

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF THE
CITY OF BRISTOL
CONNECTICUT**

**FISCAL YEAR
JULY 1, 2010 - JUNE 30, 2011**

Glenn S. Klocko, Comptroller

Prepared by Comptroller's Office

CITY OF BRISTOL, CONNECTICUT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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CITY OF BRISTOL, CONNECTICUT

For Fiscal Year Ended June 30, 2011

PRINCIPAL OFFICIALS

CITY COUNCIL

Arthur J. Ward, Mayor
Clifford Block, Councilmember
Kenneth Cockayne, Councilmember
Kevin Fuller, Councilmember
Kevin C. McCauley, Councilmember
Terry Parker, Councilmember
David Mills, Councilmember

BOARD OF FINANCE

Arthur J. Ward, Mayor
Richard Miecznikowski, Chairperson
Robert Casar, Commissioner
Lisa Casey, Commissioner
Greg Fradette, Commissioner
John Smith, Vice Chairman
Cheryl Thibeault, Commissioner
Paul Tonon, Commissioner
Robert Wojtek, Commissioner

ADMINISTRATION

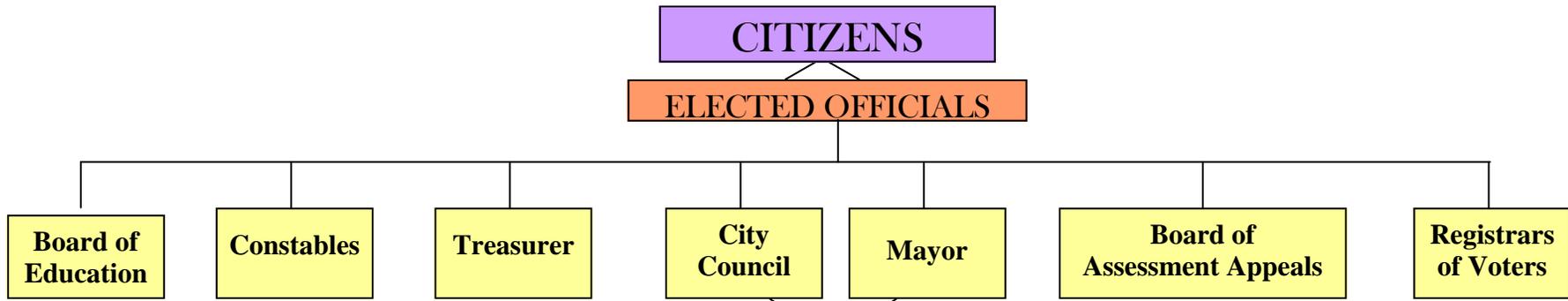
Registrar of Voters - Democrat
Registrar of Voters - Republican
Chief Assessor
Tax Collector
Purchasing Agent
Comptroller
Assistant Comptroller
Treasurer
Personnel Director
Corporation Counsel
Town and City Clerk
Commission on Aging, Director
Inlands/Wetlands Commission, Chairman
Director of Youth & Community Services
City Planner
Planning Secretary and City Engineer
Zoning Enforcement Officer
Police Chief
Fire Chief
Civil Preparedness Director
Building and Zoning Official
Director of Public Works
Bristol/Burlington Health District
Library Director
Superintendent of Parks and Recreation
Bristol Development Authority Director
Bristol Water Department Superintendent
Superintendent of Schools
Deputy Superintendent of Schools

Mary Rydingsward
Sharon Krawiecki
Thomas DeNoto
Teresa Babon
Roger D. Rousseau
Glenn S. Klocko
Robin L. Manuele
Rose Parenti
Diane Ferguson
Edward C. Krawiecki, Jr.
Therese Pac
Margaret Sokol
William J. Englert
Eileen McNulty
Alan L. Weiner
Paul A. Strawderman
Anthony DeCrisantis
Eric Osanitsch
Jon Pose
Richard B. Ladisky
Guy R. Morin
Walter E. Veselka, III
Lynn Abrahamson
Francine Petosa
Edward J. Swicklas
Jonathan Rosenthal
Robert Longo
Philip Streifer, Ph.D.
Susan Kalt Moreau, Ph.D.

BOARD OF EDUCATION

Barbara Y. Doyle, Chairperson
Julie M. Luczkow, Vice Chairperson
Thomas P. O'Brien
Amy Coan
Karen Vibert

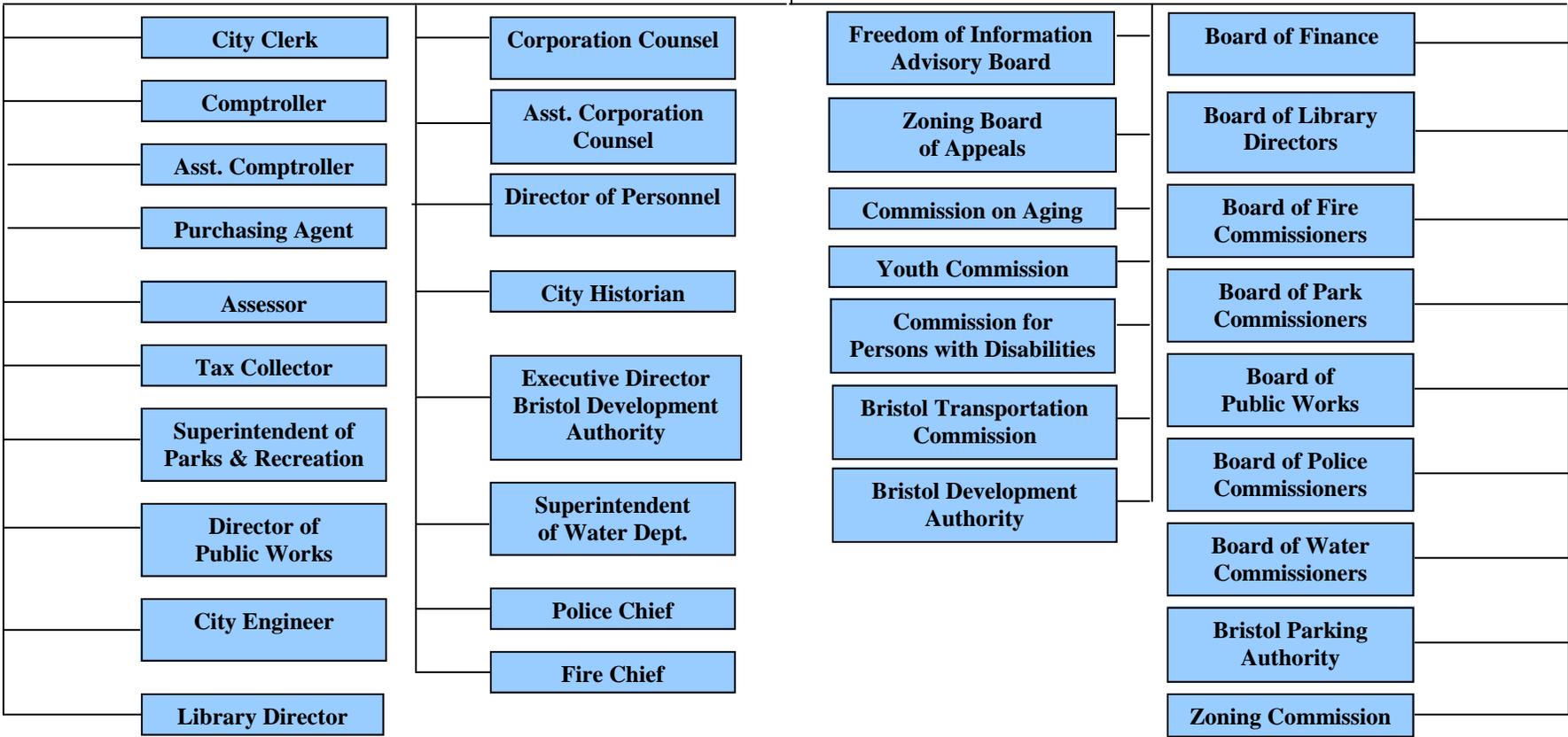
Sherry A. Turcotte
Christopher C. Wilson
Margaret L. Bonola
Orlando Calfe, Jr.
Cliff Block, Council Liason



Nominated by Mayor
Appointed by City Council

Hired or appointed in accordance with City of Bristol Charter or Ordinance Board/Commission members nominated by Mayor—confirmed by Council

II:





City of Bristol

BRISTOL, CONNECTICUT 06010

December 22, 2011

To the Honorable Mayor, Members of the City Council, Members of the Board of Finance and Citizens of the City of Bristol:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2011.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements.

Blum, Shapiro & Company, P.C., Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Bristol's financial statements for the year ended June 30, 2011. The independent auditors' report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

The City of Bristol, incorporated in 1911, is located in the west central part of the state, once considered the clock making, ball bearing, and lock manufacturing capital of the United States. The City remains proud of its industrial heritage. The City seal continues to maintain this history by depicting the hands of a clock. The city occupies 26 square miles and serves a population of approximately 60,000. The City of Bristol is empowered to levy a property tax on both real and personal property and also on motor vehicles.

The City has operated under the mayor-council form of government since inception. Policy making and legislative authority is vested in the governing council (Council) consisting of the mayor and six other members, all elected on a non-partisan basis. Council members serve two-year terms. The mayor is elected for a two-year term. The mayor is elected at large and council members are elected by district.

The City of Bristol provides a full range of services, including schools, police and fire protection; the construction and maintenance of highways, streets and other infrastructure; recreational activities and cultural events; and sanitation services. Certain health services are provided through a legally separate Bristol Burlington Health District and water services are provided through a legally separate Bristol Water Department, which function, in essence, as departments of the City of Bristol and therefore have been included as an integral part of the City of Bristol's financial statements. Additional information on all these legally separate entities can be found in the notes to the financial statements (See Note 1A).

"An Equal Opportunity Employer"

**CITY
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The Joint Board of the Board of Finance and City Council are required to adopt a final budget by no later than the third Monday in May. This budget serves as the foundation for the City of Bristol's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The Board of Finance has the power to approve budget revisions during the year up to \$5,000. Revisions in excess of \$5,000 require Joint Board approval.

NATIONAL, STATE & LOCAL ECONOMY

There is little argument that the recovery has been disappointing. The U.S. economy remains dominated by consumer spending with a 70% share. Ultimately, a return to steadier growth will be determined by consumer behavior. An upturn in the housing market is probably critical in ensuring the sustainability of growth, given that the health of the sector is so intertwined with that of the broader financial system and consumer balance sheet. Despite this outlook, the City has varied manufacturing and industrial sectors that adds to the relative stability of the local economy. Major industries with headquarters or divisions located within the government's boundaries include ESPN, the nation's first and largest all-sports television network. The ESPN worldwide headquarters remains our largest taxpayer, accounting for 7.5% of total property assessed valuation. ESPN's growth in Bristol was assured by their acquisition of 20 adjoining acres for future expansion. The City continues to be a leader in manufacturing, producing a wide variety of precision-crafted goods such as tin ware, bells, coaster brakes, hard wares, clocks, screw machine products, electronic items, timing devices, and robotic-based automation systems. Specialty manufacturers produce for a diverse array of industries, including medical devices, surgical equipment, aerospace and automobile items.

UNEMPLOYMENT. Unemployment rates and the number of unemployed people, not seasonally adjusted, were up over the year in all of the states nine labor market areas. Connecticut's 8.2% unemployment rate is lower than the national rate of 8.5%, and is predicted to remain stable. Locally, Bristol's 8.2% average unemployment rate is slightly below the national and regional averages.

As a result of a state enterprise zone established in downtown Bristol to promote additional development, renewed investment, and job opportunities, unemployment is expected to continue to lag behind the state average. Bristol's Technology Park employs over 1,600 employees in 23 businesses.

A new Industrial Park of approximately 51 acres has been acquired by the City on a site off a major route to and from the city (Route 229). The infrastructure was a jointly funded project of the state and the City. The project is critical to Bristol's continued growth. The acreage will accommodate approximately 750,000 square feet of new industrial space. The Park construction is complete and open for occupancy. It already has two tenants.

LONG-TERM FINANCIAL PLANNING

Downtown Bristol is an important focus for economic development. The City acquired a downtown 1970s vintage mall property. A redevelopment company has been contracted to reconfigure the 17-acre downtown mall site, which should help broaden Bristol's economic base and improve its labor market conditions once the economy improves from its current recessionary track.

RELEVANT FINANCIAL POLICIES

The City has formally adopted key financial policies. Several years ago, a use of fund balance policy was established by the Board of Finance to (1) reduce the General Fund's reliance on surplus to balance the budget, and (2) to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time emergency expenditures. The fund balance policy goal is to maintain General Fund unreserved undesignated fund balance at 10% of budgeted operating revenues.

The City also adopted a debt policy to establish parameters and guidance for the Board to make decisions on capital spending and issuance of debt as a means to fund them.

**CITY
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In addition, several general financial policies guide the City in areas such as justification for new hires, travel reimbursement guidelines, sinking fund purchases for capital items, and addressing technology issues through a computer and related equipment lease replacement program. These and other key financial policies may be found in the City's budget document behind the tab labeled "Policy Initiatives."

MAJOR INITIATIVES

Education entails the largest portion of the City's budget. They requested a 4.88% increase, which equals \$5,002,248. The Board of Finance recommends a 2.38% decrease, which equals a reduction of \$2,436,730 for a total education budget of \$100,126,600 for fiscal 2011-2012.

Strategies used in balancing the 2011-2012 budget:

- Department Heads were asked to submit a zero budget
- The Mayor will review any open positions for his consideration of replacement
- Cost savings by reorganization through attrition
- Minimal bonding of the Ten Year Capital Improvement Plan
- Increase Contingency to \$1,230,000
- Only granting capital requests if absolutely necessary
- Use of the Board of Education ARRA grant to supplement BOE budget
- Continue to develop and implement fiscal policies to keep the City's bond rating strong
- Develop a plan to prioritize capital spending in a way that spread these costs over time to minimize the tax impact
- Regionalization with other towns in the area where there can be cost savings
- Consolidate management to increase efficiency and reduce operational costs in departments
- Mayor Ward and Dr. Streifer again this year have been outspoken advocates to eliminate unfunded mandates which cost Connecticut cities millions of dollars

Percentages

- The operating budget (for all funds) increased 0.13%
- The General Fund budget increased \$215,405
- The Education Department received a 2.38% decrease
- The mill rate did not increase, it remained at 27.24

AWARDS AND ACKNOWLEDGEMENTS

Comprehensive Annual Financial Report (CAFR):

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. This was the twenty-fifth consecutive year in which the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Popular Annual Financial Report (PAFR):

Also, the Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Bristol for its Popular Annual Financial Report for the fiscal year ended June 30, 2010. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of

**CITY
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BRISTOL**

creativity, presentation, understandability and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. This is the eleventh year in a row the City of Bristol has received the Popular Annual Financial Reporting Award. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

Distinguished Budget Presentation Awards Program:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the City of Bristol the GFOA's Distinguished Budget Presentation Award for its budget. The award represents a significant achievement by the City of Bristol. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. This is the eleventh consecutive time the City has received this award.

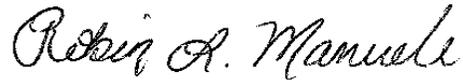
We commend our independent auditors, Blum, Shapiro & Company, P.C., Certified Public Accountants, specifically audit manager Nikoleta McTigue for her expertise and patience in progressively guiding the City's staff through the required annual reporting updates and modifications.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Comptroller's Office, in particular, Chief Accountant David J. Bertnagel, Accountant, Tina Bunnell, and Assistant to the Comptroller, Jodi McGrane. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the governing council and Board of Finance for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Bristol's finances.

Respectfully submitted,



Glenn S. Klocko
Comptroller



Robin L. Manuele
Assistant Comptroller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bristol Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

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



Linda C. Dandson

President

Jeffrey R. Egan

Executive Director

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Members of the Board of Finance
City of Bristol, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bristol, Connecticut, as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bristol, Connecticut, as of June 30, 2011 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2011 on our consideration of the City of Bristol's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis on pages 3 through 14 and budgetary comparison information on pages 56 through 67 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

Blum, Shapiro & Company, P.C.

December 22, 2011

CITY OF BRISTOL, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2011

This discussion and analysis of the City of Bristol, Connecticut's (the City) financial performance is provided by management to provide an overview of the City's financial activities for the fiscal year ended June 30, 2011. Please read this MD&A in conjunction with the transmittal letter beginning on Page iii and the City's financial statements, Exhibits I to IX.

FINANCIAL HIGHLIGHTS

- The City's total net assets increased by \$9 million as a result of this year's operations. While net assets of our business-type activities increased by \$755 thousand, or 3%, net assets of our governmental activities increased by \$8.2 million, or 3.5%. Increases were primarily due to the aggregate acquisition of any new assets during the fiscal year and revenues exceeding actual expenses during the year.
- During the year, the City had expenses that were \$9 million less than the \$223.2 million generated in tax and other revenues for governmental programs and business activities. Revenues exceeding expenses were clearly a result of receiving capital grants for construction of education facilities and increased property tax collections.
- In the City's business-type activities, revenues increased \$659 thousand or 12% while expenses increased by 5.2%. There was an increase in investment earnings over prior year results. The earnings were a result of high cash and reserve levels.
- The total cost of all of the City's programs was \$214.2 million with no new programs added this year. This represents a \$1.2 million increase compared to fiscal year 2010. The increase represents, in part, increased budgetary appropriations City-wide, including education operations.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$21.4 million, or 11.7% of General Fund expenditures and transfers out.
- The tax collection rate was 98.63% of the current levy, which includes current interest and liens and exceeds last year's rate of 98.32%.
- The City committed \$900 thousand of fund balance for Governmental Accounting Standards Board (GASB) Statement No. 45, which requires recognition of Other Post Employment Benefits (OPEB) other than pension benefits.
- The City of Bristol's total bonded indebtedness, including its enterprise fund bonds, increased by \$35.3 million to \$94.4 million or 60% before payments during the current fiscal year. The key factors in this increase were a scheduled debt service issuance for the construction of two new schools and various City Public Works projects. The City also "rolled over" (reissued) \$7.41 million in taxable general obligation bond anticipation notes originally issued in 2009.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The statement of net assets and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements are presented in Exhibit III to IX. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The analysis of the City as a whole begins on Exhibit I and II. The statement of net assets and the statement of activities report information about the City as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting 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.

These two statements report the City's net assets and changes in them. The City's net assets, the difference between assets and liabilities, are one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's capital assets, to assess the overall health of the City. In the statement of net assets and the statement of activities, we divide the City into three types of activities:

- *Governmental activities* - Most of the City's basic services are reported here, including education, public safety, public works, health and welfare, libraries, parks and recreation, and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.
- *Business-type activities* - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's Water Department operations are reported here.
- *Component units* - The City includes one separate legal entity in its report, the Bristol-Burlington Health District. Although legally separate, this "component unit" is important because the City is financially accountable for it.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by Charter. However, the City Council establishes many other funds to help control and manage financial activities for particular purposes (like the Capital Projects Fund and Debt Service Fund) or to show that it is meeting legal responsibilities for using grants and other money (like grants received from the State Department of Education and the Federal Department of Housing and Public Administration). The City's funds are divided into three categories: governmental, proprietary and fiduciary.

- *Governmental funds (Exhibit III and IV)* - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.

- *Proprietary funds (Exhibit V, VI and VII)* - When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net assets and the statement of activities. In fact, the City's enterprise fund (a component of proprietary funds) is the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds. Internal service funds (the other component of proprietary funds) are used to report activities that provide supplies and services for the City's other programs and activities - such as the City's Health Benefit and Workers' Compensation Internal Service Fund.
- *Fiduciary funds (Exhibit VIII and IX)* - The City is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City's combined net assets increased from a year ago from \$258.3 million to \$267.3 million. The analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the City's governmental and business-type activities.

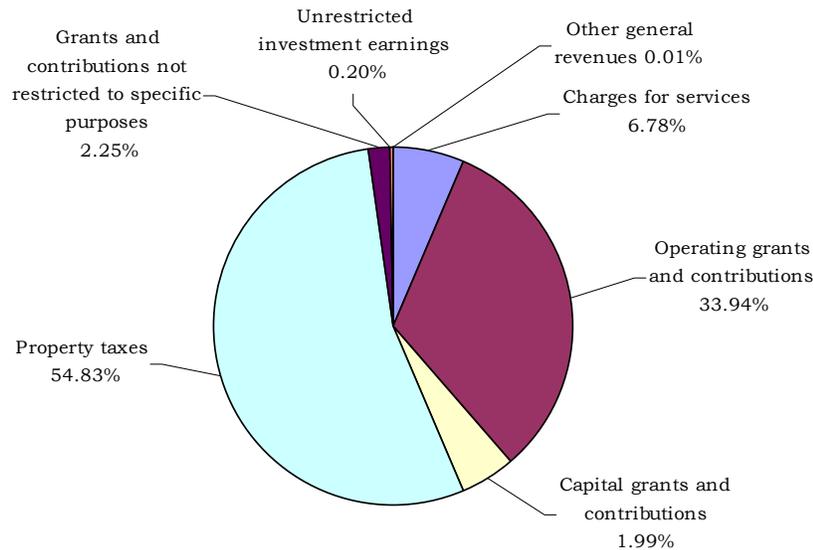
	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u> <u>Primary Government</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current assets	\$ 122,953	\$ 81,783	\$ 6,929	\$ 5,136	\$ 129,882	\$ 86,919
Capital assets, net of accumulated depreciation	<u>277,513</u>	<u>267,905</u>	<u>24,969</u>	<u>25,666</u>	<u>302,482</u>	<u>293,571</u>
Total assets	<u>400,466</u>	<u>349,688</u>	<u>31,898</u>	<u>30,802</u>	<u>432,364</u>	<u>380,490</u>
Long-term liabilities outstanding	127,863	88,330	5,681	5,413	133,544	93,743
Other liabilities	<u>30,293</u>	<u>27,258</u>	<u>1,197</u>	<u>1,124</u>	<u>31,490</u>	<u>28,382</u>
Total liabilities	<u>158,156</u>	<u>115,588</u>	<u>6,878</u>	<u>6,537</u>	<u>165,034</u>	<u>122,125</u>
Net Assets:						
Invested in capital assets, net of related debt	179,772	206,272	19,706	20,667	199,478	226,939
Restricted	752	655			752	655
Unrestricted	<u>61,786</u>	<u>27,173</u>	<u>5,314</u>	<u>3,598</u>	<u>67,100</u>	<u>30,771</u>
Total Net Assets	<u>\$ 242,310</u>	<u>\$ 234,100</u>	<u>\$ 25,020</u>	<u>\$ 24,265</u>	<u>\$ 267,330</u>	<u>\$ 258,365</u>

Net assets of the City's governmental activities increased by 3.5% or \$242.3 million compared to a prior \$234.1 million. Unrestricted net assets - the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - is \$61.8 million at the end of this year. The net assets of business-type activities increased by \$755 thousand in 2011 compared to 2010.

Table 2
Changes in Net Assets
(in thousands)

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 13,782	\$ 13,687	\$ 6,327	\$ 5,668	\$ 20,109	\$ 19,355
Operating grants and contributions	69,468	68,554			69,468	68,554
Capital grants and contributions	10,704	4,014	8	33	10,712	4,047
General revenues:						
Property taxes	117,274	110,752			117,274	110,752
Grants and contributions not restricted to specific programs	4,354	4,553			4,354	4,553
Unrestricted investment earnings	302	396	949	451	1,251	847
Other general revenues	2	25			2	25
Total revenues	<u>215,886</u>	<u>201,981</u>	<u>7,284</u>	<u>6,152</u>	<u>223,170</u>	<u>208,133</u>
Program expenses:						
General government	12,549	14,433			12,549	14,433
Public safety	31,719	31,548			31,719	31,548
Public works	25,183	24,696			25,183	24,696
Health and welfare	6,327	5,656			6,327	5,656
Libraries	2,739	2,651			2,739	2,651
Parks and recreation	3,201	2,972			3,201	2,972
Education	123,128	122,597			123,128	122,597
Interest on long-term debt	2,830	2,246			2,830	2,246
Water			6,529	6,208	6,529	6,208
Total program expenses	<u>207,676</u>	<u>206,799</u>	<u>6,529</u>	<u>6,208</u>	<u>214,205</u>	<u>213,007</u>
Increase (Decrease) in Net Assets	<u>\$ 8,210</u>	<u>\$ (4,818)</u>	<u>\$ 755</u>	<u>\$ (56)</u>	<u>\$ 8,965</u>	<u>\$ (4,874)</u>

The City's total revenues were \$223.2 million. The total cost of all programs and services was \$214.2 million. Our pie chart analysis below considers the operations of governmental and business-type activities.



Governmental Activities

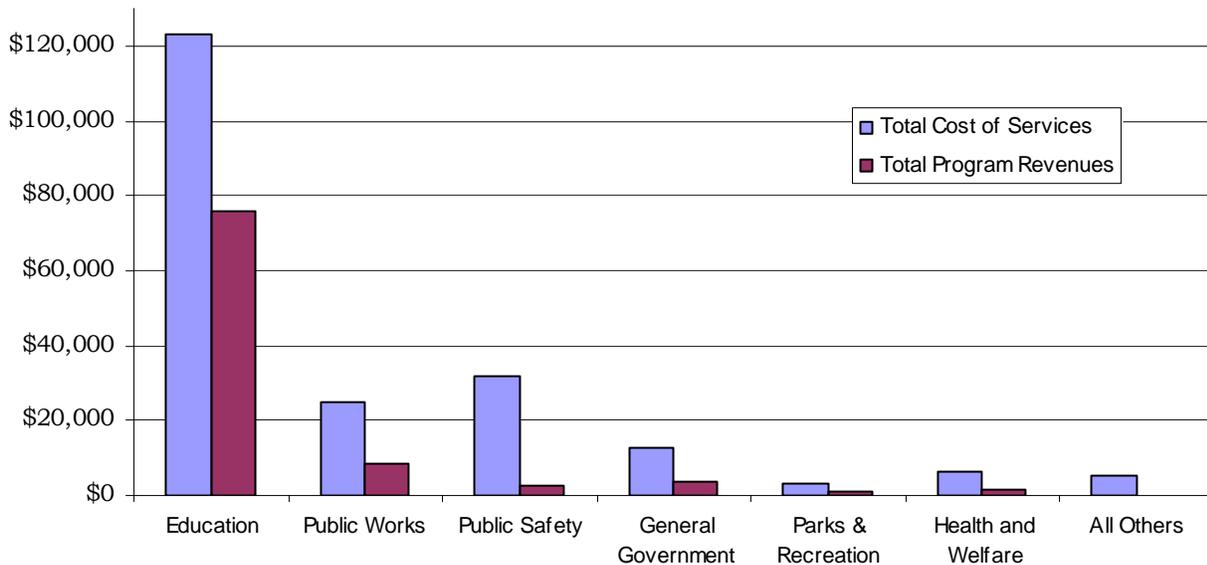
Governmental activities increased the City's net assets by \$8.2 million, thereby accounting for 91.6% of the total increase in the net assets of the City. The prior year decline in net assets was \$4.8 million. Key elements of this increase with offsetting decreases are as follows:

- Property tax collections increased by \$6.5 million during the year. Most of this increase is the product of increased tax revenue estimates to balance increased budgeted appropriations.
- Operating grants and contributions for governmental activities increased by \$914 thousand, mostly as a result of a Health and Welfare grant increase.
- Charges for services increased \$659 thousand. This is a direct result of a Public Works State road refurbishment project.
- Investment earnings dropped \$94 thousand. Once again, this is a reflection of investment rates in a recessionary economy.
- General government activities expenses decreased \$1.9 million as a result of budget-wide reductions in appropriations due to the lagging economy and City Officials' desire to limit budget increases.
- For the most part, any increases in departmental expenses closely paralleled inflationary costs for utilities, operational contractual obligations and double digit increased costs for health benefits.
- The State of Connecticut Teacher Retirement System is funded by the State. The funding levels have remained relatively flat. This year the on-behalf state teacher's contribution was \$8.52 million; last year the amount was \$8.27 million.

Table 3 presents the cost of each of the City’s six largest programs - education, public works, public safety, general government, parks and recreation, and health and welfare - as well as each program’s net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City’s taxpayers by each of these functions.

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Education	\$ 123,128	\$ 122,597	\$ 47,008	\$ 51,225
Public works	25,183	24,696	16,623	17,505
Public safety	31,719	31,548	29,104	28,974
General government	12,549	14,433	8,769	10,467
Health and welfare	6,327	5,656	4,679	5,366
Parks and recreation	3,201	2,972	2,105	2,235
All others	<u>5,569</u>	<u>4,897</u>	<u>5,434</u>	<u>4,772</u>
Total	<u>\$ 207,676</u>	<u>\$ 206,799</u>	<u>\$ 113,722</u>	<u>\$ 120,544</u>

Expenses and Program Revenues- Governmental Activities (in millions)



Business-type Activities

Revenues of the City's business-type activities (see Table 2) were approximately the same at \$7.3 million in 2011 compared to \$6.2 million in 2010, and expenses increased by 5.2%. The factors influencing these results included:

- There were increases to water consumption.
- Increases to expenses were due to increased costs for water treatment plant chemicals that are typically used in large quantities for the operations of the plant and capital equipment replacements.

CITY FUNDS FINANCIAL ANALYSIS

Governmental Funds

As the City completed the year, its governmental funds (as presented in the balance sheet - Exhibit III) reported a combined fund balance of \$66.8 million.

Approximately 31% of this total amount (\$20.9 million) constitutes *unassigned fund balance*, which is in excess of nonspendable, restricted, committed and assigned fund balance. The remainder of fund balance is *constrained to specific purposes* to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of a prior period, 2) to pay debt service, 3) to generate income to pay for the perpetual care and maintenance of storm water control problem areas and City cemeteries, or 4) for a variety of other restricted specific purposes.

The General Fund is the chief operating fund of the City of Bristol. At the end of the current fiscal year, *unassigned fund balance* of the General Fund was \$21.4 million, while total fund balance reached \$28.4 million. As a measure of the General Fund's liquidity, it may be useful to compare both *unassigned fund balance* and total fund balance to total fund expenditures. *Unassigned fund balance* represents 14.4% of total General Fund expenditures, while total fund balance represents 19.1% of that same amount, and exactly the same percentage as the year before.

The Debt Service Fund has a total fund balance of \$1.6 million, all of which is reserved for the payment of debt service. Funding for debt service is represented by a transfer out of the General Fund to the Debt Service Fund.

Proprietary Funds

The City of Bristol's proprietary funds provide the same type of information found in the governmental-wide financial statements, but in more detail.

Unrestricted net assets of the Water Department and Health Benefits and Workers' Compensation funds at the end of the year amounted to \$12.2 million; of that amount, the Health Benefits and Workers' Compensation fund has accumulated \$6.9 million of net assets, which is equal to the funds unrestricted net assets. This fund is self-funded and has experienced increasing year-to-year medical claims. To demonstrate this increasing expense trend, current year expenses were \$28.9 million compared to 2009 expenses of \$28.8 million and \$28.6 million in 2008.

Other factors concerning the finances of the Water Department have already been addressed in the discussion the City's business-type activities.

General Fund Budgetary Highlights

Variations between original budget and the amended budget (RSI-1 and 2) can be briefly summarized as follows:

Estimated Revenues:

- Property tax collections are estimated at 98.04%. Actual collections were 100.84% of the budgeted amount.
- State grants are budgeted with available known estimates from the State. Some state grants exceeded expectations due to the reimbursement nature of the grants (excess student cost base), while others are formula driven, such as the PILOT, for manufacturing and equipment grant.
- Building permit collections variance was \$429 thousand over budgeted estimates. This revenue source increase was due to new school construction permits within the City and permits issued to ESPN for a new digital programming facility.
- State and Federal grant estimates and resulting variances for our larger state-provided grants, such as the Educational Cost Sharing and Public (child) transportation grants, are subject to political debate and approval at the state level and are not of local control.
- The City received a significant one-time federal stimulus grant (ARRA ECS Grant) to be used specifically for Education Department purposes.
- Interest income on idle General Fund monies once again came in under budgeted amounts. The depth and duration of the recession could not have been accurately predicted. The budget for this revenue source is estimated 12-18 months prior to known economic activity.
- The Excess Student Cost Base Grant, like many education grants, is difficult to estimate and is usually based on data from a prior year that may not reflect current year data.

Appropriations:

- Many departments will have adjustments to their original appropriations. There are two major reasons: first, the departments cannot over-expend their line items and, second, all year-end over-expenditures are covered by either transfers within the department line items or transfers from other departments with excessive funds at year end.

Large transfer amounts usually signify unusual circumstances. For instance:

- The School Readiness grant is not budgeted until the grant amount is known, which is usually after budget adoption.
- Public Safety adjustments were caused by the associated costs of overtime for unplanned local emergencies and contractual replacement for sick or injured personnel.
- A \$9.5 million transfer from Other Financing Uses (department) refers to the collection of health benefits budgeted within the City side of the General Fund and is combined with \$13.6 million from the education side of the General Fund budget, which reflects a similar amount transferred into Other Financing Services - Internal Service (health benefits) fund. The total transfer-in from all sources for health benefits is \$23.1 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2011, the City had \$302.5 million invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment, roads, bridges, and water and sewer lines - Table 4. This amount represents a net increase (including additions and deductions) of \$400 thousand, or 3.1%, over last year.

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2011	2010	2011	2010	2011	2010
Land	\$ 18.2	\$ 17.5	\$ 2.7	\$ 2.7	\$ 20.9	\$ 20.2
Construction in progress	28.1	34.4			28.1	34.4
Buildings	112.3	99.1	20.6	21.3	132.9	120.4
Improvement other than buildings	1.9	2.1			1.9	2.1
Machinery and equipment	15.8	15.0	1.6	1.6	17.4	16.6
Infrastructure	101.2	99.8			101.2	99.8
Total	\$ 277.5	\$ 267.9	\$ 24.9	\$ 25.6	\$ 302.4	\$ 293.5

The following are the more significant aspects of the changes in capital assets:

Land

- Increase represents irregular and small land pieces remaining from new residential developments and donated to the City by the developers.

Construction Work in Progress

- Decrease represents projects completed during the year and reclassified to buildings.

Infrastructure

- Increase accounts for completed road, bridge and cul-de-sac improvements or replacements as provided by the operations budget and the 5 Year Capital Improvement Plan (C.I.P), the first-year funding representing the Capital Budget.

Fiscal Year 2011 Capital Budget	
<u>Department</u>	
Public Works	\$ 5,185,000
Parks and Recreation	490,000
Water Pollution Control	1,095,000
Information Systems	210,000
Bristol Development Authority	880,000
Police	743,610
Total All Departments	\$ <u>8,603,610</u>
<u>Funding</u>	
Sale of Bonds	\$ 3,613,610
General Fund Cash	220,000
LOCIP	385,000
WPC CNR Cash	3,250,000
Other Funds	1,135,000
Total All Funding	\$ <u>8,603,610</u>

The City's fiscal year 2010-2011 capital budget called for it to spend \$8.6 million for capital projects. Some of the main highlights of these projects include:

- Improve various roads, cul-de-sacs, right of ways, storm drains and related pavement outlay
- Upgrade to the Computer Aided Dispatch/Records Management Replacement
- Continuation of public park revitalization efforts
- Continuation of GIS System
- Upgrades to the Broad Street Pump Station

More detailed information about the City's capital assets is presented in Note 5 to the financial statements.

Long-Term Debt

At June 30, 2011, the City had \$94.4 million in bonds or notes outstanding versus \$59.2 million last year - an increase of 59.5 % - as shown in Table 5. The increase is due to a June 2011 General Obligation bond issue in the amount of \$40,400 less payment made on debt service principal during the fiscal year.

	Table 5					
	<i>Outstanding Debt, at Year-end</i>					
	<i>(in millions)</i>					
	Governmental		Business-Type		Total	
Activities		Activities		Primary Government		
2011	2010	2011	2010	2011	2010	
General Obligation Bonds (Backed by the City)	\$ <u>89.2</u>	\$ <u>54.2</u>	\$ <u>5.2</u>	\$ <u>5.0</u>	\$ <u>94.4</u>	\$ <u>59.2</u>

The City also “rolled over” for a second time (reissued) \$7.41 million in taxable general obligation notes originally issued in 2009.

The City also paid \$6.24 million on previously issued debt service obligations.

The City’s general obligation bond ratings are Aa2 and AA+ respectfully from Moody’s Investors Service and Standard & Poor’s Corporation (S&P). The S&P rating represents an upgrade from AA to AA+ received in February 2009. Prior to this upgrade, the City received upgrades from Moody’s and S&P in August 2000. A Fitch rating was first established for the City in June 2006. The Fitch rating is AA+.

The State limits the amount of general obligation debt that cities can issue based on a formula determined under State Statutes based on type of debt and tax base. The City’s outstanding general obligation debt is significantly below this \$823.73 million state-imposed limit.

Other obligations include accrued vacation pay and sick leave. More detailed information about the City’s long-term liabilities is presented in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The City’s elected and appointed officials considered many factors when setting the fiscal-year 2011 budget tax rates and fees that will be charged for the business-type activities. One of those factors is the economy. Unemployment in the City now stands at 8.2% versus 9.5% a year ago. This compares with the State’s unemployment rate of 8.7 % (seasonally adjusted) and the national rate of 9.0%. (Source: CT Department of Labor October 2011)

The City’s wealth and income factors and unemployment trends are for the most part consistent within the Hartford region. The City’s median household effective buying income is 87% of the state’s average and 104% of the nation’s average.

These indicators were taken into account when adopting the General Fund budget for 2011-12. Amounts appropriated in the 2011-2012 General Fund budget are \$171.5 million, an increase of \$600 thousand over the previous year’s budget of approximately \$170.9 million. The property tax rate remained the same as the prior year at 27.24.

The City will use these increases in tax revenues to finance programs currently offered and to offset the effect that we expect inflation to have on program costs. Budgeted expenditures equal budgeted revenues in order to keep structural balance.

If these estimates are realized, the City’s budgetary General Fund balance is expected to slightly increase at June 30, 2012. Building permits, conveyance tax fees, interest income and delinquent tax collections continue to lag behind any signs of economic improvement. Those revenue estimates will be kept at lower levels to reflect current economic conditions. In addition, the Mayor instituted a hiring freeze, restricted overtime usage and limited expenditures for conferences, dues and travel to help offset revenue deficiencies.

The City of Bristol has appropriated \$750 thousand of its \$28.4 million total fund balance to balance its 2011-2012 operating budget. This represents a decrease of \$125 thousand from the previous year. The eventual goal, gradually attained, is zero.

As for the City’s business-type activities, we expect marginal growth (0.50%) to retained earnings based on sales over the past three fiscal years. Expense increases will be primarily due to salaries and benefits; other expenses will remain flat. Also, expenses will increase for continued watershed expansion purchases and other infrastructure and equipment improvements.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives and expends. If you have questions about this report or need additional financial information, contact the Comptrollers Office, City of Bristol, 111 North Main Street, Bristol, Connecticut, 06010.

Basic Financial Statements

CITY OF BRISTOL, CONNECTICUT

STATEMENT OF NET ASSETS

JUNE 30, 2011

(In Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Bristol- Burlington Health District
Assets:				
Cash and cash equivalents	\$ 103,769	\$ 771	\$ 104,540	\$ 1,080
Investments	448	3,989	4,437	
Receivables, net	12,892	1,183	14,075	4
Internal balances	(813)	813	-	
Inventory	48	159	207	
Other assets	6,609	14	6,623	
Capital assets:				
Assets not being depreciated	46,328	2,722	49,050	
Assets being depreciated, net	231,185	22,247	253,432	94
Total assets	<u>400,466</u>	<u>31,898</u>	<u>432,364</u>	<u>1,178</u>
Liabilities:				
Accounts and other payables	13,388	411	13,799	181
Accrued liabilities	8,960	29	8,989	23
Bond anticipation notes payable	7,410		7,410	
Other current liabilities		736	736	
Unearned revenue	535	21	556	
Noncurrent liabilities:				
Due within one year	10,800	600	11,400	63
Due in more than one year	117,063	5,081	122,144	31
Total liabilities	<u>158,156</u>	<u>6,878</u>	<u>165,034</u>	<u>298</u>
Net Assets:				
Invested in capital assets net of related debt	179,772	19,706	199,478	94
Restricted for:				
Trust purposes:				
Expendable	260		260	
Nonexpendable	492		492	
Unrestricted	<u>61,786</u>	<u>5,314</u>	<u>67,100</u>	<u>786</u>
Total Net Assets	<u>\$ 242,310</u>	<u>\$ 25,020</u>	<u>\$ 267,330</u>	<u>\$ 880</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2011

(In Thousands)

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets							
	Expenses	Program Revenues			Primary Government			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Bristol-Burlington Health District
Primary Government:								
Governmental activities:								
General government	\$ 12,549	\$ 2,310	\$ 1,363	\$ 107	\$ (8,769)	\$ (8,769)	\$	
Public safety	31,719	2,006	609		(29,104)	(29,104)		
Public works	25,183	7,138	584	838	(16,623)	(16,623)		
Health and welfare	6,327	12	1,636		(4,679)	(4,679)		
Libraries	2,739	37	98		(2,604)	(2,604)		
Parks and recreation	3,201	376	636	84	(2,105)	(2,105)		
Education	123,128	1,903	64,542	9,675	(47,008)	(47,008)		
Debt service:								
Interest and fiscal charges	2,830				(2,830)	(2,830)		
Total governmental activities	<u>207,676</u>	<u>13,782</u>	<u>69,468</u>	<u>10,704</u>	<u>(113,722)</u>	<u>-</u>	<u>(113,722)</u>	<u>-</u>
Business-type activities:								
Water	<u>6,529</u>	<u>6,327</u>		<u>8</u>		<u>(194)</u>	<u>(194)</u>	
Total Primary Government	<u>\$ 214,205</u>	<u>\$ 20,109</u>	<u>\$ 69,468</u>	<u>\$ 10,712</u>	<u>(113,722)</u>	<u>(194)</u>	<u>(113,916)</u>	<u>-</u>
Component Unit:								
Bristol-Burlington Health District	<u>\$ 3,044</u>	<u>\$ 159</u>	<u>\$ 2,827</u>	<u>\$ -</u>				<u>(58)</u>
General revenues:								
Property taxes					117,274	117,274		
Grants and contributions not restricted to specific programs					4,354	4,354		
Unrestricted investment earnings					302	949	1,251	3
Miscellaneous					<u>2</u>	<u>2</u>		
Total general revenues					<u>121,932</u>	<u>949</u>	<u>122,881</u>	<u>3</u>
Change in net assets					8,210	755	8,965	(55)
Net Assets at Beginning of Year					<u>234,100</u>	<u>24,265</u>	<u>258,365</u>	<u>935</u>
Net Assets at End of Year					<u>\$ 242,310</u>	<u>\$ 25,020</u>	<u>\$ 267,330</u>	<u>\$ 880</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2011

(In Thousands)

	<u>General</u>	<u>Debt Service Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 40,035	\$ 2,475	\$ 31,455	\$ 12,922	\$ 86,887
Investments				448	448
Receivables, net	3,986		6,316	2,541	12,843
Due from other funds	442			33	475
Other assets	10				10
Inventories				48	48
Total Assets	<u>\$ 44,473</u>	<u>\$ 2,475</u>	<u>\$ 37,771</u>	<u>\$ 15,992</u>	<u>\$ 100,711</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts and contracts payables	\$ 4,176	\$ 47	\$ 6,399	\$ 1,252	\$ 11,874
Accrued liabilities	8,339			621	8,960
Due to other funds	33	813		449	1,295
Due to other governments				64	64
Bond anticipation notes payable			7,410		7,410
Deferred revenue	3,488			827	4,315
Total liabilities	<u>16,036</u>	<u>860</u>	<u>13,809</u>	<u>3,213</u>	<u>33,918</u>
Fund balances:					
Nonspendable	10			540	550
Restricted		1,615		1,724	3,339
Committed	4,975		24,474	10,442	39,891
Assigned	2,008			73	2,081
Unassigned	21,444		(512)		20,932
Total fund balances	<u>28,437</u>	<u>1,615</u>	<u>23,962</u>	<u>12,779</u>	<u>66,793</u>
Total Liabilities and Fund Balances	<u>\$ 44,473</u>	<u>\$ 2,475</u>	<u>\$ 37,771</u>	<u>\$ 15,992</u>	<u>\$ 100,711</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2011

(In Thousands)

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets:

Amounts reported for governmental activities in the statement of net assets (Exhibit I) are
different because of the following:

Fund balances - total governmental funds	\$ 66,793
--	-----------

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

Governmental capital assets	\$ 547,952	
Less accumulated depreciation	<u>(270,439)</u>	
Net capital assets		277,513

Other long-term assets are not available to pay for current-period
expenditures and, therefore, are not recorded in the funds:

Net pension asset	6,599
Property tax receivables greater than 60 days	1,828
Interest receivable on property taxes	1,392
Sewer assessments receivable	540
Sewer assessments interest receivable	26

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

6,909

Long-term liabilities, including bonds payable, are not due and payable
in the current period and, therefore, are not reported in the funds:

Bonds and serial notes payable	(89,235)
Unamortized premium on general obligation bonds	(1,096)
Interest payable on bonds and notes	(1,442)
Compensated absences	(7,332)
Landfill post closure care	(1,688)
Other postemployment benefit obligation	<u>(18,497)</u>

Net Assets of Governmental Activities (Exhibit I)	<u>\$ 242,310</u>
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The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2011

(In Thousands)

	<u>General</u>	<u>Debt Service Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes and assessments	\$ 116,744	\$	\$ 24	\$ 3	\$ 116,771
Interest and lien fees on delinquent taxes and assessments	927				927
Licenses, permit and fees	1,198			5,785	6,983
Intergovernmental	60,526		11,279	11,465	83,270
Charges for services	3,376			2,961	6,337
Income on investments	156	2	11	95	264
Miscellaneous	829		373	693	1,895
Total revenues	<u>183,756</u>	<u>2</u>	<u>11,687</u>	<u>21,002</u>	<u>216,447</u>
Expenditures:					
Current:					
General government	5,542			1,278	6,820
Public safety	21,229			1,021	22,250
Public works	10,504			7,300	17,804
Health and welfare	4,868			1,227	6,095
Libraries	1,942			34	1,976
Parks and recreation	2,159			274	2,433
Education	96,785			9,780	106,565
Citywide:					
Employee benefits and pensions	4,393				4,393
Insurance	465				465
Miscellaneous	1,352				1,352
Capital outlay			19,760		19,760
Debt service:					
Principal retirement		4,310	265		4,575
Interest and fiscal charges		1,933	69		2,002
Total expenditures	<u>149,239</u>	<u>6,243</u>	<u>20,094</u>	<u>20,914</u>	<u>196,490</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>34,517</u>	<u>(6,241)</u>	<u>(8,407)</u>	<u>88</u>	<u>19,957</u>
Other Financing Sources (Uses):					
Transfers in	337	6,246	1,119	4,963	12,665
Transfers out	(34,489)	(200)	(2)	(2,526)	(37,217)
General obligation bonds issued			39,587		39,587
Premium on bonds issued		1,096			1,096
Total other financing sources (uses)	<u>(34,152)</u>	<u>7,142</u>	<u>40,704</u>	<u>2,437</u>	<u>16,131</u>
Net Change in Fund Balance	365	901	32,297	2,525	36,088
Fund Balance at Beginning of Year	<u>28,072</u>	<u>714</u>	<u>(8,335)</u>	<u>10,254</u>	<u>30,705</u>
Fund Balance at End of Year	<u>\$ 28,437</u>	<u>\$ 1,615</u>	<u>\$ 23,962</u>	<u>\$ 12,779</u>	<u>\$ 66,793</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

(In Thousands)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities:

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 36,088
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	22,045
Depreciation expense	(11,904)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.

Thus, the change in net assets differs from the change in fund balance by the cost of the assets sold.	(110)
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The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.

	(423)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

Property tax receivable - accrual basis change	(268)
Property tax interest and lien revenue - accrual basis change	(207)
Sewer assessment receivable - accrual basis change	(14)
Net pension asset	(151)

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

Bond principal payments	4,575
Issuance of bonds	(39,587)
Accrued interest	(827)
Bond premiums	(1,096)

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

Compensated absences	553
Other postemployment benefits	(2,838)
Landfill post closure care	29

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

	<u>2,345</u>
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Change in Net Assets of Governmental Activities (Exhibit II)	\$ <u><u>8,210</u></u>
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The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

**PROPRIETARY FUNDS
STATEMENT OF NET ASSETS**

JUNE 30, 2011
(In Thousands)

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
	<u> </u>	<u> </u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 771	\$ 16,882
Investments	3,989	
Receivables, net	1,183	49
Due from other funds	813	7
Inventories	159	
Total current assets	<u>6,915</u>	<u>16,938</u>
Noncurrent assets:		
Other deferred charges	14	
Capital assets:		
Assets not being depreciated	2,722	
Assets being depreciated, net	22,247	
Total noncurrent assets	<u>24,983</u>	<u>-</u>
Total assets	<u>31,898</u>	<u>16,938</u>
LIABILITIES		
Current liabilities:		
Accounts and other payables	411	8
Payroll liabilities	29	
Due to other funds		
Customer deposits	736	
Deferred credits	21	6
Bonds anticipated note payable		
Compensated absences - current	51	
Bonds payable - current	549	
Unpaid claims - current		5,103
Total current liabilities	<u>1,797</u>	<u>5,117</u>
Noncurrent liabilities:		
Compensated absences	367	
Bonds payable	4,714	
Unpaid claims		4,912
Total noncurrent liabilities	<u>5,081</u>	<u>4,912</u>
Total liabilities	<u>6,878</u>	<u>10,029</u>
NET ASSETS		
Invested in capital assets, net of related debt	19,706	
Unrestricted	5,314	6,909
Total Net Assets	<u>\$ 25,020</u>	<u>\$ 6,909</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2011

(In Thousands)

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
Operating revenues:		
Charges for services	\$ 6,097	\$ 6,044
Contributions		149
Miscellaneous	230	419
Total operating revenues	<u>6,327</u>	<u>6,612</u>
Operating expenses:		
Source of supply	18	
Pumping	329	
Purification	1,023	
Transmission and distribution	1,580	
Customer accounts, administrative and general	2,129	
Depreciation	843	
Taxes other than income taxes	355	
Insurance claims, premiums and fees		28,857
Total operating expenses	<u>6,277</u>	<u>28,857</u>
Operating income (loss)	<u>50</u>	<u>(22,245)</u>
Nonoperating revenues (expenses):		
Income on investments	949	38
Interest expense	(247)	
Amortization of debt discount and expense	(5)	
Total nonoperating revenues	<u>697</u>	<u>38</u>
Income (loss) before capital contributions and transfers	747	(22,207)
Capital contributions	8	
Transfers:		
Transfers in		24,552
Change in Net Assets	755	2,345
Total Net Assets at Beginning of Year	<u>24,265</u>	<u>4,564</u>
Total Net Assets at End of Year	<u>\$ 25,020</u>	<u>\$ 6,909</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS**
FOR THE YEAR ENDED JUNE 30, 2011

(In Thousands)

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:		
Cash received from charges for services and contributions	\$ 6,212	\$ 6,059
Cash received from other operating revenue		568
Cash paid to employees	(2,102)	
Cash paid to suppliers	(3,293)	
Cash payment for claims paid		(27,674)
Deposits received from customers	59	
Net cash provided by (used in) operating activities	<u>876</u>	<u>(21,047)</u>
Cash Flows from Noncapital Financing Activities:		
Transfers from other funds		<u>24,552</u>
Cash Flows from Capital Financing Activities:		
Purchase of capital assets/utility plant	(146)	
Principal payments bonds/notes	(549)	
Interest payments and issuance costs	(247)	
Net cash used in capital and related financing activities	<u>(942)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Proceeds from sales and maturities of investments	426	
Income on investments		38
Net cash provided by investing activities	<u>426</u>	<u>38</u>
Net Increase in Cash and Cash Equivalents	360	3,543
Cash and Cash Equivalents at Beginning of Year	<u>411</u>	<u>13,339</u>
Cash and Cash Equivalents at End of Year	<u>\$ 771</u>	<u>\$ 16,882</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Operating income (loss)	\$ 50	\$ (22,245)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	843	
(Increase) decrease in due from other funds		41
(Increase) decrease in accounts receivable	(119)	73
Increase (decrease) in provision for uncollectible accounts	4	
(Increase) decrease in inventory	21	
Increase (decrease) in accounts payable	82	8
Increase (decrease) in due to other funds		(99)
Increase (decrease) in deferred revenues		6
Increase (decrease) in accrued liabilities	(68)	
Increase (decrease) in accrued compensated absences	4	
Increase (decrease) in unpaid claims		1,169
Increase (decrease) in customer deposits	59	
Total adjustments	<u>826</u>	<u>1,198</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 876</u>	<u>\$ (21,047)</u>
Noncash Investing and Capital Activities:		
Capital contributions	<u>\$ 8</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2011

(In Thousands)

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
Assets:		
Cash and cash equivalents	\$ 2,117	\$ 484
Investments, at fair value:		
Certificates of deposit		160
Corporate bonds	71,006	
U.S. treasury	36,818	
U.S. government agencies	13,669	
Securitized instruments	26,447	
Common stock	327,278	
Mutual funds	78,646	
Total investments	<u>553,864</u>	<u>160</u>
Total assets	<u>555,981</u>	<u>\$ 644</u>
Liabilities:		
Due to senior citizens		\$ 22
Due to student groups		622
Vouchers payable	<u>7</u>	
Total liabilities	<u>7</u>	<u>\$ 644</u>
Net Assets:		
Held in trust for pension benefits	<u>\$ 555,974</u>	

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN PLAN NET ASSETS
PENSION TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2011

(In Thousands)

Additions:		
Contributions:		
Plan members		\$ 2,481
Investment income:		
Net appreciation in fair value of investments	\$ 85,213	
Interest and dividends	13,315	
Total	<u>98,528</u>	
Less investment expense	<u>(366)</u>	
Total investment income		<u>98,162</u>
Total additions		100,643
Deductions:		
Benefits	17,240	
Administration	<u>2,688</u>	
Total deductions		<u>19,928</u>
Net Increase		80,715
Net Assets Held in Trust for Pension Benefits at Beginning of Year		<u>475,259</u>
Net Assets Held in Trust for Pension Benefits at End of Year		<u><u>\$ 555,974</u></u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

(amounts expressed in thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City was incorporated in 1911. Its legal authority is derived from Chapter Ninety-nine (99) of the General Statutes of the State of Connecticut and Number 352 of the Special Acts of 1911. The City has operated under the Council-Mayor form of government since 1911. Services provided include education, water, sewer, refuse, streets and drainage, recreation and parks, planning and zoning, community development, human services, police and fire protection.

Discretely Presented Component Unit

The Bristol-Burlington Health District (the District) was formed on July 1, 1979 as a health district under Section 19-106 of the General Statutes of the State of Connecticut as a legally separate entity. The City appoints a majority of the District's governing six-member board once every three years. Although it is legally separate from the City of Bristol, the District is presented discretely as it is fiscally dependent upon the City. The City contributes almost eighty percent (80%) of the District's annual operating budget. Additionally, if the District were to dissolve, according to state statute the District would immediately become a department of the City. The District does not provide services primarily to the City of Bristol, but to its citizens. A complete set of financial statements may be obtained at the District's office located at 240 Stafford Avenue, Bristol, Connecticut 06010.

Related Organization

Bristol Downtown Development Corporation

The Bristol Downtown Development Corporation (the Corporation) was formed on April 5, 2007. The Corporation is a nonstock corporation organized pursuant to the Non-Stock Corporation act, Connecticut General Statute Section 33-1000 as a separate entity. All Directors are nominated by the Mayor and approved by vote of the City Council. In the prior years the City transferred \$350,000 (amount not rounded) to finance its operations. During the current year, the City transferred \$60,000 to the Corporation.

Joint Venture

The City is a participant in two joint ventures as described below.

Tunxis Recycling Operating Committee

The City is a participant with thirteen (13) other cities and towns in a joint venture, the Tunxis Recycling Operating Committee (TROC). The TROC is responsible for the development, operations and management of a solid waste recycling program for all participating communities. The governing board consists of City officials appointed by each of the participating municipalities, and assumes all the management decisions. The City of Bristol has an obligation to appropriate funds in amounts necessary to fulfill its obligations created pursuant to the intercommunity agreement dated as of June 21, 1990. Expenditures of \$139 were incurred in 2010-11 related to the City's participation in TROC.

The unassigned fund balance for fiscal year ended June 30, 2011 as reflected in the TROC's financial statements is \$1.1 million. A complete set of financial statements for TROC can be obtained from TROC's administrative office at 43 Enterprise Drive, Bristol, Connecticut 06010.

Bristol Resource Recovery Facility Operating Committee

The City is a participant with thirteen (13) other cities and towns in a joint venture, the Bristol Resource Recovery Facility (BRRFOC). BRRFOC was created pursuant to an intercommunity agreement to exercise certain rights on behalf of contracting municipalities in dealing with the trash-to-energy plant built by Ogden Martin Systems of Bristol, Inc., now known as Covanta Bristol, Inc. (Covanta) in Bristol, Connecticut. The governing board consists of City officials appointed by each of the participating municipalities, and assumes all the management decisions. The City of Bristol has an obligation to appropriate funds in amounts necessary to fulfill its obligations created pursuant to the intercommunity agreement dated as of August 15, 1985. These obligations deal with guarantees to meet certain tonnage requirements. The City expenditures to BRRFOC amounted to \$2,737 this year. The unassigned fund balance for fiscal year ended June 30, 2011 as reflected in BRRFOC's financial statements is \$7.1 million. A complete set of financial statements for BRRFOC can be obtained from the administrative office at 43 Enterprise Drive, Bristol, Connecticut 06010.

In April 2005, BRRFOC issued \$41,920 in Solid Waste Revenue Refunding Bonds with interest rates varying from 3.00% to 5.00% to current refund \$46,670 of outstanding special obligation bonds of the Connecticut Development Authority. The proceeds from the original bonds were loaned by the Authority to Covanta Bristol, Inc. Under the Service Agreement, the service fee is an obligation of the Contracting Municipalities to which each has pledged its full faith and credit. Should any Contracting Municipality default in its obligation to pay the service fee, the other Contracting Municipalities shall have an obligation to continue to pay the aggregate service fee. If the Company does not perform its obligations under the service agreement, and Covanta fails to perform such obligations pursuant to its guarantee, the Contracting Municipalities have certain rights to terminate the service agreement and, upon termination, would no longer be obligated to pay the service fee. The current balance of the bonds outstanding is \$20,955.

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The City reports the following major governmental funds:

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

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of general long-term principal, interest and related costs.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds or Trust Funds).

The City reports the following major proprietary fund:

The Enterprise Fund is used to account for the operations of the Bristol Water Department.

Additionally, the City reports the following fund types:

The Internal Service Fund accounts for the risk management activities of the City.

The Pension Trust Funds account for the activities of the City Pension Plans, which accumulate resources for pension benefit payments to qualified City employees.

The Agency Funds are used to account for assets held by the City in an agent capacity for individuals, private organizations or other governments. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency Funds include Senior Citizens Activity Fund and School Activity Fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between certain City's functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Functional expenses in the statement of activities include certain indirect expenses, such as employee benefits, pension and insurance. These expenses are allocated to governmental activity functions based on total salary expenses for each function.

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

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

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

D. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the City, as well as for its component units, are reported at fair value.

E. Receivables and Payables

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

Property taxes are levied each July 1 based on the assessed property values of the prior October 1 Grand List. Assessed values are established by the City Assessor’s Office at 70% of appraised value.

Property taxes related to assessed values of under \$1,000 (not rounded) are due in one installment on July 1; remaining property taxes are due in two equal installments on July 1 and the following January 1. Supplemental motor vehicle taxes are due in full on January 1. Taxes become overdue one month after the installment due date. Interest at the rate of 1.5% per month accrues on all overdue taxes. As of June 30, an enforceable lien is recorded against any outstanding real property taxes.

Uncollected taxes, other than amounts received within 60 days of year-end, and taxes collected in advance of the fiscal year in which they were levied, are reflected as deferred revenue in the fund financial statements. Property taxes receivable at June 30, 2011 are stated net of allowance for estimated uncollectible amounts of \$300.

F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

G. 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 government as assets with an initial, individual cost of \$5,000 or more (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	25-50
Improvements other than buildings	20
Machinery and equipment	3-20
Infrastructure	10-65

H. Compensated Absences

A limited amount of vacation time earned may be accumulated by employees until termination of their employment. Vacation leave is valued using current salary costs, as well as any salary related payments that are directly and incrementally connected with leave payments to employees. Sick leave accruals are also based on current salary costs as well as salary-related payments.

Eligible City employees earn 5 to 25 days of sick leave per year and 5 to 20 days of vacation per year depending on employees' length of service. A maximum of 200 days of sick leave and 40 days of vacation leave may be accrued. An employee leaving the employ of the City is entitled to be paid for all unused vacation and a maximum of 90 days or 45% of sick leave upon retirement.

Board of Education employees earn 10 to 20 days of sick leave per year. Maximum sick leave accrual varies by bargaining units from 180 to 275 days. Board of Education employees, with the exception of teachers, earn 5 to 20 days of vacation leave that cannot be accrued and must be used within the fiscal year it was earned. Upon termination, Board of Education employees are paid for all unused vacation leave. Unused sick leave is paid only on retirement to a maximum of 30% depending on bargaining units.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount. Significant bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

J. Fund Equity

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

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

Restricted Net Assets - Net assets are restricted because they are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets - This component consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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

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

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

Committed Fund Balance - This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (City Board of Finance).

Assigned Fund Balance - For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as restricted or committed. For the General Fund, this includes amounts constrained for the intent to be used for a specific purpose by the Board of Finance which has been delegated authority to assign amounts by the City Charter.

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The City adopts an annual operating budget for the General Fund only. The following details the procedures relating to the General Fund budgetary data reflected in the financial statements.

The City Charter requires the Board of Finance to submit a recommended operating budget to the City Council 15 days prior to the third Monday in May. The budget provides a financial plan for the year and contains estimates of anticipated revenues and proposed expenditures. After at least one public hearing on the recommended budget, the Board of Finance and City Council (Joint Board) may adopt a final budget for the year.

In practice, the budget is submitted to the Board of Finance in February. A series of work sessions is held to review the budget and is followed by one or more public hearings. The final budget, which includes the annual property tax levy, is then approved.

Appropriations for the General Fund lapse at June 30 of each year. All other program appropriations do not lapse at year end.

The budget is prepared on the modified accrual basis, except for encumbrances, by function, activity and object. Expenditures may not legally exceed appropriations at the object level within a department. The Board of Finance has the power to approve budget revisions during the year up to \$5,000 (amount not rounded). Revisions in excess of \$5,000 (amount not rounded) require Joint Board approval. All budget revisions must be approved. Additional appropriations from fund balance in the amount of \$5,716 were approved during the fiscal year.

Encumbrances are recognized as a valid and proper charge in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year end are reflected in budgetary reports as expenditures in the current year. Encumbrances outstanding at year-end are included in either restricted, committed or assigned fund balance depending on the level of restriction in accordance with generally accepted accounting principles (GAAP) since they do not constitute expenditures or liabilities.

Also, in accordance with the provisions of Governmental Accounting Standards Board Statement No. 24, the City has reported on-behalf payments made by the State of Connecticut into the teachers' retirement system in the Governmental Funds.

Budgets for Special Revenue Funds are prepared in accordance with the requirements of the various grant agreements and/or legal provisions that control the expenditure of such funds. Since such budgets are adopted on a program basis, it is not practicable to present the results of budgetary operations at the combined level. Special Revenue Funds are budgeted on the modified accrual basis.

Appropriations for the Capital Projects Funds do not lapse at the end of the fiscal year, but continue until the completion of the applicable project.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer's Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

A. Deposits

Deposit Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposit will not be returned. The City does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the State of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository's risk based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$38,643 of the City's bank balance of \$47,216 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 29,968
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>8,675</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 38,643</u></u>

At June 30, 2011, the entire amount of the component unit's deposits was covered by federal depository insurance.

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. As of June 30, 2011, the cash equivalent amounted to \$54,544. The following table provides summary of the City's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor's</u>
State of Connecticut Short-Term Investment Fund (STIF)	AAAm
Cutwater Asset Management - Cooperative Liquid Assets Securities System (CLASS)	AAAm

B. Investments

Investments as of June 30, 2011 in all funds are as follows:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1 - 10</u>	<u>More Than 10</u>
Interest-bearing investments:					
U.S. Treasury bonds	AAA	\$ 36,818	\$ 5,455	\$ 29,829	\$ 1,534
U.S. Government agencies	AAA	13,669	1,792	11,877	
Corporate bonds	A	33,539	831	32,708	
Corporate bonds	AA	29,236		28,591	645
Corporate bonds	B-	8,231		7,635	596
Securitized instruments	AAA	26,447		3,242	23,205
Certificates of deposit	*	<u>160</u>	<u>133</u>	<u>27</u>	
Total		148,100	\$ <u>8,211</u>	\$ <u>113,909</u>	\$ <u>25,980</u>
Other investments:					
Common stock		327,278			
Mutual funds		<u>83,083</u>			
Total Investments		\$ <u>558,461</u>			

*Subject to coverage by federal depository insurance and collateralization.

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

Credit Risk - Investments - As indicated above, State Statutes limit the investment options of cities and towns. The City has an investment policy that allows the same type of investments as State Statutes.

Concentration of Credit Risk - The City does not have a policy limiting investments in any one issuer that is in excess of five percent of the City’s total investments.

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the City or that sells investments to or buys them for the City), the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk. At June 30, 2011, the City did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the City’s name.

4. RECEIVABLES

Receivables as of year end for the City's individual major funds and nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Capital Projects</u>	<u>Water Enterprise Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$ 2,468	\$	\$	\$	\$ 2,468
Interest	1,392				1,392
Accounts	221	58	1,269	526	2,074
Special assessments				566	566
Intergovernmental	215	6,258		1,498	7,971
Gross receivables	<u>4,296</u>	<u>6,316</u>	<u>1,269</u>	<u>2,590</u>	<u>14,471</u>
Less allowance for uncollectibles	<u>(310)</u>		<u>(86)</u>		<u>(396)</u>
Net Total Receivables	<u>\$ 3,986</u>	<u>\$ 6,316</u>	<u>\$ 1,183</u>	<u>\$ 2,590</u>	<u>\$ 14,075</u>

Total uncollectible amounts related to revenues of the current period are as follows:

General Fund:	
Uncollectibles related to taxes receivable	\$ 300
Uncollectibles related to accounts receivable	10
Water Enterprise Fund:	
Uncollectibles related to accounts receivable	<u>86</u>
Total Uncollectibles of the Current Fiscal Year	<u>\$ 396</u>

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

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable principal and interest	\$ 3,220	\$
Property taxes collected in advance		150
Sewer assessments not yet due	566	
Other		<u>379</u>
Total Deferred/Unearned Revenue for Governmental Funds	<u>\$ 3,786</u>	<u>\$ 529</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 17,484	\$ 997	\$ (268)	\$ 18,213
Construction in progress	34,423	16,434	(22,742)	28,115
Total capital assets not being depreciated	<u>51,907</u>	<u>17,431</u>	<u>(23,010)</u>	<u>46,328</u>
Capital assets being depreciated:				
Buildings	182,240	17,262		199,502
Improvements other than buildings	6,977			6,977
Machinery and equipment	60,896	3,741	(81)	64,556
Infrastructure	224,493	6,353	(257)	230,589
Total capital assets being depreciated	<u>474,606</u>	<u>27,356</u>	<u>(338)</u>	<u>501,624</u>
Less accumulated depreciation for:				
Buildings	(83,117)	(4,041)		(87,158)
Improvements other than buildings	(4,907)	(212)		(5,119)
Machinery and equipment	(45,918)	(2,910)	31	(48,797)
Infrastructure	(124,666)	(4,741)	42	(129,365)
Total accumulated depreciation	<u>(258,608)</u>	<u>(11,904)</u>	<u>73</u>	<u>(270,439)</u>
Total capital assets being depreciated, net	<u>215,998</u>	<u>15,452</u>	<u>(265)</u>	<u>231,185</u>
Governmental Activities Capital Assets, Net	<u>\$ 267,905</u>	<u>\$ 32,883</u>	<u>\$ (23,275)</u>	<u>\$ 277,513</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 2,700	\$	\$	\$ 2,700
Construction in progress	50	22	(50)	22
Total capital assets not being depreciated	<u>2,750</u>	<u>22</u>	<u>(50)</u>	<u>2,722</u>
Capital assets being depreciated:				
Buildings and system	36,634	50		36,684
Machinery and equipment	4,531	124	(1)	4,654
Total capital assets being depreciated	<u>41,165</u>	<u>174</u>	<u>(1)</u>	<u>41,338</u>
Less accumulated depreciation for:				
Buildings and system	(15,327)	(741)		(16,068)
Machinery and equipment	(2,922)	(102)	1	(3,023)
Total accumulated depreciation	<u>(18,249)</u>	<u>(843)</u>	<u>1</u>	<u>(19,091)</u>
Total capital assets being depreciated, net	<u>22,916</u>	<u>(669)</u>	<u>-</u>	<u>22,247</u>
Business-Type Activities Capital Assets, Net	<u>\$ 25,666</u>	<u>\$ (647)</u>	<u>\$ (50)</u>	<u>\$ 24,969</u>

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

Governmental activities:	
General government	\$ 184
Public safety	1,350
Public works	6,388
Health and welfare	7
Libraries	557
Parks and recreation	310
Education	<u>3,108</u>
 Total Depreciation Expense - Governmental Activities	 \$ <u>11,904</u>
 Business-type activities:	
Water	<u>\$ 843</u>

Construction Commitments

The City has several active construction projects as of June 30, 2011. The following is a summary of capital projects as of June 30, 2011:

	<u>Project Authorization</u>	<u>Cumulative Expenditures</u>
Schools	\$ 178,022	\$ 146,976
Streets, bridges and building improvements	44,749	32,979
Capital and nonrecurring	<u>40,576</u>	<u>28,494</u>
 Total	 \$ <u>263,347</u>	 \$ <u>208,449</u>

The commitments are being financed with general obligation bonds and State and Federal grants.

Discretely Presented Component Units

Activity for the Bristol-Burlington Health District for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Furniture and equipment	\$ 222	\$ 8	\$ (5)	\$ 225
Less accumulated depreciation for:				
Furniture and equipment	<u>(115)</u>	<u>(21)</u>	<u>5</u>	<u>(131)</u>
 District Capital Assets, Net	 \$ <u>107</u>	 \$ <u>(13)</u>	 \$ <u>-</u>	 \$ <u>94</u>

6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2011, interfund receivables and payables were comprised of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 442
Nonmajor Governmental Funds	General Fund	33
Internal Service	Nonmajor Governmental Funds	7
Water Enterprise Fund	Debt Service Fund	<u>813</u>
Total		<u>\$ 1,295</u>

Interfund receivables and payables generally represent temporary balances arising from reimbursement type transactions. All balances are expected to be repaid within a year.

Interfund transfers:

	<u>Transfers In</u>					<u>Total</u>
	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Internal Service Funds</u>	
Transfer out:						
General Fund	\$	\$ 6,244	\$ 200	\$ 4,963	\$ 23,082	\$ 34,489
Debt Service Fund	200					200
Capital Projects		2				2
Nonmajor Governmental Funds	<u>137</u>		<u>919</u>		<u>1,470</u>	<u>2,526</u>
Total Transfers Out	<u>\$ 337</u>	<u>\$ 6,246</u>	<u>\$ 1,119</u>	<u>\$ 4,963</u>	<u>\$ 24,552</u>	<u>\$ 37,217</u>

Transfers are for regularly recurring operational transfers. Interfund transfers are used to 1) to move revenues from the General Fund to the Debt Service Fund to pay for principal and interest on debt, 2) to supplement revenues of other funds such as the Capital Projects Fund for the projects that have been closed out and 3) to support the self-insurance for health and workers' compensation benefits.

7. LEASES

Operating Leases

The City leases computers under noncancelable operating leases. Total costs for such leases were \$707 for the year ended June 30, 2011. The future minimum lease payments for these leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2012	\$ 543
2013	419
2014	270
2015	<u>106</u>
	<u>\$ 1,338</u>

8. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds and Clean Water Fund Loans	\$ 54,223	\$ 39,587	\$ 4,575	\$ 89,235	\$ 4,545
Premium on general obligation bonds		1,096		1,096	
Total bonds and note payable	<u>54,223</u>	<u>40,683</u>	<u>4,575</u>	<u>90,331</u>	<u>4,545</u>
Compensated absences	7,885	805	1,358	7,332	1,089
Landfill postclosure care	1,717	34	63	1,688	63
Net OPEB obligation	15,659	2,838		18,497	
Unpaid claims	<u>8,846</u>	<u>28,857</u>	<u>27,688</u>	<u>10,015</u>	<u>5,103</u>
 Total Governmental Activities Long-Term Liabilities	 <u>\$ 88,330</u>	 <u>\$ 73,217</u>	 <u>\$ 33,684</u>	 <u>\$ 127,863</u>	 <u>\$ 10,800</u>
 Business-Type Activities:					
Bonds payable:					
General obligation bonds	\$ 4,999	\$ 813	\$ 549	\$ 5,263	\$ 549
Compensated absences	<u>414</u>	<u>46</u>	<u>42</u>	<u>418</u>	<u>51</u>
 Total Business-Type Activities Long-Term Liabilities	 <u>\$ 5,413</u>	 <u>\$ 859</u>	 <u>\$ 591</u>	 <u>\$ 5,681</u>	 <u>\$ 600</u>
 Component Unit:					
Compensated absences	<u>\$ 85</u>	<u>\$ 63</u>	<u>\$ 54</u>	<u>\$ 94</u>	<u>\$ 63</u>

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

Bond Anticipation Notes

Bond anticipation notes payable activity for the year ended June 30, 2011 was as follows:

<u>Description</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate %</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Bond anticipation notes	02/16/10	11/15/10	1.25%	\$ 7,410	\$	\$ 7,410	\$
Bond anticipation notes	11/15/10	08/01/11	1.25%	<u> </u>	7,410	<u> </u>	7,410
Total				<u>\$ 7,410</u>	<u>\$ 7,410</u>	<u>\$ 7,410</u>	<u>\$ 7,410</u>

Bond anticipation notes payable are issued to finance purchase of land, demolition, abatement, clean up and other work at the Bristol Centre Mall site.

Bonds and notes payable at June 30, 2011 were comprised of the following:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2011
General City Bonds:					
General improvement:					
2004	10/15/04	10/15/21	3.00-5.00	\$ 22,365	\$ 14,465
2006	12/01/06	07/15/22	3.00-4.00	10,006	7,505
2009	02/15/09	02/15/17	2.00-4.18	8,900	7,780
2011	06/27/11	08/01/30	2.00-4.00	8,637	<u>8,637</u>
Total general improvement bonds					<u>38,387</u>
School:					
2005 Refunding	06/15/05	10/15/18	2.70-5.00	10,635	7,690
2006	12/01/06	07/15/22	3.00-4.00	11,600	8,700
2011	06/27/11	08/01/30	2.00-4.00	25,550	<u>25,550</u>
Total school bonds					<u>41,940</u>
Sewers:					
1993 Refunding	12/15/93	06/15/13	3.25-5.40	1,490	190
2011	06/27/11	08/01/30	2.00-4.00	5,400	<u>5,400</u>
Total sewer bonds					<u>5,590</u>
Capital Projects Fund:					
Clean Water Fund Notes 498-D/C	06/30/02	06/30/21	2.00	1,483	808
Clean Water Fund Notes 415-D/C	06/30/02	06/30/21	2.00	1,410	768
Clean Water Fund Notes 504-C	12/31/03	12/31/22	2.00	1,488	919
Clean Water Fund Notes 562-C	11/30/04	11/30/23	2.00	694	458
Clean Water Fund Notes 464-C	05/31/06	03/31/26	2.00	470	<u>365</u>
Total capital projects level debt					<u>3,318</u>
Total General City Serial Bonds and Clean Water Fund Loans					<u>89,235</u>
Water Department					
Enterprise Fund Bonds:					
Water 1995	05/15/95	05/15/14	4.90-6.00	1,640	300
Water 2004	10/15/04	10/15/21	3.00-5.00	600	385
Water 2005 Refunding	06/15/05	10/15/18	2.70-5.00	2,315	1,210
Water 2006	12/01/06	07/15/22	3.00-4.00	3,394	2,555
Water 2011	06/27/11	08/01/30	2.00-4.00	813	<u>813</u>
Total Water Department Enterprise Fund Bonds					<u>5,263</u>
Total Bonded Indebtedness					<u>\$ 94,498</u>

Notes and bonds payable are secured by the general revenue raising powers of the City. The annual requirements to amortize long-term bond obligations at June 30, 2011 are as follows:

General Fund:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 4,180	\$ 2,449	\$ 6,629
2013	5,990	2,716	8,706
2014	5,991	2,478	8,469
2015	6,000	2,239	8,239
2016	5,996	2,014	8,010
2017-2021	27,947	6,943	34,890
2022-2026	15,233	2,877	18,110
2027-2031	<u>8,990</u>	<u>897</u>	<u>9,887</u>
Total	<u>\$ 80,327</u>	<u>\$ 22,613</u>	<u>\$ 102,940</u>

Sewer Operating and Assessment Fund:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 95	\$ 131	\$ 226
2013	380	192	572
2014	285	176	461
2015	285	164	449
2016	285	153	438
2017-2021	1,417	622	2,039
2022-2026	1,418	399	1,817
2027-2031	<u>1,425</u>	<u>142</u>	<u>1,567</u>
Total	<u>\$ 5,590</u>	<u>\$ 1,979</u>	<u>\$ 7,569</u>

Capital Projects Fund:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 270	\$ 64	\$ 334
2013	275	58	333
2014	281	53	334
2015	287	47	334
2016	292	41	333
2017-2021	1,553	117	1,670
2022-2026	<u>360</u>	<u>11</u>	<u>371</u>
Total	<u>\$ 3,318</u>	<u>\$ 391</u>	<u>\$ 3,709</u>

Water Enterprise Fund:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 549	\$ 197	\$ 746
2013	595	182	777
2014	594	153	747
2015	490	125	615
2016	495	105	600
2017-2021	1,656	312	1,968
2022-2026	674	76	750
2027-2031	<u>210</u>	<u>22</u>	<u>232</u>
Total	<u>\$ 5,263</u>	<u>\$ 1,172</u>	<u>\$ 6,435</u>

The City does not have any overlapping debt contingencies as of June 30, 2011.

The City's indebtedness does not exceed the legal debt limitations as required by Connecticut General Statutes as reflected in the following schedule (in thousands):

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 264,769	\$ 50,794	\$ 213,975
Schools	529,538	44,098	485,440
Sewers	441,281	9,418	431,863
Urban renewal	382,444		382,444
Pension deficit	353,025		353,025

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation (\$823,725).

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding. Bonds authorized but not issued are as follows:

General Purpose	\$ 8,033
Schools	102,436
Sewers	<u>510</u>
	<u>\$ 110,979</u>

Additionally, net indebtedness is reduced by State of Connecticut grant commitments in the amount of \$103,314.

9. LANDFILL CLOSURE

The City entered into a landfill lease agreement with Ogden Martin Systems of Bristol, Inc. (the Company), now known as Covanta, Bristol, Inc. (Covanta), whereby the City leased to the Company a landfill adjacent to the facility site in the City. The City is currently collecting fees for the interim period until the official Certificate of Closure is issued. Further, the Company, pursuant to a service agreement with the Bristol Resource Recovery Facility Operating Committee (BRRFOC) has passed all costs of properly closing the City's landfill site to the Committee and the related contracting communities. Solid waste landfill closure and postclosure care requirements have been established by the State of Connecticut Department of Environmental Protection Agency and the Federal Environmental Protection Agency. The costs associated with monitoring and maintaining the landfill area during the postclosure period are the responsibility of the City. The projected costs of this postclosure period is \$1,688. These projected costs could be impacted by future inflation and regulations. The landfill was closed prior to July 1, 2002. Between 1979 and 1983 one part of the site received metal hydroxide slurry from local metal plating companies. This area was closed in 1986 and covered with a membrane cap as required by the Resource Conservation and Recovery Act (RCRA).

10. RISK MANAGEMENT

The City is exposed to various risks of loss including torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City generally obtains commercial insurance for these risks but has chosen to retain the risks for employee health and medical claims. The City has also retained risk for workers' compensation claims for fiscal years July 1, 1985 through June 30, 1998 and July 1, 2004 through June 30, 2011. The Health Benefits and Worker's Compensation Internal Service Fund is utilized to report this self-insurance activity. CIGNA administers the medical, Medco administers the prescription and Anthem Blue Cross/Blue Shield administers the dental plan, for which the City pays a fee. All funds of the City contribute to the Internal Service Fund based upon actuarial and insurance carrier estimates. The claims liability of \$10,015 reported in the Internal Service Fund at June 30, 2011 is based on the Government Accounting Standards Board Statement No. 10, which requires that a liability for estimated claims incurred but not reported be recorded. Changes in the claims liability were as follows:

	<u>Liability July 1,</u>	<u>Current Year Claims And Changes In Estimates</u>	<u>Claim Payment</u>	<u>Liability June 30,</u>
2009-10	\$ 7,805	\$ 28,810	\$ 27,769	\$ 8,846
2010-11	8,846	28,857	27,688	10,015

Settled claims for all types of commercial coverage have not exceeded coverage in any of the past three years.

11. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2011 are as follows:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:					
Nonspendable:					
Inventory	\$	\$	\$	\$ 48	\$ 48
Prepays	10				10
Trust purpose				492	492
Restricted for:					
Grants				1,724	1,724
Debt service		1,615			1,615
Committed to:					
Landfill closure	525		1,853		2,378
Compensated absences	2,500			283	2,783
Economic development	250				250
OPEB	900				900
Heart and Hypertension	800				800
School renovations			17,024		17,024
Capital and nonrecurring			540		540
Capital and nonrecurring WPCA			5,057		5,057
Equipment				4,405	4,405
Education				776	776
Manross Memorial Library				817	817
Sewer				3,115	3,115
Solid waste disposal				281	281
Pine Lake challenge course				145	145
Open space				4	4
Centre mall				356	356
Trust purpose				260	260
Assigned to:					
Subsequent year's budget	750				750
Carryovers	636			73	709
General government	8				8
Public safety	15				15
Public works	581				581
Libraries	18				18
Unassigned	<u>21,444</u>		<u>(512)</u>		<u>20,932</u>
Total Fund Balances	<u>\$ 28,437</u>	<u>\$ 1,615</u>	<u>\$ 23,962</u>	<u>\$ 12,779</u>	<u>\$ 66,793</u>

Significant encumbrances at June 30, 2011 are contained in the above table in both the assigned and committed categories.

13. CONTINGENT LIABILITIES

The City is a defendant in a number of lawsuits. Based on Counsel’s review of all asserted claims for damages, the City is of the opinion that resolution of all lawsuits against the City will not significantly affect its financial position.

The City participates in a number of State and Federal grant programs that are subject to program compliance audits by the grantor agencies. Such audits could lead to requests for reimbursement of expenditures disallowed under the terms of the grants. As of June 30, 2011, the City is of the opinion that such reimbursements in respect of disallowed expenditures, if any, will not be significant.

14. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

The City provides certain health care and life insurance benefits for retired employees in accordance with City Council resolutions and bargaining agreements. All regular active employees who retire directly from City of Bristol and meet eligibility criteria may participate. Benefit provisions are established through negotiations between the City and the various unions representing the employees. The other postemployment benefits plan is a single-employer defined benefit healthcare plan administered by the City of Bristol. The City does not issue stand-alone financial statements for this program.

At July 1, 2010, plan membership consisted of the following:

	Retiree Health Plan
Active plan members	1,560
Retired members	532
Total Participants	<u>2,092</u>

B. Funding Policy

The City’s funding and payment of postemployment benefits are accounted for in the Internal Service Fund on a pay-as-you-go basis. As of June 30, 2011, the City has established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits. In fiscal year 2011-12, the City expects to fund the trust and will report such trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the City are also negotiated with the various unions representing the employees.

Annual OPEB Cost and Net OPEB Obligations

The City of Bristol's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the City's net OPEB obligation:

	Retiree Healthcare Plan
Annual required contribution (ARC)	\$ 7,528
Interest on net OPEB obligation	783
Adjustment to annual required contribution	<u>(1,019)</u>
Annual OPEB cost	7,292
Contributions made	<u>4,454</u>
Increase in net OPEB obligation	2,838
Net OPEB obligation, beginning of year	<u>15,659</u>
Net OPEB Obligation, End of Year	<u><u>\$ 18,497</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation (asset) is presented below.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/2009	\$ 8,686	\$ 3,163	36.4%	\$ 10,952
6/30/2010	9,157	4,450	48.5	15,659
6/30/2011	7,292	4,454	61.1	18,497

Schedule of Funding Progress

Actuarial Valuation Date*	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded (Unfunded) AAL (UAAL) (a-b)	Percentage Funded (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/08	\$ -	\$ 72,000	\$ (72,000)	0.0%	\$ 70,000	(102.9)%
7/1/09	-	81,451	(81,451)	0.0	70,000	(116.3)
7/1/10	-	64,510	(64,510)	0.0	91,807	(70.3)

Schedule of Employer Contributions

<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2009	\$ 8,768	36.0%
2010	9,322	47.7
2011	7,528	59.2

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future.

Projections for benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2010 actuarial valuation, the projected unit credit actuarial cost method was used. The annual required contribution (ARC) reflects a closed 30-year, level amortization of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include a 5% investment rate of return and inflation rate of 3%. The annual healthcare cost trend rate is 10% initially, grading down to 5% in year 2019 and thereafter.

15. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. Plan Description

The City of Bristol is the administrator of three single-employer Public Employee Retirement Systems (PERS) as presented below:

City of Bristol Retirement System	General city employees
Firefighters' Benefit Fund	Firefighter employees
Police Benefit Fund	Police employees

The PERS are considered to be part of the City of Bristol's financial reporting entity and are included in the City's financial reports as pension trust funds. There are no stand-alone financial statements issued for the PERS. These plans were established and can be amended under the authority of the City Charter.

Combining Schedule of Assets

	Employee Retirement Funds			
	City Retirement System Fund	Firefighters' Benefit Fund	Police Benefit Fund	Total
Assets:				
Cash and cash equivalents	\$ 888	\$ 674	\$ 555	\$ 2,117
Investments	207,551	164,770	181,543	553,864
Total Assets	208,439	165,444	182,098	555,981
Liabilities:				
Vouchers payable		4	3	7
Net Assets:				
Reserved for Employee Retirement	\$ 208,439	\$ 165,440	\$ 182,095	\$ 555,974

Combining Schedule of Changes in Plan Net Assets

	Employee Retirement Funds			
	City Retirement System Fund	Firefighters' Benefit Fund	Police Benefit Fund	Total
Additions:				
Contributions:				
Plan members	\$ 1,797	\$ 267	\$ 417	\$ 2,481
Investment income:				
Net appreciation in fair value of investments	32,330	25,197	27,686	85,213
Interest and dividends	5,052	3,937	4,326	13,315
Total investment earnings	37,382	29,134	32,012	98,528
Less investment expenses	(203)	(89)	(74)	(366)
Net investment income	37,179	29,045	31,938	98,162
Total additions	38,976	29,312	32,355	100,643
Deductions:				
Benefits	9,823	3,622	3,795	17,240
Administration	1,014	810	864	2,688
Total deductions	10,837	4,432	4,659	19,928
Change in net assets	28,139	24,880	27,696	80,715
Net assets held in trust for pension benefits, July 1, 2010	180,300	140,560	154,399	475,259
Net Assets Held in Trust for Pension Benefits, June 30, 2011	\$ 208,439	\$ 165,440	\$ 182,095	\$ 555,974

At July 1, 2010, PERS membership consisted of:

	<u>City of Bristol Retirement System</u>	<u>Firefighters' Benefit Fund</u>	<u>Police Benefit Fund</u>
Retirees, disabled and beneficiaries currently receiving benefits	454	90	94
Terminated employees entitled to benefits but not yet receiving them	40	2	1
Current employees:			
Vested	352	53	79
Nonvested	<u>398</u>	<u>37</u>	<u>45</u>
Total	<u><u>1,244</u></u>	<u><u>182</u></u>	<u><u>219</u></u>

The City of Bristol Retirement System covers all full-time employees (except firemen, policemen and teachers) who are under age 65 on their date of employment. The City provides all retirement, death and disability benefits through a single-employer, contributory, defined benefit plan. Employees are 100% vested after 10 years of continuous service, if their contributions remain in the fund upon termination. Employees who retire at normal retirement (age plus service equal to 80, minimum age 55) receive a retirement benefit for life of 2.40% of average annual pay times number of completed years of service. If an employee leaves employment or dies before meeting vesting requirements, accumulated employee contributions and interest are refunded.

The City of Bristol Fire Benefit Fund covers all members of the Fire Department. The City provides all retirement, death and disability benefits through a single-employer, contributory, defined benefit plan. Under the plan, all employees of the Fire Department are eligible to join. Employees are 100% vested after 10 years of continuous service, if their contributions remain in the fund. Fire employees who retire at normal retirement (the earlier of age 65 and 20 years of continuous service) receive a retirement benefit for life of 70% of the compensation paid to the member in the year prior to his retirement, adjusted for Cost of Living. The Cost-of-Living escalation is limited to a 2.25% increase per year. If an employee leaves employment or dies before meeting the vesting requirements, accumulated employee contributions are refunded. Benefits and employee contributions are fixed by contract and may be amended by union negotiations.

The City of Bristol Police Benefit Fund covers all members of the Police Department. The City provides all retirement, death and disability benefits through a single-employer, contributory, defined benefit plan. Under the plan, all employees of the Police Department are eligible to join. Employees are 100% vested after 10 years of continuous service, if their contributions remain in the fund upon termination. Police employees who were hired prior to July 1, 1988 and who retire at normal retirement (the earlier of age 65 or 25 years of continuous service) receive a retirement benefit for life of 70% of the compensation paid to the member in the year prior to his retirement, adjusted for escalation. Police employees who were hired after July 1, 1988 and who retire at normal retirement (after age 50 and completion of 25 years of continuous service) receive a retirement benefit for life of 2% of compensation per year of service, maximum 70%.

The Plan also provides for automatic post-retirement increases on retiree pensions. The pension shall be adjusted by one-half of the pay increase awarded to a then-active member in the same grade as the retiree last held. The cost-of-living escalation is limited to a 2.25% increase per year. Member's contributions are returnable on termination or on death while active, or after retirement (less any benefits paid), provided in each case that no death benefits are otherwise payable.

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefit payments and refunds are payable when due and payable in accordance with the terms of the PERS. Administrative costs are paid from pension fund resources.

Method Used to Value Investments: All assets are valued at fair value for reporting purposes. Realized and unrealized gains or losses are spread over four years for actuarial valuation purposes. There are no investments in any organization that represent 5% or more of available net assets.

C. Funding Status and Progress

Employees covered under the City of Bristol retirement system are required to contribute 6.0% of pay. If an employee leaves employment or dies before meeting the vesting requirements, accumulated employee contributions and interest are refunded.

The City is required to contribute the remaining amounts necessary to finance the benefits for its employees. For the year ended June 30, 2011, the City was not required to make a contribution. Benefits and employee contributions are fixed by contract and may be amended by union negotiations.

Fire employees are required to contribute 6% of their base pay to the PERS. After 25 years of service, employee contributions cease. Employees shall be fully vested after ten years of continuous service. If an employee leaves employment or dies before meeting the vesting requirements, accumulated employee contributions are refunded. The City is required to contribute the remaining amounts necessary to finance the benefits for its employees. For the year ended June 30, 2011, the City was not required to make a contribution. Benefits and employee contributions are fixed by contract and may be amended by union negotiations.

Police employees are required to contribute 6% (6.5% for employees hired after July 1, 1988) of their base pay to the PERS. After 25 years of service, employee contributions cease. If an employee leaves employment or dies before meeting the vesting requirements, accumulated employee contributions are refunded. The City is required to contribute the remaining amounts necessary to finance the benefits for its employees. For the year ended June 30, 2011, the City was not required to make a contribution. Benefits and employee contributions are fixed by contract and may be amended by union negotiations.

D. Annual Pension Cost and Net Pension Obligations

The annual pension cost and net pension obligation for the current year were as follows:

	<u>City of Bristol Retirement System</u>	<u>Firefighters' Benefit Fund</u>	<u>Police Benefit Fund</u>
Annual required contribution	\$ -	\$ -	\$ -
Interest on net pension obligation	(141)	(143)	(240)
Adjustment to annual required contribution	<u>181</u>	<u>185</u>	<u>309</u>
Annual pension cost	40	42	69
Contributions made	<u>-</u>	<u>-</u>	<u>-</u>
Decrease in net pension obligation	40	42	69
Net pension asset, beginning of year	<u>(1,814)</u>	<u>(1,845)</u>	<u>(3,091)</u>
Net Pension Assets, End of Year	<u>\$ (1,774)</u>	<u>\$ (1,803)</u>	<u>\$ (3,022)</u>

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

	<u>City of Bristol Retirement System</u>	<u>Firefighters' Benefit Fund</u>	<u>Police Benefit Fund</u>
Actuarial valuation date	July 1, 2010	July 1, 2010	July 1, 2010
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method	Level dollar amount-open	Level dollar amount-open	Level dollar amount-open
Remaining amortization period	20 years, open	20 years, open	20 years, open
Asset valuation method	4-year smoothed market	4-year smoothed market	4-year smoothed Market
Actuarial assumptions:			
Investment rate of return*	7.75%	7.75%	7.75%
Projected salary increases	5.0%	6.25%	6.25%
*Includes inflation at	3.0%	3.0%	3.0%

E. Trend Information

City of Bristol Retirement System			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/09	\$ 43	0.0%	\$ (1,856)
6/30/10	42	0.0	(1,814)
6/30/11	40	0.0	(1,774)

Firefighters' Benefit Fund			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/09	\$ 43	0.0%	\$ (1,888)
6/30/10	43	0.0	(1,845)
6/30/11	42	0.0	(1,803)

Police Benefit Fund			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/09	\$ 72	0.0%	\$ (3,163)
6/30/10	72	0.0	(3,091)
6/30/11	69	0.0	(3,022)

F. Schedule of Funding Progress

City of Bristol Retirement System							
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)	
7/1/05	\$ 152,259	\$ 118,404	\$ 33,855	128.6%	\$ 26,022	130.1%	
7/1/06	170,138	124,411	45,727	136.8	26,901	170.0	
7/1/07	192,080	131,438	60,642	146.1	29,345	206.6	
7/1/08	207,698	143,268	64,430	145.0	30,309	212.6	
7/1/09	203,537	150,284	53,253	135.4	31,268	170.3	
7/1/10	202,904	156,145	46,759	129.9	30,783	151.9	

Firefighters' Benefit Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/05	\$ 111,168	\$ 58,373	\$ 52,795	190.4%	\$ 4,668	1,130.9%
7/1/06	125,251	59,274	65,977	211.3	4,696	1,405.0
7/1/07	142,188	60,481	81,707	235.1	5,184	1,576.1
7/1/08	155,198	61,374	93,824	252.9	5,219	1,797.6
7/1/09	155,135	61,873	93,262	250.7	5,298	1,760.4
7/1/10	157,354	62,506	94,848	251.7	5,275	1,798.1

Police Benefit Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/05	\$ 122,121	\$ 74,674	\$ 47,447	163.5%	\$ 6,718	706.7%
7/1/06	137,399	73,840	63,559	186.1	6,768	939.1
7/1/07	156,222	76,105	80,117	205.3	7,502	1,067.9
7/1/08	170,638	77,990	92,648	218.8	7,421	1,248.5
7/1/09	170,404	83,227	87,177	204.7	8,245	1,057.3
7/1/10	172,814	86,099	86,715	200.7	8,377	1,035.1

G. Schedule of Employer Contributions

City of Bristol Retirement System

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
6/30/06	\$ 80	61%
6/30/07	115	100
6/30/08	-	N/A
6/30/09	-	N/A
6/30/10	-	N/A
6/30/11	-	N/A

Firefighters' Benefit Fund

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
6/30/06	\$ -	N/A
6/30/07	-	N/A
6/30/08	-	N/A
6/30/09	-	N/A
6/30/10	-	N/A
6/30/11	-	N/A

Police Benefit Fund

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
6/30/06	\$ -	N/A
6/30/07	-	N/A
6/30/08	-	N/A
6/30/09	-	N/A
6/30/10	-	N/A
6/30/11	-	N/A

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

H. Teacher Retirement

All City of Bristol Board of Education certified employees participate in the State of Connecticut Teachers' Retirement System under Section 10.183 of the General Statutes of the State of Connecticut. A teacher is eligible to receive a normal retirement benefit if he or she has: 1) attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or 2) 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 Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Total covered payroll and total certified Board payroll was \$53,912 for the year ended June 30, 2011.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. For the year ended June 30, 2011, the City has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$8,522 as payments made by the State of Connecticut on behalf of the City. The City does not have any liability for teacher pensions.

The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

**Required Supplementary
Information**

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011				Variance Over (Under)	2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Property taxes:						
Current levy	\$ 114,225	\$ 175	\$ 114,400	\$ 115,169	\$ 769	\$ 108,892
Prior levies	1,500		1,500	1,575	75	1,878
Interest and penalties	600		600	927	327	1,063
Total property taxes	116,325	175	116,500	117,671	1,171	111,833
Licenses, permits and fees:						
Assessors' late filing fees	1		1	1		1
Circuit court fines	1		1	1		1
Dog penalties	1		1		(1)	1
Merchandising licenses	3		3	2	(1)	5
Animal licenses	8		8	7	(1)	9
Hunting and fishing licenses	1		1		(1)	1
Marriage licenses	4		4	2	(2)	3
Fees	7		7	11	4	10
Notary services	4		4	4		5
Burial permits	2		2	2		2
Trade names	1		1	1		1
Vital statistics	105		105	134	29	126
Parking violations	65		65	51	(14)	87
Alarm fees	28		28	13	(15)	21
Police report fees	13		13	10	(3)	13
Building permits	460		460	889	429	464
Building violations				6	6	1
PW excavating permits	8		8	6	(2)	7
Land use fees and permits	16		16	18	2	18
Library fines	25		25	25		28
Total licenses, permits and fees	753	-	753	1,183	430	804
State and Federal Grants:						
State grants-in-aid:						
State Owned Property (PILOT)	54		54	54		58
PILOT: Manufacturing and Equipment	2,250		2,250	2,066	(184)	2,300
State Grant: Elderly Freeze	9		9	9		10
Boat registration				10	10	6
Tax Relief Elderly/Disabled Homeowner	372		372	352	(20)	346
Private Hospitals (PILOT)	622		622	625	3	675
Tax Relief Totally Disabled	6		6	9	3	7
Additional Tax Relief: Veterans	22		22	25	3	23
Enterprise zone reimbursement	150		150	158	8	167
Town Aid Road Transportation	340		340	340		340
Mashantucket Pequot Grant	584		584	585	1	582
PILOT				74	74	74
Off-track betting	80		80	70	(10)	71
Utilities tax	230		230	163	(67)	186
Youth Services Bureau	49		49	49		49
Youth Service Bureau - Enhancement		8	8	8		8
E911 Subsidy Grant	130		130	136	6	

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2010**
(In Thousands)

	2011					2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual	Variance Over (Under)	
School Readiness Grant/Quality Enhancement	\$	\$ 2,151	\$ 2,151	\$ 2,119	\$ (32)	\$ 2,131
Education Cost Sharing	41,657	(5,943)	35,714	35,554	(160)	35,395
Trans. Child - Public	661		661	434	(227)	460
Medicaid Coordination	139		139	139		404
Education for the Blind	10		10		(10)	
Excess Student Cost Base	1,400	371	1,771	2,332	561	2,113
Health Serv. PA 481/Private School Health Reimbursement	250		250	248	(2)	256
Transportation School Child-Nonpublic	153		153	180	27	182
Miscellaneous State grants	58	69	127	107	(20)	126
Federal Grants:						
Housing Authority (FED-PILOT)	81		81	90	9	104
ARRA ECS GRANT-(0015000-542060)		5,943	5,943	5,943		5,943
FEMA Disaster Grant				119	119	
Public safety federal grants	4		4	6	2	2
Total state and federal grants	49,311	2,599	51,910	52,004	94	52,018
Charges for services:						
Copier charges	48		48	56	8	56
Code enforcement reimbursements	20		20	67	47	63
Water reimbursement fees	4		4	3	(1)	2
Foreclosure reimbursement fees	25		25	6	(19)	16
Recording fees	270		270	261	(9)	279
Real estate transfer tax	800		800	547	(253)	905
Department of Aging Services	80		80	102	22	74
Public safety charges for services	613	355	968	998	30	1,484
Animal control charges	14		14	14		14
Miscellaneous charges for services	18	1	19	20	1	12
Public works service and maps	261	37	298	328	30	268
Recycling permits	142		142	223	81	117
City building rentals	111		111	220	109	218
School tuition	300		300	310	10	434
Pool revenue	128		128	163	35	150
Park program	76		76	87	11	65
Total charges for services	2,910	393	3,303	3,405	102	4,157
Investment earnings:						
Interest-General Fund	160		160	146	(14)	262
Interest-Miscellaneous A/R	2		2	10	8	9
Total investment earnings	162		162	156	(6)	271
Sale of property and equipment	50		50	110	60	229

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011				Variance Over (Under)	2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Other local revenue:						
Miscellaneous	\$ 4	\$ 140	\$ 144	\$ 152	\$ 8	\$ 135
Contributions to Youth Services		1	1	1		1
Contributions Interdistrict Cooperative		120	120	120		120
Library Trust Funds	15	1	16	16		16
Park Trust Funds and Gifts	324		324	416	92	328
Total other local revenue	343	262	605	705	100	600
Transfers in	205	135	340	337	(3)	2,053
Total Revenues and Other Financing Sources	\$ <u>170,059</u>	\$ <u>3,564</u>	\$ <u>173,623</u>	175,571	\$ <u>1,948</u>	\$ <u>171,965</u>

Budgetary revenues are different than GAAP revenues because:

State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for City teachers are not budgeted

8,522

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

\$ 184,093

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011				Variance (Over) Under	2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
General Government						
City Council:						
Personnel Services	\$ 58	\$	\$ 58	58	\$	\$ 59
Mayor's Office:						
Personnel Services	152	15	167	166	1	150
Contractual Services	57		57	55	2	54
Supplies	1		1	1		1
Total mayor's office	<u>210</u>	<u>15</u>	<u>225</u>	<u>222</u>	<u>3</u>	<u>205</u>
Probate Court:						
Contractual Services	23	4	27	25	2	19
Supplies	3	1	4	4		2
Capital Outlay	1		1	1		1
Total probate court	<u>27</u>	<u>5</u>	<u>32</u>	<u>30</u>	<u>2</u>	<u>22</u>
Registrar of Voters:						
Personnel Services	136	1	137	137		133
Contractual Services	81	(1)	80	77	3	51
Supplies	9	(3)	6	3	3	2
Capital Outlay		3	3	3		
Total registrar of voters	<u>226</u>	<u>-</u>	<u>226</u>	<u>220</u>	<u>6</u>	<u>186</u>
Assessor:						
Personnel Services	348	7	355	353	2	342
Contractual Services	64	(45)	19	18	1	18
Supplies	2		2	1	1	1
Total assessor	<u>414</u>	<u>(38)</u>	<u>376</u>	<u>372</u>	<u>4</u>	<u>361</u>
Board of Assessment Appeals:						
Personnel Services	5		5	5		5
Contractual Services						
Total board of assessment appeals	<u>5</u>	<u>-</u>	<u>5</u>	<u>5</u>	<u>-</u>	<u>5</u>
Tax Collector:						
Personnel Services	299	3	302	295	7	293
Contractual Services	69		69	68	1	56
Supplies	1		1	1		1
Capital Outlay						2
Total tax collector	<u>369</u>	<u>3</u>	<u>372</u>	<u>364</u>	<u>8</u>	<u>352</u>
Purchasing:						
Personnel Services	163	3	166	166		163
Contractual Services	10		10	8	2	8
Total purchasing	<u>173</u>	<u>3</u>	<u>176</u>	<u>174</u>	<u>2</u>	<u>171</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011					2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	
Comptroller's Office:						
Personnel Services	\$ 637	\$ 9	\$ 646	\$ 646	\$	\$ 616
Contractual Services	13		13	11	2	9
Supplies	2		2	1	1	1
Total comptroller's office	<u>652</u>	<u>9</u>	<u>661</u>	<u>658</u>	<u>3</u>	<u>626</u>
Treasurer:						
Personnel Services	132	(5)	127	123	4	127
Contractual Services	9	5	14	14		8
Supplies	1		1	1		1
Capital Outlay	60	(25)	35	19	16	10
Total treasurer	<u>202</u>	<u>(25)</u>	<u>177</u>	<u>157</u>	<u>20</u>	<u>146</u>
Information Systems:						
Personnel Services	448	10	458	456	2	450
Contractual Services	242	9	251	229	22	226
Supplies	32	(1)	31	20	11	27
Capital Outlay		30	30	7	23	17
Total information systems	<u>722</u>	<u>48</u>	<u>770</u>	<u>712</u>	<u>58</u>	<u>720</u>
Personnel Department:						
Personnel Services	441	9	450	448	2	439
Contractual Services	161	(86)	75	73	2	162
Purch. Professional Services	5		5	4	1	10
Supplies	5		5	3	2	6
Total personnel department	<u>612</u>	<u>(77)</u>	<u>535</u>	<u>528</u>	<u>7</u>	<u>617</u>
Corporation Counsel:						
Personnel Services	342	4	346	321	25	299
Contractual Services	244	(202)	42	41	1	153
Supplies	16		16	11	5	8
Capital Outlay						250
Total corporation counsel	<u>602</u>	<u>(198)</u>	<u>404</u>	<u>373</u>	<u>31</u>	<u>710</u>
City Clerk:						
Personnel Services	303	5	308	308		283
Contractual Services	79	(2)	77	71	6	78
Supplies	3		3	2	1	3
Total city clerk	<u>385</u>	<u>3</u>	<u>388</u>	<u>381</u>	<u>7</u>	<u>364</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011					2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	
Board of Finance:						
Personnel Services	\$ 1	\$	\$ 1	\$ 1	\$	\$ 1
Contractual Services	70	6	76	76		70
Total board of finance	<u>71</u>	<u>6</u>	<u>77</u>	<u>77</u>	<u>-</u>	<u>71</u>
Aging Department:						
Personnel Services	368	42	410	393	17	379
Contractual Services	137	61	198	197	1	193
Supplies	53		53	41	12	45
Capital Outlay						
Total aging department	<u>558</u>	<u>103</u>	<u>661</u>	<u>631</u>	<u>30</u>	<u>617</u>
Downtown Corporation (BDDC):						
Contractual Services	60		60	60		-
Veteran's Office:						
Personnel Services	6		6	5	1	5
Contractual Services						
Total veteran's office	<u>6</u>	<u>-</u>	<u>6</u>	<u>5</u>	<u>1</u>	<u>5</u>
CCRPA:						
Contractual Services	22		22	22		29
Youth Services:						
Personnel Services	214	24	238	220	18	209
Contractual Services	123	(1)	122	117	5	151
Supplies	11		11	9	2	7
Total youth services	<u>348</u>	<u>23</u>	<u>371</u>	<u>346</u>	<u>25</u>	<u>367</u>
Interdistrict COOP:						
Personnel Services		58	58	58		57
Contractual Services		61	61	61		60
Supplies		2	2	2		3
Total interdistrict COOP	<u>-</u>	<u>121</u>	<u>121</u>	<u>121</u>	<u>-</u>	<u>120</u>
Community Promotions:						
Contractual Services	5		5	3	2	3
Other	25		25	24	1	19
Total community promotions	<u>30</u>	<u>-</u>	<u>30</u>	<u>27</u>	<u>3</u>	<u>22</u>
Charter Revision Committee:						
Personnel Services		2	2	2		2
Mayors Energy Task Force						
Personnel Services	1		1		1	1
Total general government	<u>5,753</u>	<u>3</u>	<u>5,756</u>	<u>5,545</u>	<u>211</u>	<u>5,778</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011				Variance (Over) Under	2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Public Safety						
Police Department:						
Personnel Services	\$ 11,992	\$ 193	\$ 12,185	\$ 12,060	\$ 125	\$ 11,995
Contractual Services	640	(4)	636	496	140	382
Supplies	383	(2)	381	321	60	283
Capital Outlay	81	10	91	46	45	28
Total police department	<u>13,096</u>	<u>197</u>	<u>13,293</u>	<u>12,923</u>	<u>370</u>	<u>12,688</u>
Fire Department:						
Personnel Services	6,792	502	7,294	7,294		7,717
Contractual Services	231	(22)	209	209		173
Supplies	156	(4)	152	152		132
Capital Outlay	32	13	45	45		48
Total fire department	<u>7,211</u>	<u>489</u>	<u>7,700</u>	<u>7,700</u>	<u>-</u>	<u>8,070</u>
Animal Control:						
Personnel Services	115	3	118	118		114
Contractual Services	16		16	14	2	11
Supplies						
Total animal control	<u>131</u>	<u>3</u>	<u>134</u>	<u>132</u>	<u>2</u>	<u>125</u>
Emergency Management:						
Personnel Services	6		6	6		6
Contractual Services	5		5	5		5
Supplies	1		1	1		1
Total emergency management	<u>12</u>	<u>-</u>	<u>12</u>	<u>12</u>	<u>-</u>	<u>12</u>
Building Inspection:						
Personnel Services	536	(87)	449	445	4	536
Contractual Services	12	2	14	12	2	10
Supplies	7		7	7		7
Total building inspection	<u>555</u>	<u>(85)</u>	<u>470</u>	<u>464</u>	<u>6</u>	<u>553</u>
L.E.P.C.:						
Personnel Services						3
Supplies						
Total L.E.P.C.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
Total public safety	<u>21,005</u>	<u>604</u>	<u>21,609</u>	<u>21,231</u>	<u>378</u>	<u>21,451</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011				Variance (Over) Under	2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Public Works						
Administration:						
Personnel Services	\$ 312	\$ 4	\$ 316	\$ 316	\$	\$ 403
Contractual Services	9	(3)	6	6		6
Supplies	3	(1)	2	2		1
Capital Outlay						
Total administration	<u>324</u>	<u>-</u>	<u>324</u>	<u>324</u>	<u>-</u>	<u>410</u>
Engineering:						
Personnel Services	876	(35)	841	841		892
Contractual Services	16	162	178	178		12
Supplies	3		3	3		2
Capital Outlay						
Total engineering	<u>895</u>	<u>127</u>	<u>1,022</u>	<u>1,022</u>	<u>-</u>	<u>906</u>
Land Use:						
Personnel Services	195	(2)	193	193		192
Contractual Services	15		15	15		17
Supplies	1		1	1		1
Total land use	<u>211</u>	<u>(2)</u>	<u>209</u>	<u>209</u>	<u>-</u>	<u>210</u>
Maintenance:						
Personnel Services	459	(19)	440	440		388
Contractual Services	541	(46)	495	495		469
Supplies	232	(83)	149	149		103
Capital Outlay		(5)	(5)	(5)		
Total maintenance	<u>1,232</u>	<u>(153)</u>	<u>1,079</u>	<u>1,079</u>	<u>-</u>	<u>960</u>
Streets Division:						
Personnel Services	1,640	(131)	1,509	1,509		1,631
Contractual Services	14	24	38	38		10
Supplies	160	(25)	135	135		191
Total streets division	<u>1,814</u>	<u>(132)</u>	<u>1,682</u>	<u>1,682</u>	<u>-</u>	<u>1,832</u>
Solid Waste Division:						
Personnel Services	1,344	(43)	1,301	1,301		1,322
Contract Services	1,448	(68)	1,380	1,380		1,468
Supplies	20	2	22	22		20
Capital Outlay						8
Transfer out	(1,161)		(1,161)	(1,161)		(1,245)
Total solid waste division	<u>1,651</u>	<u>(109)</u>	<u>1,542</u>	<u>1,542</u>	<u>-</u>	<u>1,573</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011				Variance (Over) Under	2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Fleet Maintenance:						
Personnel Services	\$ 508	\$ 28	\$ 536	\$ 536	\$	\$ 476
Contractual Services	157	102	259	259		216
Supplies	813	36	849	849		769
Capital Outlay						3
Total fleet maintenance	<u>1,478</u>	<u>166</u>	<u>1,644</u>	<u>1,644</u>	<u>-</u>	<u>1,464</u>
Snow Removal:						
Personnel Services	250	16	266	266		205
Contractual Services	299	21	320	320		194
Supplies	270	393	663	663		573
Capital Outlay						
Total snow removal	<u>819</u>	<u>430</u>	<u>1,249</u>	<u>1,249</u>	<u>-</u>	<u>972</u>
Major Road Improvements:						
Personnel Services	12	(7)	5	5		7
Contractual Services	1,086		1,086	1,086		960
Total major road improvements	<u>1,098</u>	<u>(7)</u>	<u>1,091</u>	<u>1,091</u>	<u>-</u>	<u>967</u>
Railroad Maintenance:						
Contractual Services	<u>54</u>	<u>12</u>	<u>66</u>	<u>66</u>		<u>34</u>
Other City Buildings:						
Contractual Services	43	13	56	56		59
Supplies	2	(1)	1	1		1
Capital Outlay	<u>2</u>	<u>4</u>	<u>6</u>	<u>6</u>		<u>14</u>
Total other city buildings	<u>47</u>	<u>16</u>	<u>63</u>	<u>63</u>	<u>-</u>	<u>74</u>
Composting:						
Personnel Services						
Contractual Services	91	(25)	66	66		71
Supplies						
Total composting	<u>91</u>	<u>(25)</u>	<u>66</u>	<u>66</u>	<u>-</u>	<u>71</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011				Variance (Over) Under	2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Perm Patch Utility Trenches:						
Contractual Services	\$	\$ 37	\$ 37	\$ 37	\$	\$ 12
Public Works Fleet:						
Capital Outlay	15	(16)	(1)	(1)		25
Public Works Line Painting:						
Personnel Services	1	(1)	-			
Contractual Services	108	(2)	106	106		123
Total public works line painting	109	(3)	106	106	-	123
Street Lighting:						
Contractual Services	768	5	773	773		755
Total public works	10,606	346	10,952	10,952	-	10,388
Health and Welfare						
Community Services:						
Personnel Services	129	(62)	67	54	13	164
Contractual Services	27		27	10	17	25
Supplies						1
Capital Outlay	15		15	6	9	
Other/Miscellaneous						17
Total community services	171	(62)	109	70	39	207
Bristol-Burlington Health:						
Contractual Services	2,497		2,497	2,497		2,497
Code Enforcement:						
Personnel Services	4	4	8	6	2	
Contractual Services						4
Supplies	1		1		1	
Other/Miscellaneous	2	28	30	30		46
Total code enforcement	7	32	39	36	3	50
Bristol Preschool:						
Contractual Services	6		6	6		12

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011				Variance (Over) Under	2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Health/SS Outside Agencies:						
Contractual Services	\$ 61	\$ 1	\$ 62	\$ 61	\$ 1	\$ 63
Cemetery Upkeep:						
Purch. Prof. Services	70		70	70		77
School Readiness Program:						
Personnel Services	7	61	68	68		67
Contractual Service	4	2,091	2,095	2,059	36	2,054
Total school readiness program	11	2,152	2,163	2,127	36	2,121
Total health and welfare	2,823	2,123	4,946	4,867	79	5,027
Libraries						
Library:						
Personnel Services	1,398	(31)	1,367	1,357	10	1,343
Contractual Services	268	1	269	253	16	242
Supplies	320	16	336	318	18	361
Capital Outlay		10	10	10		
Total libraries	1,986	(4)	1,982	1,938	44	1,946
Parks and Recreation						
Parks and Recreation:						
Personnel Services	1,654	(48)	1,606	1,565	41	1,660
Contractual Services	357	(17)	340	325	15	307
Employee Benefits	61		61	60	1	55
Supplies	220	29	249	241	8	210
Capital Outlay	6		6	5	1	10
Other/Miscellaneous	2		2	2		3
General Insurance	28		28	21	7	20
OP - Transfer Out		(61)	(61)	(61)		(55)
Total parks and recreation	2,328	(97)	2,231	2,158	73	2,210
Employee Benefits and Pension						
Employee benefits and pension:						
Retirement Benefits						61
Heart and Hypertension Police	715	(170)	545	545		586
Employee Benefits	1,430	1,068	2,498	2,495	3	9,590
Transfer to Internal Service						(7,600)
Other Post Employment Benefits	390	963	1,353	1,353		
Total employee benefits and pension	2,535	1,861	4,396	4,393	3	2,637

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2010
(In Thousands)**

	2011				Variance (Over) Under	2010 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
General Insurance						
General Insurance	\$ 631	\$	\$ 631	\$ 465	\$ 166	\$ 589
Miscellaneous						
Miscellaneous:						
All Other Costs and Fees	2,949	(1,656)	1,293	1,183	110	736
Public Buildings	200	(105)	95	95		44
Total miscellaneous	<u>3,149</u>	<u>(1,761)</u>	<u>1,388</u>	<u>1,278</u>	<u>110</u>	<u>780</u>
Education						
Board of Education:						
Personnel Services	64,019	(965)	63,054	63,054		62,713
Employee Benefits	15,794	33	15,827	15,827		15,248
Contractual Services	6,523	(636)	5,887	5,887		6,438
Supplies and Materials	15,029	567	15,596	15,596		14,473
Capital Outlay	122	847	969	969		907
All Other	624	(598)	26	26		44
General Insurance	443	(26)	417	417		398
Transfer to Internal Service and Other		(13,512)	(13,512)	(13,512)		(12,873)
Operating Transfers Out	9	160	169	169		50
Total Board of Education	<u>102,563</u>	<u>(14,130)</u>	<u>88,433</u>	<u>88,433</u>	<u>-</u>	<u>87,398</u>
Transfers to other funds:						
Special Revenue	1,596	3,207	4,803	4,803		3,671
Debt Service	6,250		6,250	6,244	6	6,529
Capital Projects	200		200	200		510
Internal Service	9,509	13,564	23,073	23,073		22,321
Total transfers to other funds	<u>17,555</u>	<u>16,771</u>	<u>34,326</u>	<u>34,320</u>	<u>6</u>	<u>33,031</u>
Total	\$ <u>170,934</u>	\$ <u>5,716</u>	\$ <u>176,650</u>	175,580	\$ <u>1,070</u>	\$ <u>171,235</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments to the Connecticut State Teachers'

Retirement System for City teachers are not budgeted

8,522

Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes but in the

year received for financial reporting purposes

(374)

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

\$ 183,728

**Combining and Individual
Fund Statements and Schedules**

General Fund

GENERAL FUND

The General Fund is the operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

This fund is administered in accordance with Section 25 of the City Charter. The Board of Finance and Joint Board (Board of Finance and City Council meeting jointly) have final approval over the authorizations of budgetary appropriations and any revisions to the approved budget. The Charter mandates that funding deficits, operating deficiencies or operating surpluses have priority consideration when the succeeding budget is formulated. The Board of Finance, through its agent, the Comptroller's office, controls the collection and disbursement of funds and has the legal authority to initiate audits. All assets of this fund belong to the City of Bristol. The authority for the levy of property taxes resides with the Joint Board. The City Council has the power to apply for and accept grants from other agencies and to establish and/or change the imposition of charges (fees) for the delivery of services.

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND
COMPARATIVE BALANCE SHEET

JUNE 30, 2011 AND 2010

(In Thousands)

	<u>2011</u>	<u>2010</u>
ASSETS		
Cash and cash equivalents	\$ 40,035	\$ 30,242
Receivables:		
Taxes (net of allowance for uncollectible amounts)	2,168	2,603
Interest receivable	1,392	1,660
Other (net of allowance for uncollectible amounts)	211	411
Due from other funds	442	11,094
Due from other governments	215	387
Other assets	<u>10</u>	<u>366</u>
Total assets	<u>\$ 44,473</u>	<u>\$ 46,763</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 4,176	\$ 4,616
Accrued liabilities	8,339	9,941
Due to other funds	33	43
Deferred revenue	<u>3,488</u>	<u>4,091</u>
Total liabilities	<u>16,036</u>	<u>18,691</u>
Fund balance:		
Nonspendable	10	366
Committed	4,975	5,189
Assigned	2,008	2,989
Unassigned	<u>21,444</u>	<u>19,528</u>
Total fund balance	<u>28,437</u>	<u>28,072</u>
Total Liabilities and Fund Balance	<u>\$ 44,473</u>	<u>\$ 46,763</u>

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2011
(In Thousands)

Grand List	Uncollected Taxes July 1, 2010	Lawful Corrections		Transfers to Suspend	Suspend Items Collected	Tax Abatements	Other Adjustments	Net Amount Collectible	Collections			Uncollected Taxes June 30, 2011		
		Additions	Deductions						Taxes	Interest	Lien Fees		Total	
2009	\$ 110,615	\$ 187	\$ 286	\$ 169	\$ 6,334	\$ 9	\$ 60	\$ 116,732	\$ 115,416	\$ 435	\$ 2	\$ 115,853	\$ 1,316	
2008	1,608	8	41	100	137	6	(30)	1,576	1,148	225	7	1,380	428	
2007	547		4	170	123	151	10	355	253	75	2	330	102	
2006	53	2			49		1	105	39	42	1	82	66	
2005	71				36			107	48	39		87	59	
2004	44				14		1	59	18	23		41	41	
2003	43				28			71	33	20		53	38	
2002	39				6			45	10	11		21	35	
2001	40				4		1	45	4	8		12	41	
2000	38				4			42	4	7		11	38	
1999	37				4			41	4	7		11	37	
1998	41				3		(4)	40	2	6		8	38	
1997	69				4		6	79	7	8		15	72	
1996	69				2		2	73	3	5		8	70	
1995	87				2			89	2	4		6	87	
Total	\$ 113,401	\$ 197	\$ 331	\$ 439	\$ 6,750	\$ 166	\$ 47	\$ 119,459	116,991	915	12	117,918	\$ 2,468	
Property taxes receivable considered available:														
June 30, 2010									(588)			(588)		
June 30, 2011									341			341		
Total Property Tax Revenue (RSI-1)									\$ 116,744	\$ 915	\$ 12	\$ 117,671		

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**Nonmajor
Governmental Funds**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. A summary of the Special Revenue Funds is presented below:

Fund	Funding Source	Function
Equipment and Building Sinking	Federal, State and local	Equipment and building purchases
Community Development Act	Federal grants	Community development programs
Special Grants and Donations	Federal, State and local grants	Administration of miscellaneous grants
Special Education Grant	Federal and State grants	Education Grant Programs
Bristol School Lunch Program	Sale of food, State and Federal grants	Operation of the school cafeterias
Manross Memorial Library	Donations	Support of the City Library Board
Sewer Operating and Assessment	Charges for services	Operations of the sanitary sewer system
Solid Waste Disposal	Charges for services	Operation of the City's solid waste disposal program
Police Department Drug Forfeiture	Sale of assets and Federal grants	Account for monies received from sale of assets acquired during drug related arrests
Pine Lake Challenge Course	Licenses and permits	Recreational facility used by outside groups
LOCIP Projects	State grants	Activity of all the LOCIP Projects
Student Activity	Charges for services	Operations of the Adult Education, Summer School and Driver Education programs
Open Space	Donations	Procurement of Land
Centre Mall	Rent/leases	Operation of Centre Mall
Pardee Fund #1	Sarah Norton Pardee Trust Fund	Cemetery maintenance
Pardee Fund #2	Sarah Norton Pardee Trust Fund	Support of those requiring public aid
Reserve Fund for Depreciation for Page Park Swimming Pool	Donations	Maintenance of the Page Park Swimming Pool

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Fund	Funding Source	Function
Sarah Norton Pardee Trust	Will of Sarah Norton Pardee	The upkeep of City cemeteries and the support of those requiring public aid
Mary J. Atwood Trust	Will of Mary J. Atwood	For the benefit of needy pupils of the Bristol High School
Storm Water Control Trust	Donations	Perpetual maintenance and management of storm water control problem areas
Lake Avenue Cemetery Trust	Donations	To upkeep Lake Avenue Cemetery

CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2011
(In Thousands)

	Special Revenue Funds							
	Equipment and Building Sinking	Community Development Act	Special Grants and Donations	Special Education Grant	Bristol School Lunch Program	Manross Memorial Library	Sewer Operating and Assessment	Solid Waste Disposal
ASSETS								
Cash and cash equivalents	\$ 4,862	\$ 444	\$ 1,122	\$ 344	\$	\$ 819	\$ 3,598	\$ 354
Investments								
Accounts receivable							231	202
Assessment receivable							566	
Due from other funds			1	49				
Due from other governments		48	264	455	309			
Inventory					48			
Total Assets	\$ 4,862	\$ 492	\$ 1,387	\$ 848	\$ 357	\$ 819	\$ 4,395	\$ 556
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts payable	\$ 457	\$ 83	\$ 115	\$ 70	\$ 1	\$ 2	\$ 228	\$ 262
Contracts payable - retainage								
Accrued liabilities		14	2	506	62		23	
Due to other funds			7	234	209			
Due to other governments				17				
Deferred revenue				21			784	13
Total liabilities	457	97	124	848	272	2	1,035	275
Fund Balances:								
Nonspendable					48			
Restricted		284	1,263					
Committed	4,405	111			37	817	3,287	281
Assigned							73	
Total fund balances	4,405	395	1,263	-	85	817	3,360	281
Total Liabilities and Fund Balances	\$ 4,862	\$ 492	\$ 1,387	\$ 848	\$ 357	\$ 819	\$ 4,395	\$ 556

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)

JUNE 30, 2011
(In Thousands)

	<u>Special Revenue Funds</u>							
	Police Department Drug Forfeiture	Pine Lake Challenge Course	LOCIP Projects	Student Activity	Open Space	Centre Mall	Pardee Fund #1	Pardee Fund #2
ASSETS								
Cash and cash equivalents	\$ 121	\$ 107	\$ (299)	\$ 764	\$ 4	\$ 378	\$ 41	\$ 1
Investments								
Accounts receivable		44						
Assessment receivable								
Due from other funds								
Due from other governments			422					
Inventory								
Total Assets	<u>\$ 121</u>	<u>\$ 151</u>	<u>\$ 123</u>	<u>\$ 764</u>	<u>\$ 4</u>	<u>\$ 378</u>	<u>\$ 41</u>	<u>\$ 1</u>
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts payable	\$ 1	\$ 1	\$ 17	\$	\$	\$ 13	\$	\$
Contracts payable - retainage			2					
Accrued liabilities		5		9				
Due to other funds				16				
Due to other governments			47					
Deferred revenue						9		
Total liabilities	<u>1</u>	<u>6</u>	<u>66</u>	<u>25</u>	<u>-</u>	<u>22</u>	<u>-</u>	<u>-</u>
Fund Balances:								
Nonspendable								
Restricted	120		57					
Committed		145		739	4	356	41	1
Assigned								
Total fund balances	<u>120</u>	<u>145</u>	<u>57</u>	<u>739</u>	<u>4</u>	<u>356</u>	<u>41</u>	<u>1</u>
Total Liabilities and Fund Balances	<u>\$ 121</u>	<u>\$ 151</u>	<u>\$ 123</u>	<u>\$ 764</u>	<u>\$ 4</u>	<u>\$ 378</u>	<u>\$ 41</u>	<u>\$ 1</u>

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CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)

JUNE 30, 2011
(In Thousands)

	Special Revenue Funds		Permanent Fund					Interfund Eliminations	Total Nonmajor Governmental Funds
	Reserve Fund for Depreciation for Page Park Swimming Pool	Total	Sarah Norton Pardee Trust	Mary J. Atwood Trust	Storm Water Control Trust	Lake Avenue Cemetery Trust	Total		
ASSETS									
Cash and cash equivalents	\$ 218	\$ 12,878	\$ 8	\$ 1	\$ 448	35	\$ 44	\$ -	\$ 12,922
Investments		-			448		448		448
Accounts receivable		477					-		477
Assessment receivable		566					-		566
Due from other funds		50					-	(17)	33
Due from other governments		1,498					-		1,498
Inventory		48					-		48
Total Assets	\$ 218	\$ 15,517	\$ 8	\$ 1	\$ 448	35	\$ 492	(17)	\$ 15,992
LIABILITIES AND FUND BALANCE									
Liabilities:									
Accounts payable	\$ -	\$ 1,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,250
Contracts payable - retainage		2					-		2
Accrued liabilities		621					-		621
Due to other funds		466					-	(17)	449
Due to other governments		64					-		64
Deferred revenue		827					-		827
Total liabilities	-	3,230	-	-	-	-	-	(17)	3,213
Fund Balances:									
Nonspendable		48	8	1	448	35	492		540
Restricted		1,724					-		1,724
Committed	218	10,442					-		10,442
Assigned		73					-		73
Total fund balances	218	12,287	8	1	448	35	492	-	12,779
Total Liabilities and Fund Balances	\$ 218	\$ 15,517	\$ 8	\$ 1	\$ 448	\$ 35	\$ 492	(17)	\$ 15,992

CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2011
(In Thousands)

	Special Revenue Funds							
	Equipment and Building Sinking	Community Development Act	Special Grants and Donations	Special Education Grant	Bristol School Lunch Program	Manross Memorial Library	Sewer Operating and Assessment	Solid Waste Disposal
Revenues:								
Sewer assessments, interest and liens	\$	\$	\$	\$	\$	\$	\$ 3	\$
Licenses and permit			411				4,883	175
Intergovernmental	71	694	1,701	6,876	1,782		2	
Charges for services			136		1,382		1	1,320
Investment earnings	5	1				2	8	2
Net appreciation in the fair market value of investments								
Contribution	13		303					
Miscellaneous						43	96	99
Total revenues	<u>89</u>	<u>695</u>	<u>2,551</u>	<u>6,876</u>	<u>3,164</u>	<u>45</u>	<u>4,993</u>	<u>1,596</u>
Expenditures:								
General government		669	430					
Public safety	516		480					
Public works	757		436				3,210	2,737
Health and welfare		306	921					
Libraries						34		
Parks and recreation			98					
Education			217	6,396	2,895			
Total expenditures	<u>1,273</u>	<u>975</u>	<u>2,582</u>	<u>6,396</u>	<u>2,895</u>	<u>34</u>	<u>3,210</u>	<u>2,737</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,184)</u>	<u>(280)</u>	<u>(31)</u>	<u>480</u>	<u>269</u>	<u>11</u>	<u>1,783</u>	<u>(1,141)</u>
Other Financing Sources (Uses):								
Transfers in	2,977	601	65		160			1,160
Transfers out	(140)	(102)	(61)	(480)	(402)		(1,205)	
Total other financing sources (uses)	<u>2,837</u>	<u>499</u>	<u>4</u>	<u>(480)</u>	<u>(242)</u>	<u>-</u>	<u>(1,205)</u>	<u>1,160</u>
Net Change in Fund Balances	1,653	219	(27)	-	27	11	578	19
Fund Balance Beginning of Year	<u>2,752</u>	<u>176</u>	<u>1,290</u>	<u>-</u>	<u>58</u>	<u>806</u>	<u>2,782</u>	<u>262</u>
Fund Balance End of Year	<u>\$ 4,405</u>	<u>\$ 395</u>	<u>\$ 1,263</u>	<u>\$ -</u>	<u>\$ 85</u>	<u>\$ 817</u>	<u>\$ 3,360</u>	<u>\$ 281</u>

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CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011
(In Thousands)

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	Special Revenue Funds							
	Police Department Drug Forfeiture	Pine Lake Challenge Course	LOCIP Projects	Student Activity	Open Space	Centre Mall	Pardee Fund #1	Pardee Fund #2
Revenues:								
Sewer assessments, interest and liens	\$	\$	\$	\$	\$	\$	\$	\$
Licenses and permit		150		166				
Intergovernmental	89		250					
Charges for services						122		
Investment earnings				2		1		
Net appreciation in the fair market value of investments								
Contribution			66	49				
Miscellaneous								
Total revenues	89	150	316	217	-	123	-	-
Expenditures:								
General government		161				18		
Public safety	25							
Public works			160					
Health and welfare								
Libraries								
Parks and recreation			176					
Education				272				
Total expenditures	25	161	336	272	-	18	-	-
Excess (Deficiency) of Revenues over Expenditures	64	(11)	(20)	(55)	-	105	-	-
Other Financing Sources (Uses):								
Transfers in								
Transfers out					(10)	(125)		
Total other financing sources (uses)	-	-	-	-	(10)	(125)	-	-
Net Change in Fund Balances	64	(11)	(20)	(55)	(10)	(20)	-	-
Fund Balance Beginning of Year	56	156	77	794	14	376	41	1
Fund Balance End of Year	\$ 120	\$ 145	\$ 57	\$ 739	\$ 4	\$ 356	\$ 41	\$ 1

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CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011
(In Thousands)

	Special Revenue Funds		Permanent Funds					Interfund Eliminations	Total Nonmajor Governmental Funds
	Reserve Fund for Depreciation for Page Park Swimming Pool	Total	Sarah Norton Pardee Trust	Mary J. Atwood Trust	Storm Water Control Trust	Lake Avenue Cemetery Trust	Total		
Revenues:									
Sewer assessments, interest and liens	\$	\$ 3	\$	\$	\$	\$	\$ -	\$	\$ 3
Licenses and permit		5,785					-		5,785
Intergovernmental		11,465					-		11,465
Charges for services		2,961					-		2,961
Investment earnings	1	22			10		10		32
Net appreciation in the fair market value of investments					63		63		63
Contribution		431					-		431
Miscellaneous	24	262					-		262
Total revenues	25	20,929	-	-	73	-	73	-	21,002
Expenditures:									
General government		1,278					-		1,278
Public safety		1,021					-		1,021
Public works		7,300					-		7,300
Health and welfare		1,227					-		1,227
Libraries		34					-		34
Parks and recreation		274					-		274
Education		9,780					-		9,780
Total expenditures	-	20,914	-	-	-	-	-	-	20,914
Excess (Deficiency) of Revenues over Expenditures	25	15	-	-	73	-	73	-	88
Other Financing Sources (Uses):									
Transfers in		4,963					-		4,963
Transfers out	(1)	(2,526)					-		(2,526)
Total other financing sources (uses)	(1)	2,437	-	-	-	-	-	-	2,437
Net Change in Fund Balances	24	2,452	-	-	73	-	73	-	2,525
Fund Balance Beginning of Year	194	9,835	8	1	375	35	419	-	10,254
Fund Balance End of Year	218	\$ 12,287	\$ 8	\$ 1	\$ 448	\$ 35	\$ 492	\$ -	\$ 12,779

**Capital
Projects Fund**

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds or Trust Funds).

CITY OF BRISTOL, CONNECTICUT
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES - ACTUAL VS. APPROPRIATIONS
FOR THE YEAR ENDED JUNE 30, 2011
(In Thousands)

<u>Fiscal Year</u>	<u>Dept</u>	<u>Project Name</u>	<u>Amended Budget</u>	<u>Expended Current Year</u>	<u>Total All Years</u>	<u>Open Purchase Orders</u>	<u>Total Expended</u>	<u>Project Balance</u>
Schools - Fund 301:								
2004	BOE	Ivy Drive Code Alterations	\$ 14,649	\$ 156	\$ 14,815	\$	\$ 14,815	\$ (166)
2005	BOE	Jennings School Roof	600	4	452		452	148
2005	BOE	O'Connell School	800					800
2001	BOE	Mountain View Code Update	14,538		14,537		14,537	1
2001	BOE	South Side Code Update	800	772	812		812	(12)
1998	BOE	Bristol Central HS Renovations	18,000	12	18,303		18,303	(303)
1998	BOE	Bristol Eastern HS Renovations	21,200	12	21,373		21,373	(173)
1998	BOE	Bristol Eastern HS Roof Replacement	1,500		1,540		1,540	(40)
2006	BOE	Memorial Boulevard Roof	550		768		768	(218)
2007	BOE	Forestville K-8 School	53,000	5,805	10,115	27,353	37,468	15,532
2007	BOE	West Bristol K-8 School	52,000	7,238	9,988	26,554	36,542	15,458
2009	BOE	BEHS Track Replacement	385	22	362	4	366	19
Total Schools - Fund 301			<u>178,022</u>	<u>14,021</u>	<u>93,065</u>	<u>53,911</u>	<u>146,976</u>	<u>31,046</u>
Capital Projects - Fund 302:								
2002	City Hall	ADA Upgrades	303	5	299		299	4
2007	Police	City Traffic Control Signal Upgrade	458	9	286		286	172
2008	Fire	E4 Architectural Study	400		19		19	381
2000	PW Streets	East Rd. Intersection Improvements	290	5	270	14	284	6
2002	PW Streets	Perkins St. Reconstruction Part 1	2,300	9	2,300		2,300	-
2003	PW Streets	Milton & Westwoods Terrace Sidewalks	310		27	3	30	280
2006	PW Streets	Sediment Control Cedar Lake	240	1	158	5	163	77
2007	PW Streets	South Street Widening	80		30		30	50
2007	PW Streets	Realignment-Union, South&Church Streets	410	105	250	155	405	5
2008	PW Streets	Reconstruction of Waterbury Road	67	2	66	1	67	-
2008	PW Streets	Citywide - Roadside Barrier	510	195	348	40	388	122
2008	PW Streets	Frederick Street/ Coppermine Realignment	81	37	63	18	81	-
2008	PW Streets	Sediment Structures - Pequabuck River	20					20
2009	PW Streets	Allentown Road Reconstruction	1,100	1	585		585	515
2007	PW Solid Waste	Transfer Station Upgrades	100	44	45	55	100	-
2009	PW Solid Waste	Transfer Station Improvements	160	59	59	101	160	-
2007	PW Garage	Public Works Garage Rehabilitation	120		50		50	70
2008	PW Land Use	West End Planning Study	80	4	80		80	-
	PW C.I.	Contingency-Bridge Control	145					145
2002	BDA	Downtown Revitalization Phase 1	4,200	95	3,100	238	3,338	862
2005	BDA	Downtown Revitalization Phase 2	7,639	30	7,502		7,502	137
2008	BDA	Main Street Streetscapes	1,536	727	867	538	1,405	131
2009	BDA	Downtown Parking Feasibility	920		40	878	918	2
2008	BDDC	Mall Demolition/Abatement	3,500	2	1,156	7	1,163	2,337
2005	Parks&Rec.	Memorial Boulevard Parking Enhancements	150	1	61		61	89
2005	Parks&Rec.	Revitalization of Public Parks	790	94	780		780	10
2006	Parks&Rec.	E.G. Stocks Revitalization	1,250	24	1,212	1	1,213	37
2008	Parks&Rec.	Rockwell Park Historic Bldg. Grant	205	23	139	26	165	40
2008	Parks&Rec.	Rockwell Park Rehab	7,000	366	6,816	95	6,911	89
2009	Parks&Rec.	Page Pool Improvements	80		56		56	24
2006	MIS	Fiberoptics	1,300	24	854	26	880	420
2008	MIS	GIS System	640	113	355	4	359	281
2010	PW Streets	Mix Street Phase II	1,400	693	694	152	846	554
2010	Aging	Senior Center Utility Upgrades	2,380	118	118	217	335	2,045
2010	PW Streets	Marsh Road Reconstruction	650	8	506		506	144
2010	PW Streets	Frederick Street Channel Improvements	100					100
2010	PW Streets	Richard Court Berm/Channel	42					42
2010	Parks&Rec.	Rockwell Hiker & WWII Cannon Repair	30	10	23		23	7
2010	Parks&Rec.	Miscellaneous Page Park Improvements	10	6	6		6	4
2011	Parks&Rec.	Casey Field Upgrades	269					269
2011	Parks&Rec.	Page Park Main Drain	20	18	18		18	2
2011	PD Communic.	CAD Records Management Update	500	452	452		452	48
2011	PD Communic.	Radio System Z Release	244	243	243		243	1
2011	PW Streets	Mix Street Phase II	40	11	11		11	29
2011	PW Streets	Witches Rock Road Reconstruction	1,090	3	3		3	1,087
2011	PW Streets	Willis St Reconstruction Phase II	10					10

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES - ACTUAL VS. APPROPRIATIONS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011
(In Thousands)

<u>Fiscal Year</u>	<u>Dept</u>	<u>Project Name</u>	<u>Amended Budget</u>	<u>Expended Current Year</u>	<u>Total All Years</u>	<u>Open Purchase Orders</u>	<u>Total Expended</u>	<u>Project Balance</u>
2011	PW Streets	Fall Mountain Road Reconstruction	\$ 700	\$ 3	\$ 3	\$	\$ 3	\$ 697
2011	PW Solid Waste	Single Stream Recycling Program	500	438	438		438	62
2011	PW Major Bridge	Major Bridge Repairs	380		-	17	17	363
		Total Capital Projects - Fund 302	<u>44,749</u>	<u>3,978</u>	<u>30,388</u>	<u>2,591</u>	<u>32,979</u>	<u>11,770</u>
		Reserve for CNR - Fund 305:						
1991	CDBG	SE Mini-Industrial Park Project	5,002	11	4,842	4	4,846	156
2002	CDBG	SE Mini-Industrial Park Grant Phase II	3,102	33	2,980	2	2,982	120
1996	Landfill	Landfill Engineering Costs	1,181	1	924	1	925	256
1996	Landfill	Acq. Of Landfill Groundwater Rights	280		280		280	-
2002	Landfill	Landfill BRRFOC	3,357		1,761		1,761	1,596
2007	Landfill	Landfill Damage	380		178	16	194	186
1999	Recreation	Dredging/Birge Pond/Pine Lake	988	11	965		965	23
1997	Streets	Sidewalk Pilot Program	100		91		91	9
2006	Railroad	Railroad Spur Update	286	16	254		254	32
2008	Misc	Cemetery Restoration	11					11
2011	Comptroller's	CL&P Streetlight Refund		20	20		20	(20)
		Total Reserve for CNR - Fund 305	<u>14,687</u>	<u>92</u>	<u>12,295</u>	<u>23</u>	<u>12,318</u>	<u>2,369</u>
		Capital and Nonrecurring Fund 126:						
2001	WPC	Infiltration/Inflow Phase II	3,644	89	2,731		2,731	913
2001	WPC	Infiltration/Inflow Phase III	3,669	89	2,632		2,632	1,037
2002	WPC	Infiltration/Inflow Phase IV	1,673	42	1,157		1,157	516
2002	WPC	Denitrification Phase I	1,281	28	861		861	420
1999	WPC	99 CIP I/I Phase I	3,501	84	2,653		2,653	848
2007	WPC	Broad St. Sanitary Flow	400	2	350		350	50
2007	WPC	Broad St. Pump Station	600	4	315	285	600	-
2008	WPC	Broad St. I/I Study Phase II	600	145	468	127	595	5
2008	WPC	Broad St. Force Main Replacement	100	1	1		1	99
2008	WPC	SSO - Forcemain - Middle Street	340		300		300	40
2009	WPC	Forestville Reduction Relief Force	5,460	1,414	2,133	456	2,589	2,871
2009	WPC	Forestville SS Engineering	875		762		762	113
2010	WPC	Submersible Sewage Pump	76	72	72		72	4
2010	WPC	Broad Street Pump Station Upgrades	1,420	31	83	304	387	1,033
2011	WPC	Sewer System Rehab Broad St	1,500	2	2	484	486	1,014
2011	WPC	Phosphorus Removal Upgrade	750					750
		Total Capital and Nonrecurring - Fund 126	<u>25,889</u>	<u>2,003</u>	<u>14,520</u>	<u>1,656</u>	<u>16,176</u>	<u>9,713</u>
		Total	<u>\$ 263,347</u>	<u>\$ 20,094</u>	<u>\$ 150,268</u>	<u>\$ 58,181</u>	<u>\$ 208,449</u>	<u>\$ 54,898</u>

Enterprise Funds

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The Water Enterprise Fund is the City's only enterprise fund.

CITY OF BRISTOL, CONNECTICUT

WATER ENTERPRISE FUND
COMPARATIVE BALANCE SHEET

JUNE 30, 2011 AND 2010

(In Thousands)

	<u>2011</u>	<u>2010</u>
Current assets:		
Cash and cash equivalents	\$ 771	\$ 411
Investments	3,989	3,459
Due from other funds	813	
Receivables, net	1,183	1,068
Inventories	159	180
Total current assets	<u>6,915</u>	<u>5,118</u>
Noncurrent assets:		
Deferred debits	14	18
Capital assets:		
Assets not being depreciated	2,722	2,750
Assets being depreciated, net	<u>22,247</u>	<u>22,916</u>
Total noncurrent assets	<u>24,983</u>	<u>25,684</u>
Total Assets	<u>31,898</u>	<u>30,802</u>
Liabilities:		
Current liabilities:		
Accounts and other payables	411	329
Payroll liabilities	29	97
Customer deposits	736	677
Deferred credits	21	21
Compensated absences - current	51	42
Bonds payable - current	549	550
Total current liabilities	<u>1,797</u>	<u>1,716</u>
Noncurrent liabilities:		
Compensated absences	367	372
Bonds payable	<u>4,714</u>	<u>4,449</u>
Total noncurrent liabilities	<u>5,081</u>	<u>4,821</u>
Total Liabilities	<u>6,878</u>	<u>6,537</u>
Net Assets:		
Invested in capital assets, net of related debt	19,706	20,667
Unrestricted	<u>5,314</u>	<u>3,598</u>
Total Net Assets	<u>\$ 25,020</u>	<u>\$ 24,265</u>

CITY OF BRISTOL, CONNECTICUT

WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS

FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

(In thousands)

	<u>2011</u>	<u>2010</u>
Operating Revenues:		
Charges for services	\$ 6,097	\$ 5,475
Miscellaneous operating revenue	230	193
Total operating revenues	<u>6,327</u>	<u>5,668</u>
Operating Expenses:		
Source of supply	18	127
Pumping	329	250
Purification	1,023	1,028
Transmission and distribution	1,580	1,150
Customer accounts, administrative and general	2,129	2,120
Depreciation	843	775
Taxes other than income taxes	355	558
Total operating expenses	<u>6,277</u>	<u>6,008</u>
Operating Income (Loss)	<u>50</u>	<u>(340)</u>
Nonoperating Revenues (Expenses):		
Income on investments	949	451
Interest expense	(247)	(186)
Loss on disposal		(9)
Amortization of debt discount and expense	(5)	(5)
Total nonoperating revenues	<u>697</u>	<u>251</u>
Income (loss) before contributions	747	(89)
Capital contributions	<u>8</u>	<u>33</u>
Change in Net Assets	755	(56)
Net Assets at Beginning of Year	<u>24,265</u>	<u>24,321</u>
Net Assets at End of Year	<u>\$ 25,020</u>	<u>\$ 24,265</u>

CITY OF BRISTOL

WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

(In thousands)

	<u>2011</u>	<u>2010</u>
Cash Flows from Operating Activities:		
Cash received from charges for services	\$ 6,212	\$ 5,632
Cash paid to employees	(2,102)	(2,435)
Cash paid to suppliers	(3,293)	(2,748)
Deposits received from customers	59	35
Net cash provided by operating activities	<u>876</u>	<u>484</u>
Cash Flows from Capital and Related Financing Activities:		
Purchase of fixed assets/utility plant	(146)	(309)
Principal payments bonds/notes	(549)	(550)
Interest payments and issuance costs	(247)	(186)
Net cash used in capital and related financing activities	<u>(942)</u>	<u>(1,045)</u>
Cash Flows from Investing Activities:		
Proceeds from sales and maturities of investments	426	-
Net cash provided by investing activities	<u>426</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	360	(561)
Cash and Cash Equivalents at Beginning of Year	<u>411</u>	<u>972</u>
Cash and Cash Equivalents at End of Year	<u>\$ 771</u>	<u>\$ 411</u>
Reconciliation of Operating Income (Loss) to		
Net Cash Provided by Operating Activities:		
Operating Income (Loss)	\$ 50	\$ (340)
Adjustments to reconcile operating loss to net cash provided		
by operating activities:		
Depreciation	843	775
(Increase) decrease in customer accounts receivable	(119)	(31)
Increase (decrease) in provision for uncollectible accounts	4	(5)
(Increase) decrease in inventory	21	18
(Increase) decrease in other assets	-	3
Increase (decrease) in vouchers payable	82	10
Increase (decrease) in payroll liabilities	(68)	42
Increase (decrease) in accrued compensated absences	4	(23)
Increase (decrease) in customer deposits	59	35
Total adjustments	<u>826</u>	<u>824</u>
Net Cash Provided by Operating Activities	<u>\$ 876</u>	<u>\$ 484</u>
Noncash investing and capital activities:		
Capital contributions	<u>\$ 8</u>	<u>\$ 33</u>

Internal Service Funds

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost-reimbursement basis.

Health Benefit and Workers Compensation Fund - to provide reserves necessary to support an insurance program health benefits and workmen's compensation claims.

CITY OF BRISTOL, CONNECTICUT

INTERNAL SERVICE FUNDS
COMPARATIVE BALANCE SHEET

JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Cash and cash equivalents	\$ 16,882	\$ 13,339
Accounts receivable	49	122
Due from other funds	<u>7</u>	<u>48</u>
Total Assets	<u>\$ 16,938</u>	<u>\$ 13,509</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 8	\$
Unpaid claims	10,015	8,846
Due to other funds		99
Deferred revenues	<u>6</u>	
Total liabilities	<u>10,029</u>	<u>8,945</u>
Fund Equity:		
Net assets:		
Unrestricted	<u>6,909</u>	<u>4,564</u>
Total Liabilities and Fund Equity	<u>\$ 16,938</u>	<u>\$ 13,509</u>

CITY OF BRISTOL, CONNECTICUT

INTERNAL SERVICE FUNDS

COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

(In Thousands)

	<u>2011</u>	<u>2010</u>
Operating revenues:		
Charges for services	\$ 6,044	\$ 5,789
Contributions	149	111
Other	419	204
Total operating revenues	<u>6,612</u>	<u>6,104</u>
Operating expenses:		
Insurance claims, premiums and fees	<u>28,857</u>	<u>28,810</u>
Operating loss	(22,245)	(22,706)
Nonoperating revenues:		
Revenues from use of money	<u>38</u>	<u>49</u>
Loss before transfers	(22,207)	(22,657)
Transfers in	<u>24,552</u>	<u>23,823</u>
Change in Net Assets	2,345	1,166
Net Assets at Beginning of Year	<u>4,564</u>	<u>3,398</u>
Net Assets at End of Year	<u>\$ 6,909</u>	<u>\$ 4,564</u>

CITY OF BRISTOL, CONNECTICUT

INTERNAL SERVICE FUNDS
COMPARATIVE STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

(In Thousands)

	<u>2011</u>	<u>2010</u>
Cash Flows from Operating Activities:		
Cash received from charges for services	\$ 6,059	\$ 5,977
Cash received from other operating revenue	568	189
Cash payments for claims paid	<u>(27,674)</u>	<u>(27,739)</u>
Net cash used in operating activities	<u>(21,047)</u>	<u>(21,573)</u>
Cash Flows from Noncapital Financing Activities:		
Cash received from other funds	<u>24,552</u>	<u>23,933</u>
Cash Flows from Investing Activities:		
Interest income	<u>38</u>	<u>49</u>
Net Increase in Cash and Cash Equivalents	3,543	2,409
Cash and Cash Equivalents at Beginning of Year	<u>13,339</u>	<u>10,930</u>
Cash and Cash Equivalents at End of Year	<u>\$ 16,882</u>	<u>\$ 13,339</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:		
Operating loss	\$ <u>(22,245)</u>	\$ <u>(22,706)</u>
Adjustments to reconcile operating loss to net cash used in operating activities:		
(Increase) decrease in due from other funds	41	
(Increase) decrease in accounts receivable	73	75
Increase (decrease) in accounts payable	8	(2)
Increase (decrease) in unpaid claims	1,169	1,041
Increase (decrease) in due to other funds	(99)	20
Increase (decrease) in deferred revenues	<u>6</u>	<u>(1)</u>
Total adjustments	<u>1,198</u>	<u>1,133</u>
Net Cash Used in Operating Activities	<u>\$ (21,047)</u>	<u>\$ (21,573)</u>

Fiduciary Funds

FIDUCIARY FUNDS

Pension Trust Fund

Retirement System Fund - to account for the accumulation of resources to be used for retirement payments in accordance with retirement ordinance computations and times in the future. This fund covers all full-time City employees and noncertified members of the Board of Education. (Certified teachers are included under a State of Connecticut Pension Plan.) Resources are contributed by employees at rates determined by ordinance, by bargaining unit working agreements and by the City at amounts calculated by annual actuarial evaluations.

Firefighters' Benefit Fund - to account for the accumulation of resources to be used for retirement payments in accordance with contract amounts and times in the future. This fund covers all full-time firefighters. Resources are contributed by employees at rates determined by contract and by the City at amounts calculated by annual actuarial evaluations.

Police Benefit Fund - to account for the accumulation of resources to be used for retirement payments in accordance with contract amounts and times in the future. This fund covers all full-time police officers. Resources are contributed by employees at rates fixed by contract and by the City at amounts determined by annual actuarial evaluations.

Agency Funds

Senior Citizens Activity Fund - to account for the collection and payment of expenses for senior citizen's trips and special activities.

School Activity Funds - to account for the collection and payment of expenses for education and extra-curricular activities.

CITY OF BRISTOL, CONNECTICUT

PENSION TRUST FUNDS
COMBINING BALANCE SHEETJUNE 30, 2011 WITH COMPARATIVE TOTALS FOR 2010
(In Thousands)

	City Retirement System Fund	Firefighters' Benefit Fund	Police Benefit Fund	Totals	
				2011	2010
ASSETS					
Cash and cash equivalents	\$ 888	\$ 674	\$ 555	\$ 2,117	\$ 772
Investments	<u>207,551</u>	<u>164,770</u>	<u>181,543</u>	<u>553,864</u>	<u>474,487</u>
Total Assets	208,439	165,444	182,098	555,981	475,259
LIABILITIES					
Vouchers Payable	<u> </u>	<u> 4</u>	<u> 3</u>	<u> 7</u>	<u> </u>
FUND BALANCE					
Reserved for employee retirement	<u>\$ 208,439</u>	<u>\$ 165,440</u>	<u>\$ 182,095</u>	<u>\$ 555,974</u>	<u>\$ 475,259</u>

CITY OF BRISTOL, CONNECTICUT

PENSION TRUST FUNDS

**COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011 WITH
COMPARATIVE TOTALS FOR 2010**

(In Thousands)

	City Retirement System Fund	Firefighters' Benefit Fund	Police Benefit Fund	Totals	
				2011	2010
Additions:					
Contributions:					
Plan members	\$ 1,797	\$ 267	\$ 417	\$ 2,481	\$ 2,456
Investment income:					
Net appreciation in fair value of investments	32,330	25,197	27,686	85,213	37,229
Interest and dividends	5,052	3,937	4,326	13,315	13,325
	<u>37,382</u>	<u>29,134</u>	<u>32,012</u>	<u>98,528</u>	<u>50,554</u>
Less investment expense	(203)	(89)	(74)	(366)	(458)
	<u>37,179</u>	<u>29,045</u>	<u>31,938</u>	<u>98,162</u>	<u>50,096</u>
Total additions	<u>38,976</u>	<u>29,312</u>	<u>32,355</u>	<u>100,643</u>	<u>52,552</u>
Deductions:					
Benefits	9,823	3,622	3,795	17,240	15,716
Administration	1,014	810	864	2,688	2,471
Total deductions	<u>10,837</u>	<u>4,432</u>	<u>4,659</u>	<u>19,928</u>	<u>18,187</u>
Net Increase	28,139	24,880	27,696	80,715	34,365
Net Assets Held in Trust for Pension					
Benefits at July 1	<u>180,300</u>	<u>140,560</u>	<u>154,399</u>	<u>475,259</u>	<u>440,894</u>
Net Assets Held in Trust for Pension					
Benefits at June 30	\$ <u>208,439</u>	\$ <u>165,440</u>	\$ <u>182,095</u>	\$ <u>555,974</u>	\$ <u>475,259</u>

CITY OF BRISTOL, CONNECTICUT

AGENCY FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2011 WITH COMPARATIVE TOTAL FOR 2010

(In Thousands)

	Senior Citizens Activity Fund	School Activity Fund	Totals	
			<u>2011</u>	<u>2010</u>
ASSETS				
Cash and cash equivalents	\$ 22	\$ 462	\$ 484	\$ 415
Investments		<u>160</u>	<u>160</u>	<u>159</u>
Total assets	<u>\$ 22</u>	<u>\$ 622</u>	<u>\$ 644</u>	<u>\$ 574</u>
LIABILITIES				
Due to senior citizens	\$ 22		\$ 22	\$ 20
Due to student groups		<u>622</u>	<u>622</u>	<u>554</u>
Total liabilities	<u>\$ 22</u>	<u>\$ 622</u>	<u>\$ 644</u>	<u>\$ 574</u>

CITY OF BRISTOL, CONNECTICUT

**AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES**

FOR THE YEAR ENDED JUNE 30, 2011

(In Thousands)

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
<u>Senior Citizens Activity Fund</u>				
ASSETS				
Cash and cash equivalents	\$ 20	\$ 102	\$ 100	\$ 22
LIABILITIES				
Due to senior citizens	\$ 20	\$ 102	\$ 100	\$ 22
<u>School Activity Fund</u>				
ASSETS				
Cash and cash equivalents	\$ 395	\$ 1,183	\$ 1,116	\$ 462
Investments	159	1		160
Total	\$ 554	\$ 1,184	\$ 1,116	\$ 622
LIABILITIES				
Due to student groups	\$ 554	\$ 1,184	\$ 1,116	\$ 622
<u>Total Agency Funds</u>				
ASSETS				
Cash and cash equivalents	\$ 415	\$ 1,285	\$ 1,216	\$ 484
Investments	159	1		160
Total	\$ 574	\$ 1,286	\$ 1,216	\$ 644
LIABILITIES				
Due to senior citizens	\$ 20	\$ 102	\$ 100	\$ 22
Due to student groups	554	1,184	1,116	622
Total	\$ 574	\$ 1,286	\$ 1,216	\$ 644

**Capital Assets Used in the
Operation of Governmental Funds**

**CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

The following schedules present only the capital asset balances related to governmental funds. The assets are reported at historical cost or estimated historical cost.

The City's capitalization policy requires the recording of capital assets with original cost of \$5,000 or more. Provision for depreciation is not included in the schedules.

CITY OF BRISTOL, CONNECTICUT

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

COMPARATIVE SCHEDULE BY SOURCE

JUNE 30, 2011 AND 2010

(In Thousands)

	<u>2011</u>	<u>2010</u>
Governmental funds capital assets:		
Land	\$ 18,213	\$ 17,484
Land improvements	6,977	6,977
Buildings	199,502	182,240
Equipment	64,556	60,896
Infrastructure	230,589	224,493
Construction work in progress	<u>28,115</u>	<u>34,423</u>
Total Governmental Funds Capital Assets	<u>\$ 547,952</u>	<u>\$ 526,513</u>
Investments in governmental funds capital assets by source:		
Capital Projects Fund:		
General obligation bonds and notes	\$ 352,624	\$ 335,204
Federal grants	45,210	45,015
State grants	36,815	34,520
Contributions	1,698	1,673
Proceeds from loans	4,096	4,096
General fund revenues	46,801	46,752
Special revenue fund revenues	48,748	47,301
Gifts	1,019	1,019
Special assessments	1,323	1,323
Miscellaneous	<u>9,618</u>	<u>9,610</u>
Total Investments	<u>\$ 547,952</u>	<u>\$ 526,513</u>

CITY OF BRISTOL, CONNECTICUT

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE BY FUNCTION AND ACTIVITY
AS OF JUNE 30, 2011
(In Thousands)

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvement Other Than Buildings</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>
General government	\$ 12,897	\$ 4,921	\$ 1,867	\$ 30	\$ 5,706	\$	\$ 373
Public safety:							
Police	28,183		15,959	77	8,937	3,210	
Fire	5,624	31	742	67	4,781	3	
Building inspection	129				129		
Other public safety	88		51	15	22		
Total public safety	<u>34,024</u>	<u>31</u>	<u>16,752</u>	<u>159</u>	<u>13,869</u>	<u>3,213</u>	<u>-</u>
Public works:							
General public works	15,126	927	7,749	691	3,885	1,874	
Streets, sidewalks and storm drains	177,611		1,547	73	5,297	167,923	2,771
Sanitation and waste removal	96,869		23,598	366	18,385	52,516	2,004
Total public works	<u>289,606</u>	<u>927</u>	<u>32,894</u>	<u>1,130</u>	<u>27,567</u>	<u>222,313</u>	<u>4,775</u>
Health and welfare	<u>2,443</u>	<u>1,668</u>			<u>8</u>	<u>397</u>	<u>370</u>
Libraries	<u>18,923</u>	<u>318</u>	<u>13,596</u>	<u>26</u>	<u>4,899</u>		<u>84</u>
Parks and recreation	<u>23,984</u>	<u>4,456</u>	<u>4,440</u>	<u>2,530</u>	<u>2,050</u>	<u>3,502</u>	<u>7,006</u>
Education	<u>166,075</u>	<u>5,892</u>	<u>129,953</u>	<u>3,102</u>	<u>10,457</u>	<u>1,164</u>	<u>15,507</u>
Total	<u>\$ 547,952</u>	<u>\$ 18,213</u>	<u>\$ 199,502</u>	<u>\$ 6,977</u>	<u>\$ 64,556</u>	<u>\$ 230,589</u>	<u>\$ 28,115</u>

CITY OF BRISTOL, CONNECTICUT

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2011

(In Thousands)

<u>Function and Activity</u>	<u>Governmental Funds Capital Assets July 1, 2010</u>	<u>Additions and Transfers</u>	<u>Retirements and Transfers</u>	<u>Governmental Funds Capital Assets June 30, 2011</u>
General government	\$ 11,993	\$ 1,851	\$ (947)	\$ 12,897
Public safety:				
Police protection	27,840	646	(303)	28,183
Fire protection	5,625		(1)	5,624
Building inspection	129			129
Other public safety	111		(23)	88
Total public safety	<u>33,705</u>	<u>646</u>	<u>(327)</u>	<u>34,024</u>
Public works:				
General public works	14,548	578		15,126
Streets, sidewalks and storm drains	174,876	6,770	(4,035)	177,611
Sanitation and waste removal	94,925	2,400	(456)	96,869
Total public works	<u>284,349</u>	<u>9,748</u>	<u>(4,491)</u>	<u>289,606</u>
Health and welfare	<u>2,443</u>			<u>2,443</u>
Libraries	<u>18,640</u>	<u>283</u>		<u>18,923</u>
Parks and recreation	<u>22,994</u>	<u>1,918</u>	<u>(928)</u>	<u>23,984</u>
Education	<u>152,389</u>	<u>30,341</u>	<u>(16,655)</u>	<u>166,075</u>
Total	<u>\$ 526,513</u>	<u>\$ 44,787</u>	<u>\$ (23,348)</u>	<u>\$ 547,952</u>

Statistical Section Information

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

CITY OF BRISTOL, CONNECTICUT

**NET ASSETS BY COMPONENT
LAST TEN YEARS**

(In Thousands)

		Fiscal Year									
		<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Governmental activities:											
	Invested in capital assets, net of related debt	\$ 179,772	\$ 206,272	\$ 201,557	\$ 207,039	\$ 200,700	\$ 198,732	\$ 190,922	\$ 195,021	\$ 191,816	\$ 191,010
	Restricted	752	655	557	487	410	341	296	269	219	384
	Unrestricted	<u>61,786</u>	<u>27,173</u>	<u>36,804</u>	<u>39,534</u>	<u>51,656</u>	<u>44,747</u>	<u>38,523</u>	<u>32,601</u>	<u>37,770</u>	<u>44,625</u>
	Total Governmental Activities Net Assets	<u>\$ 242,310</u>	<u>\$ 234,100</u>	<u>\$ 238,918</u>	<u>\$ 247,060</u>	<u>\$ 252,766</u>	<u>\$ 243,820</u>	<u>\$ 229,741</u>	<u>\$ 227,891</u>	<u>\$ 229,805</u>	<u>\$ 236,019</u>
16	Business-type activities:										
	Invested in capital assets, net of related debt	\$ 19,706	\$ 20,667	\$ 20,592	\$ 19,815	\$ 18,427	\$ 18,970	\$ 19,515	\$ 19,515	\$ 18,544	\$ 17,426
	Unrestricted	<u>5,314</u>	<u>3,598</u>	<u>3,729</u>	<u>4,880</u>	<u>6,297</u>	<u>5,946</u>	<u>5,000</u>	<u>4,522</u>	<u>5,542</u>	<u>5,755</u>
	Total Business-type Activities Net Assets	<u>\$ 25,020</u>	<u>\$ 24,265</u>	<u>\$ 24,321</u>	<u>\$ 24,695</u>	<u>\$ 24,724</u>	<u>\$ 24,916</u>	<u>\$ 24,515</u>	<u>\$ 24,037</u>	<u>\$ 24,086</u>	<u>\$ 23,181</u>
Primary government:											
	Invested in capital assets, net of related debt	\$ 199,478	\$ 226,939	\$ 222,149	\$ 226,854	\$ 219,127	\$ 217,702	\$ 210,437	\$ 214,536	\$ 210,360	\$ 208,436
	Restricted	752	655	557	487	410	341	296	269	219	384
	Unrestricted	<u>67,100</u>	<u>30,771</u>	<u>40,533</u>	<u>44,414</u>	<u>57,953</u>	<u>50,693</u>	<u>43,523</u>	<u>37,123</u>	<u>43,312</u>	<u>50,380</u>
	Total Primary Government Net Assets	<u>\$ 267,330</u>	<u>\$ 258,365</u>	<u>\$ 263,239</u>	<u>\$ 271,755</u>	<u>\$ 277,490</u>	<u>\$ 268,736</u>	<u>\$ 254,256</u>	<u>\$ 251,928</u>	<u>\$ 253,891</u>	<u>\$ 259,200</u>

Notes:

(1) Schedule prepared on the accrual basis of accounting

CITY OF BRISTOL, CONNECTICUT

CHANGES IN NET ASSETS

LAST TEN YEARS

(In Thousands)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Expenses:										
Governmental activities:										
General government	\$ 12,549	\$ 14,433	\$ 14,551	\$ 20,241	\$ 11,110	\$ 11,487	\$ 8,746	\$ 8,816	\$ 10,849	\$ 9,414
Public safety	31,719	31,548	29,854	27,794	24,268	22,984	24,366	23,751	21,649	21,350
Public works	25,183	24,696	28,190	24,493	27,278	24,140	23,747	22,969	22,475	24,496
Health and welfare	6,327	5,656	6,445	5,914	5,995	3,987	4,182	3,277	5,439	5,858
Libraries	2,739	2,651	2,933	2,536	2,369	1,995	2,880	2,926	1,827	1,963
Parks and recreation	3,201	2,972	3,032	3,442	3,175	3,603	5,802	6,014	2,303	2,963
Education	123,128	122,597	122,846	146,877	108,150	106,964	93,175	90,751	89,628	86,691
Miscellaneous				837	694	754	752	607	1,112	589
Interest on long-term debt	2,830	2,246	2,063	2,054	2,335	1,840	1,949	1,522	1,767	1,948
Total Governmental Activities Expenses	207,676	206,799	209,914	234,188	185,374	177,754	165,599	160,633	157,049	155,272
Business-type activities:										
Water	6,529	6,208	6,458	5,936	6,154	5,363	5,215	5,669	4,926	5,307
Total primary government expenses	214,205	213,007	240,124	240,124	191,528	183,117	170,814	166,302	161,975	160,579
Program revenues:										
Governmental activities:										
Charges for services:										
General government	2,310	2,481	2,367	2,914	3,490	3,563	2,865	1,963	1,709	2,696
Public works	7,138	6,582	6,710	6,213	6,325	6,266	6,049	5,821	5,810	5,541
Education	1,903	2,132	2,077	2,380	2,247	1,994	1,934	1,330	1,876	3,069
Other	2,431	2,492	2,296	2,352	1,917	1,862	1,584	1,557	1,727	2,059
Operating grants and contributions	69,468	68,554	67,428	94,611	57,800	56,201	51,287	50,216	52,180	50,006
Capital grants and contributions	10,704	4,014	2,896	3,833	8,641	12,917	1,354	2,628	1,823	4,228
Total Governmental Activities Program Revenues	93,954	86,255	83,774	112,303	80,420	82,803	65,073	63,515	65,125	67,599
Business-type activities:										
Charges for services	6,327	5,668	5,393	5,497	5,428	5,661	5,485	5,444	5,789	5,777
Capital grants and contributions	8	33	30	90	209	19	14	19	42	82
Total business-type activities program revenues	6,335	5,701	5,423	5,587	5,637	5,680	5,499	5,463	5,831	5,859
Total primary government program revenues	100,289	91,956	89,197	117,890	86,057	88,483	70,572	68,978	70,956	73,458

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT
CHANGES IN NET ASSETS (CONTINUED)
LAST TEN YEARS
(In Thousands)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Net revenue (expense):										
Governmental activities	\$ (113,722)	\$ (120,544)	\$ (126,140)	\$ (121,885)	\$ (104,954)	\$ (94,951)	\$ (100,526)	\$ (97,118)	\$ (91,924)	\$ (87,673)
Business-type activities	(194)	(507)	(1,035)	(349)	(517)	317	284	(206)	905	552
Total primary government net expense	(113,916)	(121,051)	(127,175)	(122,234)	(105,471)	(94,634)	(100,242)	(97,324)	(91,019)	(87,121)
General revenues and other changes in net assets:										
Governmental activities:										
Property taxes	117,274	110,752	111,163	106,391	103,644	99,931	96,106	89,646	79,215	73,610
Grants and contributions not restricted to specific purposes	4,354	4,553	5,421	6,548	6,409	5,850	4,447	4,798	5,349	6,365
Unrestricted investment earnings	302	396	1,332	2,944	3,700	2,738	1,633	677	880	1,360
Other general revenues	2	25	82	296	147	511	190	83	266	192
Total governmental activities	121,932	115,726	117,998	116,179	113,900	109,030	102,376	95,204	85,710	81,527
Business-type activities:										
Unrestricted investment earnings	949	451	661	320	325	84	194	157		
Total business-type activities	949	451	661	320	325	84	194	157		
Total primary government	122,881	116,177	118,659	116,499	114,225	109,114	102,570	95,361	85,710	81,527
Changes in net assets:										
Governmental activities	8,210	(4,818)	(8,142)	(5,706)	8,946	14,079	1,850	(1,914)	(6,214)	(6,146)
Business-type activities	755	(56)	(374)	(29)	(192)	401	478	(49)	905	552
Total Primary Government	\$ 8,965	\$ (4,874)	\$ (8,516)	\$ (5,735)	\$ 8,754	\$ 14,480	\$ 2,328	\$ (1,963)	\$ (5,309)	\$ (5,594)

Notes:

(1) Schedule prepared on the accrual basis of accounting

CITY OF BRISTOL, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(In Thousands)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Fund:										
Reserved	\$	\$ 749	\$ 998	\$ 1,859	\$ 1,419	\$ 1,668	\$ 753	\$ 2,310	\$ 1,714	\$ 2,013
Unreserved		27,323	26,953	27,194	26,302	25,818	24,030	18,010	17,269	19,818
Nonspendable	10									
Restricted										
Committed	4,975									
Assigned	2,008									
Unassigned	21,444									
Total General Fund	\$ 28,437	\$ 28,072	\$ 27,951	\$ 29,053	\$ 27,721	\$ 27,486	\$ 24,783	\$ 20,320	\$ 18,983	\$ 21,831
All other governmental funds:										
Reserved	\$	\$ 15,611	\$ 5,409	\$ 6,582	\$ 5,339	\$ 16,412	\$ 10,065	\$ 5,607	\$ 5,400	\$ 4,821
Unreserved, reported in:										
Special revenue funds		8,726	8,301	7,817	7,579	7,914	7,495	5,834	5,261	5,330
Capital projects funds		(22,123)	(6,289)	(5,055)	1,853	(24,611)	(9,158)	(8,254)	(2,980)	933
Permanent funds		419	375	311	246	192	171	163	123	120
Nonspendable	540									
Restricted	3,339									
Committed	34,916									
Assigned	73									
Unassigned	(512)									
Total all Other Governmental Funds	\$ 38,356	\$ 2,633	\$ 7,796	\$ 9,655	\$ 15,017	\$ (93)	\$ 8,573	\$ 3,350	\$ 7,804	\$ 11,204

Note 1: Schedule prepared on the modified accrual basis of accounting

CITY OF BRISTOL, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(In Thousands)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues:										
Taxes and assessments	\$ 116,771	\$ 110,803	\$ 110,097	\$ 105,520	\$ 102,760	\$ 99,958	\$ 93,490	\$ 88,948	\$ 78,245	\$ 72,125
Interest and lien fees on delinquent taxes and assessments	927	1,073	1,087	1,012	1,053	1,476	3,812	1,351	1,255	1,195
Licenses, permit and fees	6,983	6,184	6,241	6,028	5,897	6,145	1,488	1,481	1,156	1,255
Intergovernmental	83,270	75,924	74,737	104,114	72,764	75,037	57,378	57,324	59,814	61,377
Charges for services	6,337	7,314	6,834	7,475	7,299	7,143	10,852	9,724	9,735	9,306
Income on investments	264	347	1,206	2,643	3,307	2,410	1,538	677	820	2,263
Miscellaneous	1,895	1,706	1,724	1,664	2,054	1,839	1,371	1,180	1,249	1,610
Total revenues	216,447	203,351	201,926	228,456	195,134	194,008	169,929	160,685	152,274	149,131
Expenditures:										
General government	6,820	7,294	7,264	7,520	8,274	7,542	6,386	6,095	6,428	5,953
Public safety	22,250	21,799	21,181	20,905	19,957	20,024	19,100	18,541	17,962	18,324
Public works	17,804	17,111	21,280	19,919	19,683	19,247	17,252	16,006	16,630	16,450
Health and welfare	6,095	5,488	6,265	5,611	4,784	3,652	3,564	3,042	5,391	5,608
Libraries	1,976	1,981	1,969	1,981	1,963	1,676	1,578	1,584	1,478	1,367
Parks and recreation	2,433	2,396	2,487	2,419	2,234	2,626	2,235	2,096	1,942	2,512
Education	106,565	106,740	105,358	131,203	96,495	91,734	84,302	80,071	77,763	76,758
Citywide:										
Employee benefits and pensions	4,393	2,637	2,702	2,892	2,719	2,888	2,897	2,405	2,103	1,754
Insurance	465	589	681	655	713	717	638	654	1,687	1,292
Miscellaneous	1,352	792	758	837	692	718	752	607	1,112	945
Capital outlay	19,760	10,521	15,309	10,906	16,715	23,088	19,908	10,903	5,411	9,203
Debt service:										
Principal retirement	4,575	4,570	4,935	4,934	5,099	5,773	4,644	4,633	4,520	4,325
Interest and fiscal charges	2,002	2,292	2,009	2,306	1,855	1,794	1,764	1,601	1,795	1,979
Refunding bond issuance cost							150			
Total expenditures	196,490	184,210	192,198	212,088	181,183	181,479	165,170	148,238	144,222	146,470
Excess of revenue over expenditures	19,957	19,141	9,728	16,368	13,951	12,529	4,759	12,447	8,052	2,661
Other financing sources (uses):										
Transfers in	12,665	13,797	14,150	14,895	14,015	12,104	9,533	10,574	8,893	8,415
Transfers out	(37,217)	(37,620)	(36,165)	(35,293)	(34,227)	(31,066)	(27,815)	(27,626)	(23,193)	(17,221)
Proceeds from capital leases			8,900							11
Proceeds from borrowing	39,587				21,606	470	23,059	1,488		2,893
Proceeds from refunding							10,740			
Premium on bonds issued	1,096		66				515			
Payment to refunded bond escrow agent							(11,105)			
Total other financing sources (uses)	16,131	(23,823)	(13,049)	(20,398)	1,394	(18,492)	4,927	(15,564)	(14,300)	(5,902)
Net Change in Fund Balances	\$ 36,088	\$ (4,682)	\$ (3,321)	\$ (4,030)	\$ 15,345	\$ (5,963)	\$ 9,686	\$ (3,117)	\$ (6,248)	\$ (3,241)
Debt Service as a Percentage of Noncapital Expenditures	3.8%	4.0%	4.0%	3.8%	4.4%	4.9%	4.5%	4.5%	4.5%	4.6%

Note 1: Schedule prepared on the modified accrual basis of accounting

CITY OF BRISTOL, CONNECTICUT

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(In Thousands)

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value(2)
	Residential	Commercial	Industrial							
2011	\$ 3,038,627	\$ 486,786	\$ 230,731	\$ 387,052	\$ 342,385	\$ 211,187	\$ 4,274,394	27.24	\$ 6,106,277	70%
2010	3,119,391	760,652	232,187	381,500	331,617	181,046	4,375,145	27.24	6,250,208	70%
2009	3,026,970	454,990	242,253	372,646	323,890	174,309	4,246,440	25.99	6,066,343	70%
2008 (3)	3,022,346	441,107	235,464	365,396	342,196	171,074	4,235,435	34.71	6,050,621	70%
2007	2,015,854	284,262	183,537	373,548	338,877	155,518	3,040,560	34.21	4,343,658	70%
2006	1,972,390	278,040	173,782	357,779	320,031	142,739	2,959,283	33.33	4,431,461	70%
2005	1,964,939	246,747	173,002	262,366	300,023	71,827	2,875,250	32.83	4,210,111	70%
2004 (3)	1,956,066	228,333	173,089	266,201	310,713	89,196	2,845,206	30.93	4,192,003	70%
2003	1,542,722	215,548	167,120	268,675	303,467	105,523	2,392,009	32.25	3,567,904	70%
2002	1,501,644	235,990	168,030	249,304	294,009	102,240	2,346,737	30.50	3,498,539	70%

- (1) Assessed values for all real and personal property located within the City on October 1, are included on the Grand List by the Assessor's office. A Board of Assessment Appeals determines whether adjustments to the Assessor's list under appeal are warranted. Assessments are computed at 70% of market value. A revaluation of all property within the City is required to be completed no less than every ten years.
- (2) Equalized Net Grand List is compiled by the State of Connecticut Office of Policy and Management as a factor in figuring aid to education, and is produced by comparing sample sales of real estate, or market value, to the assessed value of the property on the Town/City's books. The resulting sales assessment ratio is used to equalize grand lists for each Town/City in Connecticut. These computations usually take one year to compile.
- (3) Revaluation year

TABLE 6

CITY OF BRISTOL, CONNECTICUT

PRINCIPAL PROPERTY TAXPAYERS

2009 AND 1999

(In Thousands)

Taxpayer	October 1, 2009			October 1, 1999		
	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value
E.S.P.N.	\$ 263,370	1	5.91%	\$ 81,886,680	1	3.4%
Covanta	42,730	2	0.96%			
**Bristol Industrial Partners, LLC/Bristol Center LLC	36,284	3	0.81%			
Connecticut Light & Power	32,445	4	0.73%	15,826,750	5	0.7%
Carpenter Realty Company	24,811	5	0.56%	14,838,170	6	0.6%
Federal Realty Investment Trust	22,534	6	0.51%	12,915,550	9	0.5%
Lake Compounce Limited Partnership	18,800	8	0.42%			
Webster Bank	11,417			12,219,960	8	0.5%
Theis Precision Steel	15,547	10	0.35%	22,038,650	3	1.7%
Barnes Group	15,467			17,992,500	4	0.8%
Otis Elevator	11,998			12,777,070	7	0.5%
Odgen Martin				39,794,000	2	0.9%
Dana Corporation				10,657,160	10	0.4%
Total	\$ 495,403		10.3%	\$ 240,946,490		10.00%

October 1, 2009 Net Assessment Post BAA

Source: City of Bristol, Office of Tax Assessor

**New ownership as of 10/1/2007

TABLE 7

CITY OF BRISTOL, CONNECTICUT

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(In Thousands)**

Fiscal Year Ended June 30,	Tax Rate in Mills	Taxes Levied For the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2011	27.24	\$ 116,860	\$ 115,256	98.63	\$	\$ 115,256	98.63
2010	25.99	110,770	108,912	98.32	1,139	108,912	98.32
2009	25.99	110,740	108,691	98.15	1,639	110,330	99.63
2008	34.71	106,413	104,402	98.11	1,415	105,817	99.44
2007	34.21	103,075	100,951	97.94	1,447	102,398	97.94
2006	33.33	99,648	97,765	98.11	1,631	99,396	99.75
2005	32.83	95,382	93,483	98.01	1,780	95,263	99.88
2004	30.93	88,824	86,734	97.65	1,997	88,731	99.90
2003	32.25	77,983	75,910	97.34	1,982	77,892	99.88
2002	30.50	72,315	70,196	97.07	1,005	71,201	98.46

Source: Tax Collector's Report; Comprehensive Annual Financial Report

CITY OF BRISTOL, CONNECTICUT

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**
(In Thousands)

Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Ratio of Debt to Estimated Taxable Assessed Value	Debt Per Capita	Total Debt Outstanding as a Percentage of Personal Income
	General Obligation Bonds	Capital Leases	Water				
2011	\$ 89,235	\$	\$ 5,263	\$ 94,498	\$ 2.16%	\$ 1,551	0.03%
2010	54,225		5,000	59,225	1.35%	972	0.04%
2009	58,793		5,549	64,342	1.52%	1,060	0.04%
2008	54,826		6,109	60,935	1.44%	999	0.04%
2007	59,762		7,034	66,796	1.54%	1,090	0.04%
2006	43,255		4,355	47,610	1.07%	781	0.05%
2005	48,558	3	5,100	53,661	1.27%	884	0.05%
2004	30,133	6	5,155	35,294	0.84%	593	0.07%
2003	33,278	8	6,360	39,646	1.11%	660	0.07%
2002	37,798	10	7,510	45,318	1.30%	754	0.06%

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

CITY OF BRISTOL, CONNECTICUT

SCHEDULE OF DEBT LIMITATION

JUNE 30, 2011

(In Thousands)

Total tax collections, including interest and lien fees	\$ 117,666
Reimbursement for loss of revenues:	
Tax relief for elderly - freeze	<u>9</u>
Base	<u>\$ 117,675</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 264,769	\$	\$	\$	\$
4-1/2 times base		529,538			
3-3/4 times base			441,281		
3-1/4 times base				382,444	
3 times base					353,025
Total	<u>264,769</u>	<u>529,538</u>	<u>441,281</u>	<u>382,444</u>	<u>353,025</u>
Indebtedness:					
Bonds and notes payable	38,052	42,275	8,908		
Bond anticipation notes payable	7,410				
Bonds authorized and unissued	8,033	102,436	510		
State Grant Commitments	<u>(2,701)</u>	<u>(100,613)</u>			
Total	<u>50,794</u>	<u>44,098</u>	<u>9,418</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 213,975</u>	<u>\$ 485,440</u>	<u>\$ 431,863</u>	<u>\$ 382,444</u>	<u>\$ 353,025</u>

NOTE: In no event shall total debt exceed seven times annual receipts from taxation. The maximum permitted under this formula would be \$823,725.

CITY OF BRISTOL, CONNECTICUT

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Debt limitation	\$ 823,725	\$ 782,901	\$ 777,462	\$ 747,175	\$ 726,418	\$ 710,220	\$ 681,765	\$ 631,918	\$ 555,702	\$ 512,386
Total net debt applicable to limit	<u>104,310</u>	<u>93,200</u>	<u>97,690</u>	<u>55,549</u>	<u>60,483</u>	<u>74,152</u>	<u>46,766</u>	<u>30,118</u>	<u>34,304</u>	<u>35,777</u>
Legal debt margin	<u>\$ 719,415</u>	<u>\$ 689,701</u>	<u>\$ 679,772</u>	<u>\$ 691,626</u>	<u>\$ 665,935</u>	<u>\$ 636,068</u>	<u>\$ 634,999</u>	<u>\$ 601,800</u>	<u>\$ 521,398</u>	<u>\$ 476,609</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>12.66%</u>	<u>11.90%</u>	<u>12.57%</u>	<u>7.44%</u>	<u>8.33%</u>	<u>10.44%</u>	<u>6.86%</u>	<u>4.77%</u>	<u>6.17%</u>	<u>6.98%</u>

Source: Comprehensive annual financial report - Schedule of Debt Limitation

Note: See Table 9 for calculation of current year debt limitation

CITY OF BRISTOL, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Per Capita Income(2)</u>	<u>Median Age(2)</u>	<u>School Enrollment(3)</u>	<u>Unemployment Rate(4)</u>	<u>Personal Income(5)</u>
2011	60,092	\$ 25,782	40	8,508	9.4%	35,534
2010	60,927	25,782	40	8,699	9.8%	35,534
2009	60,679	25,782	40	8,656	9.1%	35,534
2008	60,991	25,782	40	8,781	6.1%	35,534
2007	61,258	25,782	39	8,892	5.1%	35,534
2006	60,992	25,782	39	9,008	4.9%	35,534
2005	60,722	25,782	39	9,016	5.4%	35,534
2004	60,541	25,782	36	8,980	5.5%	35,534
2003	60,026	25,782	36	8,987	6.0%	35,534
2002	60,137	25,782	36	8,970	5.0%	35,534

- (1) Source: State Health Department
(2) Source: State Department of Economic Development, 2000 Census
(3) Source: Bristol Board of Education
(4) Source: State Department of Labor (2011 Average as of October 31, 2011)
(5) Source: U.S. Census Bureau, 2000 Census

**CITY OF BRISTOL, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND FIVE YEARS AGO**

<u>Employer</u>	<u>Nature of Business</u>	<u>2011</u>			<u>2006*</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
ESPN	Sports Broadcasting	3,800	1	10.85%	3,000	1	9.13%
City of Bristol & Board of Education	Municipality	1,634	2	4.67%	1,629	2	4.96%
Bristol Hospital, Inc.	Healthcare	1,080	3	3.08%	1,271	3	3.87%
Stephen AutoMall Centre	Retail	200	4	0.57%			
IDEX Health & Science LLC	Health Care	200	5	0.57%			
Sheriden Woods Health Care Center	Health Care	180	6	0.51%			
Quality Coils	Manufacturing	175	7	0.50%	190	9	0.58%
Stop & Shop	Grocery Store	150	8	0.43%	353	5	1.07%
The Pines at Bristol	Health Care	140	9	0.40%			
Rowley Spring	Manufacturing	90	10	0.26%	150	6	0.46%
Price Chopper	Grocery Store				220	8	0.67%
Associated Spring- Barnes Group	Manufacturing				500	3	1.52%
Cigna	Insurance				352	4	1.07%
Walmart	Retail				243	7	0.74%
B&W Manufacturing	Manufacturing				100	10	0.22%
Total		<u>7,649</u>		<u>22.83%</u>	<u>8,008</u>		<u>24.30%</u>

Source: Bristol Chamber of Commerce & Bristol Development Authority

*Information not available prior to 2006

CITY OF BRISTOL, CONNECTICUT

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>Full-Time Equivalent Employees as of June 30,</u>									
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General government	82	87	87	87	90	91	90	90	90	90
Police	138	150	150	147	147	142	142	129	125	125
Fire	90	93	93	93	92	90	92	92	92	92
Public works	118	127	127	135	136	127	117	120	121	114
Parks and recreation	21	23	23	22	20	22	22	23	22	22
Library	30	30	30	28	30	27	24	24	24	25
Education	1,121	1,110	1,143	1,155	1,131	1,130	1,135	1,069	1,057	1,044
Water Department	<u>34</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>35</u>	<u>37</u>	<u>37</u>	<u>37</u>	<u>37</u>	<u>37</u>
Total	<u><u>1,634</u></u>	<u><u>1,656</u></u>	<u><u>1,689</u></u>	<u><u>1,703</u></u>	<u><u>1,681</u></u>	<u><u>1,666</u></u>	<u><u>1,659</u></u>	<u><u>1,584</u></u>	<u><u>1,568</u></u>	<u><u>1,549</u></u>

Source: City of Bristol, Personnel Office and Board of Education, Personnel Office

**CITY OF BRISTOL, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General government:										
Building permits issued	1,322	1,494	1,512	1,533	1,728	1,855	1,855	1,976	1,693	1,890
Police:										
Physical arrests	2,655	2,920	3,289	2,526	3,451	2,426	2,300	2,386	2,088	2,241
Parking violations	1,695	3,103	3,969	4,309	3,402	3,885	4,240	4,484	3,429	4,867
Traffic violations	8,560	10,492	10,200	10,098	10,246	7,884	10,097	10,807	9,071	9,538
Fire:										
Emergency responses	1,353	999	1,016	2,636	3,036	3,090	2,521	2,247	2,154	1,974
Fires extinguished	233	200	124	280	252	271	209	179	203	251
Inspections	1,255	1,978	814	849	475	523	533	247	324	297
Refuse collection:										
Refuse collected (tons per day)	67.24	69.17	69.93	73	76.52	74.54	73	69.7	67.15	65.3
Recyclables collected (tons per day)	13.35	13.48	13.58	12	11	13.77	13.8	14.7	14.4	14.8
Other public works:										
Street resurfacing (miles)	7.5	5.5	11	9.2	8.8	7.3	4.8	8.8	7.3	9.2
Potholes repaired	830	920	1,050	1,000	1000	1,000	1,000	1,000	1,000	1,000
Parks and recreation:										
Athletic field permits issued	1,246	1,050	1,050	1,083	992	1,034	1,087	1,116	1,057	999
Library:										
Volumes in collection	209,150	200,600	193,869	192,261	180,180	170,155	168,756	166,540	166,556	159,892
Total volumes borrowed	331,043	344,386	351,025	353,329	336,680	298,629	321,208	376,762	386,865	368,743
Water:										
New connections:										
Water main breaks	15	24	21	19	23	18	15	19	24	19
Average daily production (thousands of gallons)	5,455	5,261	5,400	5,500	5,300	5,700	5,800	5,500	5,290	4,910
Peak daily production (thousands of gallons)	9,720	7,474	7,716	7,385	8,074	7,800	8,100	7,410	8,020	10,700
Wastewater:										
Average daily sewage treatment (millions of gallons daily)	8.5	8.6	8.6	8	8.96	10.06	8.6	8.8	9.4	7

N/A - Information not available

Source: City of Bristol: Building Department, Police Department, Fire Department, Parks and Recreation Department, Public Works Department
Library, Water Department and Water Pollution Control

**CITY OF BRISTOL, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	1	1	1	1	1	1	1	0	0	0
Patrol units	30	30	30	30	30	30	28	28	26	26
Fire stations	5	5	5	5	5	5	5	5	5	5
Refuse collection:										
Collection trucks	30	31	28	28	28	27	25	24	22	20
Other public works:										
Streets (miles)	232	232	232	232	225	222.5	221.9	221.8	220.3	219.9
Highways (miles)	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8
Streetlights	5,500	5,500	5,493	5,005	5,456	6,031	5,670	5,452	5,590	5,590
Traffic signals	24	24	24	24	24	19	19	19	19	19
Parks and recreation:										
Acreage	700	700	700	700	700	700	700	700	700	700
Playgrounds	8	8	8	8	8	8	8	8	8	8
Baseball/softball diamonds	10	10	10	10	10	10	10	10	10	10
Soccer/football fields	5	5	5	5	5	5	5	5	5	5
Community centers	0	0	0	0	0	0	0	0	0	0
Water:										
Water mains (miles)	313	313	313	313	313	313	311	284	284	283
Fire hydrants	1,591	1,575	1,569	1,561	1,554	1,543	1,543	1,519	1,517	1,512
Storage capacity (thousands of gallons)	1,281,105	1,281,105	1,281,105	1,281,105	1,281,105	1,279,605	1,279,605	1,279,605	1,245,760	1,245,760
Wastewater:										
Sanitary sewers (miles)	238.7	237.8	237.8	237.7	236.83	236.18	234.86	233.76	233.4	231.85
Storm sewers (miles)	220.8	220.5	219.9	219.3	218	218	219.5	217.4	215.9	215.9
Treatment capacity (millions per day)	10.75	10.75	10.75	107.5	10.75	10.75	10.75	10.75	10.75	10.75

Source: City of Bristol: Police Department, Fire Department, Parks and Recreation Department, Public works Department, Water Department and Water Pollution Control