
Lease-copier	100,000	126,140	126,140	-
Lease/rent	221,428	229,499	229,499	-
General transportation	1,333,008	1,693,181	1,693,181	-
Special ed transportation-out	200,000	131,696	131,696	-
Special ed transportation-in	118,000	29,164	29,164	-
Vocational/agri transportation	38,000	-	-	-
Athletic transportation	67,000	90,630	90,630	-
Field trips	24,650	20,782	20,782	-
Liability insurance	150,312	154,825	154,825	-
Telephone	148,391	161,816	161,815	(1)
Postage	35,682	28,476	28,431	(45)
Advertising	4,250	530	530	-
Printing	29,735	18,234	18,713	479
Special education tuition	529,000	332,980	332,980	-
Vocational/agri tuition	59,743	35,598	35,598	-
Conference/travel	53,688	38,013	38,012	(1)
Office supplies	39,475	40,653	38,907	(1,746)
Instructional supplies	302,183	265,038	264,157	(881)
Custodial supplies	44,000	58,005	57,855	(150)
Maintenance supplies	3,500	32,268	32,268	-
Other supplies	172,440	142,762	141,835	(927)
Oil heat	261,472	328,047	328,047	-
Fuel-transportation	232,590	180,694	180,694	-
Text/work books	172,477	121,740	121,511	(229)
Library books	32,860	34,018	34,018	-
Periodical/subscriptions	20,966	22,806	22,806	-
Instructional equipment - replace	7,900	7,013	7,013	-
Furniture and fixtures	9,100	9,287	9,287	-
Other capital	110,227	273,003	276,498	3,495
Instructional equipment - new	16,700	4,816	4,816	-

(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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>EDUCATION (Continued)</b>				
Non-instructional equipment - replace	\$ 7,650	\$ 3,313	\$ 3,313	\$ -
Non-instructional equipment - new	-	1,200	1,200	-
Dues and fees	62,000	66,059	66,069	10
Total education	<u>35,419,378</u>	<u>35,419,378</u>	<u>35,410,576</u>	<u>(8,802)</u>
<b>MISCELLANEOUS</b>				
Contingency	94,800	-	-	-
Total miscellaneous	<u>94,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEBT SERVICE</b>				
	4,121,563	4,121,563	4,121,546	(17)
Total expenditures	<u>52,515,351</u>	<u>52,614,232</u>	<u>52,423,416</u>	<u>(190,816)</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
Public library	553,603	553,603	553,603	-
Capital leases	77,803	77,803	52,000	(25,803)
Capital projects	587,775	587,775	587,775	-
Total other financing uses	<u>1,219,181</u>	<u>1,219,181</u>	<u>1,193,378</u>	<u>(25,803)</u>
 Total expenditures and other financing uses	 <u>\$ 53,734,532</u>	 <u>\$ 53,833,413</u>	 <u>\$ 53,616,794</u>	 <u>\$ (216,619)</u> <i>(Concluded)</i>

**TOWN OF BROOKFIELD, CONNECTICUT  
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING  
FOR THE YEAR ENDED JUNE 30, 2011**

Grand List Year	Balance Uncollected July 1, 2010	Current Levy	Lawful Corrections		Transfers To Suspense	Balance To Be Collected	Collections			Total	Balance Uncollected June 30, 2011
			Additions	Deductions			Taxes	Interest	Lien Fees		
2009	\$ -	\$ 50,110,715	\$ 24,151	\$ 74,276		\$ 50,060,590	\$ 49,538,893	\$ 127,142	\$ 816	\$ 49,666,851	\$ 521,697
2008	488,638		11,690	10,457	7,851	482,020	298,089	70,145	1,775	370,009	183,931
2007	140,673		2,041	4,887	17,737	120,090	45,332	15,566	624	61,522	74,758
2006	58,884		-	1,232	12,421	45,231	3,774	2,848	48	6,670	41,457
2005	37,468			812	6,790	29,866	1,058	2,095	24	3,177	28,808
2004	10,829			119	2,104	8,606	570	769		1,339	8,036
2003	3,429			86	254	3,089	-	1,003		1,003	3,089
2002	2,428			27	194	2,207	670	800		1,470	1,537
2001	936					936	365	565		930	571
2000	332					332	184	325		509	148
	<u>\$ 743,617</u>	<u>\$ 50,110,715</u>	<u>\$ 37,882</u>	<u>\$ 91,896</u>	<u>\$ 47,351</u>	<u>\$ 50,752,967</u>	<u>\$ 49,888,935</u>	<u>\$ 221,258</u>	<u>\$ 3,287</u>	<u>\$ 50,113,480</u>	<u>\$ 864,032</u>

**TOWN OF BROOKFIELD, CONNECTICUT  
SCHEDULE OF DEBT LIMITATION  
CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)  
FOR THE YEAR ENDED JUNE 30, 2011**

Total cash collections for the year ended  
June 30, 2011:

Taxes	\$ 49,963,882
Interest and lien fees	224,545
<b>Total</b>	<b>50,188,427</b>
Reimbursement for revenue loss:	93,588
Tax relief for elderly (CGS 12-129d)	50,282,015
<b>Base</b>	<b>50,282,015</b>

Debt limitation:

	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
2-1/4 times base	\$ 113,134,534	-	-	-	-
4-1/2 times base	-	226,269,068	-	-	-
3-3/4 times base	-	-	188,557,556	-	-
3-1/4 times base	-	-	-	163,416,549	-
3 times base	-	-	-	-	150,846,045
<b>Total debt limitation</b>	<b>113,134,534</b>	<b>226,269,068</b>	<b>188,557,556</b>	<b>163,416,549</b>	<b>150,846,045</b>

Indebtedness:

Bonds payable	11,531,981
Notes payable	716,178
CWF notes	785,993
Authorized but unissued bonds	5,407,021
	18,441,173
Less: amounts to be provided by the state water & sewer assessments	3,230,992
<b>Total indebtedness</b>	<b>15,210,181</b>

Debt limitation in excess of outstanding  
and authorized debt

	25,623,020
	-
	3,828,971
	366,996
	6,205,967
	503,142
	5,838,971
	366,996
<b>Total</b>	<b>25,119,878</b>
<b>\$ 97,924,353</b>	<b>\$ 201,149,190</b>
<b>\$ 163,416,549</b>	<b>\$ 163,416,549</b>

Total capacity of borrowing (7 times base)  
Total present indebtedness  
Margin for additional borrowing

Total capacity of borrowing (7 times base)	\$ 351,974,105
Total present indebtedness	40,697,054
Margin for additional borrowing	\$ 311,277,051

*Nonmajor  
Governmental  
Funds*

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## NONMAJOR GOVERNMENTAL FUNDS

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### 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.

**Water Assessment Fund** - To account for the water assessments.

**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.

**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.

**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.

**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.

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

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**NONMAJOR GOVERNMENTAL FUNDS (Continued)**

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**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, 2011**

	Nonmajor Special Revenue Funds					
	Library	Park and Recreation	Water Assessment	Police Contract	Town Road Aid	Economic Development
	Operating Fund	Fund	Fund	Services Fund	Fund	Fund
Cash and cash equivalents	\$ (40,205)	\$ 361,759	\$ 566,067	\$ 247,500	\$ -	\$ 31,923
Investments	319,695	-	-	-	-	-
Receivables:						
Assessments and user charges	-	-	3,451,323	-	-	-
Grants and contracts	-	-	-	-	-	-
Other	25,145	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Total assets	\$ 304,635	\$ 361,759	\$ 4,017,390	\$ 247,500	\$ -	\$ 31,923

**LIABILITIES AND FUND BALANCES**

Liabilities:						
Accounts payable	\$ -	\$ 4,965	\$ -	\$ 2,970	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Unearned/deferred revenue	-	170,581	3,451,323	-	-	-
Total liabilities	-	175,546	3,451,323	2,970	-	-
Fund Balances:						
Reserved for inventory	-	-	-	-	-	-
Unreserved	304,635	186,213	566,067	244,530	-	31,923
Total fund balances	304,635	186,213	566,067	244,530	-	31,923
Total liabilities and fund balances	\$ 304,635	\$ 361,759	\$ 4,017,390	\$ 247,500	\$ -	\$ 31,923

✓            ✓            ✓            ✓            ✓            ✓  
 (Continued)

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

**JUNE 30, 2011**

	Nonmajor Special Revenue Funds				
	Heart and Hypertension Reserve	Open Space Fund	Police Operating Fund	Gurski Property Fund	Education Grants
<b>ASSETS</b>					
Cash and cash equivalents	\$ 267,548	\$ 132,071	\$ 53,115	\$ 81,567	\$ (563,832)
Investments	169,513	-	-	-	-
Receivables:					
Assessments and user charges	-	-	-	-	-
Grants and contracts	-	-	-	-	409,755
Other	-	-	-	-	-
Due from other funds	-	-	-	-	168,256
Inventories	-	-	-	-	-
Total assets	\$ 437,061	\$ 132,071	\$ 53,115	\$ 81,567	\$ 14,179

**LIABILITIES AND FUND BALANCES**

Liabilities:					
Accounts payable	-	-	\$ 290	-	\$ 8,634
Due to other funds	-	-	-	-	-
Unearned/deferred revenue	-	1,238	-	4,000	5,545
Total liabilities	-	1,238	290	4,000	14,179
Fund Balances:					
Reserved for inventory	-	-	-	-	-
Unreserved	437,061	130,833	52,825	77,567	-
Total fund balances	437,061	130,833	52,825	77,567	-
Total liabilities and fund balances	\$ 437,061	\$ 132,071	\$ 53,115	\$ 81,567	\$ 14,179

(Continued)

✓    ✓    ✓    ✓    ✓

**TOWN OF BROOKFIELD, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS (Concluded)  
JUNE 30, 2011**

	Nonmajor Special Revenue Funds				Nonmajor Capital Project Fund		Total Nonmajor Governmental Funds
	Cafeteria Fund	BOE Miscellaneous	Town Miscellaneous	OPED Fund	Capital and Non Recurring		
<b>ASSETS</b>							
Cash and cash equivalents	\$ 9,941	\$ 45,595	\$ 45,549	\$ 129,748	\$ 736,886	\$ 2,105,232	
Investments	10,125	-	-	-	-	499,333	
Receivables:							
Assessments and user charges receivable	-	-	-	-	-	3,451,323	
Grants and contracts receivable	17,975	-	-	-	-	427,730	
Other	-	-	-	-	-	25,145	
Due from other funds	-	-	-	-	-	168,256	
Inventories	8,289	-	-	-	-	8,289	
Total assets	\$ 46,330	\$ 45,595	\$ 45,549	\$ 129,748	\$ 736,886	\$ 6,685,308	
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	16,859	
Due to other funds	-	-	-	-	-	-	
Unearned/deferred revenue	-	-	-	-	-	3,632,687	
Total liabilities	-	-	-	-	-	3,649,546	
Fund Balances:							
Reserved for inventory	8,289	-	-	-	-	8,289	
Unreserved	38,041	45,595	45,549	129,748	736,886	3,027,473	
Total fund balances	46,330	45,595	45,549	129,748	736,886	3,035,762	
Total liabilities and fund balances	\$ 46,330	\$ 45,595	\$ 45,549	\$ 129,748	\$ 736,886	\$ 6,685,308	

*(Concluded)*

**TOWN OF BROOKFIELD, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011**

	Nonmajor Special Revenue Funds					
	Library Operating Fund	Park and Recreation Fund	Water Assessment Fund	Police Contract Services Fund	Town Road Aid Fund	Economic Development Fund
<b>REVENUES</b>						
Assessments	\$ -	\$ -	\$ 612,829	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	25,139	507,063	-	182,950	-	-
Donations	-	-	-	-	-	-
Investment earnings (loss)	71,593	-	-	483	-	-
Interest and lien fees	-	-	1,410	-	111	-
Miscellaneous	-	-	18,145	-	-	-
Total revenues	96,732	507,063	632,384	183,433	111	-
<b>EXPENDITURES</b>						
Current:						
General government	-	-	18,906	-	-	-
Human services	-	-	-	-	-	-
Public works	-	-	-	-	459	-
Public safety	-	-	-	206,028	-	-
Recreation and leisure	-	475,064	-	-	-	-
Library	579,707	-	-	-	-	-
Education	-	-	-	-	-	-
Debt service:						
Principal payments	-	-	-	-	-	-
Interest and fiscal charges	-	-	47,411	-	-	-
Capital outlays	-	-	-	-	-	-
Total expenditures	579,707	475,064	66,317	206,028	459	-
Excess (deficiency) of revenues over expenditures	(482,975)	31,999	566,067	(22,595)	(348)	-
<b>OTHER FINANCING SOURCES (USES)</b>						
Capital leases	-	-	-	-	-	-
Transfers in	553,603	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	553,603	-	-	-	-	-
Net change in fund balances	70,628	31,999	566,067	(22,595)	(348)	-
Fund balances (deficit) - beginning	234,007	154,214	-	267,125	348	31,923
Fund balances - ending	\$ 304,635	\$ 186,213	\$ 566,067	\$ 244,530	\$ -	\$ 31,923

(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, 2011**

	Nonmajor Special Revenue Funds				
	Heart and Hypertension Reserve	Open Space Fund	Police Operating Fund	Gurski Property Fund	Education Grants
<b>REVENUES</b>					
Assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	6,756	-	1,556,488
Charges for services	-	-	-	54,313	-
Donations	-	-	525	-	-
Investment earnings (loss)	64,216	63	-	-	-
Interest and lien fees	-	-	-	-	-
Miscellaneous	538	-	3,844	-	-
Total revenues	64,754	63	11,125	54,313	1,556,488
<b>EXPENDITURES</b>					
Current:					
General government	-	10,863	-	53,098	-
Human services	-	-	-	-	-
Public works	-	-	-	-	-
Public safety	18,838	-	33,980	-	-
Recreation and leisure	-	-	-	-	-
Library	-	-	-	-	-
Education	-	-	-	-	1,556,488
Debt service:					
Principal payments	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlays	-	-	-	-	-
Total expenditures	18,838	10,863	33,980	53,098	1,556,488
Excess (deficiency) of revenues over expenditures	45,916	(10,800)	(22,855)	1,215	-
<b>OTHER FINANCING SOURCES (USES)</b>					
Capital leases	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	45,916	(10,800)	(22,855)	1,215	-
Fund balances (deficit) - beginning	391,145	141,633	75,680	76,352	-
Fund balances - ending	\$ 437,061	\$ 130,833	\$ 52,825	\$ 77,567	\$ -

(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, 2011**

	Nonmajor Special Revenue Funds			OPED Fund	Nonmajor Capital Project Fund		Total Nonmajor Governmental Funds
	Cafeteria Fund	BOE Miscellaneous	Town Miscellaneous		Capital and Non Recurring	Governmental Funds	
<b>REVENUES</b>							
Assessments	\$ -	\$ -	\$ -	-	\$ -	\$ -	612,829
Intergovernmental	104,443	3,105	20,853	-	-	-	1,691,645
Charges for services	537,403	775,752	12,246	18,325	-	-	2,113,191
Donations	-	1,000	18,660	-	-	-	20,185
Investment earnings (loss)	-	-	25	-	422	-	136,802
Interest and lien fees	-	-	-	-	-	-	1,521
Miscellaneous	-	-	510	-	1,300	-	24,337
Total revenues	641,846	779,857	52,294	18,325	1,722	-	4,600,510
<b>EXPENDITURES</b>							
Current:							
General government	-	-	19,696	30	-	-	102,593
Social services	-	-	21,100	-	-	-	21,100
Public works	-	-	33,070	-	-	-	33,529
Public safety	-	-	1,265	-	-	-	260,111
Recreation and leisure	-	-	3,869	-	-	-	478,933
Library	-	-	-	-	-	-	579,707
Education	592,101	845,174	-	-	-	-	2,993,763
Debt service:							
Principal payments	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	47,411
Capital outlays	-	-	-	-	1,259,048	-	1,259,048
Total expenditures	592,101	845,174	79,000	30	1,259,048	-	5,776,195
Excess (deficiency) of revenues over expenditures	49,745	(65,317)	(26,706)	18,295	(1,257,326)	(1,175,685)	
<b>OTHER FINANCING SOURCES (USES)</b>							
Capital leases	-	-	-	-	428,600	-	428,600
Bond proceeds	-	-	-	-	430,000	-	430,000
Transfers in	-	-	-	-	639,775	-	1,193,378
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	1,498,375	-	2,051,978
Net change in fund balances	49,745	(65,317)	(26,706)	18,295	241,049	-	876,293
Fund balances (deficit) - beginning	(3,415)	110,912	72,255	111,453	495,837	-	2,159,469
Fund balances - ending	\$ 46,330	\$ 45,595	\$ 45,549	\$ 129,748	\$ 736,886	\$ -	\$ 3,035,762

(Concluded)

**TOWN OF BROOKFIELD, CONNECTICUT  
SCHEDULE OF WATER ASSESSMENT BILLING, COLLECTED AND OUTSTANDING  
FOR THE YEAR ENDED JUNE 30, 2011**

Year Ended June 30,	Uncollected Assessments July 1, 2010	Current Assessments	Corrections		Adjusted Assessments Collectible	Collections		Total	Uncollected Assessments June 30, 2011
			Additions	Deductions		Assessments Collected	Interest and Lien Fees		
2011	\$ -	\$ 4,370,261	\$ 20,656	\$ 264,932	\$ 4,125,985	\$ 673,252	\$ 1,410	\$ 674,662	\$ 3,451,323
	\$ -	\$ 4,370,261	\$ 20,656	\$ 264,932	\$ 4,125,985	\$ 673,252	\$ 1,410	\$ 674,663	\$ 3,451,323

*Fiduciary  
Funds*

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## AGENCY FUNDS

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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, 2011**

	<b>Student Activities</b>	<b>Performance Bonds</b>	<b>Total Agency Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 384,088	\$ 754,901	\$ 1,138,989
Total assets	\$ 384,088	\$ 754,901	\$ 1,138,989
 <b>LIABILITIES</b>			
Due to others	\$ 215,832	\$ 754,901	\$ 970,733
Due to other funds	168,256	-	168,256
Total liabilities	\$ 384,088	\$ 754,901	\$ 1,138,989
	✓	✓	

**TOWN OF BROOKFIELD, CONNECTICUT  
 COMBINING STATEMENT OF CHANGES IN  
 FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Balance, July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2011</u>
<b>Student Activities</b>				
Assets				
Cash and cash equivalents	\$ 294,679	\$ 1,129,179	\$ 1,039,770	\$ 384,088
Total assets	<u>\$ 294,679</u>	<u>\$ 1,129,179</u>	<u>\$ 1,039,770</u>	<u>\$ 384,088</u>
Liabilities				
Due to others	\$ 294,679	\$ 1,129,179	\$ 1,208,026	\$ 215,832
Due to other funds	-	168,256	-	168,256
Total liabilities	<u>\$ 294,679</u>	<u>\$ 1,297,435</u>	<u>\$ 1,208,026</u>	<u>\$ 384,088</u>
<b>Performance Bonds</b>				
Assets				
Cash and cash equivalents	\$ 948,071	\$ 97,465	\$ 290,635	\$ 754,901
Total assets	<u>\$ 948,071</u>	<u>\$ 97,465</u>	<u>\$ 290,635</u>	<u>\$ 754,901</u>
Liabilities				
Due to others	\$ 948,071	\$ 97,465	\$ 290,635	\$ 754,901
Total liabilities	<u>\$ 948,071</u>	<u>\$ 97,465</u>	<u>\$ 290,635</u>	<u>\$ 754,901</u>
<b>Total All Agency Funds</b>				
Assets				
Cash and cash equivalents	\$ 1,242,750	\$ 1,226,644	\$ 1,330,405	\$ 1,138,989
Total assets	<u>\$ 1,242,750</u>	<u>\$ 1,226,644</u>	<u>\$ 1,330,405</u>	<u>\$ 1,138,989</u>
Liabilities				
Due to others	\$ 1,242,750	\$ 1,226,644	\$ 1,498,661	\$ 970,733
Due to other funds	-	168,256	-	168,256
Total liabilities	<u>\$ 1,242,750</u>	<u>\$ 1,394,900</u>	<u>\$ 1,498,661</u>	<u>\$ 1,138,989</u>

# **STATISTICAL SECTION**

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## STATISTICAL SECTION

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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.

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<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	78
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the factors affecting the Town's ability to generate its property taxes.	84
<b>Debt Capacity</b>	
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
<b>Demographic and Economic Information</b>	
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
<b>Operating Information</b>	
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.

Table 1

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Governmental activities</b>									
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	\$ 26,600,751
Unrestricted	7,604,335	5,134,191	119,860	(2,056,449)	10,962,009	2,271,866	6,386,396	(1,685,745)	4,964,732
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	\$ 31,565,483
<b>Business-type activities</b>									
Invested in capital assets, net of related debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,103,454	\$ 3,265,787
Restricted	-	-	-	-	-	-	-	1,585,682	1,613,750
Unrestricted	-	-	-	-	-	-	-	8,195,151	6,860,516
Total business-type activities net assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,886,287	\$ 11,740,053
<b>Primary government</b>									
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	\$ 29,866,538
Restricted	-	-	-	-	-	-	-	1,585,682	1,613,750
Unrestricted	7,604,335	5,134,191	119,860	(2,056,449)	10,962,009	2,271,866	6,386,396	6,509,406	11,825,248
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	\$ 41,203,473	\$ 43,305,536

**Note:** The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003.

Table 2

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
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	\$ 1,018,191
Land use	776,409	928,180	864,972	851,244	989,559	1,054,184	1,066,379	808,734	1,036,604
Finance and taxation	812,992	864,221	965,182	948,680	929,606	972,642	1,098,285	971,491	954,167
Regional services	151,795	212,385	230,331	230,538	244,196	253,947	259,999	257,475	260,878
Human services	272,744	277,855	297,574	287,240	288,589	316,340	358,269	266,374	483,516
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	4,163,904
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	5,840,518
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	1,549,447
Human resources						599,812	632,912	714,627	239,982
Library	478,255	521,341	517,462	526,993	610,771	560,880	590,484	604,174	579,707
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	44,914,173
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	1,783,009
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	62,824,096
Business-type activities:									
Water Pollution Control Authority									
Total primary government expenses	\$ 47,276,215	\$ 46,002,100	#####	\$ 51,975,023	#####	\$ 66,837,142	\$ 62,744,698	\$ 61,395,640	\$ 64,017,731
<b>Program Revenues (See Table 3 )</b>									
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	\$ 443,856
Land use	249,453	310,080	414,138	399,425	300,476	578,189	358,116	217,172	347,153
Human services				30,203		30,561	29,890		12,246
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	553,371	740,478	506,941	211,352
Recreation and leisure	423,246	502,693	537,460	590,593	608,872	579,825	533,669	447,659	507,063
Library	32,803	45,291	30,359	33,193	39,245	27,987	22,999	16,500	23,139
Education	722,435	763,438	818,535	789,587	725,976	780,962	612,838	908,134	1,313,155
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	6,703,537
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	559,158
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	10,122,659
Business-type activities:									
Charges for services:									
Water Pollution Control Authority								5,240,464	1,446,151
Capital grants and contributions								1,110,699	
Total business-type activities program revenues								6,351,163	1,446,151
<b>Net (Expense)/Revenue</b>	\$ 9,627,208	\$ 7,970,561	\$ 8,463,422	\$ 10,193,104	#####	\$ 21,496,494	\$ 15,523,863	\$ 19,323,928	\$ 11,568,810
<b>General Revenues and Other Changes in Net Assets</b>	(37,649,007)	(38,031,539)	(42,622,476)	(41,781,919)	(40,441,609)	(45,340,648)	(47,220,835)	(42,071,712)	(52,448,921)
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	50,082,141
Assessments, levied for waterworks									4,245,516
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	2,708,995	544,170	1,028,079	1,210,640	725,583	382,944	182,366	181,108
Miscellaneous	91,101				196,861				24,337
Transfers								(1,701,171)	1,414,632
Total primary 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	55,947,734
Business-type activities:									
Unrestricted investment earnings								6,042	15,882
Transfers								1,701,171	(1,414,632)
<b>Change in Net Assets</b>								1,707,213	(1,398,750)
Primary government	\$ (531,402)	\$ 307,713	\$(2,308,611)	\$ 2,457,180	\$ 6,597,079	\$ 1,221,203	\$ 1,357,968	\$ 6,398,411	\$ 2,100,063

Note The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003.

- (1) Variance due to an expense classification change.
- (2) Variance due to on-behalf pension payments due to a one-time State contribution change.

Table 3

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

*(Accrual Basis of Accounting - Unaudited)*

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Function/Program</b>									
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	\$ 824,092
Land use	249,453	310,080	414,138	399,425	300,476	578,189	358,116	217,172	347,153
Human services	-	-	-	30,203	-	51,761	60,545	3,105	12,246
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	589,158
Public safety	236,923	261,238	244,829	378,963	212,734	550,732	801,283	539,048	218,633
Recreation and leisure	423,246	502,693	537,460	625,593	608,872	579,825	533,669	1,525,056	507,063
Library	40,459	47,927	36,412	-	42,252	56,537	26,362	25,250	12,246
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	7,599,175
Total governmental activities	\$ 9,627,208	\$ 7,970,561	\$ 8,463,422	\$ 10,157,072	\$ 13,792,077	\$ 21,496,494	\$ 15,523,863	\$ 12,972,765	\$ 10,109,766
Business-type activities:									
Water Pollution Control Authority	-	-	-	-	-	-	-	6,351,163	1,446,151
Total primary government	\$ 9,627,208	\$ 7,970,561	\$ 8,463,422	\$ 10,157,072	\$ 13,792,077	\$ 21,496,494	\$ 15,523,863	\$ 19,323,928	\$ 11,555,917

**Note:** The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003.

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

*(Modified Accrual Basis of Accounting - Unaudited)*

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Unreserved	\$ 4,447,254	\$ 4,663,012	\$ 4,458,905	\$ 4,203,983	\$ 3,938,006	\$ 4,083,405	\$ 2,693,690	\$ 2,427,650	\$ 4,327,757	\$ 4,602,745
Total general fund	\$ 4,447,254	\$ 4,663,012	\$ 4,458,905	\$ 4,203,983	\$ 3,938,006	\$ 4,083,405	\$ 2,693,690	\$ 2,427,650	\$ 4,327,757	\$ 4,602,745
All Other Governmental Funds										
Reserved	\$ 755,730	\$ 4,103	\$ 4,638	\$ 7,833	\$ 10,465	\$ 11,252	\$ 21,285	\$ 410,867	\$ 3,657	\$ 8,289
Unreserved, reported in:										
Special revenue funds	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	2,290,587
Capital projects funds	(158,474)	(1,952,368)	(6,172,375)	(7,167,911)	(10,382,742)	1,494,148	(5,831,664)	(9,466,799)	(824,325)	(1,936,889)
Total all other governmental funds	\$ 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	\$ 361,987

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

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

*(Modified Accrual Basis of Accounting - Unaudited)*

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Revenues</b>										
Property taxes	\$ 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	\$ 49,963,882
Assessments	1,057,898	469,904	609,723	584,497	569,489	357,147	317,143	315,174	-	612,829
Interest and lien fees	457,674	6,088,100	3,885,320	194,214	2,563,333	275,451	232,692	223,289	217,374	(1)
Intergovernmental	4,500,851	2,904,730	3,470,768	4,112,647	5,388,197	9,697,916	16,656,203	10,469,503	10,639,056	13,340,596
Charges for services	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	2,859,964
Donations	17,148	10,700	14,760	54,077	54,605	62,556	35,843	23,016	33,742	350,185
Investment earnings	462,471	344,336	271,696	542,658	999,254	1,156,978	718,253	368,886	182,366	181,108
Miscellaneous	141,348	300,223	158,667	224,502	359,278	384,526	375,103	354,345	281,781	24,337
Total revenues	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	67,558,967
<b>Expenditures</b>										
General government	951,063	939,683	879,114	746,491	1,646,256	1,676,337	1,839,303	629,083	611,750	723,756
Land use	545,288	563,342	599,102	539,564	617,527	698,684	741,204	674,742	559,896	646,704
Finance and taxation	584,753	574,405	594,975	645,062	716,855	669,230	687,166	700,312	710,430	709,134
Regional services	146,080	151,795	212,385	230,331	230,558	244,196	253,947	259,999	257,475	260,878
Human services	206,578	209,979	182,525	199,121	217,795	212,103	228,738	224,824	186,142	3,296,243
Public works	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	2,558,336	2,769,388	3,062,929	3,260,576	3,381,780	3,476,505	3,759,787	4,096,271	3,911,796	3,959,225
Recreation and leisure	879,460	917,621	987,116	1,079,615	1,128,574	1,187,260	1,238,601	1,131,231	1,031,530	1,126,836
Human resources	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	196,219
Education	529,938	468,302	521,341	517,462	526,993	560,915	560,880	589,836	566,674	579,707
Library	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	41,226,429
Miscellaneous	10,000	17,830	31,757	19,408	104,729	110,879	67,301	18,834	-	-
Capital outlays	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	6,211,076
Debt service:										
Interest	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	2,005,517	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	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	65,906,899
Excess of revenues over (under) expenditures	(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)	1,652,068

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

*(Modified Accrual Basis of Accounting - Unaudited)*

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Other Financing Sources (Uses)</b>										
Issuance of bonds	\$ 7,900,000	\$ -	\$ -	\$ -	\$ -	\$ 26,000,000	\$ -	\$ -	\$ -	\$ 870,000
Issuance of notes payable	-	-	-	-	-	-	-	-	190,505	(2)
Issuance of bond anticipation note	-	-	-	-	-	-	-	-	8,705,000	-
Capital leases	546,087	540,567	571,825	-	293,312	1,321,165	-	-	-	428,600
Transfers in	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	(1,743,534)	(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)	8,446,087	886,490	571,825	-	293,312	27,321,165	-	-	7,696,037	(1,854,400)
Net change in fund balances	\$ 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	\$ (202,332)
Debt service as a percentage of noncapital expenditures	7.10%	7.50%	8.31%	7.25%	6.70%	7.27%	8.09%	8.70%	7.90%	6.27%

**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				ASSESSED VALUE AS A PERCENTAGE OF ACTUAL VALUE		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	Estimated Actual Value	
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	
2011	2,495,132,385	119,244,040	2,375,888,345	2,990,095,604	79.46%	227,621,559	325,173,656	19.47	

(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).

Table 7

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

	2011			2002				
	Taxpayer	Nature of Business	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Iroquois Gas Transmission System, LP	Utility		\$ 29,121,370	1	1.08%	\$ 3,987,290	8	0.35%
R & F Danbury LLC	Shopping Center		23,927,880	2	0.89%			
Connecticut Light and Power	Utility		20,674,590	3	0.77%	11,861,540	1	0.97%
Roy Young	Warehouse and Commercial Buildings		15,169,440	4	0.56%	10,783,990	2	0.95%
Gary and Dennis Michael	Shopping Center		13,497,560	5	0.50%	5,499,340	6	0.49%
WRL Brookfield, LLC	Shopping Center		11,733,410	6	0.44%			
Photonics Labs Inc.	Manufacturing		11,565,840	7	0.43%			
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%			
Pension Commissioners Board of LA	Finance			-		6,337,180	4	0.56%
Village at Brookfield Commons	Assisted Living			-		6,909,070	3	0.61%
Danbury Properties	Real Estate			-		5,638,290	5	0.50%
Dade Behring	Electronic Components			-		4,060,000	7	0.36%
Rapid Power Technologies	Electric Components			-		3,256,740	9	0.29%
	Total		\$ 121,600,340		4.51%	\$ 57,047,520	10	0.24%
								4.97%

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	
	Fiscal Year	Amount	Percentage of Levy		Amount	Percentage of Levy
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%
2011	50,110,715	49,538,893	98.86%	350,042	49,888,935	99.56%

**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					
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	30,560,000	9,477,877	428,725	1,760,000	3,995,348	-	46,221,950	1.39%	7.55%	2,800
2011	37,155,000	1,502,171	254,301	2,010,000	3,828,971	-	44,750,443	1.35%	7.27%	2,711

**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)*

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total capacity of borrowing (7 times base)	\$ 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	\$ 351,974,105
Total present indebtedness	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	40,697,054
Margin for additional borrowing	\$ 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	\$ 311,277,051
Total net debt applicable to the debt limit as a percentage of the debt limit	6.83%	7.86%	8.63%	9.17%	11.58%	11.58%	13.22%	12.97%	13.38%	11.56%

**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 2011 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
2002	15,916	589,894,708	37,063	39.2	14.0	3,086	3.3%
2003	15,923	590,154,149	37,063	39.2	14.0	3,032	4.2%
2004	16,037	594,379,331	37,063	39.2	14.0	3,067	3.8%
2005	16,201	600,457,663	37,063	39.2	14.0	3,111	3.8%
2006	16,354	606,128,302	37,063	39.2	14.0	3,118	3.3%
2007	16,507	611,798,941	37,063	39.2	14.0	2,971	3.8%
2008	16,429	608,908,027	37,063	39.2	14.0	2,969	3.5%
2009	16,413	608,315,019	37,063	39.2	14.0	2,948	6.9%
2010	16,510	611,910,130	37,063	39.2	14.0	2,936	7.2%
2011	16,452	937,611,386	47,091	40.8	14.0	2,879	6.8%

(1) U.S. Department of Commerce, Bureau of Census for year 2010

(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	2011			2001		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
COSTCO	Super Market	260	1	2.98%	140	4	1.66%
Shop Rite	Super Market	250	2	2.86%	175	1	2.07%
United Parcel Service	Delivery Service	210	3	2.41%	145	3	1.72%
Photonics Labs	Electronic Manufacturing	165	4	1.89%	168	2	1.99%
Kohl's	Retail Store	100	5	1.15%	93	6	1.10%
Wentworth Labs	Precision Equipment	100	6	1.15%	95	5	1.12%
TJ Maxx	Retail Store	79	7	0.90%	70	7	0.83%
Reymour & Flanagan	Retail Store	43	8	0.49%	35	8	0.41%
Bob's Stores	Retail Store	40	9	0.46%	20	10	0.24%
United Alarm	Alarm System Service	33	10	0.38%	24	9	0.28%
Total		1,280		14.67%	965		11.42%

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)*

<u>Function/Program</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General government										
General government:										
Selectmen	3.0	3.5	3.5	4.0	4.0	4.0	4.0	3.0	3.0	3.0
Human Resources/Operations	1.5	1.5	1.5	1.5	1.5	1.5	1.5	2.5	2.5	1.5
Land use	14.2	14.2	14.2	14.2	16.9	16.9	16.9	10.0	10.5	10.5
Finance and taxation	11.0	11.0	11.0	11.0	11.0	11.0	11.0	7.5	10.5	11.5
Public works	16.7	15.7	16.1	16.4	16.4	16.4	16.4	14.5	16.0	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	10.0	10.0	10.0	10.0	10.0
Recreation and leisure	10.0	10.5	10.5	10.5	10.5	10.5	10.5	7.5	8.5	8.5
Library	8.0	8.0	8.0	10.0	10.0	10.0	10.0	9.5	9.5	9.5
Education	390.0	392.0	401.0	410.0	410.0	421.0	388.4	376.5	382.5	375.5
Total	<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>484.0</u>	<u>477.0</u>

Source: Town of Brookfield, Human Resources Office

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

*(Unaudited)*

<u>Function/Program</u>	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Land Use										
Residential Construction Permits Issued	436	464	424	406	459	275	282	145	238	257
Commercial Construction Permits Issued	80	73	88	75	92	66	82	45	106	111
Police										
General service calls	3,663	3,581	4,194	3,753	4,036	4,243	5,562	7,017	4,695	6,925
Criminal investigations	743	813	855	758	806	821	733	698	660	718
Non-criminal investigations	86	45	52	33	40	37	38	46	74	100
Traffic enforcement	4,144	5,759	6,061	6,537	5,650	5,426	6,574	5,188	4,668	4,920
Public works										
Street resurfacing (miles)	3.0	10.0	2.0	2.5	2.5	2.0	3.0	2.4	6	17
Street repairs (miles)	23	36	8	13	16	16	18	25	25	20
Parks and recreation										
Athletic field events (18 facilities)	2,694	2,987	3,185	3,160	3,240	3,450	3,500	3,510	3,700	3,700
Community center visits (annually)	9,800	9,890	10,175	10,150	10,200	10,800	11,500	11,330	10,750	13,750
Library										
Volumes in collection (including multimedia)	61,550	62,340	62,440	59,160	60,192	63,160	65,280	62,950	61,290	63,608
Total volumes borrowed	151,550	153,000	153,500	155,500	156,000	146,882	149,602	150,410	155,943	151,369

**Source:** Various Town departments

Table 15

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

*(Unaudited)*

<b>Function/Program</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Police</b>										
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)	93.5	94.0	94.5	95.0	96.0	96.0	99.0	99.7	99.7	99.7
Streetlights	219	220	225	225	226	226	226	226	226	226
Traffic signals	1	1	1	3	3	4	4	5	5	5
<b>Parks and recreation</b>										
Acres	180	180	180	180	180	180	180	180	180	180
Playgrounds	23	25	25	25	25	25	25	25	25	25
Baseball/softball diamonds	5	5	5	5	5	5	5	5	5	5
Soccer/football fields	12	12	12	13	13	13	13	13	13	13
Community centers	1	1	1	1	1	1	1	1	1	1
<b>Wastewater</b>										
Sanitary sewers (miles)	6.2	6.2	6.2	6.2	6.8	6.8	6.8	13.9	21.6	21.6
Storm sewers (miles)	48.8	49.3	49.5	50.0	50.8	51.0	51.0	51.5	51.7	51.8

**Source:** Various Town departments