TOWN OF BROOKFIELD, CONNECTICUT

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2020

TOWN OF BROOKFIELD, CONNECTICUT

Annual Financial Report
Year Ended June 30, 2020

Prepared by the Town Finance Department

Brookfield Town Hall
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Brookfield, Connecticut 06804

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Town of Brookfield, Connecticut

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INDEPENDENT AUDITOR'S REPORT

To the Board of Finance
Town of Brookfield, Connecticut

Report on the Financial Statements

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, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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 information on pages 77 through 107 to 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements on pages 108 through 128 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2020, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Mahoney Sabol + Company, LLP

Certified Public Accountants
Glastonbury, Connecticut
December 21, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Town of Brookfield, Connecticut's ("Town") financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the Town's financial statements and notes to the financial statements, which begin with Exhibit 1 in the financial section.

FINANCIAL HIGHLIGHTS

- The outbreak of COVID-19, a respiratory virus caused by a new strain of coronavirus, has been declared a Public Health Emergency of International Concern ("Pandemic) by the World Health Organization. On March 13, 2020, the President of the United States declared a national emergency. The outbreak of the virus has affected travel, commerce and financial markets globally, and is widely expected to affect economic growth worldwide.

  The ongoing impact of the pandemic has materially affected state, national, and global activity. Many states, including Connecticut have taken restrictive measures for public safety that are having negative effects on global and local economies. Schools were required to convert to remote learning; restaurants, stores and other businesses were required to close; non-essential personnel were required to quarantine; and there were vast shortages of personal protective equipment and disinfectants world-wide.

  All of this had pervasive financial impacts on the Town which we will discuss in more detail.

- The Town's total governmental activities net position, a measure of the Town's long-term health, was $50,399,893 at June 30, 2020. It improved by $4,356,694 during the year.
- The Town's general obligation bonds continue to carry a Standard and Poor's rating of "Aaa".

USING THIS ANNUAL FINANCIAL REPORT

Management's discussion and analysis is intended to be an introduction to the Town of Brookfield's annual financial report. This annual financial report consists of a series of financial statements.

Government-Wide Financial Statements – The government-wide statements (exhibits 1 and 2 in the financial statements) provide information about the activities of the Town as a whole, and present a long-term view of the Town's finances. These two statements reflect all assets, liabilities and operations using the *accrual basis of accounting*, which is similar to the accounting method used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

- The *statement of net position* (exhibit 1 in the financial statements) provides information about the Town's assets, deferred outflows and inflows of resources, and liabilities, with the equity, reported as net position. Over time, increases and decreases in the net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. You need to consider other nonfinancial factors to assess the *overall health* of the Town; such as changes in the Town's property tax base and the condition of the Town's roads and structures.

- The *statement of activities* (exhibit 2 in the financial statements) presents information showing how the Town's net position changed during the most recent fiscal year.

USING THIS ANNUAL FINANCIAL REPORT (Continued)

In the statement of net position and the statement of activities, the Town is divided into two types of activities:

- *Governmental Activities*—Most of the Town's basic services are reported here, including education, public works, and general administration. Property taxes, state and federal grants and local revenues (such as fees and licenses) finance most of these activities. The governmental activities of the Town include general government, public safety, public works, health and welfare, parks and recreation and education.

- *Business-type Activities*—The Town charges fees to users to cover all or most of the cost of certain services it provides. This is used for the operation of the sewer system under the water pollution control authority.

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

- *Governmental Funds* – These are used to account for essentially the same functions as reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources at the end of the fiscal year. It might be easiest to think of these funds as measuring the fund's working capital. The most significant governmental funds' financial statements, as measured by size, are included in exhibits 3 and 4.

- *Proprietary Funds* – These include *enterprise funds* which are used to account for the operations that are included as business-type activities on the government-wide statements. When there is more than one enterprise fund, you would be able to see the net position, annual activity and cash flows of each. Proprietary funds also include *internal service funds* which account for the Town's risk financing activities. Because the Town's internal service funds primarily report the Town's governmental funds, these are included in the governmental-activities in the government-wide statements. The Town's proprietary funds are included in Exhibits 5, 6 and 7.

- *Fiduciary Funds* - The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of other entities in the extended community. Fiduciary funds are not included in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The Town's fiduciary funds are included in Exhibits 8 and 9.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the aforementioned financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Required Supplementary Information ("RSI") – The Governmental Accounting Standards Board ("GASB") requires these statements to be included in the financial report. GASB considers them to be an essential part of financial reporting to place the financial statements in an appropriate operational, economic and/or historical context. The RSI includes this management's discussion and analysis, a detailed report showing the comparison between the budgeted and actual revenues and expenditures for each legally approved annual budget, and details on each of the Town's pension and other-post employment benefit plans.

Combining and Individual Fund Financial Statement – The less significant funds, based on the size of the fund, are each detailed in the combining fund statements. This section also includes more details on several of the funds.

As noted earlier, net position may serve as a useful indicator of the Town's financial position. Below is a comparison of the Town's governmental and business-type activities net position as of the end of the fiscal year for the last two years. These figures are taken from Exhibit 1 in the financial statements.

Table 1
Net Position (Figures taken from Exhibit 1)

	Governmental Activities		Business-Type Activities		Total Government	
	2020	2019	2020	2019	2020	2019
ASSETS						
Cash and equivalents	$ 15,723,826	$ 15,837,878	$ 1,948,398	$ 1,764,101	$ 17,672,224	$ 17,601,979
Investments	478,982	585,614	-	-	478,982	585,614
Restricted cash and equivalents	-	-	1,729,864	2,078,754	1,729,864	2,078,754
Receivables	8,147,291	8,398,189	5,231,267	5,758,136	13,378,558	14,156,325
Pension asset, net	1,253,310	1,953,932	45,037	70,213	1,298,347	2,024,145
Other assets	55,819	-	117,540	28,382	173,359	28,382
Capital assets						
Nondepreciable	14,211,095	11,496,471	921,910	129,799	15,133,005	11,626,270
Depreciable	85,261,202	85,293,265	14,452,040	14,682,925	99,713,242	99,976,190
	125,131,525	123,565,349	24,446,056	24,512,310	149,577,581	148,077,659
DEFERRED OUTFLOWS OF RESOURCES						
Related to refunding bonds	721,539	781,328	-	-	721,539	781,328
Related to pensions and OPEB	2,191,635	909,372	57,192	28,633	2,248,827	938,005
	2,913,174	1,690,700	57,192	28,633	2,970,366	1,719,333
LIABILITIES						
Payables, accruals and other liabilities	3,706,107	3,838,598	965,624	948,459	4,671,731	4,787,057
Bond anticipation notes payable	-	1,910,000	-	-	-	1,910,000
Non-current liabilities						
Due within one year						
Bonds, other debt, compensated absences	9,515,260	4,240,995	490,703	491,601	10,005,963	4,732,596
Due in more than one year						
Bonds, other debt, compensated absences	39,410,801	43,312,845	5,160,199	5,655,350	44,571,000	48,968,195
Other post-employment benefits liability, net	12,115,971	11,708,600	-	-	12,115,971	11,708,600
Total service awards program liability	2,727,315	2,156,736	-	-	2,727,315	2,156,736
Total liabilities	67,475,454	67,167,774	6,616,526	7,095,410	74,091,980	74,263,184
DEFERRED INFLOWS OF RESOURCES						
Advance property tax collections and trust	52,019	891,356	-	-	52,019	891,356
Related to pensions and OPEB	10,117,333	11,153,720	84,961	103,529	10,202,294	11,257,249
	10,169,352	12,045,076	84,961	103,529	10,254,313	12,148,605
NET POSITION						
Net investment in capital assets	52,348,840	47,719,672	10,372,385	9,315,070	62,721,225	57,034,742
Restricted	2,431,847	2,670,668	5,714,928	6,673,629	8,146,775	9,344,297
Unrestricted	(4,380,794)	(4,347,141)	1,714,448	1,353,305	(2,666,346)	(2,993,836)
	$ 50,399,893	$ 46,043,199	$ 17,801,761	$ 17,342,004	$ 68,201,654	$ 63,385,203

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Some of the significant changes in the government-wide statement of net position include:

Governmental Activities

- The net book value, increases less depreciation, of capital assets increased by $2,714,624. This is the result of two major projects:

    - At a January 2019 referendum, the Town approved the construction of a new elementary school for a cost not to exceed $78,141,446. The State has approved a grant to offset approximately 20 percent of the costs. The Town approved bonding for its portion of the cost, not to exceed $63,295,000. Design and preconstruction work on the new school totaled $1,669,232 and contributed to the large increase in capital assets.

    - In addition, the Town has been working on a streetscape project in the town center. In this year the addition to capital assets was $1,243,868. This is being funded primarily by federal and state grants.

  These are discussed in further detail in the capital asset section.

- Non-current liabilities increased by $1,372,221 as our bond anticipation notes from last year totaling $1,910,000 were permanently financed. In addition, we made other changes to debt. These are further discussed in the long-term liabilities section.

- The net pension asset and net other post-employment benefits ("OPEB") liability must be viewed along with their related deferred outflows and inflows of resources. Deferred outflows and inflows of resources are changed to the related pension or OPEB that will be slowly allocated to the pension or OPEB. Although the pieces of these interrelated accounts have changed, the net change is a decrease of $47,375.

Business-Type Activities

- Capital assets increased due to capitalized costs of a planning studies. These were funded by two Clean Water Fund Planning Study grants from the Connecticut Department of Energy and Environmental Protection. These were awarded in May 2019. One planning study was for a facilities plan which was completed in August 2020. The other was for a focused planning study for the Candlewood Lake area.

- Non-current liabilities continue to be paid down with annual payments. This was accelerated slightly by a bond refunding. This is further discussed in the long-term liabilities section.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Below is a comparison of the Town's governmental and business-type activities financial activity during the last two years. These figures are taken from Exhibit 2 in the financial statements.

Table 2
Change in Net Position (Figures taken from Exhibit 2)

	Governmental Activities		Business-Type Activities		Total Government	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	$ 3,027,732	$ 3,215,634	$ 1,794,467	$ 1,965,129	$ 4,822,199	$ 5,180,763
Operating grants and contributions	13,288,125	8,601,900	-	-	13,288,125	8,601,900
Capital grants and contributions	1,103,608	17,360	319,530	862,804	1,423,138	880,164
General revenues:						
Property taxes	66,826,954	63,818,543	-	-	66,826,954	63,818,543
Interest and investment earnings	395,009	325,469	17,656	10,795	412,665	336,264
Other general revenues	114,251	244,571	-	-	114,251	244,571
Total revenues	84,755,679	76,223,477	2,131,653	2,838,728	86,887,332	79,062,205
Program expenses						
General government	7,587,495	7,487,758	-	-	7,587,495	7,487,758
Public safety	7,556,671	6,155,508	-	-	7,556,671	6,155,508
Public works	4,560,184	6,011,463	-	-	4,560,184	6,011,463
Health and welfare	568,834	594,888	-	-	568,834	594,888
Culture and recreation	2,258,101	2,350,065	-	-	2,258,101	2,350,065
Education	56,199,670	48,621,300	-	-	56,199,670	48,621,300
Interest on long-term debt	1,668,030	1,895,406	-	-	1,668,030	1,895,406
Operation of sewer plant	-	-	1,671,896	1,635,378	1,671,896	1,635,378
Total expenses	80,398,985	73,116,388	1,671,896	1,635,378	82,070,881	74,751,766
Excess (deficiency) before transfers	4,356,694	3,107,089	459,757	1,203,350	4,816,451	4,310,439
Increase (decrease) in net position	4,356,694	3,107,089	459,757	1,203,350	4,816,451	4,310,439
Beginning net position	46,043,199	42,936,110	17,342,004	16,138,654	63,385,203	59,074,764
Ending net position	$ 50,399,893	$ 46,043,199	$ 17,801,761	$ 17,342,004	$ 68,201,654	$ 63,385,203

The significant changes from last fiscal year to this fiscal year are discussed below:

Governmental Activities

Revenues

- Charges for Services decreased by $187,902 (5.84%) because:
    - The Library's endowment generated approximately $67,000 in investment income in the 2019 year. But, with the volatility of the market in 2020 due to the pandemic, it lost approximately $50,000. This caused the revenue in culture and recreation to decrease by approximately $117,000.
    - In addition, the pandemic shuttered recreation classes and camps from March to June. This resulted in a reduction of nearly $35,000 in gross revenue. The recreation classes and camps worked to resume in the fall of 2020 on a limited basis, but they continue to be interrupted by the pandemic.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

- The pandemic stopped in-person schooling in favor of remote learning from March to June. This caused a reduction in cafeteria revenues of approximately $160,000. The schools reopened in the fall of 2020 on a limited basis, but they continue to be interrupted by the pandemic.

- Police charge for services to private companies offset these decreases. The revenue increased this year by approximately $200,000. The utility company doubled their billed hours for police services from 2019 to 2020 as they removed trees and branches near their wires. This increase in the use of the police is expect to wind down in the 2021 year.

- Operating Grants and Contributions increased by $4,686,225 (54.48%) due to the following:

  - The net revenue and expense for teachers' pension and OPEB benefits increased by $6,506,591 after decreasing in 2019 by $5,200,745. These benefits are paid by the State on behalf of the towns in Connecticut. The Town reports revenue and expenditures in the amount the State contributes to the trust funds (pays in cash) on behalf of our teachers in the modified accrual financial statements (exhibit 4). The government-wide statements (exhibit 2) include revenue and expenses for the pension and OPEB expense (actuarial calculation of the current year's expense, which is different than the cash amount contributed to the trust funds for the year).

    These transactions are as shown below:

	Teachers' Pension			Teachers' OPEB			Combined		
	2020	2019	Change	2020	2019	Change	2020	2019	Change
Contributions to the trust paid									
by the Town	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
by the State	6,302,897	6,205,172	97,725	172,263	172,161	102	6,475,160	6,377,333	97,827
Revenue/Expense on Exhibit 4	6,302,897	6,205,172	97,725	172,263	172,161	102	6,475,160	6,377,333	97,827
Adjustment to get to the Actuarially Calculated Expense	3,923,756	1,000,591	2,923,165	(950,272)	(4,435,871)	3,485,599	2,973,484	(3,435,280)	6,408,764
Revenue/Expense on Exhibit 2	$10,226,653	$7,205,763	$3,020,890	$ (778,009)	$(4,263,710)	$ 3,485,701	$ 9,448,644	$2,942,053	$ 6,506,591

  - This increase in operating grants and contributions is offset by the decrease in revenue for a May 15, 2018 storm. In 2019, the Town reported $1,590,658 in revenue from Federal Emergency Management Agency ("FEMA") as a grant and the Connecticut Interlocal Risk Management Agency (CIRMA) as reimbursements. In 2020, the Town reported $31,303 of revenue from FEMA. The final FEMA payment was approved in 2021 and is expected to be approximately $90,000.

- Capital Grants and Contributions increased by $1,086,248 (6257.19%) due to the following:

  - The streetscape project in the town center, discussed earlier is being funded primarily by federal and state grants. These totaled $902,669 during the year. The revenue and expenditures on the streetscape project are expected to continue for the next several years.

  - The construction of the Still River Greenway was partially funded by grants several years ago. Certain grant payments were being contested and withheld by the State. All conflicts were resolved during the year and the state released $200,939 in funding. Any additional funding for this project is expected to be minimal.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Expenses

- Public safety expenses increased by $1,401,163 (22.76%) as a result of the following:
    - The Town partially funds the major equipment purchases for the fire and ambulance services. Since this equipment is owned by the fire companies, it is recorded as an expense on the Town's statement of activities. Large variances from year to year are the result of the size of these nonrecurring expenses. This year, the Town funded $882,481 more purchases than last year including: roof replacement $201,050, pumper truck $450,000, balance on the rescue boat $212,223.
    - As discussed above, the utility company hired the police for private duty assignments for significantly more hours than in the prior year. In addition to increased revenues, there were increased costs for payroll totaling approximately $185,000.
- Public works expenses decreased by $1,451,279 (24.14%). Much of that was because the cleanup from the May 15th storm, discussed above, were completed in 2019 at a cost of $1,590,606.
- Education costs increased by $6,506,591 as a result of the pension and OPEB transactions with the State discussed above. Without this, the education expenses only increased by 2.2% year over year. This is lower than expected due to the significant savings achieved when the pandemic closed the schools, discussed further below.

Business-Type Activities

- Charges for services decreased by $170,662 (8.68%). This is attributed to a loss in customers, most notably the permanent closure of the Siemens operation and temporary closure of many restaurants and other businesses due to the pandemic.
- Capital grants and contributions in 2019 were due to one-time assessments for the Rollingwood and Federal North Road lines. This year capital grants and contributions consist primarily of the $306,746 DEEP grant for the planning studies discussed above.

THE TOWN'S FUNDS FINANCIAL ANALYSIS

Governmental Funds (Exhibit 3 and 4 in the Financial Statements)

This year showed an increase in fund balance on a modified accrual basis in the governmental funds. The total fund balance for governmental funds increased $2,552,953 over the prior year. The most significant changes are discussed below:

- The **General Fund**'s balance increased by $1,046,522 over the previous year. The ending fund balance of $9,056,116 is 12.92% of the 2019-2020 annual budgeted expenditures. This provides the Town with slightly more than 1.5 months of working capital and is in accordance with the Town's current Fund Balance policy. The explanation of the increase is discussed more thoroughly in the budget discussion below.

THE TOWN'S FUNDS FINANCIAL ANALYSIS (Continued)

- The **Bonded Capital Projects Fund** reported an increase in fund balance of $2,511,877. This is primarily due to permanently funding the bond anticipation notes with bonds. In addition, the **Capital Nonrecurring Fund** reported an increase in fund balance of $1,021,613. These funds will have a fund balance that fluctuates year over year based on the timing of the financing and expenditures of the capital projects included.

- The **Elementary School Construction Fund** is a new fund established to account for the construction activities for a new elementary school. In 2019 the citizen's approved a new elementary school to replace the two current elementary schools. This will be paid with bonds and a grant from the State of Connecticut. The fund reported a deficit as of June 30, 2020 because the bonds were not issued until August 2020.

General Fund Budgetary Highlights

Below is a summarized view of the final budget and actual results for the General Fund:

Table 3
General Fund - Budget Summary

	Final Budget	Actual	Variance
Revenues			
Taxes	$ 66,675,355	$ 66,459,801	$ (215,554)
Licenses and permits	960,100	706,860	(253,240)
Intergovernmental	1,695,361	1,932,606	237,245
Charges for services	546,600	521,196	(25,404)
Fines and special assessments	17,500	7,128	(10,372)
Investment earnings	120,000	394,592	274,592
Rents and royalties	39,115	49,108	9,993
Other revenue	3,000	37,688	34,688
Other financing sources	-	10,866	10,866
Total Revenues	70,057,031	70,119,845	62,814
Expenditures			
Current			
General government	7,629,361	7,553,933	75,428
Public safety	5,675,759	5,502,391	173,368
Public works	2,648,102	2,583,294	64,808
Health and welfare	494,947	477,512	17,435
Culture and recreation	1,724,712	1,632,539	92,173
Education	44,091,182	43,452,801	638,381
Debt service	5,107,038	5,107,038	-
Capital outlay/other	2,685,930	2,685,930	-
Total Expenditures	70,057,031	68,995,438	1,061,593
Increase (Decrease) in Fund Balance	$ -	$ 1,124,407	$ 1,124,407

THE TOWN'S FUNDS FINANCIAL ANALYSIS (Continued)

The significant General Fund budget variances are discussed below:

Revenues

- Total tax collections were under budget by $215,554. The collections were strong through February, but once the pandemic started, and the resulting restrictive measures were put in place, the collections dropped. This was due to the economy, massive unemployment as well as the governor's executive orders limiting the collection activity and interest that could be charged on delinquent accounts. The effect of the pandemic on the 2020-2021 tax collections is discussed below.

- Licenses and permits were under budget by $253,240. Much of this was due to the timing of some large licenses and permit that were budgeted for the 2019-2020 year, but were collected in the 2018-2019 year instead.

- Investment income exceeded the budget by $274,592. In the prior year the bank accounts and accounting was restructured to pool the bank accounts and establish zero-balance accounts to increase the investment income. The pandemic caused interest rates to drop by over 90% from approximately 2.00% to 0.20%. Interest income is expected to be minimal in the 2020-2021 fiscal year.

Expenditures

- General government operating expenditures were under expended by $423,212. This is primarily due to:

  - Weather - the 2019-2020 winter was unusually warm. The Town saw significant savings in snow plowing, salt and sand, and heating costs.

  - Pandemic - there were a number of small savings due to the pandemic. For example, with people quarantine, there were savings in conferences, travel and office supplies. In addition, the Town took action to reduce the expenditures in this time of unknowing. Most notably, the Town did not contribute the planned $200,000 contribution to the OPEB fund in order to remain as financially flexible as possible.

- Net education operating expenditures were under expended by $638,381. Before the pandemic started, the Board of Education was expecting that they would have a shortage in their budget due to special education costs. These costs were ultimately $452,451 over budget. The pandemic closed schools from March through June. The federal government required certain salaries and certain transportation costs to continue to be paid in order to help the economy. There were still significant savings in transportation ($596,396), supplies ($342,746) and salaries ($342,888).

Proprietary Funds

The proprietary fund activity is shown in Exhibits 5, 6 and 7. These funds include an enterprise fund (WPCA) and an internal service fund. These statement are similar to the government-wide business-type activity statements as previously discussed.

CAPITAL ASSETS

At the end of this year, the Town had a net investment of $99,472,297 in governmental activity capital assets. This amount represents a net increase (including additions and deductions) of $2,682,561 from last year. During the year, $6,550,747 of capital assets were added including:

Infrastructure improvements under the road paving program	$ 1,877,572
Construction in progress (soft costs) for the new elementary school	1,669,232
Construction in progress for the streetscape at the town center	1,243,868
Purchase of the 43 Silvermine Road property	535,000
Paving and concrete work at the middle school	247,463
Replace the public works 1997 International truck	202,900
New generator at the high school/storm shelter	131,332
Replace the public works Ford F550 truck	128,828

During the year the Town disposed of $54,464 in fully depreciated capital assets and earned $10,866 in proceeds from the sales.

The additions were offset by $3,868,186 in deprecation on the existing capital assets.

More detailed information about the Town's capital assets is presented in Note 6 to the financial statements.

LONG-TERM LIABILITIES

General Obligation Bonds and Bond Anticipation Notes

At year end, the Town had $39,297,000 in bonds and $5,335,000 in bond anticipation notes outstanding for governmental activities and $2,443,000 in bonds for the business-type activities. More significantly,

- The Town refunded $3,860,000 in bonds from 2010 with interest rates of 4.0% to 5.0%. The new bonds issued had interest rates of 2.0% to 5.0%. With the $493,451 premium on the bonds, the Town was able to reduce the new bonds to $3,490,000. Additionally, this transaction saved the Town $274,317 in debt service payments with a net present value of $256,156 in savings.

- The Town refinanced the $5,335,000 in notes after the yearend, in August 2020. In accordance with generally accepted accounting principles, notes were reclassified from a fund liability and treated as long-term debt for the yearend. In addition to refinancing the bonds, the Town issued $30,000,000 in bonds for the new elementary school construction. These are payable over 20-years with interest coupon rates ranging from 1.125% to 4.00%. The net interest rate, after a premium of $1,884,461, is 1.55%. This interest rate is significantly lower than expected in our long-term forecast because of the drop in interest rates caused by the pandemic. Because of that, the bond term was reduced from a planned 30-years to 20-years.

Further detail on the Town's debt can be found in the long-term liability Notes 7 and 8 to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

A global pandemic, from an outbreak of COVID19, started in the United States in March 2020. At that time it was unclear how long it would last, how bad it would become and what affect it would have on the economy and Town finances. To offset these risks, the Town has taken the following actions in its budget for the 2020-2021 fiscal year:

- Reduced projected revenues in the budget:
    - Reduced the collection rate for current year tax revenues from 99.31% to 98.50% in anticipation of taxpayers having issues in paying their taxes due to the increased unemployment rates. Reduced the projections for collections of prior year taxes and interest on taxes. In total, this reduced tax revenue projections by $1,750,915 from the previous revenue projections.
    - Provided a 10% contingency on General Fund grant revenues from the State in anticipation of the State reducing their allocations to the municipalities because of the downturn in the economy.
    - Reduced interest income and real estate related revenues.
- Reduced the anticipated increase in expenditures by $1,813,337 to offset expected decreases in revenues. This included:
    - Decreasing the general government budget by $500,000,
    - Decreasing the education budget by $769,567, and
    - Reducing the capital budget, paid with current resources, by $543,770.
- Provided a $500,000 contingency for unknown pandemic expenditures. The Town also committed to an iterative budget process of reviewing pandemic costs, changes caused by the pandemic and making related budget adjustments on a monthly basis since the effects and duration of the pandemic were unknown.

Subsequent to yearend, as of the date of the audit report, the Town has experienced the following:

- Pandemic infection rates reduced during the summer months, but are increasing dramatically and not expected to reach a second peak until January 2021. Vaccine trials are in their final stages and are expected to become available on a rolling basis, first to emergency workers in January 2021 and progress in stages to other high risk populations. Finally, the vaccine is expected to be available to the general population in approximately April 2021.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (Continued)

Revenue collections for the subsequent year-to-date:

- Current year tax collection rates for the first half of the tax payments in July 2020 remained similar to the prior year collection rates. The next half of the tax payments are due in January 2021. Other tax related collections have had average collections when compared to the prior four years.

- The State has not reduced the grant payments to municipalities at this time, however, the State's budget is projecting a deficit of over one billion dollars before estimating the effects of a second spike in the disease and the devastating effects the disease has had on the State universities which are not yet accounted for in the State's estimates. It is expected that operating grant payments will decrease either in the 2021 or 2022 year.

- While expenditures have varied from the budgets, especially education expenditures, the Town's contingency for pandemic expenditures and revenues from grants specific to the pandemic are expected to cover all costs at this time.

Brookfield

The Town of Brookfield has enjoyed lower tax rates than other towns in the state in a similar socio-economic status. Going forward the Town will need to consider some significant investments in its aging school buildings and increased capital spending to maintain its current infrastructure. Management is working to offset some of these costs to the citizens with increased revenues from new development in Town.

State Financial Issues

The State's financial condition is integral to the ultimate financial health of every town in the State. The State's fiscal condition was already having an adverse effect on businesses and individuals in the State, particularly in Fairfield County, before the pandemic. The true financial effects of the pandemic are not yet known. The uncertainties surrounding how these issues will be resolved, diminished state support for wealthy towns; towns sharing the burden with the State on teachers' pension obligations and their OPEB costs; rising taxes, and the general business climate have already caused major businesses to leave the State and have caused the population, particularly of high net worth individuals, to decrease.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability to its stakeholders. Requests for additional financial information should be addressed to the First Selectman of the Town of Brookfield, 100 Pocono Road, Brookfield, CT 06804.

BASIC FINANCIAL STATEMENTS

Town of Brookfield, Connecticut Exhibit 1

Statement of Net Position
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and equivalents	$ 15,723,826	$ 1,948,398	$ 17,672,224
Investments	478,982	-	478,982
Restricted cash and equivalents	-	1,729,864	1,729,864
Receivables			
Property taxes and interest, net	1,192,279	-	1,192,279
Assessments	4,847,345	4,634,361	9,481,706
Accounts	661,154	25,203	686,357
Intergovernmental	1,057,357	-	1,057,357
Loans	389,156	-	389,156
User charges	-	423,287	423,287
Capacity outlet charges	-	38,669	38,669
Interest and fees	-	109,747	109,747
Other current assets	-	88,324	88,324
Pension asset, net	1,253,310	45,037	1,298,347
Other assets	55,819	-	55,819
Deferred charges	-	29,216	29,216
Capital assets			
Nondepreciable	14,211,095	921,910	15,133,005
Depreciable, net of accumulated depreciation	85,261,202	14,452,040	99,713,242
Total Assets	125,131,525	24,446,056	149,577,581
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding bonds	721,539	-	721,539
Related to pension	1,591,591	57,192	1,648,783
Related to other post-employment benefits	4,352	-	4,352
Related to volunteer service awards	595,692	-	595,692
Total Deferred Outflows of Resources	2,913,174	57,192	2,970,366
LIABILITIES			
Accounts payable	2,026,790	-	2,026,790
Accrued payroll and related	303,583	14,100	317,683
Due to fiduciary type activities	527,944	-	527,944
Other accrued liabilities	-	114,383	114,383
Accrued interest payable	463,469	16,759	480,228
Claims payable	262,853	-	262,853
Unearned revenues	121,468	820,382	941,850
Non-current liabilities			
Due within one year:			
Bonds, notes, borrowings, assessments, compensated absences	9,515,260	490,703	10,005,963
Due in more than one year:			
Bonds, notes, borrowings, assessments, compensated absences	39,410,801	5,160,199	44,571,000
Other post-employment benefits liability, net	12,115,971	-	12,115,971
Service awards program liability	2,727,315	-	2,727,315
Total Liabilities	67,475,454	6,616,526	74,091,980
DEFERRED INFLOWS OF RESOURCES			
Beneficial interest in Trust	52,019	-	52,019
Related to pension	2,364,344	84,961	2,449,305
Related to other post-employment benefits	7,638,921	-	7,638,921
Related to volunteer service awards	114,068	-	114,068
Total Deferred Inflows of Resources	10,169,352	84,961	10,254,313
NET POSITION			
Net investment in capital assets	52,348,840	10,372,385	62,721,225
Restricted			
Expendable, restricted by grants and donors	2,142,203	5,714,928	7,857,131
Nonexpendable, trust fund principal	289,644	-	289,644
Unrestricted	(4,380,794)	1,714,448	(2,666,346)
Total Net Position	$ 50,399,893	$ 17,801,761	$ 68,201,654

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

Town of Brookfield, Connecticut

Exhibit 2

Statement of Activities
Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental activities							
General government	$ (7,587,495)	$ 1,225,906	$ 460,159	$ 200,939	$ (5,700,491)	$	$ (5,700,491)
Public safety	(7,556,671)	777,652	194,157	-	(6,584,862)		(6,584,862)
Public works	(4,560,184)	47,117	413,380	902,669	(3,197,018)		(3,197,018)
Health and welfare	(568,834)	85,725	81,694	-	(401,415)		(401,415)
Culture and recreation	(2,258,101)	424,766	2,645	-	(1,830,690)		(1,830,690)
Education	(56,199,670)	466,566	12,136,090	-	(43,597,014)		(43,597,014)
Interest on long-term debt	(1,668,030)	-	-	-	(1,668,030)		(1,668,030)
	(80,398,985)	3,027,732	13,288,125	1,103,608	(62,979,520)		(62,979,520)
Business-type activities							
Operation of sewer system	(1,671,896)	1,794,467	-	319,530		442,101	442,101
Total Government	$ (82,070,881)	$ 4,822,199	$ 13,288,125	$ 1,423,138			(62,537,419)
General Revenues							
Property taxes, payments in lieu of taxes, interest and liens					66,826,954	-	66,826,954
Unrestricted interest and investment earnings					395,009	17,656	412,665
Other general revenues					114,251	-	114,251
Total General Revenues					67,336,214	17,656	67,353,870
Change in Net Position					4,356,694	459,757	4,816,451
Net Position - Beginning of Year					46,043,199	17,342,004	63,385,203
Net Position - End of Year					$ 50,399,893	$ 17,801,761	$ 68,201,654

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

Town of Brookfield, Connecticut

Balance Sheet
Governmental Funds
June 30, 2020

	General Fund	Bonded Capital Projects Fund	Elementary School Construction Fund	Water Assessment Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and equivalents	$ 15,356,748	$ 202	$ -	$ -	$ 366,876	$ 15,723,826
Investments	-	-	-	-	478,982	478,982
Receivables						
Property taxes and related interest, net	1,192,279	-	-	-	-	1,192,279
Assessments	-	-	-	4,847,345	-	4,847,345
Accounts	395,494	-	-	-	265,660	661,154
Intergovernmental	155,332	558,062	-	-	343,963	1,057,357
Loans	-	-	-	-	389,156	389,156
Due from other funds	1,217,288	2,477,922	-	526,722	3,305,182	7,527,114
Other assets	3,800	-	-	-	-	3,800
Total Assets	$ 18,320,941	$ 3,036,186	$ -	$ 5,374,067	$ 5,149,819	$ 31,881,013
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 853,287	$ 560,167	$ 554,100	$ -	$ 57,525	$ 2,025,079
Accrued payroll and related	275,411	-	172	-	28,000	303,583
Due to other funds	7,079,037	-	1,114,960	-	101,838	8,295,835
Unearned revenues	-	-	-	-	121,468	121,468
Total Liabilities	8,207,735	560,167	1,669,232	-	308,831	10,745,965
Deferred inflows of resources						
Revenues not available	1,057,090	-	-	4,847,345	-	5,904,435
Total Deferred Inflows of Resources	1,057,090	-	-	4,847,345	-	5,904,435
Fund balances						
Nonspendable	-	-	-	-	289,644	289,644
Restricted	-	-	-	526,722	1,615,481	2,142,203
Committed	-	2,140,840	-	-	2,356,677	4,497,517
Assigned	52,975	335,179	-	-	579,186	967,340
Unassigned	9,003,141	-	(1,669,232)	-	-	7,333,909
Total Fund Balances	9,056,116	2,476,019	(1,669,232)	526,722	4,840,988	15,230,613
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 18,320,941	$ 3,036,186	$ -	$ 5,374,067	$ 5,149,819	$ 31,881,013

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

Town of Brookfield, Connecticut Exhibit 3a

Reconciliation of Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position - Governmental Activities
June 30, 2020

Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different from the Governmental Fund Balance Sheet. The differences are due to:	
Total Fund Balances (Exhibit 3)	$ 15,230,613
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Beginning net capital assets	96,789,736
Capital asset additions (net of construction in progress)	6,550,747
Depreciation expense	(3,868,186)
Other long-term assets and deferred outflows are not available resources and, therefore, are not reported in the funds:	
Receivables not considered available because they were not collected in 60 days	5,904,435
Net pension asset	1,253,310
Deferred outflows - deferred charge on refunding bonds	721,539
Deferred outflows - related to pension	1,591,591
Deferred outflows - related to other postemployment benefits	4,352
Deferred outflows - related to volunteer service awards	595,692
Split interest residual equity trust	52,019
Internal service funds are used by management to charge the cost of medical insurance to individual departments:	
The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	(23,787)
Long-term liabilities and deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds:	
General obligation bonds	(44,632,000)
Premiums on bonds	(3,146,437)
Loans payable	(66,559)
Assessments payable	(175,376)
Compensated absences	(905,689)
Net OPEB liability	(12,115,971)
Volunteer service awards pension liability	(2,727,315)
Accrued interest	(463,469)
Deferred inflows - related to split interest residual equity trust	(52,019)
Deferred inflows - related to pension	(2,364,344)
Deferred inflows - related to other post-employment benefits	(7,638,921)
Deferred inflows - related to volunteer service awards	(114,068)
Net Position of Governmental Activities (Exhibit 1)	$ 50,399,893

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

Town of Brookfield, Connecticut

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2020

	General Fund	Bonded Capital Projects Fund	Elementary School Construction Fund	Water Assessment Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 66,459,801	$ -	$ -	$ -	$ -	$ 66,459,801
Licenses and permits	706,860	-	-	-	-	706,860
Intergovernmental	9,150,531	902,669	-	-	1,554,639	11,607,839
Charges for services	521,196	-	-	-	1,549,463	2,070,659
Fines and special assessments	7,128	-	-	460,241	-	467,369
Investment earnings	394,592	-	-	-	(50,078)	344,514
Rents and royalties	49,108	-	-	-	41,910	91,018
Other revenue	45,461	-	-	-	114,761	160,222
Total Revenues	77,334,677	902,669	-	460,241	3,210,695	81,908,282
EXPENDITURES						
Current						
General government	7,549,781	-	-	384	58,996	7,609,161
Public safety	5,502,391	-	-	-	943,851	6,446,242
Public works	2,583,294	-	-	-	83,189	2,666,483
Health and welfare	477,512	-	-	-	45,977	523,489
Culture and recreation	1,632,539	-	-	-	505,913	2,138,452
Education	50,835,572	-	-	-	1,564,280	52,399,852
Debt service	5,185,015	-	-	677,142	-	5,862,157
Capital outlay	-	3,654,368	1,669,232	11,524	1,893,824	7,228,948
Total Expenditures	73,766,104	3,654,368	1,669,232	689,050	5,096,030	84,874,784
Excess (Deficiency) of Revenues Over Expenditures	3,568,573	(2,751,699)	(1,669,232)	(228,809)	(1,885,335)	(2,966,502)
OTHER FINANCING SOURCES (USES)						
Transfers in	82,809	-	-	-	2,997,930	3,080,739
Transfers out	(2,685,930)	(122,000)	-	-	(220,000)	(3,027,930)
Proceeds from long-term debt	-	5,335,000	-	-	-	5,335,000
Refunding bonds issued	3,292,000	-	-	-	-	3,292,000
Premium on financing	465,456	50,576	-	-	-	516,032
Payment to refunded bond escrow agent	(3,676,386)	-	-	-	-	(3,676,386)
Total Other Financing Sources (Uses)	(2,522,051)	5,263,576	-	-	2,777,930	5,519,455
Net Change in Fund Balances	1,046,522	2,511,877	(1,669,232)	(228,809)	892,595	2,552,953
Fund Balances - Beginning of Year	8,009,594	(35,858)	-	755,531	3,948,393	12,677,660
Fund Balances - End of Year	$ 9,056,116	$ 2,476,019	$ (1,669,232)	$ 526,722	$ 4,840,988	$ 15,230,613

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

Town of Brookfield, Connecticut Exhibit 4a

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2020

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because	
Net Change in Fund Balances - Total Governmental Funds (Exhibit 4)	$ 2,552,953
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities (Exhibit 2), the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	
Capital outlay expenditures	6,550,747
Depreciation expense	(3,868,186)
	2,682,561
Revenues in the Statement of Activities (Exhibit 2) that do not provide current financial resources (cash within 60 days) are not reported as revenues in the funds.	
Real property taxes and other revenues in the General Fund	358,400
Revenues in the Water Assessment Fund	(415,609)
	(57,209)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position (Exhibit 1). Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position (Exhibit 1)	
Issuance of long-term debt - general obligation bonds	(8,627,000)
Premium on issuance of long-term debt	(465,456)
Amortization of deferred charges on refunding	(94,288)
Amortization of premium on issuance of long-term debt	354,998
Deferred charge on refunding	34,499
Principal payments on long-term debt - bonds	7,540,000
Principal payments on long-term debt - loans	55,500
Principal payments on long-term debt - assessments	25,542
	(1,176,205)
Some expenses reported in the Statement of Activities (Exhibit 2) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds, including the change in	
Accrued interest	(20,196)
Change in compensated absences	(255,805)
Pension related effects (net pension asset, deferred inflows and outflows of resources)	610,872
Other post-employment benefits	152,893
State Teachers' Retirement Pension and OPEB revenue in excess of the contributions made on the Town's behalf reported in Exhibit 4	2,801,221
State Teachers' Retirement Pension and OPEB expenses in excess of the contributions made on the Town's behalf reported in Exhibit 4	(2,801,221)
Volunteer service awards	(123,687)
	364,077
Internal service funds are used by management to charge the costs of medical, risk management and other claims to individuals funds. The net revenue of certain activities of internal service funds is reported with governmental activities	(9,483)
Change in Net Position of Governmental Activities (Exhibit 2)	$ 4,356,694

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

Town of Brookfield, Connecticut Exhibit 5

Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-Type Activities- Enterprise Funds	Internal Service Funds
	Water Pollution Control Authority	Heart and Hypertension
ASSETS		
Current assets		
Cash and equivalents	$ 1,948,398	$ -
Receivables		
Assessments	686,512	-
User charges	423,287	-
Capacity outlet charges	38,669	-
Interest and fees	109,747	-
Due from other funds	25,203	240,777
Other current assets	88,324	-
Total Current Assets	3,320,140	240,777
Long-term assets		
Restricted cash and equivalents	1,729,864	-
Receivables		
Assessments	3,947,849	-
Deferred charges	29,216	-
Pension asset, net	45,037	-
Capital assets		
Nondepreciable	921,910	-
Depreciable, Net	14,452,040	-
Total Noncurrent Assets	21,125,916	-
Total Assets	24,446,056	240,777
DEFERRED OUTFLOWS OF RESOURCES - Related to pension	57,192	-
LIABILITIES		
Current liabilities		
Accounts payable	-	1,711
Accrued liabilities	114,383	-
Accrued interest payable	16,759	-
Unearned revenues	820,382	-
Claims payable	-	26,821
Current maturities of bonds payable	295,000	-
Current maturities of notes payable	186,232	-
Current maturities of mortage payable	9,471	-
Compensated absences	14,100	-
Total Current Liabilities	1,456,327	28,532
Long-term liabilities		
Claims payable	-	236,032
Bonds payable, net, less current maturities	2,280,465	-
Notes payable, less current maturities	1,854,725	-
Mortgage payable, less current maturities	375,672	-
Permanent maintenance deposits	40	-
Contingent credits on assessments	649,297	-
Total Noncurrent Liabilities	5,160,199	236,032
Total Liabilities	6,616,526	264,564
DEFERRED INFLOWS OF RESOURCES - Related to pension	84,961	-
NET POSITION		
Net investment in capital assets	10,372,385	-
Restricted for debt service	5,714,928	-
Unrestricted	1,714,448	(23,787)
Total Net Position	$ 17,801,761	$ (23,787)

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

Town of Brookfield, Connecticut Exhibit 6

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2020

	Business-Type Activities- Enterprise Funds	Internal Service Funds
	Water Pollution Control Authority	Heart and Hypertension
OPERATING REVENUES		
Charges for services - User Fees	$ 1,612,877	$ -
Charges for services - Assessment Fees	181,590	-
Total Operating Revenues	1,794,467	-
OPERATING EXPENSES		
Claims incurred	-	9,483
Administration	49,371	-
Personnel costs	592,362	-
Capacity charges	298,775	-
Depreciation and amortization	265,381	-
Repairs and maintenance	133,565	-
Professional services	63,128	-
Utilities	96,861	-
Office supplies	4,291	-
Total Operating Expenses	1,503,734	9,483
Income (Loss) from Operations	290,733	(9,483)
NON-OPERATING REVENUES (EXPENSES)		
Interest income	17,656	-
Intergovernmental grant	306,746	-
Interest expense	(168,162)	-
Net Non-Operating Revenues (Expenses)	156,240	-
Income (Loss) Before and Capital Contributions	446,973	(9,483)
Capital contributions		
Assessments and capacity outlet charges	12,784	-
Change in Net Position	459,757	(9,483)
Total Net Position - Beginning of Year	17,342,004	(14,304)
Total Net Position - End of Year	$ 17,801,761	$ (23,787)

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

Town of Brookfield, Connecticut

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2020

	Business-Type Activities- Enterprise Funds	Internal Service Funds
	Water Pollution Control Authority	Heart and Hypertension
Cash Flows From Operating Activities		
Cash received from customers and users	$ 1,903,482	$ -
Cash payments to employees	(605,237)	-
Cash payments to suppliers and employees	(709,098)	-
Cash payments for benefits and claims	-	(9,483)
Net Cash from Operating Activities	589,147	(9,483)
Cash Flows From Capital and Related Financing Activities		
Debt issued	198,000	-
Principal paid on debt	(722,068)	-
Premium on debt issued	27,979	
Acquisition and construction of capital assets	(826,607)	-
Interest paid on debt	(170,658)	-
Deferred charges on debt	(834)	-
Assessments and connection charges	440,738	-
Net Cash from Capital and Related Financing Activities	(1,053,450)	-
Cash Flows From Noncapital Financing Activities		
Advances from other funds	(24,692)	9,483
Intergovernmental grant proceeds	306,746	-
Net Cash from Noncapital Financing Activities	282,054	9,483
Cash Flows From Investing Activities		
Interest income	17,656	-
Net Cash from Investing Activities	17,656	-
Net Increase (Decrease) in Cash and Equivalents	(164,593)	-
Cash and Equivalents - Beginning of Year	3,842,855	-
Cash and Equivalents - End of Year	$ 3,678,262	$ -
Cash and Equivalents - Unrestricted	$ 1,948,398	$ -
Cash and Equivalents - Restricted	1,729,864	-
Cash and Equivalents - End of Year	$ 3,678,262	$ -
Reconciliation of Income (Loss) from Operations to Net Cash from Operating Activities		
Income (loss) from operations	$ 290,733	$ (9,483)
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Depreciation and amortization included in costs of services	265,381	-
Changes in operating assets and liabilities		
Accounts receivable	123,647	-
Accrued liabilities	12,342	-
Other current assets	(88,324)	
Unearned revenues	(14,632)	-
Net Cash from Operating Activities	$ 589,147	$ (9,483)

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

Town of Brookfield, Connecticut

Exhibit 8

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Pension and OPEB Trust Funds	Private Purpose Trust Fund Raymond and Viola Martini Waidelich Scholarship Funds	Agency Funds
ASSETS			
Cash and equivalents	$ 536,589	$ -	$ 40,598
Investments, at fair value			
Mutual funds	60,184,135	1,224,445	-
Receivables			
Contributions	28,204	-	-
Due from other funds	-	-	503,231
Total Assets	60,748,928	1,224,445	$ 543,829
LIABILITIES			
Amount held as agent	-	-	$ 543,829
Accrued payroll	218	-	-
Scholarship commitments	-	90,000	-
Due to other funds	490	-	-
Total Liabilities	708	90,000	$ 543,829
NET POSITION			
Restricted for pension benefits	59,470,368	-	
Restricted for OPEB benefits	1,277,852	-	
Restricted for scholarship purposes	-	1,134,445	
Total Net Position	$ 60,748,220	$ 1,134,445	

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

Town of Brookfield, Connecticut

Exhibit 9

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2020

	Pension and OPEB Trust Funds	Private Purpose Trust Fund Raymond and Viola Martini Waidelich Scholarship Funds
ADDITIONS		
Contributions and Revenue		
Employer contributions	$ 1,692,026	$ -
Teachers' Retirement System contributions	594,131	-
Plan member contributions	24,090	-
Total Contributions	2,310,247	-
Investment Income		
Net change in fair value of investments	2,712,590	(25,083)
Interest and dividends	51,233	54,317
Total Investment Income	2,763,823	29,234
Less investment management fees	(148,628)	(10,166)
Net Investment Income	2,615,195	19,068
Total Additions	4,925,442	19,068
DEDUCTIONS		
Pension benefits paid to plan members	2,775,040	-
Administrative expenses	2,211	-
Scholarships awarded	-	40,000
Total Deductions	2,777,251	40,000
Change in Net Position	2,148,191	(20,932)
Net Position - Beginning of Year	58,600,029	1,155,377
Net Position - End of Year	$ 60,748,220	$ 1,134,445

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

1. Summary of Significant Accounting Policies

The accounting policies conform to generally accepted accounting principles ("GAAP") as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental GAAP. The following is a summary of the Town's more significant accounting policies:

A. Financial Reporting Entity

The Town of Brookfield, Connecticut ("Town") was settled in 1788 and adopted its original charter in 1975. The Town operates under a town meeting, Board of Selectmen and Board of Finance form of government. Under this form of government the town meeting is the legislative body. The administrative branch is led by an elected three-member Board of Selectmen. The Selectmen oversee most of the activities not assigned specifically to another body. An elected Board of Education oversees the public school system. The Town provides services as authorized by its charter including public safety (police, ambulance and fire), public works, social services, library, parks, recreation, education and general administrative services.

The financial reporting entity consists of: a) the primary government; b) organizations for which the primary government is financially accountable and c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the financial reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in this reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. The criterion set forth by GASB for including another agency or entity in the Town's financial reporting has been considered and there are no other agencies or entities which would qualify to be included.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position in exhibit 1 and the statement of activities in exhibit 2) report information on all of the nonfiduciary activities of the primary government as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities (if any), which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial position of the Town at the end of its fiscal year. The statement of activities demonstrates the degree to which direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town does not allocate indirect expenses to functions in the statement of activities.

1. Summary of Significant Accounting Policies (Continued)

C. Fund Financial Statements

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. The Town maintains proprietary and fiduciary funds, which are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the enterprise funds and the internal service funds are charges to customers for services. Operating expenses for the enterprise funds and the internal service funds include the cost of services, administrative expenses, depreciation, and benefit costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

The fund financial statements show the Town's resources in three broad fund categories:

Fund Categories

a) Governmental Funds - Governmental funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the Town's major governmental funds:

   The **General Fund** constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

   The **Bonded Capital Projects Fund** is a capital projects fund used to provide working capital for projects that will be ultimately financed through general obligation bonds. Some bonded capital projects will be extensive enough that the Town may decide they deserve their own fund, such as the Elementary School Construction Fund.

1. Summary of Significant Accounting Policies (Continued)

The **Elementary School Construction Fund** is used to account for the transactions for the construction of a new elementary school approved in 2019.

The **Water Assessment Fund** is a special revenue fund used to account for assessments to the citizens to pay payments on debt for water lines that benefit these citizens.

b) Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. The Town's **Water Pollution Control Authority** ("WPCA") is the Town's only enterprise fund. The WPCA handles waste water for certain sections of the Town.

Internal service funds are used to account for the Town's risk financing activities; specifically the Town reports the revenues and expenses of the self-insured **Heart and Hypertension Fund**. This fund administers the benefits for qualifying firefighters and police offices under Connecticut's 1977 Heart and Hypertension Act.

c) Fiduciary Funds (Not included in the government-wide financial statements) - The fiduciary funds are used to account for assets held by the Town in an agency capacity on behalf of others. These include pension trust, private-purpose trust, and agency funds. The pension trust funds are provided to account for the activities of the Town's defined benefit pension plan and the other post-employment benefit trust funds, which accumulate resources for pension and health benefit payments to qualified employees upon retirement. The private-purpose trust fund is used to account for resources legally held in trust for the benefit of individuals. The agency funds are utilized to account for monies held as custodian for others.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds and pension trust funds. The agency funds have no measurement focus, but utilize the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Except for property tax revenues, revenues are considered to be available if collected within one year of the fiscal yearend.

1. Summary of Significant Accounting Policies (Continued)

Property taxes are considered to be available if collected within sixty days of the fiscal yearend. Property taxes associated with the current fiscal period, as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from federal and State grants are accrued when the expenditure is made.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures, when applicable, related to early retirement incentives, compensated absences, capital leases, post-closure landfill costs, pollution remediation obligations, other post-employment benefit obligations, certain pension obligations and certain claims payable are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/ Fund Balances

Deposits, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts, certificates of deposit, money market funds, and treasury bills with original maturities of less than three months.

The Town's custodial credit risk policy is to only allow the Town to use banks that are in the State of Connecticut. The State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk-based capital ratio.

Investments - The investment policies of the Town conform to the policies as set forth by the State of Connecticut General Statutes Section 7-400. The Town policy allows investments in the following: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in any custodial arrangement or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. The statutes (section 3-27f) also provides for investment in shares of the Connecticut short-term investment fund.

The Town follows U.S. GAAP guidance on *fair value measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

1. Summary of Significant Accounting Policies (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Other provisions of the statutes cover specific municipal pension funds with particular investment authority and do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries (i.e., prudent person rule) and the provisions of the applicable plan. Their approved policies target an asset mix to provide the probability of meeting or exceeding the return objectives at the lowest possible risk.

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town minimizes interest rate risk by structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, avoiding the need to sell securities on the open market prior to maturity. Generally, the Town does not invest in any long-term investment obligations but has no formal policy.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. The Town has no formal policy but its practice for custodial credit risk is to invest in obligations allowable under the Connecticut general statutes as described previously and pre-qualifying institutions with which the Town may do business.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town's policy for credit risk is to invest in obligations allowable under the Connecticut general statutes as described previously and pre-qualifying institutions with which the Town may do business.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Town follows the limitations specified in the Connecticut general statutes. Generally, the Town's deposits cannot be 75% or more of the total capital of any one depository.

Foreign Currency Risk - Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The Town does not have policies for foreign currency risk. Currently, the Town only invests in mutual funds that hold non-US equity stocks. These investments are stated in US dollars.

1. Summary of Significant Accounting Policies (Continued)

Taxes Receivable - Property taxes are assessed on property values as of October 1st. The tax levy is divided into two billings; the following July 1st and January 1st. This is used to finance the fiscal year from the first billing (July 1st) to June 30th of the following year. The billings are considered due on those dates; however, the actual due date is based on a period ending 31 days after the tax bill. On these dates (August 1st and February 1st), the bill becomes delinquent at which time the applicable property is subject to lien, and penalties and interest are assessed.

Under State statutes, the Town has the right to impose a lien on a taxpayer if any personal property tax, other than a motor vehicle tax, due to the Town is not paid within the time limited by any local charter or ordinance. The lien shall be effective for a period of fifteen years from the date of filing unless discharged. A notice of tax lien shall not be effective if filed more than two years from the date of assessment for the taxes claimed to be due.

An allowance for uncollectible taxes of $145,000 has been recorded net with taxes and interest receivable at yearend.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the Town. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Reported amounts are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute “available spendable resources” even though they are a component of current assets.

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of yearend, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than the capitalization threshold for that asset type and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Intangible assets lack physical substance, are nonfinancial in nature and their useful lives extend beyond a single reporting period. These are reported at historical cost if identifiable. Intangible assets with no legal, contractual, regulatory, technological or other factors limiting their useful life are considered to have an indefinite useful life and are not amortized.

1. Summary of Significant Accounting Policies (Continued)

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

Land is considered inexhaustible and, therefore, not depreciated. Construction in progress has not been put into service yet and, therefore, is not depreciated. Property, plant, and equipment of the Town are depreciated or amortized using the straight-line method over the following estimated useful lives:

Assets	Years	Capitalization Threshold
Land	N/A	$ 5,000
Construction in progress	N/A	5,000
Buildings and improvements	50	5,000
Infrastructure	12-100	20,000
Machinery and equipment	5-25	5,000
Vehicles	5-20	5,000
Intangible assets	Varies, if any	5,000

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Unearned revenues consist of revenue received in advance and/or amounts from grants received before the eligibility requirements have been met.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Town reports deferred outflows and inflows of resources related to pensions and other post-employment benefits in the government-wide statement of net position. A deferred outflow or inflow of resources related to pension or OPEB plans results from differences between expected and actual experience, the net difference between projected and actual earnings, and a change in assumptions. These amounts are deferred and included in pension or OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension or OPEB plan (active employees and inactive employees).

Deferred outflows of resources also include deferred outflows relating to advance refunding of debt. These amounts are deferred and are amortized over the life of the debt.

Finally, deferred inflows of resources in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Such amounts in the fund financial statements have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

1. Summary of Significant Accounting Policies (Continued)

Long-Term Liabilities - In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the respective statement of net position.

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

Net Position - Net position represents the difference between assets, liabilities and deferred outflows/inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the statement of net position includes three categories - net investment in capital assets, restricted net position and unrestricted net position - as described below:

- *Net Investment in Capital Assets* - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

- *Restricted Net Position - Nonexpendable* - the component of net position that reflects funds set aside in accordance with laws, regulations, grants, and other agreements that must be kept intact and cannot be spent. This is made up of $289,644 in trust fund principal.

- *Restricted Net Position - Expendable* - the component of net position that reflects funds that can only be spent subject to the laws, regulations, grants, and other agreements relating to these funds.

- *Unrestricted Net Position* - all other amounts that do not meet the definition of “restricted” or “net investment in capital assets”.

In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town’s policy to consider restricted net position to have been completely depleted before unrestricted net position is applied.

Fund Balance - Generally, fund balance represents the difference between current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

1. Summary of Significant Accounting Policies (Continued)

- Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

- Fund balances are to be reported as restricted when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for debt service obligations and for other items contained in the Connecticut statutes.

- Committed fund balances are those that can only be used for specific purposes pursuant to formal action of the Town's highest level of decision making authority. The town meeting is the highest level of decision making authority for the Town that can, by the adoption of a resolution prior to the end of the fiscal year, commit a fund balance. Once committed, these funds may only be used for the purpose specified unless the Town removes or changes the purpose by taking the same action that was used to establish the commitment.

- Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Board of Finance for amounts assigned for balancing the subsequent year's budget or management for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balances in all funds, except the General Fund, includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

- Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that can report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balances would necessarily be negative, since the fund's liabilities and deferred inflows, together with amounts already classified as nonspendable, restricted and committed, would exceed the fund's assets and deferred outflows.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned, then unassigned.

1. Summary of Significant Accounting Policies (Continued)

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at yearend are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

G. 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 of assets, liabilities, deferred inflows and outflows and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Donor-Restricted Endowment

The Town has an endowment for library purposes. The principal amount is reflected in the statement of net position as restricted for endowment and the governmental balance sheet as nonspendable fund balance. Investment income is approved for disbursement by the Library Board of Directors and is included as restricted net position and restricted fund balance. At the end of the year, $203,175 was available for appropriation.

The Town allocates investment income of donor-restricted endowments in accordance with donor restrictions and Connecticut law, which has adopted the provisions of the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”). The Town uses a 5% spending rate for the allocation.

I. Beneficial Interests in Irrevocable Split-Interest Agreements

The Town has a beneficial interest in two irrevocable split-interest agreements for the benefit of the Town’s library. The Town will receive its interest upon the death of the intermediary beneficiaries. The Town’s interest is measured at fair value and is included as a governmental activity in the statement of net position (exhibit 1) as an other asset and deferred inflow of resources. The estimated fair value was $52,019 at yearend.

J. Tax Incentives

The Town has extended two tax incentives under the Town’s Business Incentive Ordinance for deferral of assessment increases. In exchange for construction and timing requirements, the Town will abate a portion of the additional assessments on the new construction. The rates of abatement and length of abatement depend on the number of requirements met in the written agreement. If all the requirements are met, a portion, beginning from up to 100% and gradually decreasing down to 20%, of the additional assessment on the new construction will be abated for up to eight years.

2. Stewardship, Compliance and Accountability

Below are summaries of the budget procedures. The full detail can be found in the Town Charter.

A. Budget Calendar

Requests for Annual Appropriations - At least 165 days (150 days for the Board of Education) before the end of the fiscal year, the head of each department, office or agency of the Town which is supported by Town funds files a detailed estimate of the expenditures to be made by them, and the revenues, other than property tax revenues, to be collected in the next fiscal year. These estimates are accompanied by a statement setting forth the services, activities and work accomplished, or to be accomplished, during the current year and planned for the next fiscal year.

First Selectman Budget Recommendations - The First Selectman reviews the budget estimates with the heads of each department, office or agency. Not later than 135 days before the end of the fiscal year, the First Selectman will present these budgets, together with any recommended changes, to the Board of Selectmen and Board of Finance. The First Selectman will include a budget message describing the important features of the proposed Town budget including: a general summary of the budget including a summary of revenues, expenditures, and major changes, including the reasons for the changes, from the current year. The First Selectman will also provide a recommendation for the capital projects to be undertaken during the next fiscal year and the method of financing these projects.

Board of Selectmen Budget Recommendations - The Board of Selectman will review the budgets submitted by the First Selectman and may make further revisions. Not later than 120 days before the end of the fiscal year, the Board of Selectman will submit its recommendations to the Board of Finance.

Board of Finance Budget Recommendations - The Board of Finance, after receipt of the recommended budget from, and in coordination with, the Board of Selectmen shall afford each department, office and agency an opportunity for a hearing on their proposed section of the budgets.

The proposed Town budget may include a contingency fund, established in accordance with the Connecticut General Statutes, an appropriation for capital and nonrecurring expenditures, and the payment of debts of the Town. The proposed Town budget will also include estimates of the revenue to the Town from all sources for the next year.

Public Hearing, Town Meeting and Referendum - The Board of Finance will hold one or more public hearings concerning the proposed Town budget. At least ten days prior to the public hearing, the Board of Finance will make copies of the budget available in the Town Clerk's office. One such hearing will be held at least fourteen days before the Annual Town Meeting and will allow persons qualified to vote at the Annual Town Meeting to be heard. The Board of Finance may then revise the proposed Town budgets as it deems advisable.

The Board of Finance will publish the budget in a newspaper of general circulation in the Town and make the budgets available as prescribed by law. The Annual Town Meeting for the consideration of the budgets will be held on the first Tuesday in May.

2. Stewardship, Compliance and Accountability (Continued)

Adoption of the budgets submitted by the Board of Finance shall be by vote at a referendum between eight and fourteen days following the Annual Town Meeting. The general government and education budgets will be considered separately and will include non-binding advisory questions for the general government and education budgets on the referendum.

Within 15 days after the adoption of the Annual Town Budget, the Board of Finance shall meet and lay such tax as required by the Connecticut General Statutes.

Any portion of an annual appropriation remaining unexpended and unencumbered at yearend will lapse at June 30th. Appropriations for capital shall not lapse until the purpose for which the appropriation was made has been accomplished or abandoned. A project will be deemed to be abandoned with three fiscal years have lapsed without any expenditure or encumbrance.

B. Budget Control

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level except expenditures for education and the library, which are, by State Statutes, appropriated as one department.

Transfers within a Single Department - The Board of Selectman, when requested by any general government department, may transfer unexpended balances from one appropriation to another within the same department. The Board of Education may transfer unexpended balance from one appropriation to another in accordance with Connecticut General Statutes.

Transfers between Departments or from Contingency - The Board of Selectman, when requested by any department and with the approval of the Board of Finance, may transfer unexpended balances from one appropriation to another or from any approved contingency fund.

Additional Appropriations - The Board of Selectman, when requested by any department and with the approval of the Board of Finance, may increase the total budget with an additional appropriation. The additional appropriation may be financed by the General Fund's fund balance, borrowing or any approved contingency fund. This may not exceed 10% of the amount appropriated for the department or $40,000, whichever is greater. The total of all such additional appropriations for the year may not exceed 1% of the total annual budget. Any amounts exceeding these limits must be acted upon by the Board of Finance and a Town Meeting as discussed below.

The following additional appropriations require a Town Meeting:

- Additional appropriations exceeding 10% of the amount appropriated for the department or $40,000, whichever is greater,
- Additional appropriations when, in total, the annual additional appropriations have to date, or will with the current request, exceed 1% of the total annual budget,
- An additional appropriation of more than one-half of one percent of the annual budget, or
- An additional appropriation authorizing borrowings totaling more than $50,000 but less than $1,000,000. All amounts for borrowings over $1,000,000 must be authorized at a referendum.

During the year, no additional appropriations were needed.

2. Stewardship, Compliance and Accountability (Continued)

Emergency Appropriations - For the purpose of meeting a public emergency threatening the lives, health or property of citizens, emergency appropriations may be made upon the recommendation of a majority of the members of the Board of Selectmen and by an affirmative vote of at least four members of the Board of Finance. The total emergency appropriation cannot be greater than one half of one percent of the annual budget.

C. Budget Basis

A formal, legally approved, annual budget is adopted for the General Fund. This budget is adopted on a basis consistent with generally accepted accounting principles (modified accrual basis) with the following exceptions:

- **Teachers' Retirement** - The Town does not recognize as income or expenditures payments made for the teachers' retirement by the State of Connecticut under a special funding situation in its budget. GASB requires that the employer government recognize payments for salaries and fringe benefits paid under a special funding situation for its employees.

- **Board of Education Revenues Net with Board of Education Expenditures** - The Board of Education nets certain revenues with their expenditures in the budget.

- **Long-Term Debt and Lease Financing** - Revenues and expenditures from refunding or renewing long-term debt, or issuing lease financing, are included in the budget as the net revenues or expenditures expected. The modified accrual basis would require these to be shown as revenue from refunding, renewing or issuing lease debt and a related expenditure for debt service or equipment purchased under a lease.

- **Encumbrances** - Unless committed through a formal encumbrance (for example purchase orders, signed contracts), all annual appropriations lapse at fiscal yearend. Encumbrances outstanding at yearend are reported on the budgetary basis statements as expenditures.

D. Fund Deficits

The following funds had deficit unassigned fund balances at yearend:

		Expected Coverage	
	Deficit	Future Bonding	Other Funds
Capital Projects Fund			
Elementary School Construction	$1,669,232	$1,669,232	$ -
Internal Service Funds			
Heart and Hypertension Fund	23,787	-	23,787

3. Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments of the Town consist of the following:

Statement of Net Position (Exhibit 1)	
Cash and equivalents	$ 17,672,224
Restricted cash and equivalents	1,729,864
Investments	478,982
	19,881,070
Fiduciary Funds (Exhibit 8)	
Cash and equivalents - pension/OPEB trusts	536,589
Cash and equivalents - agency funds	40,598
Investments - pension and OPEB trust funds	60,184,135
Investments - private purpose trusts	1,224,445
	61,985,767
Total Cash and Investments	$ 81,866,837

Cash and Equivalents - The deposits were exposed to custodial credit risk as follows:

Covered by Federal depository insurance	$ 500,000
Collateralized by securities held in trust	
In the Town's name	14,519,425
Not in the Town's name	569,940
Uninsured and uncollateralized	5,129,457
	$ 20,718,822

A. Investments – Money market mutual funds are included in the financial statements as a cash equivalent, but are included in the disclosures as an investment. Investments are summarized as follows:

	Other Governmental Funds	Pension and OPEB Trust Funds	Private Purpose Trust Funds	Total Investments
Mutual funds	$ -	$ 60,184,135	$ 1,224,445	$ 61,408,580
Money market mutual funds	13,837	536,589	-	550,426
Equity securities	478,982	-	-	478,982
	$ 492,819	$ 60,720,724	$ 1,224,445	$ 62,437,988

Below is a summary of the interest rate risk and credit risk on the investments:

	Average		Investment Maturities (in Years)		
Type of Investment	Credit Rating	Fair Value	Less Than 1 Year	1-5 Years	Over 5 Years
Mutual funds	NA	$ 61,408,580	$ 61,408,580	$ -	$ -
Money market mutual funds	NA	550,426	550,426	-	-
Equity securities	NA	478,982	478,982	-	-
Total		$ 62,437,988	$ 62,437,988	$ -	$ -

NA Not applicable

3. Cash, Cash Equivalents and Investments (Continued)

The following are major categories of investments measured at fair value on a recurring basis, grouped by the fair value hierarchy.

Type of Investment	Investments Using NAV to Approximate Fair Value	Quoted Prices in active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Mutual funds	$ -	$ 61,408,580	$ -	$ -	$ 61,408,580
Money market mutual funds	550,426	-	-	-	550,426
Equity securities	-	478,982	-	-	478,982
Total	$ 550,426	$ 61,887,562	$ -	$ -	$ 62,437,988

4. Receivables, Deferred Inflows and Unearned Revenue

A. Long-Term Receivables not expected to be collected within one year include:

- Assessments receivable in the water assessment fund totaling $4,847,345 and
- Loans receivable in the small cities grant fund totaling $389,156.

B. Revenues Not Available - Governmental funds report deferred inflows on the modified accrual basis (Exhibit 3) in connection with receivables estimated to not meet the policy to be considered "available" to liquidate liabilities of the current period. Taxes in the amount of $1,057,090 and the water assessments in the amount of $4,847,345 were reported as *deferred inflows*, instead of revenue, because they were not received within the policy to be considered available at yearend.

C. Unearned Revenue - Both government-wide activities and governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. Other Governmental Funds reported $96,666 in fees collected in advance and $24,802 of advances on grants.

5. Interfund Transactions

The balances between funds are mainly from the time lag between the dates that: 1) interfund reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. These are summarized as follows:

Receivable fund	Payable Fund	Amount
General fund	Elementary school construction fund	$ 1,114,960
General fund	Other governmental funds	101,838
General fund	Fiduciary funds	490
Fiduciary funds	General fund	503,231
Internal service funds	General fund	240,777
Water Pollution Control Authority	General fund	25,203
Bonded capital projects fund	General fund	2,477,922
Water assessment fund	General fund	526,722
Other governmental funds	General fund	3,305,182
		$ 8,296,325

5. Interfund Transactions (Continued)

Fund transfers are generally used to fund capital projects with General Fund revenues. Transfers during the year were as follows:

	Transfers into:		
	General Fund	Other Governmental Funds	Total
Transfers out of:			
General fund	$ -	$ 2,685,930	$ 2,685,930
Bonded capital projects fund	-	122,000	122,000
Other governmental funds	30,000	190,000	220,000
Fiduciary funds	52,809	-	52,809
	$ 82,809	$ 2,997,930	$ 3,080,739

6. Capital Assets

A. Changes in the Town's capital assets used in the governmental activities are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land	$ 11,152,631	$ -	$ -	$ 11,152,631
Construction in progress	343,840	2,924,624	(210,000)	3,058,464
	11,496,471	2,924,624	(210,000)	14,211,095
Capital assets being depreciated				
Buildings and improvements	71,277,480	1,216,606	-	72,494,086
Vehicles	6,009,369	540,109	(46,964)	6,502,514
Machinery and equipment	7,670,255	201,836	(9,500)	7,862,591
Infrastructure	48,206,575	1,877,572	-	50,084,147
	133,163,679	3,836,123	(56,464)	136,943,338
Less accumulated depreciation				
Buildings and improvements	(24,615,331)	(1,319,933)	-	(25,935,264)
Vehicles	(3,753,175)	(452,554)	46,964	(4,158,765)
Machinery and equipment	(5,072,867)	(535,683)	9,500	(5,599,050)
Infrastructure	(14,429,041)	(1,560,016)	-	(15,989,057)
	(47,870,414)	(3,868,186)	56,464	(51,682,136)
Net Capital Assets being Depreciated	85,293,265	(32,063)	-	85,261,202
	$ 96,789,736	$ 2,892,561	$ (210,000)	$ 99,472,297

Construction in progress includes the initial costs of a number of capital projects in progress. Depreciation and amortization expense was charged to the governmental activities as follows:

General government	$ 301,115
Public safety	427,183
Public works	1,893,701
Parks and recreation	106,194
Education	1,139,993
	$ 3,868,186

6. Capital Assets (Continued)

B. Changes in the Town's capital assets used in the business-type activities are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Construction in progress	$ 129,799	$ 823,163	$ (31,052)	$ 921,910
Capital assets being depreciated				
Buildings and improvements	3,581,027	-	-	3,581,027
Vehicles	180,749	-		180,749
Office furniture and equipment	24,185	15,747	-	39,932
Machinery and equipment	1,252,376	-	-	1,252,376
Infrastructure	13,229,501	17,597	-	13,247,098
	18,267,838	33,344	-	18,301,182
Less accumulated depreciation				
Buildings and improvements	(608,565)	(71,621)	-	(680,186)
Vehicles	(126,995)	(7,691)	-	(134,686)
Office furniture and equipment	(5,219)	(7,442)	-	(12,661)
Machinery and equipment	(890,451)	(45,308)	-	(935,759)
Infrastructure	(1,953,683)	(132,167)	-	(2,085,850)
	(3,584,913)	(264,229)	-	(3,849,142)
Net Capital Assets being Depreciated	14,682,925	(230,885)	-	14,452,040
	$ 14,812,724	$ 592,278	$ (31,052)	$ 15,373,950

7. Long-Term Liabilities - Governmental Funds

The following table summarizes changes in the Town's governmental long-term indebtedness:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due in More Than One Year
General obligation bonds	$ 43,545,000	$ 3,292,000	$ (7,540,000)	$ 39,297,000	$ 3,700,000	$ 35,597,000
Bond Anticipation Note as LTD	-	5,335,000	-	5,335,000	5,335,000	-
Premium on bonds	3,035,979	465,456	(354,998)	3,146,437	-	3,146,437
	46,580,979	9,092,456	(7,894,998)	47,778,437	9,035,000	38,743,437
Direct borrowing	122,059	-	(55,500)	66,559	56,930	9,629
Assessment payable	200,918	-	(25,542)	175,376	26,207	149,169
Compensated absences						
Town	121,758	618,359	(391,652)	348,465	174,233	174,232
Education	528,126	148,842	(119,744)	557,224	222,890	334,334
	$ 47,553,840	$ 9,859,657	$ (8,487,436)	$ 48,926,061	$ 9,515,260	$ 39,410,801

Each governmental funds' liability and interest on the liability is liquidated by the respective fund to which it relates. The liabilities and related interest, once permanently financed, are liquidated by the General Fund and, if they relate to water lines which will be paid for by the user, they are liquidated by the Water Assessment Fund.

7. Long-Term Liabilities - Governmental Funds (Continued)

A. General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations of the Town and pledge the full faith and credit of the Town. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year. General obligation bonds at yearend consisted of the following:

Purpose	Year of Issue	Original Amount	Final Maturity	Interest Rates	Outstanding by Purpose	Outstanding by Issuance
General Government, Refunding	2020	$ 3,155,000	2031	2-5%	$ 3,155,000	
School, Refunding	2020	137,000	2031	2-5%	137,000	$ 3,292,000
General Government	2018	12,553,300	2038	4-5%	11,866,800	
School	2018	3,081,700	2038	4-5%	2,913,200	14,780,000
General Government, Taxable	2018	1,733,800	2038	4-4.5%	1,635,000	
School, Taxable	2018	391,200	2038	4-4.5%	365,000	
Water, Taxable	2018	1,915,000	2038	4-4.5%	1,800,000	3,800,000
Water, Refunding	2015	5,510,000	2034	2-3%	3,980,000	3,980,000
General Government, Refunding	2014	370,000	2026	2-5%	175,000	
School, Refunding	2014	14,380,000	2026	2-5%	7,460,000	
Water, Refunding	2014	350,000	2026	2-5%	185,000	7,820,000
General Government	2013	5,480,000	2034	3-4%	4,275,000	
School	2013	3,100,000	2034	3-4%	550,000	4,825,000
General Government	2002	100,000	2022	4-5%	10,132	
School	2002	7,800,000	2022	4-5%	789,868	800,000
					$ 39,297,000	$ 39,297,000

Payments to maturity on the general obligation bonds are as follows:

	General Obligation Bonds			General Obligation Bonds	
Year End	Principal	Interest	Year End	Principal	Interest
2021	$ 3,700,000	$ 1,653,135	2031	$ 1,676,000	$ 382,026
2022	3,733,000	1,460,828	2032	1,320,000	319,011
2023	3,403,000	1,288,371	2033	1,315,000	263,263
2024	3,417,000	1,135,310	2034	1,310,000	211,091
2025	3,337,000	983,398	2035	855,000	167,744
2026	3,342,000	833,059	2036	925,000	131,731
2027	2,086,000	713,458	2037	925,000	94,113
2028	2,096,000	624,068	2038	920,000	56,400
2029	2,166,000	533,313	2039	920,000	18,800
2030	1,851,000	451,511		$ 39,297,000	$ 11,320,630

In August 2020, subsequent to yearend, the Town issued $35,335,000 in general obligation bonds. These are payable over 20 years with interest coupon rates of ranging from 1.125% to 4.00%. The net interest rate, after a premium of $1,884,461, is 1.55%. These will be used to permanently finance $5,335,000 of bond anticipation notes. In accordance with GAAP, these notes have been reclassified as long-term debt. The remaining $30,000,000 will be used to finance the construction of the new elementary school.

7. Long-Term Liabilities - Governmental Funds (Continued)

The Town has debt authorized but unissued for projects, including debt authorized for spending in the next fiscal year, as follows:

Projects	Year Approved	Total Bond Authorization	Bonds Issued or Repurposed	Grants and Other Proceeds Applied	Authorized But Unissued Debt
New Combined Elementary School	2018-19	$ 63,295,000	$ -	$ -	$ 63,295,000
Four Corners Project - Phase 1	2017-18	1,950,000	1,570,000	-	380,000
Four Corners Project - Phase 3	2018-19	260,000	76,610	-	183,390
Four Corners Project - Phase 4	2019-20	480,000	-	-	480,000
Various Capital Projects - Town	2018-19	1,400,000	-	-	1,400,000
Various Capital Projects - School	2018-19	510,000	-	-	510,000
Various Capital Projects - Town	2019-20	1,737,985	-	-	1,737,985
Various Capital Projects - Financing	2019-20	117,175	117,175	-	-
Various Capital Projects - School	2019-20	1,687,015	-	-	1,687,015
		$ 71,437,175	$ 1,763,785	$ -	$ 69,673,390

General Purpose	$ 4,181,375
School	65,492,015
	$ 69,673,390

B. Bond Anticipation Notes

The annual activity for the bond anticipation notes is as follows:

Purpose	Interest Rate	Maturity Date	Beginning Balance	Additions	Reductions	Reclassified to Long-Term Debt	Ending Balance
Town	2.50%	Nov 2019	$ 1,400,000	$ -	$ (1,400,000)	$ -	$ -
School	2.50%	Nov 2019	510,000	-	(510,000)	-	-
Town	2.25%	Nov 2020	-	3,137,985	-	(3,137,985)	-
School	2.25%	Nov 2020	-	2,197,015	-	(2,197,015)	-
			$ 1,910,000	$ 5,335,000	$ (1,910,000)	$ (5,335,000)	$ -

C. Loans Payable from Direct Borrowings

On July 10, 2018, the Town signed a 3-year loan agreement in the amount of $167,000 to finance equipment. The loan is payable monthly with an interest rate of 2.5%. Payments to maturity are:

Year End	Principal	Interest
2021	$ 56,930	$ 1,030
2022	9,629	31
	$ 66,559	$ 1,061

7. Long-Term Liabilities - Governmental Funds (Continued)

D. Assessment Payable

The Town has several sewer assessments due to the WPCA, which will be paid off as follows:

Year End	Principal	Interest	Year End	Principal	Interest
2021	$ 26,207	$ 4,867	2026	$ 27,904	$ 1,101
2022	26,102	4,142	2027	9,913	332
2023	26,831	3,413	2028	812	50
2024	27,581	2,664	2029	829	33
2025	28,351	1,894	2030	846	17
				$ 175,376	$ 18,513

E. Compensated Absences

A limited number of vacation time earned during the fiscal year can be carried over to the succeeding year, subject to limitations as provided in the respective collective bargaining agreements. Employees are entitled to accumulate sick leave up to a maximum amount stipulated in each contract. Employees in the police union are entitled to payment of 25% of accumulated sick leave up to 90 days at termination of employment. Education employees with more than 12 years of service are entitled to payment of a limited number of sick days at a fixed hourly rate at termination. The number of days and hourly rates vary by collective bargaining units. The estimated liability of all compensated absences to be paid at termination has been reflected in the government-wide financial statements.

F. Advance Refunding

During the year, the Town issued serial bonds to advance refund existing serial bonds. The net proceeds were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for certain future debt service payments on the bonds. As a result, the 2010 serial bonds are considered partially defeased and the liability for those serial bonds has been removed from the statement of net position (exhibit 1).

	New Debt	Old Debt
Purpose	Refunding	2010 School
Range of Interest Rates	2% to 5%	4.0% to 5.0%
Face Value of Debt	$ 3,490,000	$ 3,860,000
Net Original Issue Premium, Amortizing (1)	493,451	NA
Underwriting Fees	(81,769)	NA
Net Proceeds	$ 3,901,682	NA
Deferred Charge on Refunding, Amortizing (2)		38,573
Deposit to Escrow Deposit Fund		$ 3,898,573
Savings on Refunding		
Reduction in Debt Service Payments		$ 274,317
Net Present Value of Economic Gain		$ 256,156

(1) This premium will be amortized over the term of the bond payments and is included in the non-current liabilities on the statement of net position (exhibit 1).
(2) The deferred charge on refunding is being amortized over the term of the bond payments and is reported as deferred outflows of resources on the statement of net position (exhibit 1).

7. Long-Term Liabilities - Governmental Funds (Continued)

G. Prior Year Defeasance of Debt

The Town defeased certain bonds in prior years by placing assets in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. At yearend, $1,958,000 of bonds outstanding are considered defeased.

H. Legal Debt Limit

Connecticut General Statutes Section 7-374 sets limits on the debt, as defined by the statutes, which can be incurred by the Town and other governmental entities within the Town. The limitations for the Town of Brookfield, Connecticut are as follows:

Total tax collections (including interest and lien fees) for the year - primary government	$ 66,375,648
Total tax collections (including interest and lien fees) for the year - coterminous governments	664,755
Reimbursement for revenue loss on tax relief for the elderly (C.G.S. 12-129d)	-
Debt limitation base	$ 67,040,403

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation					
2 1/4 times base	$ 150,840,907	$ -	$ -	$ -	$ -
4 1/2 times base	-	301,681,814	-	-	-
3 3/4 times base	-	-	251,401,511	-	-
3 1/4 times base	-	-	-	217,881,310	-
3 times base	-	-	-	-	201,121,209
Total debt limitation	150,840,907	301,681,814	251,401,511	217,881,310	201,121,209
Indebtedness					
General obligation bonds	27,081,932	12,215,068	2,443,000	-	-
Bond anticipation notes	3,137,985	2,197,015	-	-	-
Mortgage/Notes payable	66,559	-	2,426,100	-	-
Authorized but Unissued	4,181,375	65,492,015	-	-	-
Debt of conterminous governments:					
Candlewood Shores	-	-	-	-	-
Total indebtedness	34,467,851	79,904,098	4,869,100	-	-
Debt limitation in excess of debt outstanding and authorized	$ 116,373,056	$ 221,777,716	$ 246,532,411	$ 217,881,310	$ 201,121,209

In no case shall total indebtedness exceed seven times the annual receipts from taxation	$ 469,282,821
This debt limitation exceeds the debt in the Town of Brookfield, Connecticut by	$ 350,041,772

8. Long-Term Liabilities - Enterprise Fund

The following table summarizes changes in the long-term indebtedness in the Enterprise Fund:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due in More Than One Year
General obligation bonds	$ 2,765,000	$ 198,000	$ (520,000)	$ 2,443,000	$ 295,000	$ 2,148,000
Premium on bonds	114,953	27,979	(10,467)	132,465	-	132,465
	2,879,953	225,979	(530,467)	2,575,465	295,000	2,280,465
Note payable	2,223,509	-	(182,552)	2,040,957	186,232	1,854,725
Mortgage payable	394,192	-	(9,049)	385,143	9,471	375,672
Permanent maintenance deposits	40	-	-	40	40	-
Contingent credits-assessments	649,297	-	-	649,297	-	649,297
	$ 6,146,991	$ 225,979	$ (722,068)	$ 5,650,902	$ 490,743	$ 5,160,159

A. General Obligation Bonds

General obligation bonds and notes at yearend in the Enterprise Fund consisted of the following:

Purpose	Year of Issue	Original Amount	Final Maturity	Interest Rates	Outstanding by Purpose
General Obligation Bonds:					
WPCA refunding	2020	$ 198,000	2031	2-5%	$ 198,000
WPCA	2018	2,180,000	2038	4-5%	2,015,000
WPCA	1993	3,400,000	2021	3.65-5.375%	230,000
					$ 2,443,000
Note Payable from Direct Borrowing					
Clean Water Fund Note	2010	3,747,082	2030	2.00%	$ 2,040,957

Payments to maturity on the general obligation bonds are as follows:

	General Obligation Bonds			General Obligation Bonds	
Year End	Principal	Interest	Year End	Principal	Interest
2021	$ 295,000	$ 112,207	2029	$ 134,000	$ 28,515
2022	297,000	96,145	2030	119,000	22,570
2023	187,000	84,045	2031	119,000	17,190
2024	193,000	74,545	2032	90,000	12,250
2025	193,000	64,895	2033	90,000	8,200
2026	188,000	55,370	2034	90,000	4,600
2027	189,000	45,945	2035	70,000	1,400
2028	189,000	36,495		$ 2,443,000	$ 664,372

8. Long-Term Liabilities - Enterprise Funds (Continued)

B. Notes Payable

Payments to maturity on the note are as follows:

	Note Payable			Note Payable	
Year End	Principal	Interest	Year End	Principal	Interest
2021	$ 186,232	$ 39,128	2026	$ 205,806	$ 19,554
2022	189,995	35,365	2027	209,960	15,400
2023	193,830	31,530	2028	214,198	11,162
2024	197,743	27,617	2029	218,522	6,838
2025	201,734	23,636	2030	222,937	2,423
				$ 2,040,957	$ 212,653

C. Mortgage Payable

The WPCA has a mortgage dated September 28, 2019 in the original amount of $400,000 secured by property and equipment. The mortgage is payable over 25 years in monthly payments of $2,238 inclusive of principal and interest at a rate of 4.566% per year.

	Mortgage Payable			Mortgage Payable	
Year End	Principal	Interest	Year End	Principal	Interest
2021	$ 9,471	$ 17,388	2033	$ 16,365	$ 10,495
2022	9,913	16,946	2034	17,128	9,732
2023	10,375	16,484	2035	17,926	8,933
2024	10,859	16,001	2036	18,762	8,097
2025	11,365	15,494	2037	19,637	7,223
2026	11,895	14,964	2038	20,552	6,307
2027	12,450	14,410	2039	21,511	5,349
2028	13,030	13,829	2040	22,514	4,346
2029	13,638	13,222	2041	23,563	3,296
2030	14,274	12,586	2042	24,662	2,198
2031	14,939	11,920	2043	25,812	1,048
2032	15,636	11,224	2044	8,866	85
				$ 385,143	$ 241,577

9. Fund Balance

As discussed in Note 1, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. These are summarized below:

	General Fund	Bonded Capital Projects Fund	Water Assessment Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable					
Required to be maintained					
Trust principal	$ -	$ -	$ -	$ 289,644	$ 289,644
	$ -	$ -	$ -	$ 289,644	$ 289,644
Restricted					
Rehabilitation loans	$ -	$ -	$ -	$ 544,410	$ 544,410
Debt	-	-	526,722	-	526,722
General government	-	-	-	98,361	98,361
Public safety	-	-	-	88,522	88,522
Health and welfare	-	-	-	8,940	8,940
Library	-	-	-	203,175	203,175
Education	-	-	-	314,302	314,302
Open space	-	-	-	357,771	357,771
	$ -	$ -	$ 526,722	$ 1,615,481	$ 2,142,203
Committed					
Capital Projects	$ -	$ 2,140,840	$ -	$ 2,356,677	$ 4,497,517
	$ -	$ 2,140,840	$ -	$ 2,356,677	$ 4,497,517
Assigned					
General government	$ 8,070	$ -	$ -	$ -	$ 8,070
Public safety	-	-	-	192,930	192,930
Conservation	-	-	-	49,964	49,964
Culture and recreation	-	-	-	56,499	56,499
Library	-	-	-	20,712	20,712
Education	44,905	-	-	-	44,905
Capital Projects	-	335,179	-	259,081	594,260
	$ 52,975	$ 335,179	$ -	$ 579,186	$ 967,340

10. The Town of Brookfield Defined Benefit Pension Plan

A. Plan Description - The Town is the administrator of a single-employer defined benefit public employee retirement system ("Defined Benefit Plan") established and administered by the Town to provide pension benefits for its union and nonunion employees including Water Pollution Control Authority ("WPCA") employees, but excluding teachers covered under the Connecticut State Teachers' Retirement System ("TRS"). The Defined Benefit Plan is considered to be part of the Town of Brookfield's financial reporting entity and is included in the Town's financial statement as a pension trust fund. A separate stand-alone financial report is not issued. Benefits may be changed or terminated by the Board of Selectmen subject to any applicable collective bargaining agreement.

10. The Town of Brookfield Defined Benefit Pension Plan (Continued)

The Defined Benefit Plan was established July 1, 1968 and, amended and restated as of January 1, 2015, with additional amendments as needed. Some of the plan amendments are still being implemented with the various bargaining units. For this reason certain provisions are described as for employees hired "before the effective date" and "on or after the effective date". This is a brief description of the Defined Benefit Plan and does not interpret, extend or change the provisions of the Defined Benefit Plan in any way.

The Board of Selectmen oversees the pension administration. The Retirement Benefits Advisory Committee ("RBAC") provides advice to the Selectmen. RBAC is comprised of the Town Treasurer, one member of each of the Boards of Selectmen, Board of Finance, and Board of Education, and three electors of the Town of Brookfield appointed by the Board of Selectmen. The Town Controller is an ex-officio member of the committee. No voting member may be a beneficiary or future beneficiary of the Town's retirement benefit plans.

B. Defined Benefit Plan Benefits -

Eligible employees include the following full-time employees, except employees who have elected to participate in the Town of Brookfield 401(a) Plan:

- Town non-union employees (excluding elected officials and including the Town Clerk), and Town union employees,
- Employees of the Water Pollution Control Authority ("WPCA"),
- Board of Education employees who are not certified employees of the Board of Education. This includes non-union employees, custodial employees, school nurses and secretarial employees.

Participant Contributions - Participants, except police officers, contribute 5% of their compensation. Police officers contribute 6% of their compensation. A participant must make contributions for all years of credited service except:

- Employees do not contribution in their first year of service,
- Police officers do not contribute after 30 years, and
- Employees hired after January 1, 2019 do not contribute after 20 years

Vesting - The vesting schedule for employees is as follows and depends on the effective date of the amendments to their bargaining group:

Hired before effective date Plus all police officers and public works employees	Hired on/after effective date Except police officers and public works employees
50% at 5 years	20% at 2 years
60% at 6 years	40% at 3 years
70% at 7 years	60% at 4 years
80% at 8 years	80% at 5 years
90% at 9 years	100% at 6 years
100% at 10 years	

10. The Town of Brookfield Defined Benefit Pension Plan (Continued)

Normal Retirement Benefit - Generally, the normal retirement benefit is equal to 2% of average final earnings times years of service for all except employees of the Board of Education. For the employees of the Board of Education, the normal retirement benefit is equal to 1.75% of average final earnings times years of service as of January 1, 1994 and 2% of average final earnings time years of service after that date. For employees hired after the effective date, the years of service stop accumulating at 20 years of service. The employees is then moved to the defined contribution plan discussed later. Average final earnings is defined as the average of 3 consecutive highest earnings, except for police, which is defined as average annual straight-time earnings, plus over time up to $6,000, over 3 years. The three years may be selected from the previous 5 to 10 year, or any period, depending on the type of employee. The final earnings are calculated on 5 years of earnings for employees hired after the effective date.

Retirement Dates - Upon attaining the normal retirement date, participants are entitled to an annual retirement benefit. The normal retirement date for employees hired before the effective date of the plan change is age 62. After that date it is age 64. If an employee terminates employment with the Town the normal retirement date, early retirement date and before being eligible for a deferred vested benefit, the employee will receive a refund of the contributions made to the Defined Benefit Plan, plus interest.

Employees, except police, can take early retirement at age 55 after completing 10 years of service. For early retirement the employee is entitled to the vested benefit accrued at the date of early retirement and actuarially reduced if the employee elects to have payments begin prior to age 62.

C. Defined Benefit Plan Membership - As of the date of the latest actuarial valuation (January 1, 2020), membership consisted of the following:

Active members	170
Terminated employees entitled to benefits, but not yet receiving them	18
Retirees, disabled and beneficiaries receiving benefits	121
	309

D. Funding Policy - The Town funding is based on the actuarial determined employer contribution ("ADEC"). The Town has a policy to pay the ADEC plus additional amounts from time to time.

E. Investment Policy - Portfolio assets will, under normal circumstances, be allocated across broad asset and sub-asset classes in accordance with the guidelines:

Asset Class	Sub-Asset Class	Target	Range
Equity	Domestic and foreign large cap	45%	35% - 55%
Equity	Domestic and foreign small/mid cap	15%	10% - 20%
Fixed Income		35%	25% - 45%
Cash		5%	0% - 10%

10. The Town of Brookfield Defined Benefit Pension Plan (Continued)

F. Defined Benefit Plan Fiduciary Financial Statements - The Defined Benefit Plan's fiduciary net position displays the net position, held in trust, to pay pension benefits as follows:

ASSETS	
Cash and equivalents	$ 523,613
Investments, at fair value	
Mutual funds	58,918,551
Receivables	28,204
Total Assets	59,470,368
NET POSITION	
Restricted for pensions benefits	$59,470,368

The changes in the net position during the year were are shown as follows:

ADDITIONS	
Contributions	
Employer	$ 1,292,379
Plan members	594,131
Total Contributions	1,886,510
Investment income	
Net change in fair value of investments	2,693,228
Interest and dividends	6,570
Total Investment Income	2,699,798
Less investment management fees	(148,628)
Net Investment Income	2,551,170
Total Additions	4,437,680
DEDUCTIONS	
Pension and OPEB benefits	2,351,303
Administrative fees	1,100
Total Deductions	2,352,403
Change in Net Position	2,085,277
Net Position - Beginning of Year	57,385,091
Net Position - End of Year	$59,470,368

G. Long-Term Expected Rate of Return - the long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return were developed by Wells Fargo Institutional Asset Advisors using an arithmetic mean:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Weighting
US large cap	39.00%	5.25%	2.05%
US mid/small cap	11.00%	5.75%	0.63%
Developed international equities	7.50%	5.75%	0.43%
Emerging market equities	2.50%	7.75%	0.19%
Intermediate corporate	20.00%	1.75%	0.35%
Intermediate government	14.00%	0.75%	0.11%
High yield bonds	5.00%	4.00%	0.20%
Money market/short-term	1.00%	-0.25%	0.00%
	100.00%		3.96%
Long-Term Inflation			2.50%
Long-Term Expected Nominal Return			6.46%

10. The Town of Brookfield Defined Benefit Pension Plan (Continued)

H. Calculation of Money-Weighted Rate of Return - The money-weighted rate of return considers the cash flow of the changing amounts actually invested during the period and weighs the amount of pension plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the end of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expense as:

Net money-weighted rate of return for the fiscal year was	4.72%

I. Net Pension Liability (Asset) - The components of the net pension liability (asset) are:

Total pension liability	$ 58,138,509
Less: Plan fiduciary net position	(59,436,856)
Net pension liability (asset)	$ (1,298,347)
Plan fiduciary net position as a percentage of total pension liability	102.23%

Changes in the net pension liability (asset) during the year were as follows using the cash basis of accounting as used in the required supplemental information:

Total Pension Liability	
Service cost	$ 1,384,015
Interest on total pension liability	3,616,435
Differences between expected and actual experience	(555,976)
Effect of assumption changes or inputs	634,746
Benefit payments	(2,351,303)
Net change in total pension liability	2,727,917
Total pension liability, beginning	55,410,592
Total pension liability, ending	58,138,509
Fiduciary Net Position	
Employer contributions	1,292,379
Member contributions	561,114
Investment income net of investment expenses	2,699,600
Benefit payments	(2,351,303)
Administrative expenses	(199,671)
Net change in plan fiduciary net position	2,002,119
Fiduciary net position (cash basis), beginning	57,434,737
Fiduciary net position (cash basis), ending	59,436,856
Net pension asset, beginning	(2,024,145)
Net pension asset, ending	$ (1,298,347)

10. The Town of Brookfield Defined Benefit Pension Plan (Continued)

J. Actuarial Methods and Significant Assumptions - The January 1, 2020 valuation was projected forward to a measurement date of June 30, 2020. The methods and assumptions are as follows:

Valuation timing	Biannual
Actuarial cost method	Entry Age Normal Actuarial Cost Method (level percent of salary)
Amortization method	Amortized over 15 years on an open basis
Asset valuation method	3 year smoothing recognizing 33.3% per year
Inflation	2.50%
Payroll growth	3.00%
Investment rate of return	6.50%
Retirement age	Police at age 55, others at age 62
Post-retirement mortality	Pub-2010 projected to the valuation date with Scale MP-2020

Discount Rate - The discount rate used to measure the total pension liability was 6.5%. The projection of cash flows used to determine the discount rate assumed that plan members' contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Defined Benefit Plan and the Defined Benefit Plan Assumptions –

- The mortality assumption was updated to the latest published pension mortality study released by the Society of Actuaries to better reflect actual and anticipated experience.
- Amendments to the plan were incorporated into the assumptions. The changed the plans after the "implementation date" for each bargaining group including:
  - Adding an alternative for a defined contribution plan under IRS Code 401(a)
  - Requiring participants to move to the 401(a) plan after 20 years of service
  - Increasing the normal retirement age
  - Changing the vesting schedule
- The inflation rate was decreased from 2.75% to 2.5% to better reflect expected experience.

K. Sensitivity Analysis - The following presents the net pension liability (asset) of the Town, calculated using the current discount rate, as well as what the Town's net pension liability (asset) would be if it were calculated using a discount rate that is 1% point lower or 1% point higher:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Net pension liability (asset)	$ 5,389,806	$ (1,298,347)	$ (6,918,462)

10. The Town of Brookfield Defined Benefit Pension Plan (Continued)

L. Pension Expense - The total pension expense recognized for fiscal year was $246,754. Future pension expense will be affected by the following deferred outflows and inflows of resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Out(In)Flows of Resources
Difference between expected and actual experience	$ 683,760	$ (673,922)	$ 9,838
Changes in assumptions and demographics	965,023	(299,803)	665,220
Difference between projected and actual earning on investments	-	(1,475,580)	(1,475,580)
Total	$ 1,648,783	$ (2,449,305)	$ (800,522)

Year Ending	
2021	$ (736,677)
2022	(176,644)
2023	(61,385)
2024	166,707
2025	2,555
Thereafter	4,922
	$ (800,522)

M. Investments that Represent 5% or More of the Defined Benefit Plan's Fiduciary Net Position

The following mutual funds represent 5% or more of the Plan's fiduciary net position:

Fund	Percentage
500 Index (Vanguard)	25.89%
Equity Income (JP Morgan)	6.37%
Institutional Large Cap Growth (T. Rowe Price)	8.26%
Long-Term Investment Grade (Vanguard)	5.79%
Premier Core Bond (Barings)	14.70%
Sel Stratbond (Western)	10.13%
Small Cap Index (Vanguard)	5.43%
Total International Stock Index Fund (Vanguard)	9.16%

11. The Town of Brookfield Defined Contribution Pension Plan

The Town has established a defined contribution pension plan known as the Town of Brookfield 401(a) Plan ("Defined Contribution Plan") effective March 1, 2019 which is administered by the Board of Selectmen. Employees (currently excluding police and highway union employees) may opt for, or change to, the Defined Contribution Plan in lieu of the defined benefit pension plan discussed above. Employees hired after the effective date will convert from the defined benefit plan to the defined contribution plan automatically after 20 years of service. The Town will contribute 5% of eligible income into the plan. Employees in this plan are required to contribute 5% of their income to the plan in pretax dollars. The Town will always match 75% of the employee's 5% contribution (or 3.75%). Employee contributions and employer contributions to the 401(a) Defined Contribution Plan were $1,821 and $3,187, respectively, during the fiscal year.

11. The Town of Brookfield Defined Contribution Pension Plan (Continued)

In addition, employees in this Plan can voluntarily contribute under the Internal Revenue Code ("IRC") Code Section 457. The Town will match 75% of the employee's 457 contribution up to an employee contribution of 8% (excluding the 5% required contribution to the 401a plan noted above). Although an employee may contribute more depending on the IRC, the Town will never match more than 6% of the employee's 457 plan contribution. Employee contributions and employer matching contributions to the 457 plan were $0 during the fiscal year.

12. Town of Brookfield Other Post-Employment Benefits ("OPEB")

A. Plan Description - The Town is the administrator of a single-employer defined benefit other post-employment ("OPEB Plan") plan established and administered by the Town to provide post-employment benefits, other than pensions, for certain union and nonunion employees (including certain WPCA employees). The OPEB Plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial statement as an OPEB trust fund. A separate stand-alone financial report is not issued. Benefits may be changed or terminated by the Board of Selectmen subject to any applicable collective bargaining agreement.

The Board of Selectmen oversees the OPEB administration. The RBAC provides advice to the Selectmen.

B. OPEB Plan Benefits -

Eligible employees - include:

- Town non-union employees (age 62 with 20 years of service) hired before 2013,
- CSEA union employees (age 62 with 20 years of service) hired before 2011,
- Highway and public works employees (age 62 or older) hired before July 1, 2010,
- Police (age 55 with 20 years or 25 years of service with no age limit) hired before July 1, 2017
- Certified education employees (age 50 with 25 years of service, age 55 with 20 years of service or age 60 with 10 years of service)
- Education nurses (age 55 with 12 years of service)

Participant contributions

- Town non-union and CSEA union employees - prior to age 65 the retiree and spouse pay a varying percentage of the premiums based on years of service at retirement. At 20 years, the retiree pays 35% of the premium, dropping 5% per year until at 25 years, the retiree pays 10% of the cost. The Town pays 100% of the cost for retirees with over 25 years of service. The retiree pays 0% for an $8,000 life insurance policy.
- Highway and public works employees - retiring at less than 20 years of service, the retiree pays 100% of the premiums for self and spouse. At 20 years and prior to age 65, the retiree pays 45% of the premium. At 20 years and after age 65, the retiree pays 25% percent of the retiree premium and 30% of the spouse premium. The retiree pays 0% for an $8,000 life insurance policy.
- Police - prior to age 65 the retiree pays 25% for the retiree and spouse premium for 5 years. After 5 years the retiree pays 25% for the retiree and 100% for the spouse premium. After age 65 the retiree pays 25% for the retiree and spouse.
- Certified education employees and education nurses - the retiree pays 100% of the premium

12. Town of Brookfield Other Post-Employment Benefits ("OPEB") (Continued)

C. Plan Membership - As of the date of the latest actuarial valuation (July 1, 2018), membership consisted of the following:

Active plan members	370
Inactive plan members or beneficiaries currently receiving benefits	61
	431

D. Funding Policy - The Town funding is based on the actuarial determined employer contribution ("ADEC"), but as a minimum, the Town pays the "pay-as-you-go" costs plus the Town pays an additional $200,000 per year into the Trust, unless changed by a vote of the Board of Selectmen. In fiscal year 2019-20, due to the uncertainties of the pandemic, the Board of Selectmen voted to suspend the additional contribution to keep as much flexibility as possible in the Town's finances.

E. Investment Policy - Portfolio assets will, under normal circumstances, be allocated across broad asset and sub-asset classes in accordance with the following guidelines:

Asset Class	Sub-Asset Class	Target	Range
Equity	Domestic and foreign large cap	45%	35% - 55%
Equity	Domestic and foreign small/mid cap	15%	10% - 20%
Fixed Income		35%	25% - 45%
Cash		5%	0% - 10%

F. OPEB Plan Fiduciary Financial Statements - The OPEB Plan's fiduciary net position displays the net position, held in trust, to pay OPEB benefits as follows:

ASSETS	
Cash and equivalents	$ 12,976
Investments, at fair value	
Mutual funds	1,265,584
Total Assets	1,278,560
LIABILITIES	
Accrued payroll	218
Due to other funds	490
Total Liabilities	708
NET POSITION	
Restricted for OPEB benefits	$ 1,277,852

12. Town of Brookfield Other Post-Employment Benefits ("OPEB") (Continued)

The changes in the net position during the year were are shown as follows:

ADDITIONS	
Contributions	
Employer	$ 399,647
Teachers Retirement Board subsidy	24,090
Total Contributions	423,737
Investment income	
Net change in fair value of investments	19,362
Interest and dividends	44,663
Total Investment Income	64,025
Total Additions	487,762
DEDUCTIONS	
Pension and OPEB benefits	423,737
Administrative fees	1,111
Total Deductions	424,848
Change in Net Position	62,914
Net Position - Beginning of Year	1,214,938
Net Position - End of Year	$ 1,277,852

G. Long-Term Expected Rate of Return - The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return were developed by HHIA using a geometric mean:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Weighting
US Large Cap	39.00%	4.50%	1.76%
US Mid/Small Cap	11.00%	5.00%	0.55%
Developed International Equities	9.00%	5.25%	0.47%
Emerging Market Equities	1.00%	6.25%	0.06%
Intermediate Corporate	20.00%	2.50%	0.50%
Intermediate Government	12.00%	1.50%	0.18%
High-Yield Bonds	7.00%	3.25%	0.23%
Money Market/Short Term Bonds	1.00%	0.25%	0.00%
	100.00%		3.75%
Long-Term Inflation			2.50%
Long-Term Expected Nominal Return			6.25%

H. Calculation of Money-Weighted Rate of Return - The money-weighted rate of return considers the cash flow of the changing amounts actually invested during the period and weighs the amount of OPEB plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the end of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expense was 5.27%.

12. Other Post-Employment Benefits ("OPEB") (Continued)

I. Net OPEB Liability

The components of the net OPEB liability were as follows:

Total OPEB liability	$ 13,394,531
Less: Plan fiduciary net position	(1,278,560)
Net OPEB liability	$ 12,115,971
Plan fiduciary net position as a percentage of total OPEB liability	9.55%

Changes in the net pension liability during the year were as follows:

Total OPEB Liability	
Service cost	$ 271,511
Interest on total OPEB liability	844,123
Differences between expected and actual experience	(220,904)
Benefit payments	(423,737)
Net change in total OPEB liability	470,993
Total OPEB liability, beginning	12,923,538
Total OPEB liability, ending	13,394,531
Fiduciary Net Position	
Employer contributions	399,647
Teachers' Retirement Board contributions	24,090
Investment income net of investment expenses	64,025
Benefit payments	(423,737)
Administrative expenses	(403)
Net change in plan fiduciary net position	63,622
Fiduciary net position, beginning	1,214,938
Fiduciary net position, ending	1,278,560
Net OPEB liability, beginning	11,708,600
Net OPEB liability, ending	$ 12,115,971

12. Other Post-Employment Benefits ("OPEB") (Continued)

J. Actuarial Methods and Significant Assumptions - The July 1, 2018 valuation was projected forward to a measurement date of June 30, 2020 with methods and assumptions as follows:

Valuation timing	Biannual
Actuarial cost method	Entry Age Normal Actuarial Cost Method (level percentage of salary)
Actuarial amortization method	Closed 25 year period, decreasing 1 year each year until reaching an open 15 year period as a level dollar amount
Asset valuation method	Fair value of plan assets
Inflation	2.5% (previously assumed to be 2.75%)
Payroll growth	2.5% (previously assumed to be 3.00%)
Investment rate of return	6.50%
Cost trend rate:	
Healthcare	7.50% decreasing .5% per year to a rate of 4.50% for 2024 and later (previously 8.75% decreasing .5% to a final rate of 4.75%)
Dental	4.50% per year (previously 4.50% per year)
Retirement age	At age 62, except police at age 55 (prior 25 years of service)
Post-retirement mortality	RP-2014 projected to the valuation date with Scale MP-2018 (previously with a Scale MP-2016)

Discount Rate - The discount rate used to measure the total OPEB liability was 6.5%. Based on the plan's current net OPEB liability and current contribution policy, the plan's projected fiduciary net position will be sufficient to cover projected benefit payments and administrative expenses indefinitely.

Changes in the Plan and the Plan Assumptions - There were no significant plan changes since the last valuation. The following were changes in the plan assumptions at the last valuation:

- The mortality assumption was updated to the latest published pension mortality study released by the Society of Actuaries to better reflect actual and anticipated experience.
- The retirement assumption was updated to better reflect actual experience.
- The inflation assumption was lowered from 2.75% to 2.50% to better reflect expected experience.
- The rate of compensation increase was lowered from 3.00% to 2.50% to better reflect expected experience.
- Healthcare cost trends were reduced to reflect both the current and long-term outlook in healthcare costs and to align with the lowered inflation assumptions.
- The utilization rates will reduced to better reflect actual experience.

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

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Net OPEB Liability	$ 13,776,330	$ 12,115,971	$ 10,725,671

12. Other Post-Employment Benefits ("OPEB") (Continued)

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

	1% Decrease	Current Cost Trend Rate	1% Increase
Current Percent	6.50%	7.50%	8.50%
Decreasing to	3.50%	4.50%	5.50%
Net OPEB Liability	$ 10,401,112	$ 12,115,971	$ 14,221,285

L. OPEB Expense - The total OPEB expense recognized for the year was $246,754. Future OPEB expense will be affected by the following deferred outflows and inflows of resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Out(In)Flows of Resources
Difference between expected and actual experience	$ -	$ (5,630,282)	$ (5,630,282)
Changes in assumptions and demographics	-	(2,008,639)	(2,008,639)
Difference between projected and actual earning on investments	12,277	(7,925)	4,352
Total	$ 12,277	$ (7,646,846)	$ (7,634,569)

Year Ending	
2021	$ (766,235)
2022	(766,234)
2023	(766,402)
2024	(763,761)
2025	(725,258)
Thereafter	(3,846,679)
	$ (7,634,569)

M. Investments that Represent 5% or More of the Defined Benefit Plan's Fiduciary Net Position

The following accounts and mutual funds represent 5% or more of the Plan's fiduciary net position:

Fund	Percentage
Dodge & Cox Income Fund	8.46%
Fidelity International Index Fund	6.97
Fidelity Small Cap Index Fund	5.13
Fidelity 500 Index Fund	21.02
JP Morgan Equity Income Fund	6.99
Schwab Bank	9.75
PGIM Total Return	8.31
Western Asset Core Bond Fund	9.37
T. Rowe Price Blue Chip Growth	5.60

13. Town of Brookfield Length of Service Awards Plan ("LOSAP")

A. Plan Description - The Town is the sponsor of a Length of Service Awards Plan ("LOSAP Plan") established and administered by the Town to provide pension benefits for its fire department volunteers. This is a single-employer defined benefit plan. The plan was established July 1, 1996 by the Town. Changes to the plan, including discontinuation of the LOSAP Plan, may be made by the Town.

B. LOSAP Plan Benefits -

Eligible participants - must be a member in good standing of one of the two volunteer fire departments who has attained the status of Firefighter, Support Firefighter, Internal Firefighter, External Firefighter or EMS member.

Vesting - A participant is 50% vested after 5 years of certified service. For each additional year of certified service, vesting increases 10% until reaching 100%. If the Town's annual budget fails to provide adequate funding as specified by the plan actuary, benefits for that fiscal year will not accrue to the participants.

Retirement Benefit - The participant's monthly benefit is calculated based on $10 times the total number of years of service to a maximum of 25 years. A participant is entitled to benefits at age 65, and may defer the benefit once reaching age 65, but no additional benefits may be earned. A participant may apply for an early retirement benefit at age 55 and 100% vested. The benefit at age 55 will be actuarially reduced.

C. LOSAP Plan Membership - As of the date of the latest actuarial valuation, membership consisted of the following:

Active plan members	98
Inactive plan members entitled to benefits, but not yet receiving them	78
Inactive plan members or beneficiaries currently receiving benefits	25
	201

D. Funding Policy - The Town funds the plan on a pay-as-you-go basis out of the annual General Fund budget. The participants are not expected to contribute.

E. Total Pension Liability - The Town recognizes the total pension liability in the government-wide financial statements. No assets are accumulated in a trust to fund this pension plan. Accordingly, the Town's total pension liability is not reduced by any assets. Changes in the total pension liability during the year were as follows:

Total Pension Liability	
Service cost	$ 50,997
Interest on total pension liability	76,752
Effect of plan changes	-
Differences between expected and actual experience	(47,765)
Effect of assumption changes or inputs	533,085
Benefit payments	(42,490)
Net change in total pension liability	570,579
Total pension liability, beginning	2,156,736
Total pension liability, ending	$ 2,727,315

13. Town of Brookfield Length of Service Awards Plan ("LOSAP") (Continued)

F. Actuarial Methods and Significant Assumptions - the January 1, 2020 valuation was projected forward to a measurement date of June 30, 2020 using the following methods and assumptions:

Actuarial cost method	Entry Age Normal Actuarial Cost Method (level percentage of salary)
Inflation	2.50%
Cost of living adjustment	None
Investment rate of return	2.21%
Mortality	Pub-2010 projected to the valuation date with Scale MP-2020

Discount Rate - Since the plan is not funded the selection of the discount rate is consistent with the GASB standards inking the discount rate to the 20-year AA municipal bond index for unfunded plans. The discount rate used for this disclosure is equal to the published Bond Buyer GO 20-Bond Municipal Index as of yearend. For June 30, 2020 this rate was 2.21%.

Changes in the Plan and the Plan Assumptions - There were no changes to the plan. The actuarial assumptions changed as follows:

- The invest rate or return reduced from 3.51% to 2.21% based on current bond rates,
- The rate of inflation was reduced from 2.75% to 2.5% based on long-term expectations, and
- The mortality rates were updated to the latest estimates.

G. Sensitivity Analysis - The following presents the net pension liability of the Town, calculated using the current discount rate, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher:

	1% Decrease 1.21%	Current Discount Rate 2.21%	1% Increase 3.21%
Total LOSAP Liability	$ 3,268,053	$ 2,727,315	$ 2,303,181

H. LOSAP Expense - The total pension expense recognized for the year was $166,474. Future LOSAP expense will be affected by the following deferred outflows and inflows of resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Out(In)Flows of Resources
Difference between expected and actual experience	$ 2,916	$ (44,200)	$ (41,284)
Changes in assumptions and demographics	592,776	(69,868)	522,908
Difference between projected and actual earning on investments	-	-	-
Total	$ 595,692	$ (114,068)	$ 481,624

Year Ending	
2021	$ 38,725
2022	38,725
2023	38,725
2024	38,725
2025	38,725
Thereafter	287,999
	$ 481,624

14. Connecticut Teachers' Retirement System - Pension Plan

A. Plan Description - Teachers and certain other certified personnel in the Town are eligible to participate in the Connecticut State Teachers' Retirement System ("TRS"), a cost-sharing multiple-employer public employee retirement plan established under Chapter 167a of the Connecticut General Statutes. The TRS was established to provide retirement and other benefits for teachers, their survivors and beneficiaries. TRS is administered by the Teachers' Retirement Board ("TRB"). TRS issues a publicly available financial report that can be obtained at www.ct.gov.

B. Plan Benefits - Plan provisions are set by the Connecticut General Statutes and remain the obligation of the State of Connecticut. TRS provides retirement benefits, as well as death and disability benefits. A member is eligible to receive a normal retirement benefit who (1) has reached the age of 60 and has accumulated 20 of credited service in the public schools of Connecticut or (2) has attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

The normal retirement benefit is 2% times the number of years of credited service multiplied by their average annual salary received during the 3 years of highest salary. In no event will such benefit exceed 75% of the average annual salary. A minimum monthly benefit of $1,200 is provided for teachers who retire under the normal retirement provisions and who have completed at least 25 years of full time Connecticut service.

A member is eligible to receive an early retirement benefit who (1) has attained any age and has accumulated 25 years of credited service, at least 25 of which are service in the public schools of Connecticut or (2) has reached the age of 55 and has accumulated 20 years of credited service, at least 15 years of which are service in the public schools of Connecticut.

The early retirement benefit is reduced 6% per year for the first 5 years preceding normal retirement age and 4% percent per year for the next five years preceding normal retirement age. Effective July 1, 1999, the reductions for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

C. Plan Membership - All teachers, principals, superintendents or supervisors engaged in service of public schools are eligible for participation.

D. Funding Policy - In accordance with the Connecticut General Statutes, Section 10-183z, contribution requirements of active employees and the State of Connecticut is amended and certified by the TRB and appropriated by the General Assembly. The statutes require the State of Connecticut to contribute 100% of each school districts' required contribution. Contributions are actuarially determined as an amount that, when combined with employee contributions and investment earning, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability. Members are required to contribute 7% of their annual salary for the pension benefit.

The Town is not required to make contributions to the plan. The Town's proportionate share has been determined on the same basis as that used by the plan as has the basis of accounting, including policies with respect to benefit payments (including refunds of employee contributions) and the valuation of plan investments.

14. Connecticut Teachers' Retirement System - Pension Plan (Continued)

E. Target Asset Allocation and Rates of Return - The long-term expected rate of return on plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns net of pension plan investment expense plus inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Inflation is not added because the real rates of return includes inflation. The table below shows the target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public Equity - US Equity	20.00%	8.10%
Public Equity - International Developed Equity	11.00%	8.50%
Public Equity - Emerging Markets Equity	9.00%	10.40%
Fixed Income - Core Fixed Income	16.00%	4.60%
Fixed Income - Inflation Linked Bonds	5.00%	3.60%
Fixed Income - High Yield	6.00%	6.50%
Fixed Income - Emerging Market Debt	5.00%	5.20%
Private Equity	10.00%	9.80%
Real Estate	10.00%	7.00%
Alternative Investments - Real Assets	4.00%	8.20%
Alternative Investments - Hedge Funds	3.00%	5.40%
Liquidity Fund	1.00%	2.90%

F. Town's Proportionate Share of the Collective Net Pension Liability - Connecticut school teachers participate in the TRS pursuant to section 10-183b et seq. of the Connecticut General Statutes (the "Teachers' Retirement Act"). The Teachers' Retirement Act governs the pension benefits and eligibility of the active and retired teachers of the Brookfield Public Schools. The Teachers' Retirement Act requires the Connecticut general assembly, not any town, city or local school district, to appropriate the funds necessary to pay the pension benefits due to retirees under the system, including retired teachers of the Brookfield Public schools.

Section 10-183c of the Connecticut General Statutes provides that the retirement benefits of teachers who have vested under the TRS are contractual in nature and may not be diminished by act of the Connecticut General Assembly. Accordingly, funding the pension benefits of retired teachers of the Brookfield Public Schools is a statutory and contractual obligation of the State government, not an obligation of the Town of Brookfield.

Town of Brookfield's Net Pension Liability	$ -
State of Connecticut's Net Pension Liability for the Town of Brookfield	83,267,380
Net Pension Liability	$ 83,267,380

Portion of the State of Connecticut's Net Pension Liability which is related to the Town of Brookfield employees	0.487722%
Pension expense	$ 10,226,653
Proportion Basis	Employee contributions
Change in proportion since prior measurement date	None

14. Connecticut Teachers' Retirement System - Pension Plan (Continued)

G. Actuarial Methods and Significant Assumptions - The following assumptions were used in the pension valuations, prepared as of June 30, 2018 (valuation date and measurement date) for use in the June 30, 2020 financial statements (reporting date):

Experience study dates	July 1, 2010 - June 30, 2015
Actuarial cost method	Entry Age
Amortization method	Level percent of pay, closed grading to a level dollar amortization method for the June 30, 2024 valuation.
Investment rate of return	6.90%, net of investment related expense, including (Previously 8.00%)
Salary increases	3.25% to 6.50%, including inflation
Inflation	2.50% (previously 2.75%)
Discount rate	6.90%, the projection of cash flows assumed that plan member contributions will be made at the current contribution rate and employer contributions will be made at rates equal to the difference between the actuarially determined rate and the member rate. (Previously 8.0%)
Cost of living adjustment	Annually compounded increases vary based on Social Security Benefits and return on assets
Post-retirement mortality	RPH-2014 White Collar Mortality Table projected to 2020

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

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

I. Support Provided by Non-employer Contributing Entities - The Town has a special funding situation whereby the State is obligated to pay the pension costs of the TRS and the Town is not required to pay any of the costs. However, the Town must record the contribution paid by the State on-behalf of the Town's employees as revenue and expense in its GAAP financial statements (Exhibits 3 and 4) which amounted to $6,302,897 as revenue and expense. In addition, in the government-wide financial statements (Exhibits 1 and 2) reported on the full accrual basis of accounting, the Town must record the total pension expense which was $10,226,653. This increases the education expenses and operating grants.

J. Obtaining a Report of the Plan - TRS is considered to be a part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. The reports include information on the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The stand-alone financial report may be obtained through the Teachers' Retirement Board at www.ct.gov/trb.

15. Connecticut State Teachers' Retiree Health Insurance Plan

A. Plan Description - The Connecticut State Teachers' Retirement System Retiree Health Insurance Plan ("TRS-RHIP") - a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board (TRB). Chapter 167a Section 10-183 (t) of the Connecticut General Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

B. Plan Benefits - The Plan provides for retiree health insurance benefits. Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of the health care benefits offered through the system: (1) subsidized local school district coverage provides a subsidy paid to members still receiving coverage through their former employer; (2) and the TRB sponsored Medicare supplemental plans provide coverage for those participating in Medicare, but not receiving subsidized local school district coverage.

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

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

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the TRB sponsored Medicare supplemental plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

Survivor Health Care Coverage - Survivors of former employees or retirees remain eligible to participate in the Plan and continue to be eligible to receive either the $110 monthly subsidy or participate in the TRB sponsored Medicare supplemental plans, as long as they do not remarry.

C. Plan Membership - Teachers, principals, superintendents, supervisors and professional employees at State schools of higher education if they choose to be covered that are currently receiving a retirement or disability benefit are eligible to participate in the plan.

D. Funding Policy

Connecticut General Statutes, Section 10-183t, contribution requirements of active employees and the State are amended and certified by the TRB and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions. The Town is not required to make contributions to the plan. Each employee is required to contribute 1.25% of their annual salary.

15. Connecticut State Teachers' Retiree Health Insurance Plan (Continued)

E. Target Asset Allocation and Rate of Return - The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense plus inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage.

All the plan assets are assumed to be invested in cash equivalents due to the need for liquidity. The expected rate of return is 3.00%.

F. Town's Proportionate Share of Collective Liability - The Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amounts recognized by the Town as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the Town were as follows:

Town of Brookfield's Net OPEB Liability	$ -
State of Connecticut's Net OPEB Liability for the Town of Brookfield	12,986,017
Net OPEB Liability	$ 12,986,017
Portion of the State of Connecticut's Net OPEB Liability which is related to the Town of Brookfield employees	0.487722%
OPEB expense (reporting a negative expense)	(950,272)
Proportion Basis	Employee contributions
Change in proportion since prior measurement date	None

The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. The Town has no proportionate share of the net OPEB liability.

G. Actuarial Assumptions - The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50% (previously 2.75%)
Salary increases	3.25% to 6.50%, including inflation
Investment rate of return	3.00%, net of plan investment expense, including inflation
Year fund will be depleted	2019
Single equivalent interest rat	
Measurement date	3.50%, net of plan investment expense, including inflation
Prior measurement date	3.87%, net of plan investment expense, including inflation
Health care costs trend rate	
Pre-Medicare	5.95% decreasing to 4.75% by 2025
Medicare	5.00% decreasing to 4.75% by 2028
Mortality Rates	RPH-2014 White Collar Mortality Table projected to 2020

15. Connecticut State Teachers' Retiree Health Insurance Plan (Continued)

Discount Rate - The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

H. **Sensitivity of the OPEB Liability to Changes in the Discount and Healthcare Cost Rate -** The Town's proportionate share of the net OPEB liability is $0 and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

I. **Support Provided by Non-employer Contributing Entities -** The Town has a special funding situation whereby the State is obligated to pay the health care costs of the TRS retiree health insurance plan and the Town is not required to pay any of the costs. However, the Town must record the contribution paid by the State on behalf of the Town's employees as revenue and expense in its GAAP financial statements (Exhibits 3 and 4) which amounted to $172,263 as revenue and expense. In addition, in the government-wide financial statements (Exhibits 1 and 2) reported on the full accrual basis of accounting, the Town must record the total OPEB expense which was a negative expense of $950,272. This reduces the education expenses and operating grants.

J. **Obtaining a Report of the Plan -** The Plan is considered to be a part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. The reports include information on the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The stand-alone financial report may be obtained through the Teachers' Retirement Board at www.ct.gov/trb.

16. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance except as noted below. There have been no significant reductions in insurance coverage from the prior year. Settlement amounts have not exceeded insurance coverage for the current year or three prior years.

The Town currently is a member of the Connecticut Interlocal Risk Management Agency ("CIRMA"), a public entity risk pool established under the provisions of Connecticut General Statutes section 7-479a et. seq. for its insurance. The Town is liable only for contributions to the pool. Members do not retain the risk of loss, as they have transferred the risk by purchasing coverage. A separate agreement states limits on the member's obligation to pay indemnification obligations and expenses should CIRMA be unable to do so.

The workers' compensation pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage has a guaranteed cost plan that is prospectively rated. CIRMA's workers' compensation pool retains the risk of loss to $1,000,000 per occurrence and $1,000,000 annual aggregate and purchases reinsurance above that amount to statutory limits of liability.

The Town is also a member of CIRMA's liability-auto-property ("LAP") pool, a risk sharing pool. The LAP pool's retention limits for general, personal injury and advertising injury, auto, employee benefits, law enforcement, public officials and school leaders' liability are $1,500,000 per occurrence.

16. Risk Management (Continued)

The Town is self-insured for claims under C.G.S. 7-433c, the Heart and Hypertension Act. The following is a summary of changes in the heart and hypertension claims liability:

Year Ended	Beginning Claims Payable	Current Year Claims	Claim Payments	Ending Claims Payable
2018	$ 277,373	$ -	$ (10,162)	$ 267,211
2019	267,211	-	(3,970)	263,241
2020	263,241	-	(388)	262,853

17. Commitments

The Town has a number of commitments for construction summarized as follows at yearend:

Projects	Total Approved Appropriation	Estimated Grant Funding	Total Town Commitment	Town Expenditures to Date	Potential Remaining Town Commitment
New Combined Elementary School	$78,141,446	$ 14,846,446	$ 63,295,000	$ -	$ 63,295,000
Four Corners Project - Phase 2	1,340,000	865,000	475,000	475,000	-
Four Corners Project - Phase 2a *	257,088	257,088	-	-	-
Four Corners Project - Phase 3	1,300,000	1,040,000	260,000	80,529	179,471
Four Corners Project - Phase 3a *	310,880	310,880	-	-	-
Four Corners Project - Phase 4	2,400,000	1,920,000	480,000	1,482	478,518
Four Corners Project - Phase 5	600,312	510,312	90,000	5,738	84,262
Still River Greenway to Town Hall	207,355	207,355	-	-	-
Total	$84,557,081	$ 19,957,081	$ 64,600,000	$ 562,749	$ 64,037,251

* Waiting for a Town Meeting

18. Contingencies

A. Litigation - The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

B. Grants - The Town participates in various federal and state grant programs. These programs are subject to program compliance audits pursuant to the federal and Connecticut single audit acts. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

C. School Building Grants - Section 10-283(a)(3)(A) of the Connecticut general statutes states that if the Town abandons, sells, leases, demolishes or otherwise redirects the use of a school building project authorized on or after July 1, 1996, paid partially with State funding, to other than a public school, the Town will owe a portion of the State funding back to the State. For projects with a cost of two million dollars or over, the contingency will be amortized over twenty years. For smaller projects, the contingency will be amortized over ten years.

18. Contingencies (Continued)

D. Investment Securities - The Town invests in various securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risks associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position and activities.

E. Global Health Emergency Risk - The outbreak of COVID-19, a respiratory virus caused by a new strain of coronavirus, has been declared a Public Health Emergency of International Concern by the World Health Organization ("pandemic"). On March 13, 2020, the President of the United States declared a national emergency. The pandemic has affected travel, commerce and financial markets globally, and is widely expected to affect economic growth worldwide.

The ongoing impact of the pandemic has materially affected state, national, and global activity; and increased public health emergency response costs. Many states and municipalities have taken restrictive measures that are having negative effects on global and local economies. In addition, businesses and people have altered behaviors in manners that are negatively affecting the economy. The financial, stock and bond markets in the United States and globally have seen significant volatility attributed to the pandemic.

Because of the uncertainties surrounding the pandemic, the Town reduced the projected revenues for the 2020-2021 fiscal year by $1,750,915, cut the budgeted expenditures by $1,813,337 and provided an additional $500,000 contingency for pandemic related expenditures. The Town also committed to an iterative budget process. The Boards would review the budgets on a monthly basis and make transfers between expenditures or from the pandemic contingency as needed.

As of the date of the financial statements, projected annual revenue is expected to exceed the budgeted revenues. Savings in expenditures from the changes caused by the pandemic, such as school closings, travel restrictions, and regulation changes, have been transferred to cover additional costs for new expenditures such as remote learning, additional virus protective measures and enhanced cleaning. At this time, projected annual expenditures are expected to be less than budgeted.

Although COVID-19 has not had a material adverse effect on the Town's finances or impacted its credit ratings to date, there can be no assurances that COVID-19 will not materially adversely impact the financial condition of the Town.

19. State of Connecticut Information and Restrictions

A. State's Financial Condition - Although the Town of Brookfield holds an Aaa bond rating (judged to be of the highest quality with minimal risk), the State maintains an A bond rating (considered upper-medium-grade and subject to low credit risk) as of May 2020. The State's credit rating and financial position are significant to the Town because of general interactions between the State and the Town and also because of specific financial assistance. In the current year, the Town of Brookfield spent $2,954,618 in State financial assistance plus the State paid $6,302,897 and $172,263, on-behalf of the Town for teachers' retirement and other post-employment benefits, respectively. These payments may be greatly or totally reduced in subsequent years. In addition, the Town may be required to pay additional costs charged by the State.

19. State of Connecticut Information and Restrictions (Continued)

As discussed in notes 14 and 15 above, the Town participates in a cost-sharing multiple employer public employee retirement system with the State of Connecticut ("Plan") covering teachers' retirement benefits and a related plan covering other post-employment benefits. Currently the plan is funded solely by the State. During Connecticut budget negotiations, various proposals are made to share the costs of the Plan. Generally the net pension liability in a cost sharing plan is allocated based on same allocation as the costs are allocated.

B. **Motor Vehicle Tax Cap** - Beginning in fiscal year 2017, the State of Connecticut capped the mill rate for motor vehicle taxes (Connecticut General Statute 12-71e). The motor vehicle mill rate cap for fiscal year 2021 and thereafter is 45 mills. The Town's tax rate for fiscal year 2021 is 29.65 mills.

C. **Minimum Budget Requirement** - The State of Connecticut has established a Minimum Budget Requirement ("MBR") for education expenditures. The MBR prohibits a town from budgeting less for education than it did in the previous year unless, and within limits, the town can demonstrate (1) a decrease in school enrollment or (2) savings through increased efficiencies. If the town receives an increase or decrease in their Education Cost Sharing grant, the MBR will increase or decrease by the same amount.

D. **Municipal Spending Cap** - The State imposes a cap on municipal spending to limit the budgeted expenditures to 2.5 percent above the previous year, or the rate of inflation, whichever is greater (Connecticut General Statute 4-661). Exemptions to the cap include:
   a. Debt service
   b. Special education expenditures
   c. Expenditures for implementing court orders
   d. Arbitration awards
   e. Expenditures related to major disaster or emergency declaration, and
   f. In certain circumstances, grants distributed to a special taxing district

Municipalities that increase their adopted budget expenditures over the previous fiscal year by an amount that exceeds the cap receive a reduced municipal revenue sharing grant. The reduction is equal to 50 cents for every dollar the municipality spends over the cap. However, the State may not reduce the cap by an amount proportion to the town's population increase over the previous fiscal year. The 2019-2021 biennium budget legislation does not provide for the municipal revenue sharing grant in fiscal years ending June 30, 2020 and June 30, 2021, but anticipates it will resume such funding following July 1, 2021.

20. Impact of New Accounting Standards Not Yet Effective

- GASB Statement No. 84, *Fiduciary Activities.* The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This was originally effective beginning July 1, 2019. Because of the COVID-19 pandemic, GASB delayed the effective date of this statement by one year. The Town is currently evaluating the potential impact of adopting this Statement on its financial statements.

20. Impact of New Accounting Standards Not Yet Effective (Continued)

- GASB Statement No. 87, *Leases.* The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This is effective beginning July 1, 2020. Because of the COVID-19 pandemic, GASB delayed the effective date of this statement by one and a half years. The Town is currently evaluating the potential impact of adopting this Statement on its financial statements.

- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for interest cost incurred before the end of a construction period. This is effective beginning July 1, 2020. Because of the COVID-19 pandemic, GASB delayed the effective date of this statement by one year. The Town does not expect this statement to have a material effect on its financial statements.

- GASB Statement No. 90, *Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61,* The objectives of this statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This is effective beginning July 1, 2019. Because of the COVID-19 pandemic, GASB delayed the effective date of this statement by one year. The Town does not expect this statement to have a material effect on its financial statements.

- GASB Statement No. 91, *Conduit Debt Obligations.* The objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This is effective beginning July 1, 2021. Because of the COVID-19 pandemic, GASB delayed the effective date of this statement by one year. The Town does not expect this statement to have a material effect on its financial statements.

20. Impact of New Accounting Standards Not Yet Effective (Continued)

- GASB Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics, each with a different effective date ranging from being effective on issuance to being effective for reporting periods or fiscal years beginning after June 30, 2020. Because of the COVID-19 pandemic, GASB delayed each of the effective dates of this statement by one year. The Town does not expect this statement to have a material effect on its financial statements.

- GASB Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Because of the COVID-19 pandemic, GASB delayed the effective date of this statement by one year. The Town does not expect this statement to have a material effect on its financial statements.

- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The Town does not expect this statement to have a material effect on its financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
REVENUES					
Taxes					
Current Year Tax Revenue	$65,362,355	$ -	$65,362,355	$64,778,331	$ (584,024)
Prior Year Tax Revenue	425,000	-	425,000	770,082	345,082
Supplemental Taxes	600,000	-	600,000	630,694	30,694
Interest and Fees	240,000	-	240,000	237,182	(2,818)
Telephone Tax Payment	48,000	-	48,000	43,512	(4,488)
	66,675,355	-	66,675,355	66,459,801	(215,554)
Licenses and Permits					
Land Use Licenses and Permits					
Building Permits and Fees	732,500	-	732,500	531,029	(201,471)
Planning and Zoning Permits& Fees	80,000	-	80,000	69,193	(10,807)
Fire Marshal	70,000	-	70,000	36,835	(33,165)
Health Permits and Fees	70,000	-	70,000	67,118	(2,882)
Other Licenses and Permits					
HRRA/Hauler Registration Fees	5,000	-	5,000	-	(5,000)
Public Works (Drvwy, Excav, Recycling)	1,000	-	1,000	2,485	1,485
Vendor Permits	1,600	-	1,600	200	(1,400)
	960,100	-	960,100	706,860	(253,240)
Intergovernmental Revenue					
Education Grants					
Education Cost Sharing	870,884	-	870,884	1,052,942	182,058
General Government Grants					
Grants for Municipal Projects	118,281	-	118,281	118,281	-
Municipal Stabilization Grant	272,396	-	272,396	272,396	-
Veterans Exemption	7,500	-	7,500	7,402	(98)
Disability Tax Relief	1,500	-	1,500	1,351	(149)
Judicial Fees	12,000	-	12,000	15,769	3,769
Town Aid Road	307,143	-	307,143	307,016	(127)
LOCIP	105,657	-	105,657	106,364	707
Bulletproof vest partnership	-	-	-	5,435	5,435
FEMA - Microburst	-	-	-	31,303	31,303
COVID Related Grants	-	-	-	14,347	14,347
	1,695,361	-	1,695,361	1,932,606	237,245
Charges for Services					
Town Clerk					
Marriage License Fees	1,800	-	1,800	1,804	4
Dog License Fees	1,500	-	1,500	1,006	(494)
Town Clerk Fees	19,000	-	19,000	19,158	158
Recording Fees	57,000	-	57,000	57,544	544
Copies of Land Records	19,000	-	19,000	19,802	802
Conveyance Tax	375,000	-	375,000	337,133	(37,867)
Document Charges	42,000	-	42,000	54,283	12,283
Other Charges for Services					
Senior Center Programs	23,000	-	23,000	18,607	(4,393)
Police Reports	8,000	-	8,000	10,932	2,932
Assessor Books Map and Copies	300	-	300	927	627
	546,600	-	546,600	521,196	(25,404)

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
REVENUES (Continued)					
Fines and Assessments					
Blight Fines	$ 5,000	$ -	$ 5,000	$ 183	$ (4,817)
Wetlands Fines	5,000	-	5,000	-	(5,000)
Alarm Fines	7,500	-	7,500	6,945	(555)
	17,500	-	17,500	7,128	(10,372)
Investment Income					
Interest Income	120,000	-	120,000	394,592	274,592
	120,000	-	120,000	394,592	274,592
Rents and Royalties					
Building	16,200	-	16,200	24,000	7,800
Cell Tower	22,915	-	22,915	25,108	2,193
	39,115	-	39,115	49,108	9,993
Other Revenues					
Miscellaneous Revenues	3,000	-	3,000	37,688	34,688
	3,000	-	3,000	37,688	34,688
Other Financing Sources					
Proceeds from Asset Disposition	-	-	-	10,866	10,866
	-	-	-	10,866	10,866
Total Revenues and Other Financing Sources	**70,057,031**	**-**	**70,057,031**	**70,119,845**	**62,814**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
EXPENDITURES					
GENERAL GOVERNMENT					
Selectmen					
Salaries and Wages					
Elected Officials	$ 100,346	$ 1,038	$ 101,384	$ 101,384	$ -
Board of Selectmen	8,994	1,088	10,082	10,082	-
Nonunion Wages	73,846	563	74,409	74,409	-
Other Wages	5,387	13	5,400	5,400	-
	188,573	2,702	191,275	191,275	-
Legal Retainer	60,000	-	60,000	60,000	-
Tax Litigation	25,000	(6,620)	18,380	18,380	-
Legal Fees	75,000	(38,756)	36,244	36,244	-
Codify Laws	2,250	512	2,762	2,762	-
Legal Notices/Advertising	10,760	(7,751)	3,009	3,009	-
Travel and Conferences	2,250	165	2,415	2,415	-
Office Supplies	1,500	(1,046)	454	369	85
	176,760	(53,496)	123,264	123,179	85
Total Selectmen	**365,333**	**(50,794)**	**314,539**	**314,454**	**85**
Board of Finance					
Salaries and Wages					
Seasonal/Sporadic Wages	4,556	(1,000)	3,556	2,880	676
	4,556	(1,000)	3,556	2,880	676
Purchased Professional Services	39,000	(14,500)	24,500	24,500	-
Office Supplies	300	-	300	173	127
	39,300	(14,500)	24,800	24,673	127
Total Board of Finance	**43,856**	**(15,500)**	**28,356**	**27,553**	**803**
Finance					
Salaries and Wages					
Elected Officials	12,828	99	12,927	12,927	-
Nonunion Wages	232,399	1,479	233,878	233,878	-
Union Wages	103,988	(1,144)	102,844	102,844	-
Part-Time Wages	48,476	1,110	49,586	49,586	-
Seasonal/Sporadic Wages	-	3,145	3,145	3,145	-
Overtime Wages	22,113	(5,312)	16,801	16,289	512
Other Wages	250	(250)	-	-	-
	420,054	(873)	419,181	418,669	512
Postage	250	(250)	-	-	-
Travel and Conferences	1,595	(1,469)	126	126	-
Office Supplies	2,300	(1,158)	1,142	591	551
Department Specific Supplies	2,840	(388)	2,452	1,676	776
Dues and Fees	670	-	670	315	355
	7,655	(3,265)	4,390	2,708	1,682
Total Finance	**427,709**	**(4,138)**	**423,571**	**421,377**	**2,194**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
GENERAL GOVERNMENT (Continued)					
Assessor					
Salaries and Wages					
Nonunion Wages	$ 95,052	$ 363	$ 95,415	$ 95,414	$ 1
Union Wages	149,269	250	149,519	149,466	53
Overtime Wages	4,989	(2,500)	2,489	2,365	124
Other Pay	-	250	250	250	-
	249,310	(1,637)	247,673	247,495	178
Department Specific Outside Services	27,450	(6,154)	21,296	18,189	3,107
Dues and Fees	825	-	825	820	5
Postage	954	49	1,003	1,003	-
Legal Notices/Advertising	200	54	254	254	-
Forms and Printing	1,172	(49)	1,123	1,080	43
Travel and Conferences	2,400	(1,724)	676	676	-
Office Supplies	800	-	800	793	7
Software	25,648	-	25,648	25,092	556
	59,449	(7,824)	51,625	47,907	3,718
Total Assessor	**308,759**	**(9,461)**	**299,298**	**295,402**	**3,896**
Board of Assessment Appeals					
Salaries and Wages					
Seasonal/Sporadic Wages	1,517	(932)	585	585	-
	1,517	(932)	585	585	-
Legal Notices/Advertising	350	(27)	323	323	-
Travel and Conferences	150	(150)	-	-	-
Office Supplies	25	(25)	-	-	-
	525	(202)	323	323	-
Total Board of Assessment Appeals	**2,042**	**(1,134)**	**908**	**908**	**-**
Tax Collector					
Salaries and Wages					
Nonunion Wages	83,434	-	83,434	83,434	-
Union Wages	107,656	411	108,067	108,067	-
Seasonal/Sporadic Wages	4,613	97	4,710	4,710	-
Overtime Wages	792	(249)	543	543	-
Other Pay	-	250	250	250	-
	196,495	509	197,004	197,004	-
Department Specific Outside Services	2,250	(182)	2,068	2,052	16
Dues and Fees	200	(100)	100	100	-
Postage	20,473	(1,569)	18,904	18,904	-
Legal Notices/Advertising	2,790	-	2,790	2,659	131
Forms and Printing	6,300	186	6,486	6,486	-
Travel and Conferences	1,409	(1,041)	368	368	-
Office Supplies	3,000	(2,149)	851	851	-
Department Specific Supplies	2,130	(1,350)	780	780	-
Software	10,462	(165)	10,297	10,297	-
	49,014	(6,370)	42,644	42,497	147
Total Tax Collector	**245,509**	**(5,861)**	**239,648**	**239,501**	**147**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
GENERAL GOVERNMENT (Continued)					
Personnel					
Salaries and Wages					
Nonunion Wages	$ 146,880	$ 386	$ 147,266	$ 147,266	$ -
Overtime Wages	-	348	348	348	-
	146,880	734	147,614	147,614	-
Purchased Professional Services	130,900	19,534	150,434	141,119	9,315
Department Specific Outside Services	16,260	(8,962)	7,298	7,298	-
Forms and Printing	540	(540)	-	-	-
Travel and Conferences	150	(24)	126	126	-
Office Supplies	2,400	(250)	2,150	2,030	120
Dues and Fees	533	693	1,226	1,226	-
	150,783	10,451	161,234	151,799	9,435
Total Personnel	**297,663**	**11,185**	**308,848**	**299,413**	**9,435**
Information Technology					
Salaries and Wages					
Nonunion Wages	158,761	30	158,791	158,746	45
Seasonal/Sporadic Wages	5,000	(1,200)	3,800	3,414	386
	163,761	(1,170)	162,591	162,160	431
Department Specific Outside Services	2,500	-	2,500	1,925	575
Equip. Maint. and Repair	10,931	-	10,931	10,615	316
Communications	54,847	728	55,575	55,575	-
Travel and Conferences	2,465	(2,158)	307	307	-
Office Supplies	4,781	(1,432)	3,349	2,758	591
Department Specific Supplies	14,300	(9,441)	4,859	4,859	-
Software	57,153	(3,287)	53,866	52,983	883
Dues and Fees	100	-	100	-	100
	147,077	(15,590)	131,487	129,022	2,465
Total Information Technology	**310,838**	**(16,760)**	**294,078**	**291,182**	**2,896**
Town Clerk					
Salaries and Wages					
Elected Officials	76,496	-	76,496	76,496	-
Union Wages	103,988	-	103,988	103,988	-
Part-Time Wages	23,915	(90)	23,825	22,478	1,347
Seasonal/Sporadic Wages	913	-	913	-	913
Overtime	-	85	85	85	-
Other Pay	-	250	250	250	-
	205,312	245	205,557	203,297	2,260
Purchased Professional Services	3,400	71	3,471	3,471	-
Department Specific Outside Services	300	(136)	164	136	28
Legal Notices/Advertising	4,000	(1,400)	2,600	2,596	4
Forms and Printing	1,300	(335)	965	695	270
Travel and Conferences	1,650	(1,275)	375	375	-
Office Supplies	2,100	(756)	1,344	794	550
Department Specific Supplies	4,117	65	4,182	4,182	-
Software	11,365	5	11,370	11,370	-
Dues and Fees	365	85	450	270	180
	28,597	(3,676)	24,921	23,889	1,032
Total Town Clerk	**233,909**	**(3,431)**	**230,478**	**227,186**	**3,292**

(Continued)

See Independent Auditors' Report

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
GENERAL GOVERNMENT (Continued)					
Registrar of Voters					
Salaries and Wages					
Elected Officials	$ 27,661	$ (11)	$ 27,650	$ 27,650	$ -
Seasonal/Sporadic Wages	53,947	(36,778)	17,169	17,169	-
	81,608	(36,789)	44,819	44,819	-
Department Specific Outside Services	6,000	(4,668)	1,332	1,332	-
Equip. Maint. and Repair	1,500	7,770	9,270	9,270	-
Legal Notices/Advertising	250	522	772	772	-
Forms and Printing	15,925	(12,065)	3,860	3,860	-
Travel and Conferences	3,778	(3,618)	160	160	-
Office Supplies	1,187	(442)	745	745	-
Department Specific Supplies	2,400	(828)	1,572	1,572	-
Software	1,000	(1,000)	-	-	-
Dues and Fees	150	10	160	160	-
	32,190	(14,319)	17,871	17,871	-
Total Registrar of Voters	**113,798**	**(51,108)**	**62,690**	**62,690**	**-**
Land Use - Planning					
Salaries and Wages					
Nonunion Wages	144,924	-	144,924	144,924	-
Union Wages	97,275	-	97,275	97,271	4
Seasonal/Sporadic Wages	7,179	15,000	22,179	21,103	1,076
Other Pay	-	300	300	300	-
	249,378	15,300	264,678	263,598	1,080
Department Specific Outside Services	4,670	-	4,670	-	4,670
Communications	3,295	-	3,295	2,913	382
Legal Notices/Advertising	21,900	(7,000)	14,900	14,880	20
Travel and Conferences	990	(600)	390	390	-
Office Supplies	4,900	(1,913)	2,987	1,922	1,065
Department Specific Supplies	1,282	-	1,282	1,190	92
Software	37,500	-	37,500	26,123	11,377
Dues and Fees	3,360	-	3,360	2,945	415
	77,897	(9,513)	68,384	50,363	18,021
Total Land Use - Planning	**327,275**	**5,787**	**333,062**	**313,961**	**19,101**
Land Use - Building					
Salaries and Wages					
Nonunion Wages	170,116	-	170,116	170,116	-
Union Wages	48,638	-	48,638	48,638	-
	218,754	-	218,754	218,754	-
Department Specific Outside Services	10,000	(10,000)	-	-	-
Forms and Printing	1,000	-	1,000	175	825
Travel and Conferences	920	(920)	-	-	-
Office Supplies	2,500	(778)	1,722	1,253	469
Department Specific Supplies	2,000	-	2,000	253	1,747
Dues and Fees	200	-	200	90	110
	16,620	(11,698)	4,922	1,771	3,151
Total Land Use - Building	**235,374**	**(11,698)**	**223,676**	**220,525**	**3,151**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
GENERAL GOVERNMENT (Continued)					
Property Insurance					
Municipal Package	$ 266,399	$ 638	$ 267,037	$ 266,961	$ 76
Total Property Insurance	**266,399**	**638**	**267,037**	**266,961**	**76**
Conservation Commission					
Salaries and Wages					
Seasonal/Sporadic Wages	1,064	-	1,064	469	595
	1,064	-	1,064	469	595
Department Specific Outside Services	19,832	(7,200)	12,632	11,476	1,156
Legal Notices/Advertising	430	-	430	175	255
Travel and Conferences	180	(180)	-	-	-
Office Supplies	550	(350)	200	-	200
Dues and Fees	60	350	410	110	300
	21,052	(7,380)	13,672	11,761	1,911
Total Conservation Commission	**22,116**	**(7,380)**	**14,736**	**12,230**	**2,506**
Economic Development Commission					
Salaries and Wages					
Seasonal/Sporadic Wages	679	-	679	501	178
	679	-	679	501	178
Department Specific Outside Services	700	-	700	397	303
Office Supplies	120	(50)	70	17	53
Department Specific Supplies	460	-	460	416	44
Dues and Fees	425	-	425	162	263
	1,705	(50)	1,655	992	663
Total Economic Development Comm.	**2,384**	**(50)**	**2,334**	**1,493**	**841**
Community Development					
Salaries and Wages					
Nonunion Wages	56,809	9,103	65,912	65,912	-
Less: Wages Posted Directly to Projects	-	(2,400)	(2,400)	(10,824)	8,424
	56,809	6,703	63,512	55,088	8,424
Department Specific Outside Services	1,100	-	1,100	1,073	27
Legal Notices/Advertising	1,150	(1,000)	150	-	150
Forms and Printing	200	200	400	306	94
Travel and Conferences	3,125	(2,731)	394	393	1
Office Supplies	595	(188)	407	219	188
Department Specific Supplies	1,428	(200)	1,228	985	243
Dues and Fees	2,305	(1,000)	1,305	1,203	102
	9,903	(4,919)	4,984	4,179	805
Total Community Development	**66,712**	**1,784**	**68,496**	**59,267**	**9,229**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
GENERAL GOVERNMENT (Continued)					
Regional Memberships/Services					
CCM Dues	$ 10,122	$ -	$ 10,122	$ 10,122	$ -
Lake Lilinoah Authority	25,909	-	25,909	25,909	-
Western Council of Governments	9,786	-	9,786	9,786	-
Candlewood Lake Authority	81,900	2,375	84,275	84,275	-
Brookfield Veterans	5,775	(5,012)	763	-	763
Regional Animal Control	96,653	3,911	100,564	100,564	-
Regional Probate Court	9,800	-	9,800	9,800	-
Sweethart Senior Trans.	78,515	12	78,527	78,527	-
HART	30,486	-	30,486	30,486	-
Council of Small Towns	1,025	-	1,025	1,025	-
Total Regional Memberships/Services	**349,971**	**1,286**	**351,257**	**350,494**	**763**
Blight Commission					
Salaries and Wages					
Seasonal/Sporadic Wages	-	53	53	53	-
	-	53	53	53	-
Legal Fees	-	947	947	784	163
Repairs and Maintenance	-	200	200	183	17
Legal Notices/Advertising	-	300	300	159	141
	-	1,447	1,447	1,126	321
Total Blight Commission	**-**	**1,500**	**1,500**	**1,179**	**321**
Employee Benefits					
FICA and Medicare Tax	680,442	(45,604)	634,838	630,995	3,843
Unemployment	1,000	30,640	31,640	28,427	3,213
Workers' Compensation	301,157	(18,500)	282,657	282,599	58
Health Insurance	2,084,584	(99,314)	1,985,270	1,981,918	3,352
Life Ins/Disability/Medicare Ins	557,122	(167,148)	389,974	383,748	6,226
OPEB Contribution	200,000	(200,000)	-	-	-
Pension Contribution	840,470	-	840,470	840,470	-
Total Employee Benefits	**4,664,775**	**(499,926)**	**4,164,849**	**4,148,157**	**16,692**
TOTAL GENERAL GOVERNMENT	**8,284,422**	**(655,061)**	**7,629,361**	**7,553,933**	**75,428**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
PUBLIC SAFETY					
Police					
Salaries and Wages					
Nonunion Wages	$ 331,355	$ 1,713	$ 333,068	$ 332,856	$ 212
Union Wages - Police	2,584,235	(60,000)	2,524,235	2,520,576	3,659
Union Wages - Clerical	108,738	-	108,738	108,738	-
Union Wages - Dispatchers	437,005	(2,913)	434,092	429,258	4,834
Specialty Pay	68,483	-	68,483	67,417	1,066
Holiday Wages	150,354	(14,981)	135,373	135,373	-
Overtime Wages	208,009	(40,000)	168,009	143,174	24,835
Wages While Training	87,405	(4,543)	82,862	61,785	21,077
Traffic Services - Town Portion	2,850	(2,850)	-	-	-
	3,978,434	(123,574)	3,854,860	3,799,177	55,683
Recruiting	18,625	(17,333)	1,292	1,292	-
Teleprocessing	7,400	-	7,400	6,758	642
Abandoned Vehicles	880	-	880	112	768
Memberships and Dues	7,460	-	7,460	6,552	908
Maintenance - Buildings	34,067	-	34,067	26,953	7,114
Safety equipment	6,125	-	6,125	6,111	14
Maintenance - Vehicles	39,163	-	39,163	30,449	8,714
Maintenance - Equipment	80,464	-	80,464	77,373	3,091
Communications	96,520	-	96,520	78,763	17,757
Legal Notices/Advertising	650	(650)	-	-	-
Office Supplies	13,940	-	13,940	9,482	4,458
Uniforms	73,040	-	73,040	54,705	18,335
Prisoner Maintenance	1,485	1,200	2,685	2,380	305
Equipment	31,294	-	31,294	28,159	3,135
Photo ID	1,023	-	1,023	101	922
Department Specific Supplies	9,365	-	9,365	5,897	3,468
Travel/cont. ed/dues/training supplies	47,983	(16,768)	31,215	31,215	-
	469,484	(33,551)	435,933	366,302	69,631
Contingency	(45,000)	45,000	-	-	-
Total Police	**4,402,918**	**(112,125)**	**4,290,793**	**4,165,479**	**125,314**
Fire - Center Department					
Annual Allocation	347,635	-	347,635	347,635	-
	347,635	**-**	**347,635**	**347,635**	**-**
Fire - Candlewood Department					
Annual Allocation	164,155	-	164,155	164,155	-
	164,155	**-**	**164,155**	**164,155**	**-**
Fire - Combined Expenses					
VFF Stipends	100,500	(1,500)	99,000	99,000	-
VFF Service Awards Program	40,000	2,490	42,490	42,490	-
	140,500	**990**	**141,490**	**141,490**	**-**
Emergency Medical Services					
Annual Allocation	329,567	-	329,567	329,567	-
	329,567	**-**	**329,567**	**329,567**	**-**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
PUBLIC SAFETY (Continued)					
Fire Marshal					
Salaries and Wages					
Nonunion Wages	$ 135,140	$ (3,783)	$ 131,357	$ 127,481	$ 3,876
Union Wages	24,319	-	24,319	24,319	-
Part-Time Wages	9,668	-	9,668	2,525	7,143
	169,127	(3,783)	165,344	154,325	11,019
Department Specific Outside Services	4,000	-	4,000	-	4,000
Communications	1,200	-	1,200	1,025	175
Forms and Printing	1,500	-	1,500	276	1,224
Travel and Conferences	3,600	(3,322)	278	278	-
Office Supplies	1,600	(523)	1,077	955	122
Department Specific Supplies	8,000	-	8,000	2,741	5,259
Dues and Fees	720	-	720	200	520
	20,620	(3,845)	16,775	5,475	11,300
Total Fire Marshal	**189,747**	**(7,628)**	**182,119**	**159,800**	**22,319**
Civil Defense					
Homeland Security/COVID Costs	5,000	215,000	220,000	194,265	25,735
Total Civil Defense	**5,000**	**215,000**	**220,000**	**194,265**	**25,735**
TOTAL PUBLIC SAFETY	**5,579,522**	**96,237**	**5,675,759**	**5,502,391**	**173,368**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
PUBLIC WORKS					
Highway Department					
Salaries and Wages					
Nonunion Wages	$ 184,060	$ 1,405	$ 185,465	$ 185,381	$ 84
Union Wages	775,897	10,365	786,262	785,232	1,030
Part-Time Wages	12,241	3	12,244	12,244	-
Seasonal/Sporadic Wages	16,147	-	16,147	1,655	14,492
Overtime Wages	48,754	9,384	58,138	56,626	1,512
	1,037,099	21,157	1,058,256	1,041,138	17,118
Sand and salt	240,600	(111,918)	128,682	128,682	-
Maintenance - Roads	274,500	589	275,089	275,089	-
Tree Removal	75,000	-	75,000	72,733	2,267
Safety Equipment	1,000	2,000	3,000	2,220	780
Hand tools - Contract	1,000	-	1,000	1,000	-
Maintenance - Equipment	153,200	(12,751)	140,449	136,343	4,106
Storm Water Testing	10,400	-	10,400	9,050	1,350
Communications	4,800	125	4,925	4,925	-
Uniforms - Contract	8,320	-	8,320	7,699	621
Vehicle Fuel	155,250	(28,367)	126,883	126,883	-
	924,070	(150,322)	773,748	764,624	9,124
Total Highway Department	**1,961,169**	**(129,165)**	**1,832,004**	**1,805,762**	**26,242**
Facilities					
Salaries and Wages					
Nonunion Wages	70,931	-	70,931	70,848	83
Union Wages	128,152	380	128,532	128,394	138
Part-Time Wages	27,300	507	27,807	27,807	-
Overtime Wages	463	658	1,121	1,121	-
Other Pay	-	250	250	250	-
	226,846	1,795	228,641	228,420	221
Maintenance - Building	67,871	32,293	100,164	90,790	9,374
Maintenance - Facilities	15,672	-	15,672	15,078	594
Supplies	42,650	(3,288)	39,362	35,706	3,656
Safety and Security	10,000	-	10,000	9,815	185
	136,193	29,005	165,198	151,389	13,809
Total Facilities	**363,039**	**30,800**	**393,839**	**379,809**	**14,030**
Recycling					
Salaries and Wages					
Part-Time Wages	800	-	800	360	440
Overtime Wages	6,734	-	6,734	5,944	790
	7,534	-	7,534	6,304	1,230
Recycling/Refuse	40,800	-	40,800	38,099	2,701
Hazardous Waste	8,950	9,741	18,691	16,946	1,745
	49,750	9,741	59,491	55,045	4,446
Total Recycling	**57,284**	**9,741**	**67,025**	**61,349**	**5,676**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
PUBLIC WORKS (Continued)					
Utilities					
Electric	$ 167,796	$ (30,000)	$ 137,796	$ 131,216	$ 6,580
Sewer Use	3,577	-	3,577	3,395	182
Sewer Assessment	31,133	-	31,133	30,836	297
Street Lighting	29,705	125	29,830	29,830	-
Postage	29,982	(4,000)	25,982	24,116	1,866
Fuel Oil for Heating	45,940	(575)	45,365	38,122	7,243
Propane	-	450	450	450	-
Water	8,318	-	8,318	6,847	1,471
Hydrants	76,783	(4,000)	72,783	71,562	1,221
Total Utilities	**393,234**	**(38,000)**	**355,234**	**336,374**	**18,860**
TOTAL PUBLIC WORKS	**2,774,726**	**(126,624)**	**2,648,102**	**2,583,294**	**64,808**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
HEALTH AND WELFARE					
Health Department					
Salaries and Wages					
Nonunion Wages	$ 131,395	$ 1	$ 131,396	$ 131,396	$ -
Union Wages	24,319	-	24,319	24,319	-
Part-Time Wages	63,811	1,284	65,095	65,095	-
	219,525	1,285	220,810	220,810	-
Department Specific Outside Services	860	247	1,107	1,107	-
Forms and Printing	500	(66)	434	434	-
Travel and Conferences	1,079	(567)	512	512	-
Department Specific Supplies	400	430	830	830	-
Software	3,588	-	3,588	3,588	-
Dues and Fees	1,320	(22)	1,298	1,298	-
	7,747	22	7,769	7,769	-
Total Health Department	**227,272**	**1,307**	**228,579**	**228,579**	**-**
Senior Center					
Salaries and Wages					
Nonunion Wages	126,357	794	127,151	127,150	1
	126,357	794	127,151	127,150	1
Department Specific Outside Services	43,045	(794)	42,251	30,348	11,903
Equip. Maint. and Repair	2,500	-	2,500	202	2,298
Communications	1,044	150	1,194	949	245
Forms and Printing	800	(150)	650	-	650
Travel and Conferences	416	(416)	-	-	-
Office Supplies	1,520	(379)	1,141	972	169
Software	1,680	75	1,755	1,755	-
Dues and Fees	2,065	(75)	1,990	1,431	559
	53,070	(1,589)	51,481	35,657	15,824
Total Senior Center	**179,427**	**(795)**	**178,632**	**162,807**	**15,825**
Social Services					
Salaries and Wages					
Nonunion Wages	64,634	248	64,882	64,882	-
Part-Time Wages	7,323	(247)	7,076	5,898	1,178
	71,957	1	71,958	70,780	1,178
Department Specific Outside Services	250	-	250	-	250
Communications	624	3	627	627	-
Travel and Conferences	555	(530)	25	25	-
Office Supplies	640	(144)	496	360	136
Software	350	-	350	324	26
Dues and Fees	180		180	160	20
	2,599	(671)	1,928	1,496	432
Total Social Services	**74,556**	**(670)**	**73,886**	**72,276**	**1,610**
Regional Social Services					
Ability Beyond Disability	3,000	-	3,000	3,000	-
Women's Center	3,000	-	3,000	3,000	-
Hospice	3,000	-	3,000	3,000	-
Brookfield Cares	3,000	-	3,000	3,000	-
NW Regional Mental Health	1,850	-	1,850	1,850	-
Total Regional Social Services	**13,850**	**-**	**13,850**	**13,850**	**-**
TOTAL HEALTH AND WELFARE	**495,105**	**(158)**	**494,947**	**477,512**	**17,435**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
CULTURE AND RECREATION					
Library					
Salaries and Wages					
Nonunion Wages	$ 412,306	$ (1,500)	$ 410,806	$ 409,576	$ 1,230
Part-Time Wages	168,526	1,204	169,730	165,269	4,461
Social Security	46,644	(1,600)	45,044	42,892	2,152
	627,476	(1,896)	625,580	617,737	7,843
Department Specific Outside Services	7,300	99	7,399	7,399	-
Maintenance and Utilities	15,230	(2,286)	12,944	12,295	649
Facility Maint. and Repair	15,408	8,000	23,408	21,330	2,078
Equip. Maint. and Repair	9,000	14,600	23,600	21,189	2,411
Communications	6,180	400	6,580	6,575	5
Postage	1,000	(749)	251	250	1
Legal Notices/Advertising	500	100	600	600	-
Forms and Printing	500	36	536	536	-
Travel and Conferences	2,500	(828)	1,672	1,672	-
Office Supplies	4,850	2,005	6,855	5,894	961
Department Specific Supplies	82,000	-	82,000	80,801	1,199
Software	47,442	-	47,442	46,392	1,050
Dues and Fees	3,205	(877)	2,328	1,947	381
	195,115	20,500	215,615	206,880	8,735
Total Library	**822,591**	**18,604**	**841,195**	**824,617**	**16,578**
Recreation					
Salaries and Wages					
Nonunion Wages	154,726	645	155,371	155,371	-
Union Wages	48,638	187	48,825	48,825	-
Seasonal/Sporadic Wages	1,132	-	1,132	272	860
Overtime Wages	530	-	530	184	346
	205,026	832	205,858	204,652	1,206
Department Specific Outside Services	4,700	-	4,700	3,355	1,345
Equip. Maint. and Repair	7,900	-	7,900	7,652	248
Communications	4,464	299	4,763	4,763	-
Travel and Conferences	1,500	(870)	630	630	-
Office Supplies	2,000	(716)	1,284	995	289
Department Specific Supplies	813	1,510	2,323	1,578	745
Software	2,750	250	3,000	3,000	-
Dues and Fees	1,225	(595)	630	630	-
	25,352	(122)	25,230	22,603	2,627
Total Recreation	**230,378**	**710**	**231,088**	**227,255**	**3,833**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
CULTURE AND RECREATION (Continued)					
Park/Grounds					
Salaries and Wages					
Nonunion Wages	$ 65,977	$ 509	$ 66,486	$ 66,187	$ 299
Union Wages	163,153	-	163,153	138,808	24,345
Seasonal/Sporadic Wages	51,496	-	51,496	50,359	1,137
Overtime Wages	27,876	2,978	30,854	30,854	-
Other Wages	700	-	700	700	-
	309,202	3,487	312,689	286,908	25,781
Department Specific Outside Services	204,700	(14,095)	190,605	159,413	31,192
Equip. Maint. and Repair	35,950	247	36,197	36,197	-
Department Specific Supplies	101,450	8,000	109,450	95,625	13,825
	342,100	(5,848)	336,252	291,235	45,017
Total Parks/Grounds	**651,302**	**(2,361)**	**648,941**	**578,143**	**70,798**
Historical Commission					
Salaries and Wages					
Seasonal/Sporadic Wages	623	-	623	368	255
	623	-	623	368	255
Cemetery Maintenance	1,000	-	1,000	820	180
Legal Notices/Advertising	-	115	115	115	-
Travel and Conferences	500	(500)	-	-	-
Department Specific Supplies	250	-	250	-	250
	1,750	(385)	1,365	935	430
Total Historical Commission	**2,373**	**(385)**	**1,988**	**1,303**	**685**
Arts Commission					
Department Specific Outside Services	3,500	(2,000)	1,500	1,221	279
Total Arts Commission	**3,500**	**(2,000)**	**1,500**	**1,221**	**279**
TOTAL CULTURE AND RECREATION	**1,710,144**	**14,568**	**1,724,712**	**1,632,539**	**92,173**
TOTAL GENERAL GOVERNMENT OPERATING	**18,843,919**	**(671,038)**	**18,172,881**	**17,749,669**	**423,212**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
BOARD OF EDUCATION					
Education Expenditures					
Salaries and Wages					
Administrators	$ 2,956,557	$ -	$ 2,956,557	$ 2,959,156	$ (2,599)
Team/Curriculum Leaders	42,807	3,988	46,795	51,945	(5,150)
Teachers' Salaries	18,654,141	-	18,654,141	18,379,240	274,901
Teacher Turnover Savings	(120,000)	-	(120,000)	-	(120,000)
Paraprofessionals	1,214,098	-	1,214,098	1,243,994	(29,896)
Tutors	35,532	25,490	61,022	68,973	(7,951)
Substitutes	350,000	-	350,000	379,854	(29,854)
Clerical/Computer Technicians	1,907,252	11,000	1,918,252	1,942,094	(23,842)
Nurses	357,204	46,683	403,887	375,637	28,250
Custodians	944,005	-	944,005	874,749	69,256
Maintenance	224,929	-	224,929	207,062	17,867
Monitors	106,094	-	106,094	108,245	(2,151)
Coaches	372,526	-	372,526	297,809	74,717
Currier / Messenger	11,585	-	11,585	11,674	(89)
Extended Duty	240,155	(14,988)	225,167	150,708	74,459
Student Safety	43,709	-	43,709	46,556	(2,847)
Overtime	61,000	-	61,000	38,544	22,456
Occupational/Physical Therapy	284,699	-	284,699	279,338	5,361
Total Salaries and Wages	**27,686,293**	**72,173**	**27,758,466**	**27,415,578**	**342,888**
Employee Benefits					
Group Insurance	72,000	-	72,000	73,465	(1,465)
Social Security	703,591	-	703,591	706,727	(3,136)
Pension Contribution	412,134	-	412,134	415,321	(3,187)
Education Programs	4,000	-	4,000	-	4,000
Unemployment	15,000	-	15,000	62,007	(47,007)
Workers Compensation	227,456	-	227,456	206,222	21,234
Health Insurance	5,737,073	17,000	5,754,073	5,795,283	(41,210)
Disability Insurance	160,000	-	160,000	177,162	(17,162)
Total Employee Benefits	**7,331,254**	**17,000**	**7,348,254**	**7,436,187**	**(87,933)**
Purchased Professional Services					
Legal Fees	145,000	-	145,000	210,184	(65,184)
Professional Educational	191,321	-	191,321	121,232	70,089
Other Professional Services	942,813	(4,683)	938,130	1,196,460	(258,330)
Technical Services	39,000	-	39,000	32,575	6,425
Total Purchased Professional Svs	**1,318,134**	**(4,683)**	**1,313,451**	**1,560,451**	**(247,000)**
Purchased Property Services					
Maintenance and Utilities	94,734	-	94,734	35,296	59,438
Building and Maintenance	195,000	-	195,000	116,692	78,308
Lease/Rent	41,219	-	41,219	34,169	7,050
Lease/Copier	144,200	-	144,200	116,989	27,211
Total Purchased Property Services	**475,153**	**-**	**475,153**	**303,146**	**172,007**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
BOARD OF EDUCATION (Continued)					
Transportation					
Pupil Transportation	$ 2,229,422	$ -	$ 2,229,422	$ 1,841,978	$ 387,444
Transportation - Sp Educ - In Town	64,862	-	64,862	126,959	(62,097)
Transportation - Sp Educ - Out of Town	797,742	-	797,742	593,504	204,238
Transportation - Athletics	125,899	-	125,899	75,666	50,233
Transportation - Field Trips	27,300	-	27,300	10,722	16,578
Total Transportation	**3,245,225**	**-**	**3,245,225**	**2,648,829**	**596,396**
Purchased Other Services					
Property Liability Insurance	223,500	-	223,500	231,594	(8,094)
Communications - Telephone	94,000	-	94,000	93,655	345
Postage	35,800	-	35,800	13,611	22,189
Communications - Data Line	67,000	-	67,000	62,426	4,574
Forms and Printing	5,100	-	5,100	879	4,221
Tuition - Vocational/Agric.	65,000	-	65,000	81,874	(16,874)
Magnet School Tuition	86,000	-	86,000	86,000	-
Special Education Tuition	1,705,500	-	1,705,500	2,171,036	(465,536)
Travel and Conferences	19,973	-	19,973	13,249	6,724
Total Purchased Other Services	**2,301,873**	**-**	**2,301,873**	**2,754,324**	**(452,451)**
Supplies					
Office Supplies	25,427	-	25,427	10,922	14,505
Instructional Supplies	511,035	-	511,035	418,640	92,395
Custodial Supplies	77,500	-	77,500	83,200	(5,700)
Maintenance Supplies	20,000	-	20,000	26,685	(6,685)
Transportation Fuel	163,250	-	163,250	114,622	48,628
Electric Charges	575,000	-	575,000	532,950	42,050
Fuel Oil	256,250	-	256,250	241,496	14,754
Propane	6,000	-	6,000	4,906	1,094
Other Supplies	151,107	-	151,107	81,123	69,984
Water Charges	79,000	-	79,000	75,046	3,954
Refuse Charges	36,000	-	36,000	31,996	4,004
Books and Periodicals	19,623	-	19,623	16,856	2,767
Textbooks	182,254	-	182,254	126,933	55,321
Library Books	47,131	-	47,131	41,456	5,675
Total Supplies	**2,149,577**	**-**	**2,149,577**	**1,806,831**	**342,746**
Capital Assets					
Furniture and Fixtures	18,985	-	18,985	19,251	(266)
Instructional Equipment - New	38,200	-	38,200	42,761	(4,561)
Instructional Equipment - Replacement	39,549	-	39,549	25,356	14,193
Other Equipment	408,229	-	408,229	401,396	6,833
Total Capital Assets	**504,963**	**-**	**504,963**	**488,764**	**16,199**
Miscellaneous					
Due and Fees	88,448	-	88,448	66,664	21,784
Total Miscellaneous	**88,448**	**-**	**88,448**	**66,664**	**21,784**
Total Education Expenditures	**45,100,920**	**84,490**	**45,185,410**	**44,480,774**	**704,636**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
BOARD OF EDUCATION (Continued)					
Less: Education Revenues					
Medicaid Reimbursement	$ 75,000	$ -	$ 75,000	$ 24,946	$ (50,054)
Special Ed Excess Cost	740,000	-	740,000	633,260	(106,740)
Health Services Grant	9,500	-	9,500	9,693	193
Team Mentor Reimb	16,000	-	16,000	5,401	(10,599)
Magnet School Transportation	29,000	-	29,000	31,973	2,973
Adult Education Grant	3,600	-	3,600	4,590	990
Pre-Kindergarten Tuition	46,000	-	46,000	57,848	11,848
Building Use Revenues	20,000	-	20,000	22,059	2,059
Universal Services Fund E-Rate	65,128	-	65,128	45,914	(19,214)
Chromebook Revenues	25,000	-	25,000	44,480	19,480
Nonlapsing Fund	65,000	-	65,000	65,000	-
Transfer In from Cafeteria Fund	-	-	-	30,000	30,000
Transfer In from Student Activity Fund	-	-	-	52,809	52,809
Total Education Revenues	**1,094,228**	**-**	**1,094,228**	**1,027,973**	**(66,255)**
NET EDUCATION EXPENDITURES	**44,006,692**	**84,490**	**44,091,182**	**43,452,801**	**638,381**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
DEBT SERVICE					
Bond Interest	$ 1,557,961	$ (51,550)	$ 1,506,411	$ 1,506,411	$ -
Short-Term financing (P&I)	93,462	(15,615)	77,847	77,847	-
BAN Interest	57,300	(159)	57,141	57,141	-
Bonds Principal	3,430,000	-	3,430,000	3,430,000	-
Financing costs	73,550	(37,911)	35,639	35,639	-
TOTAL DEBT SERVICE	**5,212,273**	**(105,235)**	**5,107,038**	**5,107,038**	**-**
CAPITAL OUTLAY/OTHER					
Transfer to CNR Fund	1,813,925	872,005	2,685,930	2,685,930	-
Contingency	50,000	(50,000)	-	-	-
Teacher's Retirement Contribution	130,222	(130,222)	-	-	-
TOTAL CAPITAL OUTLAY/OTHER	**1,994,147**	**691,783**	**2,685,930**	**2,685,930**	**-**
Total Expenditures and Other Financing Uses	**70,057,031**	**-**	**70,057,031**	**68,995,438**	**1,061,593**
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources/ Uses - Budgetary Basis	**$ -**	**$ -**	**$ -**	**$ 1,124,407**	**$ 1,124,407**

(Continued)

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
Year Ended June 30, 2020

	Budgeted Amounts				
	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources/ Uses - Budgetary Basis				**$ 1,124,407**	
Adjustments to Generally Accepted Accounting Principles (GAAP):					
Payments On-Behalf of the Town Not Recorded on a Budgetary Basis:					
Intergovernmental Revenues from Teachers' Retirement System for Pensions Paid				6,302,897	
Education Expenditures for Teachers' Retirement System for Pensions Paid				(6,302,897)	
Intergovovernmental Revenues from Teachers' Retirement System for Retiree Health Care				172,263	
Education Expenditures for Teachers' Retirement System for Retiree Health Care Benefits				(172,263)	
Other Education Revenues Net in the Education Budget					
Excess Cost Grant				633,260	
Health Services Grant				9,693	
Team Mentor Grant				5,401	
Magnet School Transportation				31,973	
Adult Education Grant				4,590	
Preschool Tuition				57,848	
Education Expenditures				(742,765)	
Nonlapsing Fund (budget adjustment, not a revenue)				(65,000)	
Transfers Reported Net in the Education Budget					
Transfer in from Cafeteria Fund				(30,000)	
Transfer in from Student Activity Fund				(52,809)	
Transfer in				30,000	
Transfer in				52,809	
Encumbrances recorded on Budget Basis, but not on the Modified Accrual Basis:					
Current year general government				8,070	
Current year education encumbrances				44,905	
Previous year general government encumbrances				(3,918)	
Previous year education encumbrances				(61,942)	
Bond Transactions					
Proceeds from Long Term Debt - Refunding Bonds				3,292,000	
Premium on Long Term Debt - Refunding Bonds				465,456	
Bond costs				(77,977)	
Net Proceeds from Refunding Bonds				(3,093)	
Payment to refunded bond escrow agent				(3,676,386)	
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses - GAAP Basis (Exhibit 4)				$ 1,046,522	

(Continued)

See Independent Auditors' Report

Notes to Required Supplementary Information:

A formal, legally approved annual budget is adopted for the General Fund. This budget is adopted on a basis consistent with generally accepted accounting principles (modified accrual basi) with the following

- Teachers' Retirement - The town does not recognize, as income or expenditures, payments made for teacheers' retirement and OPEB by the State of Connecticut under a special funding situation in its budget. GASB requires that the employer government recognize payments for salaries and fringe

- Board of Education Revenues Net With Board of Education Expenditures - The Board of Education nets certain Revenues with their Expenditures in the budget.

- Long-Term Debt and Lease Financing - Revenues and Expenditures from refunding or renewing Long-Term Debt or issuing Lease Financing are included in the budget as the Net Revenues or

- Encumbrances - Unless committed through a formal encumbrance (e.g., purchase orders, signed contracts), all annual appropriations lapse at fiscal year-end. Encumbrances outstanding at year end

The Board of Education expenditures are shown in the above schedule allocated based on the major categories of spending. However, the legal level of control is with the total Board of Education

Town of Brookfield, Connecticut

Required Supplementary Information
The Funded Retirement Plan of the Town of Brookfield
Last 7 Years

Schedule of Changes in Net Pension Liability and Related Ratios	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total Pension Liability							
Service cost	$ 1,384,015	$ 1,252,986	$ 1,187,471	$ 1,103,550	$1,041,005	$1,010,684	$ 979,892
Interest on total pension liability	3,616,435	3,433,557	3,300,793	3,157,723	2,885,710	2,775,281	2,643,325
Differences between expected and actual experience	(555,976)	579,534	(351,115)	97,033	785,133	(391,125)	-
Effect of assumption changes or inputs	634,746	(302,729)	-	(243,228)	1,196,346	-	-
Benefit payments, including refunds of member contributions	(2,351,303)	(2,212,638)	(2,109,243)	(1,890,040)	(1,685,066)	(1,766,161)	(1,486,080)
Net change in total pension liability	2,727,917	2,750,710	2,027,906	2,225,038	4,223,128	1,628,679	2,137,137
Total pension liability, beginning	55,410,592	52,659,882	50,631,976	48,406,938	44,183,810	42,555,131	40,417,994
Total pension liability, ending	58,138,509	55,410,592	52,659,882	50,631,976	48,406,938	44,183,810	42,555,131
Fiduciary Net Position							
Employer contributions	1,292,379	1,270,888	1,186,161	1,204,271	916,398	1,622,929	1,871,103
Member contributions	561,114	616,324	467,170	497,476	431,829	473,380	456,483
Investment income net of investment expenses	2,699,600	5,697,754	3,979,581	5,610,603	348,872	1,508,205	5,843,034
Benefit payments	(2,351,303)	(2,212,638)	(2,109,243)	(1,890,040)	(1,685,066)	(1,766,161)	(1,486,080)
Administrative expenses	(199,671)	(151,604)	(74,222)	(86,276)	(90,093)	(87,795)	(79,382)
Other	-	51,607	4,490	-	308,057	-	-
Net change in plan fiduciary net position	2,002,119	5,272,331	3,453,937	5,336,034	229,997	1,750,558	6,605,158
Fiduciary net position, beginning	57,434,737	52,162,406	48,708,469	43,372,435	43,142,438	41,391,880	34,786,722
Fiduciary net position, ending	59,436,856	57,434,737	52,162,406	48,708,469	43,372,435	43,142,438	41,391,880
Net pension liability (asset), ending	$ (1,298,347)	$ (2,024,145)	$ 497,476	$ 1,923,507	$ 5,034,503	$ 1,041,372	$ 1,163,251
Fiduciary net position as a % of total pension liability	102.23%	103.65%	99.06%	96.20%	89.60%	97.64%	97.27%
Covered payroll	$ 11,836,182	$ 11,303,738	$ 10,275,989	$ 10,121,474	$ 9,580,299	$ 9,360,761	$ 9,417,984
Net pension liability (asset) as a % of covered payroll	-10.97%	-17.91%	4.84%	19.00%	52.55%	11.12%	12.35%
Schedule of Employer Contributions and investment returns							
Actuarily determined employer contribution ("ADEC")	$ 1,292,379	$ 1,270,888	$ 1,186,161	$ 1,204,271	$ 1,224,455	$1,622,929	$1,809,130
Contributions in relation to the ADEC	1,292,379	1,270,888	1,186,161	1,204,271	916,398	1,622,929	1,871,103
Contibution deficiency (excess)	$ -	$ -	$ -	$ -	$ 308,057	$ -	$ (61,973)
Contributions as a percentage of covered payroll	10.92%	11.24%	11.54%	11.90%	9.57%	17.34%	19.87%
Annual money-weighted rate of return, net of investment expense	4.72%	11.05%	8.16%	12.99%	0.80%	3.59%	16.33%

This schedule is intended to show 10 years of data. Additional years will be displayed as they become available.

See Independent Auditors' Report

Required Supplementary Information
The Funded Retirement Plan of the Town of Brookfield (*Continued*)
Notes to the Schedules

Actuarial valuations are prepared every two years with the most recent valuation performed as of January 1, 2020. The total OPEB liability in that valuation was increased by service cost and interest and decresed by benefit payents to estimate the total pension liability as of yearend.

There have been benefit changes that have had a significant effect on the measurement of the Town's total pension liability. These are summarized as follows:
- Amendment 10 revised the plan for a change in benefits for employees hired after the "implementation date" for their bargaining group including:
  > Adding an alternative for a defined contribution plan under IRS Code 401(a)
  > Requiring participants to move to the 401(a) a plan after 20 years
  > Increasing Normal Retirement Age, except for police officers, from 62 to 64
  > Increasing Normal Retirement Age for police officers from 55 to 57
  > Chaning the vesting rates when an employee terminates prior to Normal Retirement Age
- Amendment 11 further refines the language in Amendment 10
- Amendment 12 further refines the language in Amendment 10
- Amendment 13 further refines the language in Amendment 10

The following assumption changes had a significant effect on the measurement of the net pension liability reported this year:

- Mortality is projected to the latest scales and projections

The following assumptions were used to determine the contribution rates for the year. Because the contributions were based off a prior valuation, some of these will differ from the assumptions discussed in the notes to financial statements. The notes to financial statements are describing the assumptions used to determine the most recent liability.

Valuation timing	Biannual - The January 1, 2018 valuation calculated the 2020 ADEC
Actuarial cost method	Entry Age Normal (level percentage of salary)
Actuarial amortization method	Closed 25 year period, decreasing 1 year each year
Asset valuation method	The actuarial value of assets, smoothing over 3 years
Inflation	2.75%
Payroll growth	3.00%
Investment rate of return	6.50%
Retirement age	At age 62, except police at age 55
Post-retirement mortality	RP-2014 adjusted to the 2006 dataset mortality table with Scale MP-2020

Town of Brookfield, Connecticut

Required Supplementary Information
Other Post-Employment Benefit Plan
Last 4 Years

Schedule of Changes in Net OPEB Liability	**2020**	**2019**	**2018**	**2017**
Other Post-Employment Benefit Plan				
Total OPEB Liability				
Service cost	$ 271,511	$ 496,650	$ 486,901	$ 472,719
Interest	844,123	1,337,919	1,288,657	1,218,814
Changes of benefits terms	-	(374,505)	-	-
Differences between expected and actual experience	(220,904)	(6,007,048)	(622,272)	(564,326)
Changes of assumptions	-	(2,387,627)	-	-
Benefit payments, including refunds of member contributions	(423,737)	(450,069)	(361,610)	(328,128)
Net change in total OPEB liability	470,993	(7,384,680)	791,676	799,079
Total OPEB liability - beginning	12,923,538	20,308,218	19,516,542	18,717,463
Total OPEB liability - ending	13,394,531	12,923,538	20,308,218	19,516,542
Plan Fiduciary Net Position				
Employer contributions	399,647	621,029	561,610	593,545
Contributions - Teachers' Retirement System	24,090	29,040	-	34,729
Net investment income	64,025	80,408	50,229	47,082
Benefit payments, including refunds of members contributions	(423,737)	(450,069)	(361,610)	(328,128)
Administrative expenses	(403)	(2,052)	(2,459)	(1,393)
Other	-	292	532	-
Net change in plan fiduciary net position	63,622	278,648	248,302	345,835
Fiduciary net position - beginning	1,214,938	936,290	687,988	342,153
Fiduciary net position - ending	1,278,560	1,214,938	936,290	687,988
Net OPEB liability, ending	$ 12,115,971	$ 11,708,600	$ 19,371,928	$ 18,828,554
Fiduciary net position as a % of total OPEB liability	9.55%	9.40%	4.61%	3.53%
Covered employee payroll	$ 28,781,226	$ 28,079,245	$ 34,116,653	$ 33,122,964
Net OPEB liability as a % of covered employee payroll	42.10%	41.70%	56.78%	56.84%

Schedule of Employer Contribution and Investment Returns	**2020**	**2019**	**2018**	**2017**
Actuarily determined employer contribution ("ADEC")	$ 1,239,411	$ 1,978,271	$ 1,963,189	$ 2,678,075
Contributions in relation to the ADEC	399,647	621,029	561,610	593,545
Contibution deficiency (excess)	$ 839,764	$ 1,357,242	$ 1,401,579	$ 2,084,530
Covered employee payroll	$ 28,781,226	$ 28,079,245	$ 34,116,653	$ 33,122,964
Contributions as a percentage of covered employee payroll	1.39%	2.21%	1.65%	1.79%
Annual money-weighted rate of return, net of investment expense	5.27%	8.63%	6.07%	Not Available

This schedule is intended to show 10 years of data. Additional years will be displayed as they become available.

See Independent Auditors' Report

Required Supplementary Information
Other Post-Employment Benefit Plan *(continued)*
Notes to the Schedules

Actuarial valuations are prepared every two years with the most recent valuation performed as of July 1, 2018. The total OPEB liability in that valuation was increased by service cost and interest and decresed by benefit payents to estimate the total OPEB liability as of yearend.

There have been no benefit changes that have had a significant effect on the measurement of the Town's total OPEB liability.

The following assumption changes had a significant effect on the measurement of the net OPEB liability reported this year:

- Mortality is projected to the latest scales and projections
- Police retirement was changed to age 55 instead of 25 years of service to reflect experience,
- Inflation was decreased from 2.75% to 2.50% to better reflect expected experience,
- The rate of compensation increase was reduced from 3.00% to 2.5% to reflect expectations,
- Healthcare cost trends were reduced, to align with the new inflation assumption change:
- 7.5% in 2018 reducing by .5% each year to 4.5% instead of the previous 8.75% in 2016 reducing by .5% each year to 4.75%
- Dental is assumed to increase by 4.5% per year instead of the previous 4.75%
- The utilization rate decreased from 100% to 75% (education) and 90% (all others) to reflect actual experience.

The following assumptions were used to determine the contribution rates for the year. Because the contributions were based off a prior valuation, some of these will differ from the assumptions discussed in the notes to financial statements. The notes to financial statements are describing the assumptions used to determine the most recent liability.

Valuation timing	Biannual
Actuarial cost method	Entry Age Normal (level percentage of salary)
Actuarial amortization method	Closed 25 year period, decreasing 1 year each year
Asset valuation method	Fair value of plan assets
Inflation	2.50%
Payroll growth	2.50%
Investment rate of return	6.50%
Cost trend rate:	
Healthcare	7.50% decreasing .5% per year to a rate of 4.50%
Dental	4.50% per year
Retirement age	At age 62, except police at age 55
Post-retirement mortality	RP-2014 projected to the valuation date with Scale MP-2018

Required Supplementary Information
Connecticut Teachers Retirement System - Pension Plan
Last 6 years

		2020	2019	2018	2017	2016	2015
Schedule of Changes in Net Pension Liability and Related Ratios							
Town's percentage of collective net pension liability		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net pension liability		$ -	$ -	$ -	$ -	$ -	$ -
State's proportionate share of the collective net pension liability associated with the Town of Brookfield		83,267,380	64,203,987	63,815,288	67,325,617	53,912,476	49,831,280
Total proportionate share of the collective net pension liability		$83,267,380	$64,203,987	$63,815,288	$67,325,617	$53,912,476	$49,831,280
Town's covered payroll	(1)	N/A	N/A	N/A	N/A	N/A	N/A
Town's proportionate share of the collective net pension liability as a % of covered payroll		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a % of total pension liability		52.00%	57.69%	55.93%	52.26%	59.50%	61.51%
Schedule of Employer Contributions							
Contractually and Statutorily required Town contribution	(2)	$ -	$ -	$ -	$ -	$ -	$ -

(1) Not applicable since 0% proportional share of the net pension liability
(2) The Town is not required to contribute to the plan. The State contributes on behalf of the Town.

This schedule is intended to show 10 years of data. Additional years will be displayed as they become available.

(Continued)

Required Supplementary Information
Connecticut Teachers Retirement System - Pension Plan *(continued)*
Notes to the Schedules

Actuarial valuations are prepared every two years with the most recent valuation performed as of July 1, 2018. The totals for the State have been prorated to each participating entity as of June 30, 2019 for use in this year's financial statements.

There have been no benefit changes that have had a significant effect on the measurement of the Town's total OPEB liability.

The following assumption changes had a significant effect on the measurement of the net Pension liability reported this year:

- Real Rate of Return was reduced from 5.25% to 4.40% which, when combined with the inflation assumption change results in a decrease in the investment rate of return from 8.00% to 6.90%.
- The expected rate of inflation was decreased
- The Real Wage Growth assumption was increased

The following assumptions were used to determine the contribution rates for the year:

Actuarial cost method	Entry Age
Amortization method	Level percent of pay, closed grading to a level dollar amortization method for the June 30, 2024 valuation.
Investment rate of return	6.90%, net of investment related expense, including inflation (Previously 8.00%)
Salary increases	3.25% to 6.50%, including inflation
Inflation	2.50% (previously 2.75%)
Discount rate	6.90%, the projection of cash flows assumed that plan member contributions will be made at the current contribution rate and employer contributions will be made at rates equal to the difference between the actuarially determined rate and the member rate. (Previously 8.0%)
Cost of living adjustment	Annually compounded increases vary based on Social Security Benefits and return on assets
Post-retirement mortality	RPH-2014 White Collar Mortality Table projected to 2020

Required Supplementary Information
Connecticut Teachers Retirement System - Retiree Health Insurance Plan
Last 3 years

		2020	2019	2018
Schedule of Changes in Net OPEB Liability and Related Ratios				
Town's percentage of collective net OPEB liability		0.00%	0.00%	0.00%
Town's proportionate share of the collective net OPEB liability		$ -	$ -	$ -
State's proportionate share of the collective net OPEB liability associated with the Town of Brookfield		12,986,017	12,834,790	16,425,345
Total proportionate share of the collective net OPEB liability		$ 12,986,017	$ 12,834,790	$ 16,425,345
Town's covered employee payroll	(1)	N/A	N/A	N/A
Town's proportionate share of the collective net OPEB liability as a % of covered employee payroll		0.00%	0.00%	0.00%
Plan fiduciary net position as a % of total OPEB liability		2.08%	1.49%	1.79%
Schedule of Employer Contributions				
Contractually and Statutorily required and actual Town contribution	(2)	$ -	$ -	$ -

(1) Not applicable since 0% proportional share of the net OPEB liability
(2) The Town is not required to contribute to the plan. The State contributes on behalf of the Town.

This schedule is intended to show 10 years of data. Additional years will be displayed as they become available. *(Continued)*

Required Supplementary Information
Connecticut Teachers Retirement System - Retiree Health Insurance Plan *(continued)*
Notes to the Schedules

Actuarial valuations are prepared every two years with the most recent valuation performed as of July 1, 2018. The totals for the State have been prorated to each participating entity as of June 30, 2019 for use in this year's financial statements.

There have been no benefit changes that have had a significant effect on the measurement of the Town's total OPEB liability.

The following assumption changes had a significant effect on the measurement of the net OPEB liability reported this year:

- The discount rate was decreased from 3.87% to 3.50% to reflect the change in the Municipal Bond Index rate.
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience.
- The expected rate of inflation was decreased
- The Real Wage Growth assumption was increased

The following assumptions were used to determine the contribution rates for the year:

Inflation	2.50% (previously 2.75%)
Salary increases	3.25% to 6.50%, including inflation
Investment rate of return	3.00%, net of plan investment expense, including inflation
Year fund will be depleted	2019
Single equivalent interest rate	
Measurement date	3.50%, net of plan investment expense, including inflation
Prior measurement date	3.87%, net of plan investment expense, including inflation
Health care costs trend rate	
Pre-Medicare	5.95% decreasing to 4.75% by 2025
Medicare	5.00% decreasing to 4.75% by 2028
Mortality Rates	RPH-2014 White Collar Mortality Table projected to 2020

Required Supplementary Information
Length of Service Award for the Volunteer Fire Department
Schedule of Changes in Total Pension Liability
Last 3 Years

	2020	2019	2018
Length of Service Award for the Volunteer Fire Department			
Total Pension Liability			
Service cost	$ 50,997	$ 45,649	$ 45,649
Interest on total pension liability	76,752	76,834	71,650
Differences between expected and actual experience	(47,765)	-	3,510
Changes of assumptions	533,085	119,773	(93,685)
Benefit payments	(42,490)	(49,955)	(36,585)
Net change in total pension liability	570,579	192,301	(9,461)
Total pension liability - beginning	2,156,736	1,964,435	1,973,896
Total pension liability - ending	2,727,315	2,156,736	1,964,435
Plan Fiduciary Net Position			
Employer contributions	42,490	49,955	36,585
Contributions - Member	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of members contributions	(42,490)	(49,955)	(36,585)
Administrative expenses	-	-	-
Other	-	-	-
Net change in plan fiduciary net position	-	-	-
Fiduciary net position - beginning	-	-	-
Fiduciary net position - ending	-	-	-
Net pension liability, beginning	2,156,736	1,964,435	1,973,896
Net pension liability, ending	$ 2,727,315	$ 2,156,736	$ 1,964,435
Fiduciary net position as a % of total pension liability	0.00%	0.00%	0.00%

* There are no assets accumulated in a trust that meets the criteria in GASB 68 to pay related benefits.

This schedule is intended to show 10 years of data. Additional years will be displayed as they become available.

See Independent Auditors' Report

MAJOR GOVERNMENTAL FUNDS

- The **General Fund** constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

- The **Bonded Capital Projects Fund** is a capital projects fund used to provide working capital for projects that will be ultimate financed through general obligation bonds.

- The **Elementary School Construction Fund** is used to account for the transactions for the construction of the elementary school approved in 2019.

- The **Water Assessment Fund** is a special revenue fund used to account for assessments to the citizens to pay payments on debt for water lines that benefit these citizens.

Report of the Property Tax Collector
Property Tax Collections
Year Ended June 30, 2020

Grand List Year	Beginning Receivable Balance	Current Year Levy	Lawful Corrections Additions	Lawful Corrections Deductions	Transfer to Suspense	Net Taxes Collectible	Collections During the Year - Cash Basis Taxes	Collections During the Year - Cash Basis Interest	Collections During the Year - Cash Basis Liens	Collections During the Year - Cash Basis Total	Net Ending Receivable Balance
2018	$ -	$ 66,436,120	$ 126,767	$ (186,648)	$ -	$ 66,376,239	$ 65,690,572	$ 130,521	$ 1,119	$ 65,822,212	$ 685,667
2017	553,684	-	40,787	(21,036)	-	573,435	342,100	72,840	3,718	418,658	231,335
2016	157,329	-	54,414	(34,672)	-	177,071	82,746	21,342	1,270	105,358	94,325
2015	48,838	-	176	(912)	-	48,102	4,865	2,585	197	7,647	43,237
2014	12,906	-	788	-	-	13,694	3,041	784	89	3,914	10,653
2013	8,380	-	78	-	-	8,458	2,914	534	127	3,575	5,544
2012	6,476	-	78	-	-	6,554	2,815	640	24	3,479	3,739
2011	6,231	-	70	-	-	6,301	2,705	718	24	3,447	3,596
2010	5,536	-	-	-	-	5,536	2,768	869	24	3,661	2,768
2009	5,394	-	-	-	-	5,394	2,697	976	24	3,697	2,697
2008	2,609	-	-	-	-	2,609	-	-	-	-	2,609
2007	2,539	-	-	-	-	2,539	-	-	-	-	2,539
	$ 809,922	$ 66,436,120	$ 223,158	$ (243,268)	$ -	$ 67,225,932	$ 66,137,223	$ 231,809	$ 6,616	$ 66,375,648	1,088,709

Tax interest receivable	248,570
Tax allowance for doubtful accounts	(145,000)
Net taxes receivable - General Fund	$ 1,192,279

Reconciliation of Collections:

Total Collections on the Report of the Property Tax Collector - Cash Basis	$ 66,375,648
Accrual Adjustments	
Current year taxes and interest receivable	1,337,279
Prior year taxes and interest receivable	(967,983)
Current year taxes deferred revenue	(1,048,300)
Prior year taxes deferred revenue	698,690
Current year allowance for doubtful accounts	145,000
Prior year allowance for doubtful accounts	(145,000)
Telephone tax payment	43,512
Collections on suspensed taxes	25,844
Other	(4,889)
Amount reported on Exhibit 4 and also in the Budget versus Actual	$ 66,459,801

See Independent Auditors' Report

Town of Brookfield, Connecticut

Schedule of Change in Fund Balance by Project
Bonded Capital Projects Fund
Year Ended June 30, 2020

Project	Description	Authorization Year Ended	Beginning Fund Balance	Bond Proceeds	Revenues	Expenditures and Fund Transfers	Close-Outs and Project Transfers	Ending Fund Balance
GENERAL GOVERNMENT								
	Land Use							
7LU01	Update geographic information system (GIS)	2017 Nontaxable	$ 36,000	$ -	$ -	$ -	$ (36,000)	$ -
7LU02	Shingle the Gurski property	2017 Nontaxable	35,000	-	-	(18,480)	(16,520)	-
			71,000	-	-	(18,480)	(52,520)	-
	Other							
	Financing costs		-	162,250	-	-	-	162,250
			-	162,250	-	-	-	162,250
PUBLIC SAFETY								
	Police							
7PO01	Body Cameras	2017 Nontaxable	76,000	-	-	-	-	76,000
7PO02	Police Evidence and records storage	2017 Taxable	10,404	-	-	-	(10,404)	-
			86,404	-	-	-	(10,404)	76,000
	Fire Companies							
CF203	Center Fire Roof Replacement		-	247,000	-	(201,050)	(45,950)	-
CW201	Replace Candlewood pumper truck		-	450,000	-	(450,000)	-	-
9CT01	Center Fire Aquire and Install New Generator	2019 Notes	40,000	-	-	(30,509)	(9,491)	-
			40,000	697,000	-	(681,559)	(55,441)	-
PUBLIC WORKS								
	Public Works							
9PW05	Road Paving program (2019)	2019 Nontaxable	427,269	-	-	(427,269)	-	-
9PW06	Library - Design and Engineer Windows	2019 Nontaxable	13,455	-	-	(13,455)	-	-
9PW07	Install Canopy over Fueling Station	2019 Nontaxable	2,649	-	-	-	-	2,649
PW200	1997 International Replacement	2020 Nontaxable	-	230,000	-	(202,900)	(27,100)	-
PW201	Replace Ford F550	2020 Nontaxable	-	140,000	-	(128,828)	(11,172)	-
PW205	Road Paving- Bonded	2020 Nontaxable	-	450,000	-	(400,268)	-	49,732
			443,373	820,000	-	(1,172,720)	(38,272)	52,381

See Independent Auditors' Report

Schedule of Change in Fund Balance by Project
Bonded Capital Projects Fund
Year Ended June 30, 2020

Project	Description	Authorization Year Ended	Beginning Fund Balance	Bond Proceeds	Revenues	Expenditures and Fund Transfers	Close-Outs and Project Transfers	Ending Fund Balance
	Street Scape at Four Corners							
STSC1	Phase 1	Approved Feb. 2017	$ 128,355	$ -	$ -	$ (26,317)	$ (102,038)	$ -
STSC2	Phase 2	Approved Jul. 2017						
	Original TAP Grant $865,000 Revenue		17,360	-	847,640	-	-	865,000
	Original TAP Grant $865,000 Expenditures		(17,360)	-	-	(847,640)	-	(865,000)
	Original Bonded $475,000 Revenue	2018 Nontaxable	475,000	-	-	-	-	475,000
	Original Bonded $475,000 Expenditures		(215,109)	-	-	(259,891)	-	(475,000)
	Additional TAP Grant $257,088 Revenue		-	-	55,029	-	-	55,029
	Additional TAP Grant $257,088 Expenditures		-	-	-	(55,029)	-	(55,029)
STSC3	Phase 3	Approved Dec., 2018						
	Original LOTCIP $1,040,000 Revenue		-	-	-	-	-	-
	Original LOTCIP $1,040,000 Expenditures		-	-	-	-	-	-
	Original Bonded $260,000 Revenue	Authorized, but not issued	-	-	-	-	-	-
	Original Bonded $260,000 Expenditures		(6,374)	-	-	(74,155)	-	(80,529)
	Additional LOTCIP Grant $310,880 Revenue		-	-	-	-	-	-
	Additional LOTCIP Grant $310,880 Expenditures		-	-	-	-	-	-
STSC4	Phase 4	Approved Aug. 2019						
	LOTCIP Grant $1,920,000 Revenue		-	-	-	-	-	-
	LOTCIP Grant $1,920,000 Expenditures		-	-	-	-	-	-
	Bonded $480,000 Revenue	Authorized, but not issued	-	-	-	-	-	-
	Bonded $480,000 Expenditures		(67)	-	-	(1,415)	-	(1,482)
STSC5	Phase 5	Approved Jul. 2020 (BoF)	-	-	-	-	-	-
	LOTCIP Grant $510,312 Revenue		-	-	-	-	-	-
	LOTCIP Grant $510,312 Expenditures		-	-	-	-	-	-
	Bonded $90,000 Revenue	Authorized, but not issued	-	-	-	-	90,000	90,000
	Bonded $90,000 Expenditures		-	-	-	(5,738)	-	(5,738)
			381,805	-	902,669	(1,270,185)	(12,038)	2,251
CULTURE AND RECREATION								
	Library							
9LB01	Library - ADA Compliance Improvemnts-Bathroom	2019 Notes	23,500	-	-	-	-	23,500
			23,500	-	-	-	-	23,500
	Parks and Recreation							
9PR01	Replace Ford 550 Truck	2019 Nontaxable	65,000	-	-	(65,764)	764	-
9PR03	Improvements to BHS Maintenance Building	2019 Nontaxable	63,234	-	-	-	-	63,234
PR203	Bobcat utility replacement	2020 Nontaxable	-	58,735	-	(53,616)	(5,119)	-
			128,234	58,735	-	(119,380)	(4,355)	63,234

See Independent Auditors' Report

Town of Brookfield, Connecticut

Schedule of Change in Fund Balance by Project
Bonded Capital Projects Fund
Year Ended June 30, 2020

Project	Description	Authorization Year Ended	Beginning Fund Balance	Bond Proceeds	Revenues	Expenditures and Fund Transfers	Close-Outs and Project Transfers	Ending Fund Balance
EDUCATION								
	High School							
5HS01	Replace AC in auditorium	2015 Nontaxable	$ 18,449	$ -	$ -	$ (18,449)	$ -	$ -
7HS01	Renovation of 2 lavatories	2017 Nontaxable	24,000	-	-	-	(24,000)	-
7HS02	Paving and concrete restoration	2017 Nontaxable	25,000	-	-	-	(25,000)	-
9HS03	Renovate boys' locker room	2019 Nontaxable	50,000	-	-	(9,725)	-	40,275
9HS01	Acquire and install new generator	2019 Nontaxable	140,000	-	-	(131,332)	(8,668)	-
9HS02	Install new transfer switch	2019 Nontaxable	50,000	-	-	-	(50,000)	-
HS201	Control system	2020 Nontaxable	-	1,025,640	-	(14,535)	-	1,011,105
HS203	Paving and concrete	2020 Nontaxable	-	248,875	-	-	-	248,875
	Middle School							
6MS01*	Various capital projects	2016 Nontaxable	160,000	-	-	(17,681)	(142,319)	-
7MS01	Renovate two bathrooms	2017 Nontaxable	24,000	-	-	-	(24,000)	-
7MS02	Classroom ventilators	2017 Taxable	10,320	-	-	-	(10,320)	-
MS201	Paving and Concrete	2020 Nontaxable	-	247,500	-	(247,463)	(37)	-
MS202	Replace Fire Pump Generator	2020 Nontaxable	-	165,000	-	(74,859)	(90,141)	-
	District Wide							
7DW01	Building management system	2017 Taxable	15,000	-	-	-	(15,000)	-
8DW01	Domestic water chlorine	2018 Nontaxable	40,000	-	-	-	(40,000)	-
8DW02	Security upgrades	2018 Taxable	6	-	-	-	(6)	-
9DW01	Aquire/install time and attendance system	2019 Nontaxable	60,000	-	-	-	-	60,000
			616,775	1,687,015	-	(514,044)	(429,491)	1,360,255
	Total Fund Balance Committed for Projects		1,791,091	3,425,000	902,669	(3,776,368)	(602,521)	1,739,871
	Fund Balance - Committed to balance subseqent year capital budget		-	-	-	-	400,969	400,969
	Fund Balance - Other		(1,826,949)	1,910,000	50,576	-	201,552	335,179
	Total Fund Balance		**$ (35,858)**	**$ 5,335,000**	**$ 953,245**	**$ (3,776,368)**	**$ -**	**$ 2,476,019**

See Independent Auditors' Report

Report of the Tax Collector
Water Assessment Collections
Year Ended June 30, 2020

Grand List Year	Beginning Receivable Balance	New Billings	Transfer to Suspense	Net Assessments Collectible	Collections During the Year - Cash Basis: Current Year Assessments	Total Assessments	Past Due Interest	Liens	Total	Net Ending Receivable Balance
2016 Southern Federal Road										
2019	$ -	$ 207,932	$ -	$ 207,932	$ 205,779	$ 15,421	$ 741	$ 6,709	$ 228,650	$ 2,153
2018	4,475	-	-	4,475	3,740	321	746	150	4,957	735
2017	2,578	-	-	2,578	1,341	-	568	56	1,965	1,237
2016	2,117	-	-	2,117	1,344	-	757	123	2,224	773
	$ 9,170	$ 207,932	$ -	$ 217,102	$ 212,204	$ 15,742	$ 2,812	$ 7,038	$ 237,796	$ 4,898

Assessment balance (interest and principal), beginning of year	$ 3,529,865
Less: Payments on current year assessments	(212,204)
Less: Additional payments towards total assessments	(15,742)
Assessment balance (interest and principal), end of year	$ 3,301,919

Grand List Year	Beginning Receivable Balance	New Billings	Transfer to Suspense	Net Assessments Collectible	Collections During the Year - Cash Basis: Current Year Assessments	Total Assessments	All Interest	Liens	Total	Net Ending Receivable Balance
2010 Northern Federal Road										
2019	$ -	$ 148,447	$ -	$ 148,447	$ 136,158	$ 21,018	$ 45,029	$ 3,600	$ 205,805	$ 12,289
2018	10,294	-	-	10,294	3,401	-	2,172	120	5,693	6,893
2017	7,237	-	-	7,237	3,141	-	2,245	66	5,452	4,096
2016	6,174	-	(3,008)	3,166	2,344	-	2,411	125	4,880	822
2015	3,771	-	(3,008)	763	362	-	93	-	455	401
2014	3,009	-	(3,009)	-	-	-	-	-	-	-
2013	3,189	-	(3,189)	-	-	-	-	-	-	-
2012	3,009		(3,009)	-	-	-	-	-	-	-
2011	3,008	-	(3,008)	-	-	-	-	-	-	-
2010	3,008	-	(3,008)	-	-	-	-	-	-	-
	$ 42,699	$ 148,447	$ (21,239)	$ 169,907	$ 145,406	$ 21,018	$ 51,950	$ 3,911	$ 222,285	$ 24,501

Assessment balance (principal), beginning of year	$ 1,733,089
Less: Payments on current year assessments	(145,406)
Less: Additional payments towards total assessments	(21,018)
Less: Adjustments (State incorrectly charged)	(21,239)
Assessment balance (principal), end of year	$ 1,545,426

See Independent Auditors' Report

OTHER GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

- **Parks and Recreation Fund** to account for revenues committed for the purpose of funding recreational, social and cultural programs.
- **Small Cities Grant Fund** to account for a specific grant program with revenues restricted to rehabilitation programs.
- **Gurski Property Fund** to account for revenue and expenditures from certain properties donated to the Town for conservation purposes.
- **Social Services Fund** to account for donations, grants and program revenue restricted for social service purposes.
- **Town Grants Fund** to account for revenues from federal, state and other grants and donations for general government purposes.
- **Education Grants Fund** to account for revenues from federal, state and other grants and donations for education purposes.
- **Cafeteria Fund** to account for school cafeteria program grants and revenues restricted for that purpose.
- **Police Contract Services Fund** to account for revenue charged to the community users of police services and the related costs of services.
- **Police Asset Forfeiture Fund** to account for Federal and State asset forfeiture grants and certain police donations and the related expense.
- **Library Revenue Fund** to account for library service revenues in accordance with State Statutes and the related expenses.

PERMANENT FUND

- **Library Endowment** to hold an endowment bequeathed to the Town for the benefit of the library.

CAPITAL PROJECT FUNDS

- **Open Space Fund** to hold fees collected and restricted for use to open space by State Statutes.
- **Capital Nonrecurring Fund** to account for General Fund appropriations and grant revenue restricted or committed to the acquisition of capital equipment and nonrecurring capital outlays.

Combining Balance Sheet
Other Governmental Funds
June 30, 2020

	Special Revenue Funds						
						Education Funds	
	Parks and Recreation Fund	Small Cities Grant Fund	Gurski Property Fund	Social Services Fund	Town Grant Fund *	Education Grant Fund *	Cafeteria Fund
ASSETS							
Cash and equivalents	$ 25,104	$ 208,086	$ 100	$ 15,334	$ 751	$ -	$ 103,622
Investments - equity securities	-	-	-	-	-	-	-
Receivables							
Accounts	1,926	-	-	-	-	-	1,868
Intergovernmental	-	-	-	-	20,571	68,353	39,925
Loans	-	389,156	-	-	-	-	-
Due from other funds	77,096	-	261,728	-	91,795	-	250,000
Total Assets	$ 104,126	$ 597,242	$ 261,828	$ 15,334	$ 113,117	$ 68,353	$ 395,415
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	$ 237	$ 764	$ 894	$ -	$ 14,370	$ 175	$ 32,527
Accrued payroll and related	2,360	-	-	-	386	-	-
Due to other funds	-	52,068	-	6,394	-	43,376	-
Unearned revenues	45,030	-	3,050	-	-	24,802	48,586
Total Liabilities	47,627	52,832	3,944	6,394	14,756	68,353	81,113
Fund balances							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	544,410	207,920	8,940	98,361	-	314,302
Committed	-	-	-	-	-	-	-
Assigned	56,499	-	49,964	-	-	-	-
Total Fund Balances	56,499	544,410	257,884	8,940	98,361	-	314,302
Total Liabilities and Fund Balances	$ 104,126	$ 597,242	$ 261,828	$ 15,334	$ 113,117	$ 68,353	$ 395,415

* See detailed schedules

(Continued)

Combining Balance Sheet
Other Governmental Funds
June 30, 2020

	Special Revenue Funds			Permanent Fund	Capital Project Funds		
	Police Funds		Library Funds				
	Contract Services Fund *	Asset Forfeiture Fund *	Library Revenue Fund	Library Endowment Fund	Open Space Fund	Capital Nonrecurring Fund *	Total Nonmajor Funds
ASSETS							
Cash and equivalents	$ -	$ -	$ 42	$ 13,837	$ -	$ -	$ 366,876
Investments - equity securities	-	-	-	478,982	-	-	478,982
Receivables							
Accounts	169,866	-	-	-	-	92,000	265,660
Intergovernmental	-	-	-	-	-	215,114	343,963
Loans	-	-	-	-	-	-	389,156
Due from other funds	48,230	96,263	21,575	-	149,851	2,308,644	3,305,182
Total Assets	$ 218,096	$ 96,263	$ 21,617	$ 492,819	$ 149,851	$ 2,615,758	$ 5,149,819
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	$ -	$ 7,741	$ 817	$ -	$ -	$ -	$ 57,525
Accrued payroll and related	25,166	-	88	-	-	-	28,000
Due to other funds	-	-	-	-	-	-	101,838
Unearned revenues	-	-	-	-	-	-	121,468
Total Liabilities	25,166	7,741	905	-	-	-	308,831
Fund balances							
Nonspendable	-	-	-	289,644	-	-	289,644
Restricted	-	88,522	-	203,175	149,851	-	1,615,481
Committed	-	-	-	-	-	2,356,677	2,356,677
Assigned	192,930	-	20,712	-	-	259,081	579,186
Total Fund Balances	192,930	88,522	20,712	492,819	149,851	2,615,758	4,840,988
Total Liabilities and Fund Balances	$ 218,096	$ 96,263	$ 21,617	$ 492,819	$ 149,851	$ 2,615,758	$ 5,149,819

* See detailed schedules

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
Year Ended June 30, 2020

	Special Revenue Funds						
						Education Funds	
	Parks and Recreation Fund	Small Cities Grant Fund	Gurski Property Fund	Social Services Fund	Town Grant Fund *	Education Grant Fund *	Cafeteria Fund
REVENUES							
Charges for services	$ 416,031	$ -	$ 54	$ -	$9,812	$ -	$ 408,718
Intergovernmental	-	40,075	-	-	131,101	822,104	299,746
Income from investments	-	-	-	-	-	-	417
Rents and royalties	-	-	41,100	-	-	-	-
Other income	-	-	-	13,118	1,100	-	-
Total Revenues	416,031	40,075	41,154	13,118	142,013	822,104	708,881
EXPENDITURES							
Current							
General government	-	20,749	-	-	30,274	-	-
Public safety	-	-	-	-	43,002	-	-
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	-	17,399	28,578	-	-
Culture and recreation	376,025	-	33,300	-	554	-	-
Education	-	-	-	-	-	822,104	685,834
Capital outlays	-	-	-	-	-	-	-
Total Expenditures	376,025	20,749	33,300	17,399	102,408	822,104	685,834
Excess (Deficiency) of Revenues Over Expenditures	40,006	19,326	7,854	(4,281)	39,605	-	23,047
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(190,000)	-	-	-	(30,000)
Total Other Financing Sources (Uses)	-	-	(190,000)	-	-	-	(30,000)
Net Change in Fund Balances	40,006	19,326	(182,146)	(4,281)	39,605	-	(6,953)
Fund Balances - Beginning of Year	16,493	525,084	440,030	13,221	58,756	-	321,255
Fund Balances - End of Year	$ 56,499	$ 544,410	$ 257,884	$ 8,940	$ 98,361	$ -	$ 314,302

* See detailed schedules

(Continued)

See Independent Auditors' Report

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
Year Ended June 30, 2020

	Special Revenue Funds			Permanent Fund	Capital Project Funds		
	Police Funds		Library Funds				
	Contract Services Fund *	Asset Forfeiture Fund *	Library Revenue Fund	Library Endowment Fund	Open Space Fund	Capital Nonrecurring Fund *	Total Nonmajor Funds
REVENUES							
Charges for services	$ 706,328	$ -	$ 8,520	$ -	$ -	$ -	$ 1,549,463
Intergovernmental	-	59,279	1,395	-	-	200,939	1,554,639
Income from investments	-	-	-	(50,495)	-	-	(50,078)
Rents and royalties	-	-	810	-	-	-	41,910
Other income	-	843	7,700	-	-	92,000	114,761
Total Revenues	706,328	60,122	18,425	(50,495)	-	292,939	3,210,695
EXPENDITURES							
Current							
General government	-	-	-	-	-	7,973	58,996
Public safety	541,930	20,911	-	-	-	338,008	943,851
Public works	-	-	-	-	-	83,189	83,189
Health and welfare	-	-	-	-	-	-	45,977
Culture and recreation	-	-	16,864	-	-	79,170	505,913
Education	-	-	-	1,700	-	54,642	1,564,280
Capital outlays	149,358	38,192	-	-	-	1,706,274	1,893,824
Total Expenditures	691,288	59,103	16,864	1,700	-	2,269,256	5,096,030
Excess (Deficiency) of Revenues Over Expenditures	15,040	1,019	1,561	(52,195)	-	(1,976,317)	(1,885,335)
OTHER FINANCING SOURCES (USES)							
Transfers in	-		-	-	-	2,997,930	2,997,930
Transfers out	-	-	-	-	-	-	(220,000)
Total Other Financing Sources (Uses)	-	-	-	-	-	2,997,930	2,777,930
Net Change in Fund Balances	15,040	1,019	1,561	(52,195)	-	1,021,613	892,595
Fund Balances - Beginning of Year	177,890	87,503	19,151	545,014	149,851	1,594,145	3,948,393
Fund Balances - End of Year	$ 192,930	$ 88,522	$ 20,712	$ 492,819	$ 149,851	$ 2,615,758	$ 4,840,988

* See detailed schedules

See Independent Auditors' Report

Schedule of Changes in Fund Balance by Grant/Program
Town Grant Fund
Year Ended June 30, 2020

Project #	Grant/Program Name	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
	Police K-9 donation	$ 26,000	$ -	$ -	$ 26,000
	Police grants				
9PDDD	Distracted driving	-	8,613	(8,613)	-
9DOJ1	Police Department of Justice Grant	-	15,000	(15,000)	-
9PO03	JAG local violence prevention grant	124	3,000	(3,124)	-
8PDLT	State task force overtime	-	16,265	(16,265)	-
8PHPH	Public health grant	17,069	-	(8,174)	8,895
8GECD	Brownfield assessment grant	-	8,397	(8,397)	-
STSCS	Street Scape Public Art	-	1,000	-	1,000
	Bright ideas grant - Town Hall Lights	2,114	-	-	2,114
	Social Services/Senior Center				
SCDG1	Senior center donations	2,018	61,040	(16,010)	47,048
9EB01	WCAAA Evidence based senior center grant	783	-	(783)	-
9NSB1	Newtown Savings Bank	891	681	(84)	1,488
9SS01	United Way Alice Grant	719	6,525	(3,387)	3,857
9AMP1	Aging mastery program	450	330	(140)	640
	Town Clerk preservation funds				
9TC01	State Library preservation grant	-	4,500	(4,500)	-
TCHP1	State Library preservation grant	-	5,500	(5,500)	-
TCR02	Dollar Fund ($1 CGS 7-34a)	3,614	2,247	(3,376)	2,485
TCR03	MERS Fund ($10 PA 13-247)	2,516	3,384	(4,380)	1,520
TCR01	Historic Preservation ($2 CGS 7-34a)	1,235	4,181	(4,121)	1,295
	Farmers Market				
9FM01	Grant	-	250	(250)	-
TOBFM	Operations	1,223	1,100	(304)	2,019
	Total Fund Balance	$ 58,756	$ 142,013	$ (102,408)	$ 98,361

See Independent Auditors' Report

Schedule of Changes in Unearned Revenue (Receivable) by Grant
Education Grant Fund
Year Ended June 30, 2020

Project #	Grant Name	Term	Beginning Unearned Revenue	Increases	Decreases	Ending Unearned Revenue (Receivable)
9117	Title I, Improving Basic Programs	7/1/17-6/30/19	$ 1,000	$ -	$ (1,000)	$ -
9118	Title I, Improving Basic Programs	7/1/18-6/30/20	16,237	-	(16,237)	-
9119	Title I, Improving Basic Programs	7/1/19-6/30/21	-	15,000	(18,538)	(3,538)
9216	Title II, Improving Teacher Quality	7/1/16-6/30/18	4,169	-	(4,169)	-
9217	Title II, Improving Teacher Quality	7/1/17-6/30/19	1,086	-	-	1,086
9218	Title II, Improving Teacher Quality	7/1/18-6/30/20	9,804	20,000	(38,212)	(8,408)
9316	Title III, English Language Acquisition	7/1/16-6/30/18	186	-	(186)	-
9317	Title III, English Language Acquisition	7/1/17-6/30/19	292	-	(292)	-
9318	Title III, English Language Acquisition	7/1/18-6/30/20	5,010	2,635	(7,645)	-
9416	School Improvement	7/1/16-6/30/21	51,275	25,000	(59,363)	16,912
9517	IDEA Part B 611, Children with Disabilities	7/1/17-6/30/19	2,365	-	(2,365)	-
9518	IDEA Part B 611, Children with Disabilities	7/1/18-6/30/20	41,029	126,464	(167,298)	195
9519	IDEA Part B 611, Children with Disabilities	7/1/19-6/30/21	-	400,000	(456,407)	(56,407)
9617	IDEA Part B 619, Special Education Preschool	7/1/17-6/30/19	552	-	(552)	-
9618	IDEA Part B 619, Special Education Preschool	7/1/18-6/30/20	556	-	-	556
9619	IDEA Part B 619, Special Education Preschool	7/1/19-6/30/21	-	20,146	(19,292)	854
9717	Carl Perkins Career and Tech. Educ Act	7/1/17-6/30/18	1,645	-	(1,645)	-
9718	Carl Perkins Career and Tech. Educ Act	7/1/18-6/30/19	2,138	-	(2,138)	-
9719	Carl Perkins Career and Tech. Educ Act	7/1/19-6/30/20	-	20,964	(18,701)	2,263
8120	Cognitive Disabilities Stipend	7/1/18-6/30/19	6,000	-	(6,000)	-
8220	Minority Teacher Recruitment		-	4,000	(1,800)	2,200
9819	Title IV, Student Support and Enrichment	7/1/19-6/30/21	-	1,000	(264)	736
	Total Unearned Revenue (Receivable)		$ 143,344	$ 635,209	$ (822,104)	$ (43,551)

$ 143,344	Unearned Revenue	$ 24,802
-	Receivable	(68,353)
$ 143,344		$ (43,551)

See Independent Auditors' Report

Schedule of Changes in Fund Balance by Grant/Project
Year Ended June 30, 2020

Grant/Program Name	Project Number	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
Police Forfeiture Fund					
Federal Equitable Sharing Program	PDFES	$ 32,238	$ 53,751	$ (43,627)	$ 42,362
State Forfeiture (85% under CGS 54-36i)	PDS85	32,461	1,739	(10,041)	24,159
State Forfeiture (15% under CGS 54-36i)	PDS15	15,273	307	-	15,580
Federal Department of Justice Funding		1,952	3,483	(5,435)	-
Subtotal for reporting		81,924	59,280	(59,103)	82,101
Donations:					
For Police Purposes	PDD01	4,130	57	-	4,187
For Youth Programs	PDD02	583	585	-	1,168
For Police K-9	PDD03	866	200	-	1,066
Total Fund Balance		$ 87,503	$ 60,122	$ (59,103)	$ 88,522

Grant/Program Name	Project Approval Date	Beginning Fund Balance	Transfer to Approved Projects	Net Revenue (Expenditures)	Project Close Out	Ending Fund Balance
Police Contract Services Fund						
Fund Balance not designated for a project	----	$ 134,790	$ (150,490)	$ 198,567	$ 9,003	$ 191,870
Projects Approved:						
Police Procedures	5/10/2017	3,100	-	(2,040)	-	1,060
SCUBA Vehicle/Equipment	4/10/2019	40,000	-	(37,702)	(2,298)	-
Facilities Study	9/9/2019	-	17,000	(15,000)	(2,000)	-
Vehicle Repair Lift (1/2 cost)	9/9/2019	-	8,670	(8,670)	-	-
Capital Technology Items	11/13/2019	-	25,100	(25,001)	(99)	-
Video Surveillance System	2/12/2020	-	99,720	(95,114)	(4,606)	-
Total Fund Balance		$ 177,890	$ -	$ 15,040	$ -	$ 192,930

See Independent Auditors' Report

Schedule of Changes in Fund Balance by Project
Capital Nonrecurring Fund
Year Ended June 30, 2020

Project		Authorization Year Ended	Authorization Amount	Beginning Fund Balance	Original Appropriations	Additional Appropriations	Revenues	Expenditures	Close-Outs and Project Transfers		Ending Fund Balance
FUND BALANCE RESERVES											
	Fire Apparatus	2016 and prior	Various	$ 50,000	$ -	$ -	$ -	$ -	$ (50,000)	a	$ -
RES01	Center Fire Department	Cumulative	Various	179,000	50,000	-	-	-	(229,000)	a	-
RES02	Candlewood Fire Department	Cumulative	Various	-	-	-	-	-	-		-
RES03	Emergency Medical Services	Cumulative	Various	16,444	72,931	-	-	-	(89,375)	a	-
RES04	Turf Fields at High School	Cumulative	Various	50,000	-	-	-	-	-		50,000
RES05	Revaluation	Cumulative	Various	167,500	50,000	-	-	-	-		217,500
RES06	BHS tennis court replacement	2020	$50,000	-	50,000	-	-	-	-		50,000
RES07	BHS back field turf replacement	2020	77,000	-	77,000	-	-	-	-		77,000
RES08	HVAC control system for BVFD	2020	20,000	-	20,000	-	-	-	(5,125)	a	14,875
				462,944	319,931	-	-	-	(373,500)		409,375
GENERAL GOVERNMENT											
9IT03	Information technology printer	2019	2,000	2,000	-	-	-	(1,706)	(294)	b	-
GG204	IT window server upgrade	2020	9,971	-	9,971	-	-	(6,267)	-		3,704
GG202	Finance electronic time reporting	2020	25,163	-	25,163	-	-	-	-		25,163
GG203	Assessor Vision 8 upgrade to cloud	2020	27,000	-	27,000	-	-	-	-		27,000
GG205	Purchase of 43 Silvermine Road	2020	535,000	-	-	190,000	-	(535,000)	345,000	a	-
				2,000	62,134	190,000	-	(542,973)	344,706		55,867
PUBLIC SAFETY											
	Police										
PD201	Police cruiser 1	2020	52,734	-	52,734	-	-	(51,299)	(1,435)	b	-
PD202	Police cruiser 2	2020	52,734	-	52,734	-	-	-	-		52,734
PD203	Data center hardware (lease intended)	2020	58,885	-	-	-	-	(51,988)	51,988		-
				-	105,468	-	-	(103,287)	50,553		52,734
	Fire Companies										
9CW02	Candlewood Rescue Boat	2019	318,795	218,145	-	-	-	(212,223)	-		5,922
CF201	EMS Lucas CPR device			-	18,000	-	-	(17,967)	(33)	b	-
CF202	Center AEDs for 1st responders			-	12,500	-	-	(8,720)	-		3,780
CW202	Candlewood thermal imaging camera			-	8,250	-	-	(7,499)	(751)	b	-
CW203	Candlewood insulate attic			-	11,000	-	-	(11,000)	-		-
CF204	Ambulance replacement	Dec 2020	262,500	-	-	122,000	25,000	(12,692)	115,500	a	249,808
CF205	Tower 100 refurbish	Dec 2020	325,000	-	-	-	67,000	(67,907)	258,000	a	257,093
				218,145	49,750	122,000	92,000	(338,008)	372,716		516,603

(Continued)

Schedule of Changes in Fund Balance by Project
Capital Nonrecurring Fund
Year Ended June 30, 2020

Project		Authorization Year Ended	Authorization Amount	Beginning Fund Balance	Original Appropriations	Additional Appropriations	Revenues	Expenditures	Close-Outs and Project Transfers		Ending Fund Balance
PUBLIC WORKS											
8PD01	Generator Repair and Maintenance	2018	5,000	$ 2,431	$ -	$ -	$ -	$ (677)	$ -		$ 1,754
9PW09	Replace 2 heat pumps in Town Hall	2019	12,000	3,105	-	-	-	(3,105)	-		-
9PW10	Paving (Additional in Bonded Capital Proj.)	2019	850,000	131,555	-	-	-	(131,555)	-		-
9PW11	Misc repairs at Town Hall	2019	5,000	4,003	-	-	-	(1,639)	-		2,364
PW202	Hillside Circle Repairs	2020		7,405	50,000	-	-	(57,405)	-		-
PW203	Paving (Additional in Bonded Capital Proj.)			-	944,343	-	-	(812,823)	-		131,520
PW204	Paving paid by LOCIP grant			-	105,657	-	-	(105,657)	-		-
PW206	Library windows			-	5,000	-	-	(1,990)	-		3,010
PW207	2 HVAC units replaced - Town Hall			-	12,000	-	-	(9,395)	-		2,605
PW208	2 HVAC units replaced - Library			-	11,000	-	-	(8,978)	(2,022)	b	-
PW209	Town garage window replacement			-	18,000	-	-	(17,952)	(48)	b	-
				148,499	1,146,000	-	-	(1,151,176)	(2,070)		141,253
CULTURE AND RECREATION											
	Parks and Recreation										
7PR01	Crack Seal Tennis Courts	2017	14,725	7,500	-	-	-	(7,500)	-		-
9PR04	Crack Seal Tennis Courts	2019	25,000	22,800	-	-	-	(12,383)	-		10,417
PR201	BHS tennis court repair	2020	15,000	-	15,000	-	-	-	-		15,000
7HS04	Tie into High School Sewer Line	2018	4,910	4,910	-	-	-	-	(4,910)	b	-
PR204	Center School K playground drainage	2020	15,000	-	15,000	-	-	(18,475)	3,475	b	-
PR205	Center School Gr 1 Slide	2020	12,500	-	12,500	-	-	(8,009)	(4,491)	b	-
				35,210	42,500	-	-	(46,367)	(5,926)		25,417
	Still River Greenway										
SRG00	Still River Greenway original	various	Various	-	-	-	200,939	-	(200,939)	b	-
9SRG2	Still River Greenway ext (grant funded)	2019	207,355	-	-	-	-	(2,493)	-		(2,493)
9SRG3	Still River Greenway design	2019	20,000	20,000	-	-	-	(30,310)	10,310		-
				20,000	-	-	200,939	(32,803)	(190,629)		(2,493)

(Continued)

Schedule of Changes in Fund Balance by Project
Capital Nonrecurring Fund
Year Ended June 30, 2020

Project		Authorization Year Ended	Authorization Amount	Beginning Fund Balance	Original Appropriations	Additional Appropriations	Revenues	Expenditures	Close-Outs and Project Transfers	Ending Fund Balance
EDUCATION										
	High School									
8HS03	Install Water Softener for Boiler	2018	10,000	$ 10,000.00	$ -	$ -	$ -	$ -	$ -	$ 10,000.00
HS202	Upgrade for cafeteria air handlers	2020	55,000	-	55,000	-	-	-	-	55,000
HS203	Security upgrades	2020	63,250	-	63,250	-	-	-	-	63,250
	Middle School									
8MS01	Refinish Stage Floor	2018	10,000	10,000	-	-	-	-	-	10,000
8MS02	Replacement Flooring Program	2018	10,000	10,000	-	-	-	-	-	10,000
8MS03	Power winches	2018	10,000	10,000	-	-	-	-	-	10,000
MS203	Security upgrades	2020	63,250	-	63,250	-	-	(1,374)	-	61,876
MS204	Replace building management system	2020	55,000	-	55,000	-	-	-	-	55,000
	Huckleberry Elementary School									
HS204	Security upgrades	2020	39,150	-	39,150	-	-	(1,374)	-	37,776
	Center Elementary School									
8CES1	Clapboard siding - repair replace	2018	15,000	15,000	-	-	-	-	(15,000) a	-
8CES2	Clapboard siding - paint	2018	20,000	20,000	-	-	-	-	(20,000) a	-
8CES3	Replace cafeteria table/chairs	2018	15,000	15,000	-	-	-	-	(15,000) a	-
CE201	Security upgrades	2020	28,305	-	28,305	-	-	(2,445)	-	25,860
	District Wide									
DW201	Mobile world language lab	2020	50,000	-	50,000	-	-	(49,449)	(551) b	-
				90,000	353,955	-	-	(54,642)	(50,551)	338,762
	Fund Balance - Committed to balance subseqent year capital budget			265,813	(265,813)	-	-	-	41,770	41,770
	Fund Balance - Committed to balance subseqent year general fund			-	-	777,389	-	-	-	777,389
	Fund Balance - Not yet allocated to projects			351,534	-	94,616	-	-	(187,069)	259,081
	Total Fund Balance			$ 1,594,145	$ 1,813,925	$ 1,184,005	$ 292,939	$ (2,269,256)	$ -	$ 2,615,758

a Approved by the Boards during the Year
b Close-Outs

See Independent Auditors' Report

FIDUCIARY FUNDS

- **Pension Trust Fund** is used to account for the activities of the Town's defined benefit pension plan.

- **Other Post-Employment Benefit ("OPEB") Trust Fund** is used to account for the activities of the Town's defined benefit OPEB plan.

Combining Statement of Net Position
Pension Trust Funds
June 30, 2020

	Pension Trust Fund	Other Post Employment Benefits Trust Fund	Total Pension and OPEB Trust Funds
ASSETS			
Cash and equivalents	$ 523,613	$ 12,976	$ 536,589
Investments, at fair value			
Mutual funds	58,918,551	1,265,584	60,184,135
Receivables	28,204	-	28,204
Total Assets	59,470,368	1,278,560	60,748,928
LIABILITIES			
Accrued payroll	-	218	218
Due to other funds	-	490	490
Total Liabilities	-	708	708
NET POSITION			
Restricted for pensions and OPEB benefits	$ 59,470,368	$ 1,277,852	$ 60,748,220

See Independent Auditors' Report

Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended June 30, 2020

	Defined Benefit Pension Trust Fund	Other Post Employment Benefits Trust Fund	Total Pension and OPEB Trust Funds
ADDITIONS			
Contributions			
Employer	$ 1,292,379	$ 399,647	$ 1,692,026
Plan members	594,131	-	594,131
Teachers Retirement Board subsidy	-	24,090	24,090
Total Contributions	1,886,510	423,737	2,310,247
Investment income			
Net change in fair value of investments	2,693,228	19,362	2,712,590
Interest and dividends	6,570	44,663	51,233
Total Investment Income	2,699,798	64,025	2,763,823
Less investment management fees	(148,628)	-	(148,628)
Net Investment Income	2,551,170	64,025	2,615,195
Total Additions	4,437,680	487,762	4,925,442
DEDUCTIONS			
Pension and OPEB benefits	2,351,303	423,737	2,775,040
Administrative fees	1,100	1,111	2,211
Total Deductions	2,352,403	424,848	2,777,251
Change in Net Position	2,085,277	62,914	2,148,191
Net Position - Beginning of Year	57,385,091	1,214,938	58,600,029
Net Position - End of Year	$ 59,470,368	$ 1,277,852	$ 60,748,220

See Independent Auditors' Report

Combining Statement of Changes in Assets and Liabilities
Agency Funds
Year Ended June 30, 2020

	Balance Beginning	Additions	Deductions	Balance Ending
Student Activity Fund				
Assets				
Cash and equivalents	$ 335,095	$ 447,787	$ (753,464)	$ 29,418
Due from other funds	1,549	250,489	(1,549)	250,489
Total assets	$ 336,644	$ 698,276	$ (755,013)	$279,907
Liabilities				
Amount held as agent	$ 336,644	$ 698,276	$ (755,013)	$279,907
Total Liabilities	$ 336,644	$ 698,276	$ (755,013)	$279,907
Performance Bonds				
Assets				
Cash and equivalents	$ 328,180	$ 55,000	$ (372,000)	$ 11,180
Due from other funds	-	252,742	-	252,742
Total assets	$ 328,180	$ 307,742	$ (372,000)	$263,922
Liabilities				
Amount held as agent	$ 261,920	$ 134,938	$ (132,936)	$263,922
Due to other funds	66,260	172,804	(239,064)	-
Total liabilities	$ 328,180	$ 307,742	$ (372,000)	$263,922
Total				
Assets				
Cash and equivalents	$ 663,275	$ 502,787	$(1,125,464)	$ 40,598
Due from other funds	1,549	503,231	(1,549)	503,231
Total assets	$ 664,824	$1,006,018	$(1,127,013)	$543,829
Liabilities				
Amount held as agent	$ 598,564	$ 833,214	$ (887,949)	$543,829
Due to other funds	66,260	172,804	(239,064)	-
Total Liabilities	$ 664,824	$1,006,018	$(1,127,013)	$543,829

See Independent Auditors' Report

TOWN OF BROOKFIELD, CONNECTICUT

ADDITIONAL REPORTS

YEAR ENDED JUNE 30, 2020

Town of Brookfield, Connecticut

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INTERNAL CONTROL AND COMPLIANCE REPORT

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Finance
Town of Brookfield, Connecticut

We have audited, in accordance with the 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, the 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, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 21, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mahoney Sabol + Company, LLP

Certified Public Accountants
Glastonbury, Connecticut
December 21, 2020

FEDERAL SINGLE AUDIT SECTION

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Finance
Town of Brookfield, Connecticut

Report on Compliance for Each Major Federal Program

We have audited the Town of Brookfield, Connecticut's (the "Town"), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2020. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of federal findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town of Brookfield, Connecticut, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon dated December 21, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Mahoney Sabol + Company, LLP

Certified Public Accountants
Glastonbury, Connecticut
December 21, 2020

Town of Brookfield, Connecticut

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures to Sub-Recipients	Total Federal Expenditures
U.S. Department of Agriculture				
Child Nutrition Cluster:				
Pass-Through programs from:				
Connecticut State Department of Education				
National School Lunch Program - USDA Commodities	10.555	NA	$ -	$ 44,539
National School Lunch - CARES Act	10.555	12060-SDE64370-29572	-	61,892
National School Lunch	10.555	12060-SDE64370-20560	-	166,681
Total National School Lunch Cluster			-	273,112
Total U.S. Department of Agriculture			-	273,112
U.S. Department of Education				
Pass-Through programs from:				
Connecticut State Department of Education				
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027	12060-SDE64370-20977 19	-	167,298
Special Education - Grants to States	84.027	12060-SDE64370-20977 20	-	456,407
Congnitive Disabilities Stipend	84.027	12060-SDE64370-20977 19	-	6,000
Subtotal	84.027		-	629,705
Special Education - Preschool Grants	84.173	12060-SDE64370-20983 20	-	19,293
Total Special Education Cluster (IDEA)			-	648,998
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679 19	-	16,236
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679 20	-	18,538
Subtotal	84.010		-	34,774
Supporting Effective Instruction State Grants	84.367	12060-SDE64370-20858 20	-	38,212
Title III English Languague Acquisition State Grant	84.365	12060-SDE64370-20868 19	-	7,645
Title IV Student Support and Enrichment	84.424	12060-SDE64370-22854 20	-	264
Carl Perkins Career and Technical Education Act	84.051	12060-SDE64370-20742 20	-	18,701
School Improvement Grant	84.377	12060-SDE64370-22223	-	59,363
Total U.S. Department of Education			-	807,957
U.S. Department of Homeland Security				
Pass-Through programs from:				
Connecticut Department of Emergency Services and Public Protection				
FEMA Disaster Grants - Public Assistance	97.036	Proj #77564	-	1,204,543
FEMA Disaster Grants - Public Assistance	97.036	Proj #71887	-	114,653
FEMA Disaster Grants - Public Assistance	97.036	Proj #88413	-	91,479
FEMA Disaster Grants - Public Assistance	97.036	Proj #80068	-	48,151
Total FEMA Disaster Grants			-	1,458,825
Total U.S. Department of Homeland Security			-	1,458,825

(continued)

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

Town of Brookfield, Connecticut

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures to Sub-Recipients	Total Federal Expenditures
U.S. Department of Health and Human Services				
Pass-Through programs from:				
Connecticut Department of Public Health				
Public Health Crisis Response	93.354	12060-DPH48557-29551	$ -	$ 14,347
Total U.S. Department of Health and Human Services			-	14,347
U.S. Department of Housing and Urban Development				
Pass-Through programs from:				
Connecticut Department of Housing				
Community Development Block Grants	14.218	12060-DOH46930-20730	-	42,549
Total U.S. Department of Housing and Urban Development			-	42,549
U.S. Department of Justice				
Direct from Federal Government:				
Organized Crime Drug Enforcement Task Force OCDETF	16.111	NA	-	15,030
Equitable Sharing Funds	16.922	NA	-	43,627
Bulletproof Vest Partnership Program	16.607	NA	-	5,435
Pass-Through programs from:				
Connecticut Department of Emergency Services and Public Protection				
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	12060-DPS32523-26185	-	7,500
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	12060-DPS32523-26230	-	8,765
Connecticut Office of Policy and Management				
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	12060-OPM20350-21921	-	2,825
Total Edward Byrne Memorial Justice Assistance Grant (JAG)			-	19,090
Total U.S. Department of Justice			-	83,182
U.S. Department of Transportation				
Pass-Through programs from:				
Connecticut Department of Transportation				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	12062-DOT57171-22108	-	902,669
Total Highway Planning and Construction Cluster			-	902,669
Federal Highway Safety Programs	20.600	12062-DOT57513-22600	-	8,613
Total U.S. Department of Transportation			-	911,282
Total Federal Awards			$ -	$ 3,591,254

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

1. Summary of Significant Accounting Policies

The accounting policies of the Town of Brookfield, Connecticut ("Town"), conform to accounting principles generally accepted in the United States of America as applicable to governmental units.

The accompanying schedule of expenditures of federal awards ("schedule") includes the federal award activity of the Town under programs of the federal government. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town.

A. Basis of Presentation

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

For cost reimbursement awards, revenues are recognized to the extent of expenditures. Expenditures have been recognized to the extent the related obligation was incurred within the applicable grant period and liquidated within 90 days after the end of the grant period. Certain financial assistance is not dependent on expenditure activity and, accordingly, is considered expended in the fiscal year of receipt.

The Town has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

2. Other Federal Assistance

The United States Department of Agriculture provides commodities to the Town's schools. The fair market value of the commodities has been reflected in the expenditures column of the schedule.

No other federal assistance was received in the form of loans, loan guarantees or insurance.

TOWN OF BROOKFIELD, CONNECTICUT
SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes ___✓___ No
- Significant deficiency(ies) identified? _____ Yes ___✓___ None reported

Noncompliance material to financial statements noted? _____ Yes ___✓___ No

FEDERAL AWARDS

Internal control over major programs:

- Material weakness(es) identified? _____ Yes ___✓___ No
- Significant deficiency(ies) identified? _____ Yes ___✓___ None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, Section 200.516? _____ Yes ___✓___ No

The following schedule reflects the major federal programs included in the audit:

CFDA Number	Name of Federal Program
97.036	FEMA Disaster Grants - Public Assistance
20.205	Highway Planning and Construction Cluster

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee? ___✓___ Yes _____ No

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL FINDINGS AND QUESTIONED COSTS

No matters were reported.

SCHEDULE OF THE STATUS OF PRIOR YEAR FINDINGS

Federal Award Finding 2019-001, *Significant Deficiency in Internal Control over Compliance*, reported for the Special Education Cluster program is no longer considered to be a significant deficiency.

STATE SINGLE AUDIT SECTION

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT

To the Board of Finance
Town of Brookfield, Connecticut

Report on Compliance for Each Major State Program

We have audited the Town of Brookfield, Connecticut's (the "Town"), compliance with the types of compliance requirements described in the, Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the Town's major state programs for the year ended June 30, 2020. The Town's major state programs are identified in the summary of auditor's results section of the accompanying schedule of state findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major State Program

In our opinion, the Town of Brookfield, Connecticut, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by State Single Audit Act

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon dated December 21, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. The schedule of expenditures of state financial assistance is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

Mahoney Sabol + Company, LLP

Certified Public Accountants
Glastonbury, Connecticut
December 21, 2020

Town of Brookfield, Connecticut

Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2020

State Grantor Pass-Through Grantor Program Title	State Grant Program Core-CT Number	Passed Through to Subrecipients	Total Expenditures
NONEXEMPT PROGRAMS			
Connecticut State Library			
Connecticard Payments	11000-CSL66051-17010	$ -	$ 1,395
Historic Documents Preservation Grants	12060-CSL66094-35150	-	10,000
Total Connecticut State Library		-	11,395
Department of Social Services			
Medicaid	11000-DSS60000-16020	-	24,946
Department of Economic and Community Development			
Brownfield Remediation and Development	12060-ECD46260-35533	-	8,397
Department of Transportation			
Town Aid Road Grants Transportation Fund	12052-DOT57131-43455	-	153,508
Town Aid Road Grants Transportation Fund	13033-DOT57131-43459	-	153,508
Total Department of Transportation		-	307,016
Department of Emergency Services and Public Protection			
Drug Asset Forfeiture Revenue Account	12060-DPS32155-35142	-	10,041
Department of Justice			
Non-Budgeted Operating Appropropriation	34001-JUD95162-40001	-	15,769
Office of Policy and Management			
Reimbursement of Property Tax - Disability Exemption	11000-OPM20600-17011	-	1,351
Property Tax Relief for Veterans	11000-OPM20600-17024	-	7,402
Local Capital Improvement Program (LOCIP)	12050-OPM20600-40254	-	106,364
Municipal Grant-In-Aid	12052-OPM20600-43587	-	118,281
Total Office of Policy and Management		-	233,398
Department of Energy and Environmental Protection			
Clean Water Fund (725-PG planning grant)	21014-OTT14000-40001	-	306,746
Department of Education			
Talent Development	11000-SDE64370-12552	-	5,401
Child Nutrition State Match	11000-SDE64370-16211	-	9,168
Health Foods Initiative	11000-SED64370-16212	-	17,467
Adult Education	11000-SDE64370-17030	-	4,590
Health and Welfare - Private School Pupil	11000-SDE64370-17034	-	9,693
Magnet Schools	11000-SDE64370-17057	-	31,973
Total Department of Education		-	78,292
Total State Financial Assistance before Exempt Programs		-	996,000
EXEMPT PROGRAMS			
Office of Policy and Management			
Municipal Stablization Grant	11000-OPM20600-17104	-	272,396
Department of Education			
Education Cost Sharing	11000-SDE64370-17041	-	1,052,942
Special Education - Excess Cost - Student Based	11000-SDE64370-17047	-	633,280
Total Department of Education		-	1,686,222
Total Exempt Programs		-	1,958,618
Total State Financial Assistance		$ -	$ 2,954,618

The notes are an intergral part of this schedule

1. Summary of Significant Accounting Policies

The accounting policies of the Town of Brookfield, Connecticut ("Town"), conform to accounting principles generally accepted in the United States of America as applicable to governmental units.

The accompanying Schedule of Expenditures of State Financial Assistance includes state grant activity of the Town under programs of the State of Connecticut. The information in the Schedule of Expenditures of State Financial Assistance is presented based on regulations established by the State of Connecticut, Office of Policy and Management.

A. Basis of Presentation

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations of the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt.

2. Loan Programs

In accordance with Section 4-236-23(a)(4)(F) of the Regulations to the State Single Audit Act, the notes to the schedule must include debt activities. The following is a summary of the loan program activity for the year:

Department of Energy and Environmental Protection: Clean Water Fund Loan:

	Issue Date	Interest Rate	Original Amount	Beginning Balance	Issued	Retired	Ending Balance
6865-3100-888	2010	2%	$ 3,747,082	$ 2,223,509	$ -	$ (182,552)	$ 2,040,957

TOWN OF BROOKFIELD, CONNECTICUT
SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes ✓ No
- Significant deficiency(ies) identified? _____ Yes ✓ None Reported

Noncompliance material to financial statements noted? _____ Yes ✓ No

STATE FINANCIAL ASSISTANCE

Internal control over major programs:

- Material weakness(es) identified? _____ Yes ✓ No
- Significant deficiency(ies) identified? _____ Yes ✓ None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? _____ Yes ✓ No

The following schedule reflects the major programs included in the audit:

State Grantor/ Program	State Grant Program Core-CT Number	Expenditures
Department of Energy and Environmental Protection:		
Clean Water Fund (725-PG planning grant)	21014-OTT14000-40001	$ 306,746
Department of Transportation:		
Town Aid Road Transportation Fund	12052-DOT57131-43455	153,508
Town Aid Road Transportation Fund	13033-DOT57131-43459	153,508
Office of Policy & Management		
Municipal Grants In-Aid	12052-OPM20600-43587	118,281

Dollar threshold used to distinguish between Type A and Type B programs: $100,000

SECTION II - FINANCIAL STATEMENT FINDINGS

No findings were reported.

SECTION III - STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No findings were reported.

SCHEDULE OF THE STATUS OF PRIOR AUDIT FINDINGS

There were no prior year audit findings.