FINAL OFFICIAL STATEMENT DATED AUGUST 11, 2011

Refunding Issue: Book-Entry-Only

BOND RATINGS: Moody's Investors Service: "Aa2"
Standard & Poor's Corporation: "AA+"
Fitch Ratings: "AA+"

In the opinion of Bond Counsel, assuming the accuracy of and compliance by the City with its representations and covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), under existing statutes, interest on the Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Code; the Bonds are not "private activity bonds" and interest on the Bonds is not treated as a preference item for purposes of calculating the Federal alternative minimum tax, but in the case of corporations a portion of such interest may be included in alternative minimum taxable income for purposes of computing any Federal alternative minimum tax; interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and interest on the Bonds is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. See Appendix B – "Opinion of Bond Counsel and Tax Exemption" herein.

$23,935,000
City of Bristol, Connecticut
General Obligation Refunding Bonds, Issue of 2011
Book-Entry-Only

Dated: Date of Delivery ***Due: Serially on July 15***

The Bonds will be general obligations of the City of Bristol, Connecticut and the City will pledge its full faith and credit to pay the principal of and interest on the Bonds when due.

Interest on the Bonds will be payable on January 15, 2012 and semiannually thereafter on July 15 and January 15 in each year until maturity.

Year	Principal Amount	Coupon Rate	Yield	CUSIP	Year	Principal Amount	Coupon Rate	Yield	CUSIP
2014	$ 2,800,000	3.000%	0.620%	109853S44	2019	$ 2,800,000	4.000%	2.100%	109853S93
2015	2,800,000	4.000%	0.770%	109853S51	2020	2,810,000	5.000%	2.310%	109853T27
2016	2,800,000	4.000%	1.100%	109853S69	2021	2,820,000	4.000%	2.510%	109853T35
2017	2,805,000	4.000%	1.450%	109853S77	2022	495,000	3.000%	2.690%	109853T43
2018	2,805,000	4.000%	1.800%	109853S85	2022	1,000,000	4.000%	2.690%	109853T50

The Bonds will be issued by means of a book-entry-only system and will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Ownership of the Bonds will be in the denominations of $5,000 or integral multiples thereof. The Beneficial Owners will not receive certificates representing their ownership interest in the Bonds. Principal and interest on the Bonds will be payable by the City or its agent to DTC or its nominee as registered owner of the Bonds. So long as Cede & Co. is the Bondowner as nominee for DTC, reference herein to the Bondowner or owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. See "Book-Entry-Only System" herein.

The Bonds are NOT subject to redemption prior to maturity.

The Registrar, Transfer Agent, Paying Agent, Certifying Agent, and Escrow Agent for the Bonds will be U.S. Bank National Association, Goodwin Square, 225 Asylum Street, Hartford, Connecticut 06103.

PiperJaffray

The Bonds are offered for delivery when, as and if issued, subject to the final approving opinion of Day Pitney LLP, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC in New York, New York on or about August 24, 2011.

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No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations not contained in this Official Statement or any supplement which may be issued hereto, and if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Official Statement has been prepared only in connection with the initial offering and sale of the Bonds and may not be reproduced or used in whole or in part for any other purpose. The information, estimates and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no material change in the affairs of the City since the date of this Official Statement.

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

Other than as to matters expressly set forth in Appendix B, Bond Counsel are not passing on and do not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and make no representation that they have independently verified the same.

Table of Contents

Bond Issue Summary

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

Issuer:	City of Bristol, Connecticut (the "City").
Issue:	$23,935,000 General Obligation Refunding Bonds, Issue of 2011.
Dated Date:	Date of Delivery.
Interest Due:	July 15 and January 15, in each year until maturity commencing January 15, 2012.
Principal Due:	Serially, July 15, 2014 through July 15, 2022, as detailed in this Official Statement.
Purpose and Authority:	The Bond proceeds will be used to refinance bonds originally issued in 2004 and 2006 to provide funds for various school, general purpose, and water projects.
Redemption:	The Bonds ARE NOT subject to redemption prior to maturity.
Security:	The Bonds will be general obligations of the City of Bristol, Connecticut, and the City will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	Moody's Investors Service, Inc., Standard & Poor's Corporation and Fitch Ratings have assigned ratings of "Aa2," "AA+" and "AA+," respectively, to the Bonds.
Tax Exemption:	See Appendix B, "Opinions of Bond Counsel and Tax Exemption," Tax Exempt Bonds.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City will agree to provide, or cause to be provided, annual financial information and operating data and notices of material events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed by the City substantially in form attached as Appendix C to this Official Statement.
Bank Qualification:	The Bonds shall NOT be designated by the City as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds.
Registrar, Transfer Agent, Certifying Agent, Paying Agent, & Escrow Agent:	U.S. Bank National Association, Goodwin Square, 225 Asylum Street, 23rd Floor, Hartford, Connecticut 06103.
Legal Opinion:	Day Pitney LLP of Hartford, Connecticut will act as Bond Counsel.
Financial Advisor:	Phoenix Advisors, LLC of Milford, Connecticut will act as Financial Advisor.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made on or about August 24, 2011, against payment in Federal Funds.
Issuer Official:	Questions concerning the Official Statement should be addressed to: Mr. Glenn S. Klocko, Comptroller, City Hall, 111 North Main Street, Bristol, Connecticut 06010. Telephone (860) 584-6127.

I. Bond Information

Introduction

This Official Statement is provided for the purpose of presenting certain information relating to the City of Bristol, Connecticut (the "City") in connection with the original sale of $23,935,000 General Obligation Refunding Bonds, Issue of 2011 (the "Bonds") of the City.

U.S. Bank National Association will act as Registrar, Transfer Agent, Paying Agent, Certifying Agent, and Escrow Agent for the Bonds.

This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or holders of any of the Bonds. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstance, create any implication that there has been no change in the affairs of the City since the date hereof. Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representation of fact. No representation is made that any of such statements will be realized. All quotations from and summaries and explanations of provisions of laws contained in this Official Statement do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof.

Financial Advisor

Phoenix Advisors, LLC, of Milford, Connecticut has served as Financial Advisor to the City with respect to the issuance of the Bonds (the "Financial Advisor"). The Financial Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the appendices hereto.

The Financial Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

Description of the Bonds

The $23,935,000 principal amount of the Bonds will be paid as is indicated on the front cover of this Official Statement. The Bonds will be dated the Date of Delivery and will bear interest at the rate or rates per annum specified on the cover of this Official Statement, payable semiannually on July 15 and January 15 in each year until maturity, commencing January 15, 2012. Interest will be calculated on the basis of a thirty-day month and a 360-day year. Interest is payable to the registered owner as of the close of business on the last business day of June and December, in each year by check mailed to the registered owner; or so long as the Bonds are registered in the name of Cede & Co., as nominee of The Depository Trust Company, by such other means as The Depository Trust Company and the City shall agree. Principal will be payable at the office of U.S. Bank National Association or through The Depository Trust Company.

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Redemption Provisions

The Bonds are NOT subject to redemption prior to maturity.

Book-Entry-Only Transfer System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede

& Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

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

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

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

DTC Practices

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

Replacement Bonds

In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, and the City fails to identify another qualified securities depository for the Bonds to replace DTC; or (b) the City determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the City is authorized to issue fully registered Bond certificates directly to the Beneficial Owner. A Beneficial Owner of the Bonds, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Bonds.

Security and Remedies

The Bonds will be general obligations of the City of Bristol, Connecticut and the City will pledge its full faith and credit to pay the principal of and interest on the Bonds when due.

Unless paid from other sources, the Bonds are payable from general property tax revenues. The City has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the City without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income taxable at limited amounts. There was, however, no such certified forest land on the last completed grand list of the City. The City may place a lien on the property of the amount of tax relief granted, plus interest, with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons. Under existing statutes, the State of Connecticut is obligated to pay the City the amount of tax revenue which the City would have received except for the limitation under certain of the statutes upon its power to tax dwelling houses of qualified elderly persons of low income.

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

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

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

Enforcement of a claim for payment of principal of or interest on the Bonds would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, amended in 1993, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

Authorization and Purpose

Authorization: The Bonds are issued pursuant to Title 7 of the General Statutes of the State of Connecticut, as amended, the Charter of the City of Bristol, and a bond resolution approved by the City's City Council on July 12, 2011. The proceeds of the Bonds will be used to refund or defease all or a portion of the outstanding maturities of the City's bonds originally issued in 2004 and 2006.

Plan of Refunding

The Bonds are being issued to refund at or prior to maturity all or a portion of certain maturities of certain of the outstanding series of general obligation bonds of the City as set forth below (the "Refunded Bonds"). The refunding is contingent upon delivery of the Bonds.

Issue	Dated Date	Maturity Date	Interest Rate	Par Amount	Redemption Date	Redemption Price
2004	10/15/2004	10/15/2014	3.500%	$ 1,350,000	10/15/2013	100.00
		10/15/2015	4.000%	1,350,000	10/15/2013	100.00
		10/15/2016	4.000%	1,350,000	10/15/2013	100.00
		10/15/2017	4.000%	1,350,000	10/15/2013	100.00
		10/15/2018	4.000%	1,350,000	10/15/2013	100.00
		10/15/2019	4.000%	1,350,000	10/15/2013	100.00
		10/15/2020	4.125%	1,350,000	10/15/2013	100.00
		10/15/2021	4.250%	1,350,000	10/15/2013	100.00
		Total		$ 10,800,000		
2006	12/1/2006	7/15/2014	3.500%	$ 1,560,000	7/15/2013	100.00
		7/15/2015	3.500%	1,565,000	7/15/2013	100.00
		7/15/2016	3.500%	1,565,000	7/15/2013	100.00
		7/15/2017	3.625%	1,565,000	7/15/2013	100.00
		7/15/2018	4.000%	1,565,000	7/15/2013	100.00
		7/15/2019	4.000%	1,565,000	7/15/2013	100.00
		7/15/2020	4.000%	1,565,000	7/15/2013	100.00
		7/15/2021	4.000%	1,565,000	7/15/2013	100.00
		7/15/2022	4.000%	1,565,000	7/15/2013	100.00
		Total		$ 14,080,000		
		Grand Total		$ 24,880,000		

Upon delivery of the Bonds, the proceeds will be placed in an irrevocable escrow trust fund (the "Escrow Deposit Fund") established with U.S. Bank National Association, as escrow agent (the "Escrow Agent") under an escrow trust agreement (the "Escrow Agreement") to be dated as of the Date of Delivery between the Escrow Agent and the City. The Escrow Agent will use such proceeds to purchase a portfolio of non-callable direct obligations of the United States of America, including United States Treasury State and Local Government Series securities, all of which shall not be callable or prepayable at the option of the issuer thereof (the "Government Obligations"). The principal of and interest on the Government Obligations, when due, will provide amounts sufficient to meet principal, interest payments and redemption prices on the Refunded Bonds on the redemption dates. The Escrow Agreement permits substitution of certain Government Obligations for other Government Obligations provided that the maturing principal of and interest on all Government Obligations held at any time under the Escrow Agreement will provide amounts sufficient to pay the principal, interest and redemption prices on the Refunded Bonds on the date such payments are due. All investment income on maturing principal of the Government Obligations held in the Escrow Deposit Fund and needed to pay the principal of, interest and redemption prices, on the Refunded Bonds will be irrevocably deposited by the City for payment of the Refunded Bonds. The balance of the proceeds of the Refunding Bonds will be used to pay certain costs of issuance and underwriter's discount.

Verification of Mathematical Computations

The accuracy of the mathematical computations regarding (i) the adequacy of maturing principal of and interest earned on the Government Obligations deposited with the Escrow Agent to pay, when due, the principal of, accrued interest and redemption premium on the Refunded Bonds on the redemption dates and (ii) the yield on the Bonds and the securities and moneys in the Escrow Deposit Fund will be verified by AMTEC of West Hartford, Connecticut (the "Verification Agent"). Such verification of the accuracy of the mathematical computations will be based upon information and assumptions supplied to the Verification Agent by the Underwriter.

Sources and Uses of Bond Proceeds:

Sources:	*This Issue*
Par Amount of the Bonds	$23,935,000.00
Net Original Issue Premium	3,215,639.95
Total Sources	$27,150,639.95
Uses:	
Deposit to Refunding Escrow	$26,946,648.08
Costs of Issuance and Contingency	102,268.12
Underwriter's Discount	101,723.75
Total Uses	$27,150,639.95

Qualification for Financial Institutions

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

Availability of Continuing Information

The City of Bristol prepares, in accordance with State law, annual independent audited financial statements and files such annual audits with the State Office of Policy and Management within six months of the end of its fiscal year. The City has and will continue to provide Moody's Investors Service, Inc., Standard & Poor's Rating Services and Fitch Ratings with ongoing disclosure in the form of comprehensive annual audited financial statements, adopted budgets and other materials relating to its management and financial condition, as may be necessary or requested.

In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the City will agree to provide, or cause to be provided, annual financial information and operating data with respect to the Bonds and notices of material events with respect to the Bonds pursuant to Continuing Disclosure Agreements to be executed in substantially the form of Appendix C to this Official Statement.

The City currently files its official statement for primary offerings with Bloomberg Municipal Repository, DPC Data Inc., Interactive Data Pricing and Reference Data, Inc., and Standard & Poor's Securities Evaluations, Inc., each a nationally recognized municipal securities information repository.

The City has previously undertaken in a Continuing Disclosure Agreement entered into for the benefit of holders of certain of its general obligation bonds to provide certain annual financial information pursuant to Rule 15c2-12(b)(5). To date the City has not failed to meet any of its undertakings under such agreement to provide annual financial information.

Ratings

Moody’s Investors Service, Inc., Standard & Poor’s Rating Services and Fitch Ratings have assigned ratings of “Aa2,” “AA+” and “AA+,” respectively, to the Bonds. The City has furnished to the Rating Agencies certain information and materials, some of which may not have been included in this Official Statement. The ratings reflect only the views of the Rating Agencies and will be subject to revision or withdrawal, which could affect the market price of the Bonds. Each agency should be contacted directly for its rating on the Bonds and the explanation of such rating. No application was made to any other rating agencies for the purpose of obtaining ratings on outstanding securities of the City.

Generally, the Rating Agencies base a rating upon such information and materials and upon investigations, studies and assumptions by the Rating Agencies. There can be no assurance that a rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by the Rating Agencies if in their judgment circumstances so warrant. Any such downward change in or withdrawal of a rating may have an adverse effect on the marketability or market price of outstanding securities.

The City expects to furnish to the Rating Agencies information and materials that they may request. However, the City may issue short-term or other debt for which a rating is not requested. The City's Financial Advisor, Phoenix Advisors, LLC, recommends that all bonded debt be submitted for a credit rating.

Underwriting

The Bonds are being purchased by Piper Jaffray & Co. (the “Underwriter”). The Underwriter has agreed, subject to certain conditions, to purchase the Bonds from the Town at the net aggregate purchase price of $27,048,916.20 (consisting of the principal amount of $23,935,000.00 plus net original issue premium of $3,215,639.95, less underwriter’s discount of $101,723.75).

The Underwriter will be obligated to purchase all of the Bonds, if any such Bonds are purchased. The Underwriter intends to offer the Bonds to the public initially at the offering prices or yields set forth on the cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Bonds may be offered and sold to certain dealers (including unit investment trusts and other affiliated portfolios of certain underwriters and other dealers depositing the Bonds into investment trusts) at prices lower than the public offering prices and such public offering prices may be changed, from time to time, by the Underwriter.

The Underwriter and Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation, entered into an agreement (the “Distribution Agreement”) which enables Pershing LLC to distribute certain new issue municipal securities underwritten by or allocated to the Underwriter, including the Bonds. Under the Distribution Agreement, the Underwriter will share with Pershing LLC a portion of the fee or commission paid to the Underwriter.

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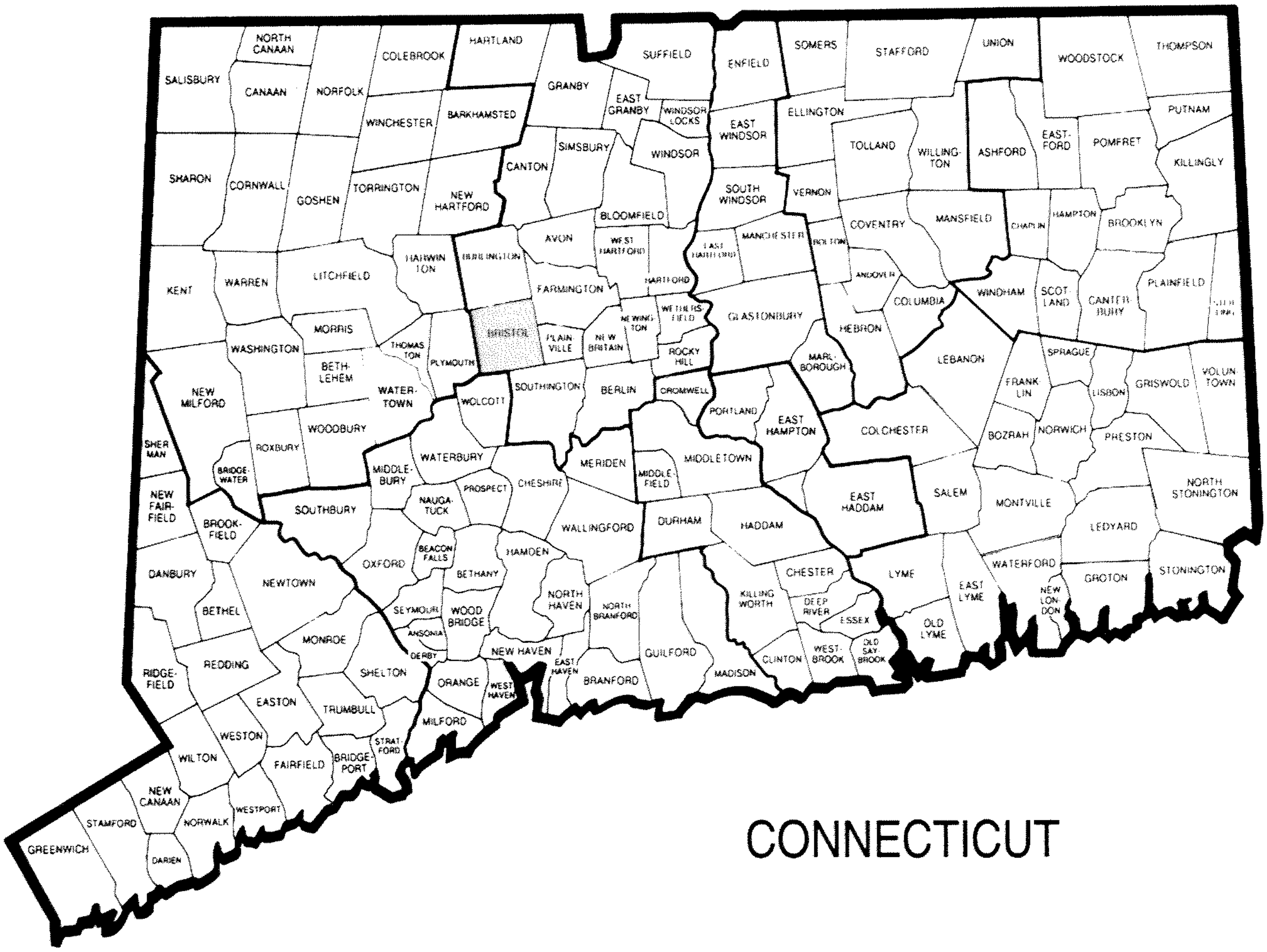
II. The Issuer



Description of the Municipality

In June 2010, CNN/Money Magazine named Bristol #84 of the top 100 places to live in the United States. Bristol enjoys the important advantages of a central location close to several major metropolitan markets: New York and Boston each lie within 100 miles of Bristol, accessible by interstate highway, train and air; Hartford is 16 miles away and New Haven is 25 miles away. Connecticut's major east-west highway, Interstate 84, is less than five miles south of Downtown Bristol off Route 229. Route 72 through Bristol connects Interstate 84 with Interstate 91, providing access to Fairfield County, New Haven County and New York City to the south, and Hartford County and Springfield to the north. Route 6, one of the country's original transcontinental highways, runs through Bristol as part of its 3,234 mile expanse stretching from Cape Cod to California. Bristol is only 30 miles from Bradley International Airport, and is within two hours of New York's LaGuardia and Kennedy Airports. The City is even closer to several smaller airfields which can accommodate corporate jets. Helicopter service is available in Bristol's 229 Technology Park, and rail freight service is available locally.

Historically, Bristol was and continues to be a leader in manufacturing, producing a wide variety of precision-crafted goods. Bristol was once the foremost clock-making center in the nation and remains one of the two largest centers for the manufacture of precision mechanical springs. Bristol's economy is further enhanced by the presence of a variety of smaller companies manufacturing such items as screw machine products, screws, electrical and electronic items, special purpose machines, timing devices, plastics, metal stamping, specialty steels and tools. Newer firms have added precision control systems and the design/production of robotic-based automation systems, securing Bristol's continued reputation as a leader in production technology. These specialty manufacturers produce for a diverse array of industries, including medical devices, surgical equipment, aerospace, automobile and electronics.

The economic development strategy for the City of Bristol is based upon tax development expansion and the creation of increased job opportunities. The creation of a new business park came to a conclusion in 2008. A new traffic signal was added allowing full connection to a widened Route 229 in 2011.

A major portion of Route 72, a major east-west route for the City, is already open for use. The remaining portion will be completed in 2011. This will provide better access to the City as a whole but is especially important for access to and the redevelopment of downtown.

Bristol's economic development efforts began in 1958 with the creation of the redevelopment agency for urban renewal. With a shift in focus from downtown in the 1970's, the City began condemnation work on its first industrial development (Middle Street) and in the 1980's developed 229 Technology Park, widely regarded as one of the most successful industrial parks in the state. Three of the largest taxpayers in Bristol are located in or adjacent to the park and include ESPN, Covanta (formerly Ogden Martin), and the Otis Elevator research and test facility. The Technology Park has employed over 1,600 employees in 23 businesses. ESPN, located across Connecticut Route 229 from the park, employs over 3,000 people, 40% of whom live in Bristol.

The 229 Technology Park parcels were completely sold by 1986 and 109 acres were divided into 38 parcels. This location was designed as an ideal choice for corporate headquarters, research and development facilities, and light manufacturing and support services. The industrial park is a high-end development. All sites benefit from underground utility service, quality landscaping, and sound protective covenants. Under the administration of the Bristol Development Authority (BDA), the City of Bristol has attracted and located many firms to the park which is occupied by companies such as Village Cabinet, Forestville Manufacturing, B&W Manufacturing, ESPN, Armoloy, and the Clarion Inn (hotel). The hotel is set to undergo a major $14.0 million renovation that will add rooms and may result in reflagging the facility. A local landmark, visible from the highway when approaching Bristol, is the Otis Elevator Quality Assurance Center and Testing Tower (a subsidiary of United Technologies Corporation (UTC), Inc.) which operates a 29 story, 370 foot tall testing tower in the park with a helicopter pad available for use by other firms. Otis constructed a 1,640-foot people mover test track at its Bristol site to enable the company to test the Otis Shuttle System, a horizontal people mover that rides on a cushion of air. Multi/Cable is approved to add 9,200 square feet to their facility. HRF Fasteners, which produces hole saw arbors, recently relocated to 70 Horizon Drive.

A co-venture agreement with Tilcon Minerals provided an additional 51 acres, 24 of which were largely developed in 1997 and 1998. This companion industrial development is called Halcyon Industrial Park, which is a joint effort of the property owner and the City. It has been developed with the addition of Bauer Aerospace, NuCoil, Prime Screw Machine, Classic Coils, TAB Manufacturing, and ACG. An underutilized 25,000-sq. ft. Reynold's Aluminum Recycling Center was refurbished by Eastern Plastics which twice added on. A 10,000-sq. ft. addition was added to the facility in 1999, and 15,000 sq. ft. in 2004. Another future expansion was made possible by the acquisition of an adjoining parcel. The last parcel was developed for Dupont Archiving Systems which built a 30,000 square foot facility with 45 employees. Dupont now plans to add 20,000 square feet in 2011.

Both phases of the 51-acre Southeast Bristol Industrial Park are complete to the north of the 229 Technology Park. Thirty-two acres for the business park were acquired in March 2000, and another twenty acres were acquired from an adjoining property owner. The infrastructure has been a jointly funded project of the Federal, State and City governments. The acreage will accommodate up to 750,000 square feet of new industrial space. Two end-users have built in sites in the park. CMI is a producer/distributor of specialty electromagnetic steel and Precision Threaded Products (PTP, formerly the Bland Company) makes aircraft fasteners. Their footprints total 27,000 square feet. The City is actively marketing the park.

Bristol attracts and encourages growth with incentives such as tax abatements and cash grants. The City has developed a word-of-mouth reputation as a pro-business environment, due in part, to the use of grants as well as active marketing efforts. Each and every grant incentive is evaluated for return on investment. New taxes generated, less any abatement, can be calculated on improvements to the plant and the addition of new equipment and machinery. Every grantee is evaluated for financial viability and return to the City. Each must also sign a grant agreement with clawback provisions; every agreement requires that the company stay in Bristol for ten years, stay current on property taxes, and make every effort to hire Bristol residents. The use of the Urban Jobs Program tax abatement and Manufacturers Assistance Act (MAA) for machinery, guarantees the City 60% and 100% reimbursement of the full amount of property taxes otherwise due.

The City funds companies which are making new investments in new buildings and equipment, expansions or relocations. Relocated companies need to expand to new quarters and not jump borders merely for incentives. Toward this end, the City has adopted an anti-raiding policy in cooperation with other cities and towns in the region.

In 1995, a state enterprise zone was established in downtown Bristol to promote additional development, renewed investment, and job opportunities through the creation of tax and other incentives. This was expanded by the Bio Science Zone in 2010. The former General Motors plant was added to the Enterprise Zone in 1996. The Bristol Development Authority actively promotes state-assisted tax relief programs (reimbursement for property tax abatement and more income tax reductions) and financial assistance for businesses.

More than sixty-five companies received grants and abatements from 1994 to 2011, mostly to construct new buildings for manufacturing. More than 550,000 square feet of new construction has resulted, along with an increase of $100 million in the city's grand list. A total of more than 2,700 new jobs (not retained, but new to Bristol) resulted from this effort alone.

Examples of recent growth include the following projects:

- Clark Steel Framing Systems (now ClarkDietrich)
- Better Molded Products
- C&M Screw Machine
- HRF Fasteners
- Dupont Archiving Systems
- Tiger Claw Fasteners
- 13th Floor Graphics and Printing
- Core Plating Technologies
- CMI Specialty Metal Products
- Beekley Corporation
- Precision Threaded Products (formerly Bland Mfg.)

ESPN continues to expand. The nation's first all-sports cable television network is an affiliate of ABC/Walt Disney. In 2005 it took over all operations of ABC Sports. Its broadcast headquarters are in Bristol where it has grown to be the world's largest sports programmer. The $500 million ESPN Digital Center was brought on line in June 2004 and a second one is under construction. ESPN's future growth in Bristol was assured by their acquisition of 20 adjoining acres across Birch Street. The City contributed to the expansion by providing $3.5 million in infrastructure improvements including a critical new access road, sewer improvements, re-paving Birch Street, road widening and re-grading of State Route 229, and intersection improvements/realignment of Ronzo and Redstone Hill Roads at Route 229. The City of Bristol received State and Federal grants to construct an access road to the property and will be closing a portion of Ronzo Road to accommodate more growth.

Metal working and spring making is an important industrial cluster for Bristol including the Barnes Group Inc. and its Associated Spring Division, which are the largest precision spring manufacturers in North America. Several other spring manufacturers, including The Rowley Spring and Stamping Company, Century Spring, PA-TED Spring, Fourslide Spring Products, Inc., and Atlantic Precision Spring, most of which are ISO 9000 certified, ensures the area's designation as the spring making capital of the world. These companies have been challenged by foreign competition, mainly from The People's Republic of China. Nevertheless, there have been few closures and layoffs. But long term job growth is being substituted, in part, with capital investment.

While current thinking on "clusters" suggests that concentration of resources leads to growth based upon a critical mass of knowledge, human capital and other resource allocations, there is also a benefit in industry diversification. Metal working, including spring making and screw machining, is a core Bristol industry but the products generated are as diverse as aerospace, medical equipment, automotive, machine tools and a vast array of industrial and consumer applications. ESPN is driving a telecommunications cluster, and television production houses are locating in Bristol that have a symbiotic relationship with the sports network.

Covanta (formerly Ogden Martin), Bristol's second largest taxpayer, operates a $68 million trash-to-energy facility and processes waste for use in generating electricity. Need for additional clean energy production in Connecticut is likely to provide a continuing strong demand as well as production opportunities. Serving Bristol and several of its neighboring communities, this privately-owned complex is located adjacent to 229 Technology Park. The same group of communities that sponsored the regional waste facility also took the lead in implementing the State mandated recycling program. Bristol started composting leaves in 1992 and has a drop off station for papers, batteries, oil, etc. On July 1, 1991, the City started curbside pickup of papers, glass, plastic and also metal food containers. An expansion of the facility is now being considered due to regional needs.

Growth opportunities that the City is pursuing include clean energy and bio-science. The strategy is being developed and may bear fruit over the coming decade. A Bristol clean energy project sponsored by Grow Jobs Connecticut is before the governor for his consideration now.

Bristol Hospital, Inc., which employs approximately 800 health care professionals and support staff is a nonprofit hospital licensed for 150 acute care patient beds. Since 1977, the City of Bristol has worked closely with Bristol Hospital to provide Basic and Advance Life emergency medical service. Bristol Hospital offers comprehensive inpatient, outpatient, and emergency services with a state-of-the-art intensive care unit and single room maternity care. The hospital also provides a wide range of educational programs and support groups. Bristol Hospital is accredited by the Joint Commission on Accreditation of Healthcare Organizations as well as other allied health organizations. Healthcare continues to be an important job cluster.

The Bristol Business Center is a success story on the reuse of a major plant. After GM closed their plant in 1995 the building was aggressively marketed. Firestone's Building Products Division moved to Bristol in the fall of 1997. They now occupy 406,000 square feet of the former General Motors Plant. Their occupancy reestablished the financial viability of the plant and other occupants followed including: Arret Sales, MDF Systems and EPI Inc. With the addition of 250,000 square feet for Clark Steel Framing Systems (now ClarkDietrich) in 2007, this 1.25 million square foot building is essentially full.

Downtown revitalization remains a top priority for reasons of economic vitality and quality of life. The City needs a civic center, and is currently studying the proper mix of public and private improvements and investments. The City's re-use effort was improved by the purchase of the entire site in March 2005 by the City, and the building was demolished in the winter of 2008. The re-use of the 17-acre Bristol Center Mall site (now called Depot Square) is a key component and opportunity. The eventual sale of the site could recoup a substantial portion of the purchase price and restart the income stream of taxes. The mall property rents ran at about 75% to 85% lower than the Route 6 strip developments approximately one to three miles away. The mall was an underperforming property whose taxes will rise substantially when rents fall into parity with Route 6. A relocation of a McDonalds restaurant on the site is being negotiated which could open the site up and start some new investment. Of course the mall site's improvement will also improve surrounding properties as well.

A façade improvement program and other incentives are already encouraging redevelopment. This includes a new bank and drug store, a refurbished store front for a hairdresser and specialty foods stores, three renovated restaurants and repairs for a dentist's office. Other reinvestments are being contemplated as well. Transportation, shopping and living patterns are all changing, affected to a large degree by energy costs. Long term trends favor cities and those that plan for quality, higher density development. Bristol has been making those infrastructure investments towards that future. The state's downtown National Guard Armory is on its way to private ownership and will become part of the tax rolls, possibly as an entertainment venue.

The city chose Renaissance Downtowns as the preferred developer for the Depot Square site through an open competitive process in late 2009. Renaissance Downtowns Bristol assembled a top-flight team to create a redevelopment plan. They have engaged the public in a very expansive way and have employed social media in a productive manner. The plan is for mixed-uses with an emphasis on residential use, in order to anchor the development. A housing study by the University of Connecticut Real Estate Center in November 2010 noted that Bristol could absorb 250 to 300 units of new market rate workforce multi-family housing. Renaissance Downtowns is on schedule to solicit developers and some of them have begun consulting. As capital markets recover over the next few years there should be opportunities for phased development.

Route 6, with its strip development, has enjoyed a modest amount of retail renovation and expansion, especially near the Farmington line. This has included the development of a large LA Fitness facility, an Arbys and Chilis, as well as two other restaurant pads. Taco Bell also updated their store to a larger and newer version, and other retail stores have had facelifts nearby. Wal-Mart is planning to expand to allow for grocery sales. Cumulatively, these investments suggest continued faith in the Bristol market.

Form of Government

Granted by the State legislature in 1911, the City's Charter established a Council-Mayor form of government. The Charter subsequently was amended by many Special Acts, with a major change taking effect January 1, 1969 through Charter Revision pursuant to the Home Rule Act. The City's general elective officers include the Mayor, City Council (6 members), Treasurer, Board of Assessment Appeals (3) and Constables (6), and the Mayor and City Council appoint other City officials and members of various Boards and Commissions.

The Mayor is the chief executive officer of the City and an *ex officio* member of the City Council and Board of Finance. Elected every odd-numbered year on a partisan basis, the Mayor presides over meetings of the City Council and exercises general supervision over the official acts and conduct of the City's officers.

The City's legislative power is vested exclusively in the City Council, consisting of six members from three City Council Districts who are elected every odd-numbered year on a partisan basis. As the City's elected representatives, the City Council sets policy by resolutions or ordinances and directs the Mayor to ensure that such policies, as well as all the Charter-mandated duties of the City, are implemented.

The Board of Finance consists of nine members with four-year overlapping terms, who are nominated by the Mayor and confirmed by the City Council. The Board of Finance serves as the Board of Estimate and Apportionment of expenditures for the City, responsible for preparing a budget and estimate of expenditures every ensuing fiscal year.

The Joint Board of the City of Bristol is comprised of the members of the Board of Finance, the City Council and the Mayor (who also serves as Chairman). The Joint Board's responsibilities include approval of the budget, authorization of all additional expenditures to the budget, and approval of any expenditure in excess of $5,000.

The Board of Education consists of nine members, each of whom is elected every fourth year coinciding with the odd-numbered election year of the City's other elective officers. Although the Board of Education's total operating budget must be approved within the City's Annual Budget, the board operates independently of the City Council.

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Principal Municipal Officials

Office	Name	Manner of Selection & Term	
Mayor	Arthur J. Ward	Elected	11/09 – 11/11
Council Member	Kevin C. McCauley	Elected	11/09 – 11/11
Council Member	Kevin Fuller	Elected	11/09 – 11/11
Council Member	Dave Mills	Elected	11/09 – 11/11
Council Member	Terry Parker	Elected	05/11 – 11/11
Council Member	Clifford Block	Elected	11/09 – 11/11
Council Member	Kenneth Cockayne	Elected	11/09 – 11/11
Board of Finance, Chairman	Richard Miecznikowski	Appointed	06/08 – 06/12
Board of Finance, Vice Chairman	John Smith	Appointed	06/07 – 06/11
Board of Finance	Robert Casar	Appointed	02/10 – 06/11
Board of Finance	Cheryl Thibeault	Appointed	07/09 – 06/13
Board of Finance	Lisa Casey	Appointed	07/10 - 06/14
Board of Finance	Gregory Fradette, Sr.	Appointed	09/09 – 06/13
Board of Finance	Paul Tonon	Appointed	06/08 – 06/12
Board of Finance	Robert Vojtek	Appointed	07/10 – 06/14
Board of Education, Chairperson	Barbara Y. Doyle	Elected	11/07 – 11/11
Board of Education, Vice Chairman	Julie M. Luczkow	Elected	11/07 – 11/11
Board of Education, Secretary	Karen L. Vibert	Elected	11/07 – 11/11
Board of Education, Member	Orlando Calfe, Jr.	Appointed	03/11 – 11/11
Board of Education, Member	Amy Coan	Elected	11/07 – 11/11
Board of Education, Member	Margaret L. Bonola	Elected	11/07 – 11/11
Board of Education, Member	Sherry A. Turcotte	Elected	11/07 – 11/11
Board of Education, Member	Thomas P. O'Brien	Elected	11/07 – 11/11
Board of Education, Member	Christopher C. Wilson	Elected	11/07 – 11/11
Town and City Clerk	Therese Pac	Appointed	11/10 – 11/14
Comptroller	Glenn S. Klocko	Appointed	05/10 – 05/14
Assistant Comptroller	Robin L. Manuele	Appointed	11/10 – 11/12
Treasurer	Rose C. Parenti	Elected	11/09 – 11/11
Chief Assessor	Thomas DeNoto	Appointed	07/08 – 07/12
Tax Collector	Teresa Babon	Appointed	05/09 – 05/13
Purchasing Agent	Roger Rousseau	Appointed	01/10 – 01/14
Director of Public Works	Walter E. Veselka	Appointed	11/07 – 11/11
Police Chief	Eric Osanitsch	Appointed	Indefinite
Fire Chief	Jon Pose	Appointed	Indefinite
Corporation Counsel	Edward Krawiecki, Jr.	Appointed	12/09 – 11/11
Superintendent of Schools	Dr. Philip A. Streifer	Appointed	Indefinite
Personnel Director	Diane Ferguson	Appointed	04/08 – 04/12
Superintendent of Parks and Recreation	Edward Swicklas	Appointed	12/10 – 12/14
Superintendent of Water Department	Robert J. Longo	Appointed	05/11 – 05/15
Bristol Development Authority Director	Jonathan E. Rosenthal	Appointed	01/08 – 01/12
Registrar of Voters (D)	Mary Rydingsward	Elected	01/11 – 01/13
Registrar of Voters (R)	Sharon M. Krawiecki	Elected	01/11 – 01/13
Director, Department of Aging	Margaret Sokol	Appointed	Indefinite
Chairman, Inland Wetlands Commission	William Englert	Appointed	05/09 – 05/12
Director of Youth & Community Services	Eileen McNulty	Appointed	Indefinite
City Planner	Alan L. Weiner	Appointed	Indefinite
Planning Secretary and City Engineer	Paul A. Strawderman	Appointed	01/08 – 01/12
Zoning Enforcement Officer	Anthony DeCrisantis	Appointed	Indefinite
Director, Emergency Management	Richard Ladisky	Appointed	Indefinite
Building Official	Guy Morin	Appointed	07/10 – 07/14
Bristol-Burlington Health District	Lynn Abrahamson	Appointed	Indefinite
Library Director	Francine Petosa	Appointed	Indefinite
Assistant Director PWD/WPC Manager	Brian Fowkes	Appointed	Indefinite

Source: City of Bristol, City Clerk.

Municipal Services

Police. The Police Department has an authorized strength of 121 sworn personnel and 23 civilian employees, including the Chief, two Captains, ten Lieutenants and thirteen Sergeants. Six Commissioners act as the policy-setting civilian board. The Police Department employs sixteen civilian dispatchers and two Animal Control Officers.

Police services in Bristol include a Patrol Bureau and Support Bureau. Ancillary Support Services include a narcotics enforcement/gang intervention unit, participation in the Connecticut State Police/Regional Narcotics Task Force, the U.S. Department of Justice Drug Enforcement Administration Task Force and a regional Emergency Response Team. The Department embraces advanced training and provides a 14-week field training officer program, augments college level classes and provides educational incentives for college education through a Masters Degree. In September 1998, one of the Department's captains graduated from the FBI Academy and a Lieutenant completed advanced management training school in December 2009.

Fire. The Bristol Fire Department provides emergency services through the use of 93 career personnel and 2 administrative personnel. The career personnel are divided into four platoons that work a 10-hour dayshift and a 14-hour nightshift. Members of the department responded to 2,012 emergency calls from July 1, 2009 to June 30, 2010 from five fire stations with six pieces of fire apparatus. There are five engine companies and one tower ladder which operate under the direction of four Deputy Chiefs. The department's personnel roster currently consists of the Fire Chief, four Deputy Chiefs, one Fire Marshal, three Fire Inspectors, one Senior Captain/Drill Master, one Equipment Technician, six Captains, eighteen Lieutenants and fifty-eight firefighters. The overseeing body of the Bristol Fire Department is the Board of Fire Commissioners. Commissioners are appointed to the Board for a term of three years by the Mayor. The Fire Commissioners work hand-in-hand with the Fire Chief to establish the primary policies of the Fire Department. Based on insurance service office surveys of the department's fire suppression capabilities, the City maintains a fire insurance classification of three.

Public Works. The Department of Public Works is under the direction of the Board of Public Works, consisting of the Mayor, three councilmen and three private citizens. Department programs include the maintenance of the City's streets and bridges; the administration and/or construction of capital public works improvements; the maintenance and upgrading of all public buildings, exclusive of school and park facilities; the administration and/or collection and disposal of solid waste; the collection and treatment of waste water; purchase, service and maintenance of the Public Works fleet; and land use development planning. The Department of Public Works is divided into eight Operating Divisions with 124 employees:

Administration: Performs all office functions for the Department including payroll, purchasing, processing bills, typing, filing and issuance of permits for landfill use, solid waste collection and recycling collection. Administration also acts as the City Hall Switchboard for all calls, handles sales of permits, manages the PW web site and handles communications and press releases for internal and external customers. The Division also manages the citizen request/complaint database, and acts as the initial contact-point on street maintenance, storm water and drainage, solid waste and recycling, land use, permitting and engineering matters.

Engineering: Provides in-house technical and professional services for Public Works, City Planning, and Wetlands. Performs design, construction administration and inspection of the City's construction projects. Performs the updating of numerous City maps; reviews plans for subdivisions for the Planning Commission and requests for changes to zoning; and reviews site plans and permit applications for the Inland Wetlands Commission.

Land Use Administration: Provides administrative and technical services for the City's four land use boards (Planning Commission, Zoning Commission, Zoning Board of Appeals and Inland Wetlands Agency) and the local Historic District Commission. These services include receiving, processing and reviewing all applications; preparing legal notices, meeting agenda, correspondence and meeting minutes; and maintaining the official records of the boards. It also provides information, advice and assistance to the development community (e.g., developers, design professionals, attorneys, and real estate agents) and to the public regarding planning, zoning and related land use and development matters, as well as technical expertise and administrative assistance in the preparation and updating of the City's Plan of Conservation and Development, the City's regulatory tools (Zoning Regulations, Zoning Map, Subdivision Regulations, and Inland Wetlands Regulations) and other planning-related studies. The Land Use Division also has administrative responsibility for implementation of the state's Aquifer Protection Area Program, in conjunction with the Zoning Commission, which has been designated as the city's Aquifer Protection Agency.

Facility Maintenance: Provides custodial and maintenance services for City Hall and the Police/Court Complex, Youth Services (51 High Street), Animal Control Facility (Vincent P. Kelly Road), City Yard (95 Vincent P. Kelly Road) and Transfer Station (685 Lake Street), as well as maintenance and repair services for the firehouses, libraries and senior center.

Water Pollution Control: This Division is charged with the operation and maintenance of the City's Wastewater collection and treatment facilities, as accounted for in the Sewer Operating and Assessment Fund, and provides sanitary sewer collection and treatment to approximately 90% of the City's populated area. It operates and maintains an advanced wastewater reclamation plant with 10.75 MGD capacity, 14 pumping stations, and 237.8 miles of sewer lines and 5,600 manholes. It also provides administrative services for the operation, oversees sewer usage billing performed by the City's Water Department, and develops long-term plans to assure the operation will meet the future needs of the community. In accordance with State and Federal regulations, the Division is required to maintain a Capital Reserve Fund adequately funded to meet the financial demands of all facility upgrades, modifications and capital equipment replacement.

Streets: Maintains and repairs 232 miles of street, 220 miles of storm drains including over 8,000 catch basins, and 25 bridges. Additionally, it is responsible for cutting, trimming and replanting trees, winter snow removal and ice control operations, and oversight of the upkeep on approximately 2 miles of industrial railroad spur with one bridge, 3 signalized crossings and 2 manual crossings.

Solid Waste & Recycling Management: Provides for collection and, by various means, disposal of all solid wastes generated by approximately 20,000 dwelling units which house approximately 80 percent of the City's population. The division's activities include: collection of 18,000 tons of refuse; collection of 3,600 tons of recyclable material; collection of 450 tons of bulky material; operation of a transfer station/recycling drop-off center which receives and transfers 4,000 tons of refuse, 4,600 tons of recyclable material, 3,000 tons of brush, 15,000 gallons of waste oil, and spring and fall leaf collection, including the operation of a leaf composting facility which processes 1,300 tons of leaves collected by the City and brought in by individuals and small businesses. All quantities are annual.

Fleet Maintenance: This division maintains and repairs all Public Works vehicles and equipment and 40 Police Department vehicles, and provides fuel and oil for most City vehicles. The garage averages over 1,500 repair and service orders per year, and dispenses approximately 129,000 gallons of gasoline and 174,000 gallons of diesel fuel annually.

Water Department. The Bristol Water Department is a municipal department of the City of Bristol and is governed by a Board of Water Commissioners appointed by the Mayor and approved by the City Council.

The Water Treatment Plant was constructed and put on-line in 1989 with a filtering capacity of 12 million gallons per day ("MGD") and provisions for increasing this capacity to 24 MGD with future expansion. The project cost of the new plant was $11.4 million of which $9,835,000 was bonded and debt service was paid for with revenues from the sale of water. Additional bonding in the amount of $5,900,000 completed the rehabilitation of dams 2, 4 and 5 and the storage tank at the Filter Plant.

The surface water supply consists of six reservoirs with a combined capacity of 1.2 billion gallons of water. These reservoirs are located in the towns of Burlington, Harwinton, Plymouth and the City of Bristol. In addition to the surface supply, there are five gravel packed wells with an average daily maximum production of 2.5 million gallons.

The Bristol Water Department has established an interconnection with the New Britain Water Department. The interconnection provides 500,000 gallons per day of additional supply for the Bristol Water Department, as required.

Ten storage structures are spread throughout the City in six different pressure zones with a combined capacity of 16.7 million gallons. The distribution system consists of over 300 miles of cast iron and ductile iron water mains varying in size from 4" to 36". Ductile iron pipe is used for all new water main installations and for all service connections over 2" in diameter. Copper tubing is used for all service connections under 2" in diameter.

All bills are due and payable on the first day of the regular billing period. Penalty charges of 1.5% of the unpaid balance are added after 30 days from the billing date. Liens are filed in the City land records if the account remains unpaid for a period of six months from the billing date. All accounts in arrears after the 30 day payment period receive a "Second Notice" which includes the past due amount for the water and sewer bill plus any penalty and lien charges. Thirty (30) days after the "Second Notice" is sent, the customer will receive a "Third Notice" as a reminder bill that the account is still delinquent. Approximately seven to ten days after the "Third Notice" is sent, if payment is still not received on the past due account, the customer will receive a "Final Notice". The customer has thirteen (13) days from the date of the "Final Notice" to pay the delinquent account in its entirety or call the office to make arrangements for payment with the Collections Clerk. The "Final Notice" contains information on what a customer should do to prevent the possible termination of their water service. Although not required under the Bristol Water Department Rules and Regulations, seven days prior to the end of the thirteen day payment period a yellow door hanger is left at the service address and/or mailed to the owner of the property. If payment has not been made by the end of the thirteen day payment period, the service is terminated in accordance with the Department of Public Utility Control guidelines. The terminated service will not be turned back on until full payment is made by either cash or bank certified check including all re-instatement fees. For locations that contain tenants that cannot be shut off due to Department of Public Utility Control guidelines, liens are filed in the City land records if the account remains unpaid for a period of six months from the billing date.

Bristol Water Department Rates
Effective July 1, 2009

Consumption Rate: Billed at $ 0.0205 per cubic foot.

A service charge dependent upon the meter size is charged to all accounts as follows:

Minimum Quarterly Charges

Meter Size	Quarterly Service Charge
5/8"	$ 15.00
3/4"	20.00
1"	30.00
1-1/2"	40.00
2"	50.00
3"	65.00
4"	85.00
6"	105.00

All accounts with meters ¾" or larger are charged a Minimum Quarterly Charge which include the Quarterly Service Charge and a Minimum Consumption. Any Consumption above the minimum is billed at the Consumption Rate. There is no Minimum Quarterly Charge for 5/8" meters. The Minimum Quarterly Charges are as follows:

Minimum Quarterly Charges

3/4"	Metered Service	$ 52.80	1,600 cu. ft.
1"	Metered Service	79.20	2,400 cu. ft.
1-1/2"..................	Metered Service	101.50	3,000 cu. ft.
2"	Metered Service	123.80	3,600 cu. ft.
3"	Metered Service	171.60	5,200 cu. ft.
4"	Metered Service	242.85	7,700 cu. ft.
6"	Metered Service	310.00	10,000 cu. ft.

The Bristol Water Department miscellaneous charges are as follows:

1" Fire Service Connection	$25.00	per quarter
2" Fire Service Connection	$30.00	per quarter
3" Fire Service Connection	$41.00	per quarter
4" Fire Service Connection	$53.00	per quarter
6" Fire Service Connection	$75.00	per quarter
8" Fire Service Connection	$111.00	per quarter
10" Fire Service Connection	$155.00	per quarter
12" Fire Service Connection	$180.00	per quarter
Private Fire Hydrant	$27.50	per hydrant, per quarter
Public Fire Hydrant	$6.00	per hydrant, per quarter

Source: City of Bristol, Water Department.

All miscellaneous charges are included with the regular quarterly billing.

Parks and Recreation. In size, Bristol has the second largest municipal parks system in the State of Connecticut. Its staff consists of 20 full-time employees, and more than 175 part-time seasonal employees. Policy is set by a seven-member commission.

With leisure recreation expanding in Bristol, the Bristol Parks and Recreation Department has introduced the total field of organized recreation services. The department provides the people of Bristol with a comprehensive and varied program of public recreation, activities, services and resources for all ages, including:

1. Maintaining and developing public park, playground and recreation facilities;
2. Offering public recreation programs for all ages;
3. Sponsoring special events and special interest programs; and
4. Assisting community groups in recreation-oriented activities.

Department facilities include two major parks over 100 acres each; eight neighborhood parks; a lighted stadium which is used by local baseball, soccer, and football teams; an indoor pool facility; two buildings on the historic register; the Federal Hill Green; and the Veterans' Memorial Boulevard Park. The Park Department is presently responsible for over 700 acres of park land including Hoppers/Birge Pond Nature Preserve, Kern Park, Pine Lake, Rockwell Park Dog Park and Nelson Field.

Within these areas are located two outdoor swimming pools, 15 tennis courts (5 lighted), 6 outdoor basketball courts, 6 lighted sand volleyball courts, a supervised ice skating area, 5 fishing areas, a sliding area (Nelson Field), 6 pre-school playscapes, 3 baseball diamonds, 3 softball fields (1 lighted), picnic sites, 3 water spray parks, horseshow courts, bocce courts, eighteen hole disc golf course, a para-fitness course, a universal accessible playscape, a jogging and walking path, hiking trails and a cast-in-place skate park.

The department is fortunate to have had many benefactors over the years, who established numerous Trust and Endowment funds to benefit some of the City's parks. Major park renovations recently took place at Rockwell Park, Riley Field, Wilson Field, Brackett Park, Stocks Playground, Page Park Tennis Courts, pond dredging of 4 park ponds, ADA compliant renovations to Page Park Pavilion, Page Park Pool and Ski Lodge, plus fire and safety code upgrades to Page Park Pool.

Renovations at Brackett Park included a new basketball park, gate-way entry treatments, signage, gazebo, fenced-in playscape and new lighting and sidewalks. Renovations at Stocks Playground included a new basketball court, 4 lighted sand volleyball courts, a water spray play area, ADA compliant restroom, and creation of 50 additional parking spaces, sidewalks, landscaping and signage.

A seven and half million dollar project was completed at Rockwell Park. It included new drainage, an additional 175 parking spaces, two new gateways, lighting, pedestrian access, new basketball court, landscaping, a cast-in-place skate park, a water spray park, 2 lighted sand volleyball courts, 2 new playscapes, a new west entrance into the park, horsehoe pits, bocce court, lighted little league field, sidewalks, dredging of the lagoon, creation of a wetlands habitat, ice skating area, wetlands board walk and a video security system.

Parking and pedestrian improvements were completed at the Hoppers/Birge Pond Nature Preserve. A new ADA compliant pedestrian walkway was installed along with parking lot improvements, drainage improvements, signage, landscaping and lighting. Total cost of the project was $300,000.

Work has begun on renovating the ball field at Casey Field ($574,771) and should be completed by September 2011. The permit applications submitted to the DEP for the stabilization of the Pequabuck River ($400,000) in Rockwell Park have been reviewed and were approved in July 2011. Work on this project could begin in August 2011 and be completed by September 2012.

Future plans call for renovations to Muzzy Field with additional seating improvements with gateway treatments and pedestrian and parking improvements at Page Park.

Solid Waste Disposal Facility. Under an Inter-Community Agreement dated August 15, 1985, the City of Bristol, together with thirteen other Connecticut municipalities, formed an Operating Committee, the Bristol Resource Recovery Facility Operating Committee (BRRFOC), authorized by statute to exercise certain rights on the communities' behalf in dealing with the trash to energy plant constructed by Covanta, Inc. ("Company"). The BRRFOC governing board consists of City officials appointed by each of the participating municipalities and assumes all management decisions for BRRFOC.

The Company operates a 650-ton per day mass burn solid waste disposal, electric power generation and resource recovery facility (the "Facility") at 229 Technology Park in Bristol, Connecticut. The Company is a subsidiary of Covanta, Inc., a Delaware Corporation ("Covanta"). The Company was formed in 1984 for the purpose of owning, designing, constructing, and operating the Facility for the processing and disposing of certain solid waste ("Acceptable Waste") from each of the City of Bristol, the Town of Berlin, the Town of Burlington, the City of New Britain, the Town of Plainville, the Town of Plymouth, the Town of Prospect, the Town of Southington, the Town of Washington, the Town of Wolcott, and the Town of Warren (such eleven municipalities being collectively referred to as the "Contracting Communities"). In addition, the Towns of Seymour, Branford and Hartland have also become contracting communities.

The project was funded from the proceeds of the Connecticut Development Authority's (the "Authority") $73,520,000 Series 1985 Bonds loaned to the Company by the Authority. On May 15, 1995, BRRFOC issued $68,040,000 in Solid Waste Revenue Refunding Bonds with interest rates varying from 5.20% to 6.50% to currently refund $66,835,000 of outstanding special obligation bonds of the Authority. In April 2005, the Committee issued $41,920,000 Solid Waste Revenue Refunding Bonds (Covanta Bristol, Inc. Project – 2005 Series) (the "Bonds") with interest rates varying from 3.00% to 5.00% to currently refund $46,670,000 outstanding revenue bonds of the Committee, with an interest rate of 6.50%. The current refunding was undertaken to reduce total debt service costs over the period of fiscal years 2005 through 2014 by approximately $4,300,000 and resulted in present value savings of approximately $4,000,000.

All required federal and state permits for construction of the Facility were granted prior to the issuance of the Series 1985 Bonds. Commercial operations began in April of 1988.

Under the Service Agreement, the Company has obligated itself to accept and dispose of, using the Facility and Alternate Disposal Methods, in each contract Year at least (1) 200,000 tons per year of Acceptable Waste, (2) the sum of the billing Period Acceptance Guarantees for a Contract Year, and (3) the sum of the Tons delivered during the Contract Year and Acceptable Waste that would have been Waste but for its rejection by the Company or the Service Agreement sum of the yearly Adjusted Guarantee Facility Capacity and the amount of landfill capacity for such Contract Year. Additionally, the Company has obligated itself to operate and maintain the Facility throughout the term of the Service Agreement for a service fee paid by the Contracting Communities through BRRFOC. The Contracting Communities have agreed to use their best efforts to cause to be delivered to the Facility all Acceptable Waste generated within their boundaries up to the Annual Guaranteed Capacity of the Facility and in any event, to deliver, or cause to be delivered, to the Facility, not less than 153,300 tons of Acceptable Waste in each Contract Year. The Company and the Contracting Communities have each agreed to seek additional Acceptable Waste up to the capacity of the Facility. In the event that for any reason such additional Acceptable Waste is not available, each Contracting Community is nevertheless obligated to pay its respective portion of the Service Fee, which is currently $64.50 per ton and will remain the same through June 30, 2012. The extension of the current cost for another year was voted on by the BRRFOC at their meeting of January 28, 2011.

Waste disposal by the Company is to be provided through the operation of the Facility or by any other Alternate Disposal Method reasonably acceptable to the Contracting Communities, including permitted sanitary landfills. The Service Fee payable by each contracting Community for such waste disposal service is its pro-rata share, based on its respective tonnage deliveries of Acceptable Waste, of the sum for each monthly billing portion of (1) an amount equal to debt service on the BRRFOC Solid Waste Revenue Refunding Series 2005 Bonds; (2) the Operation and Maintenance Expense; and (3) passthrough costs, including certain taxes, insurance, and utility costs, less a credit equal to 90% of all energy revenues and with an adjustment with respect to recovered ferrous metals. Bristol is committed to deliver 42,004 tons of Acceptable Waste in fiscal year 2011 and 42,175 tons of Acceptable Waste in fiscal year 2012.

If the Facility is temporarily or permanently shut down and partially or completely unable to receive and process Acceptable Waste, the Company is obligated to provide waste disposal services by alternate disposal methods. In such circumstances, the Energy Credit and the Recovered Materials Adjustment will decrease.

The Company is obligated under the Service Agreement to seek to mitigate the effect of any shutdown, and the Operation and Maintenance Expense is to be adjusted to the extent the Facility is unable to receive and process Acceptable Waste, to reflect the Company's actual direct costs of alternate disposal.

For as long as the Service Agreement remains in effect, the Contracting Communities are obligated to pay the Service Fee to the Company whether or not the Contracting Communities deliver Acceptable Waste to the Facility and whether or not the Company disposes of such Acceptable Waste through the Facility. This obligation is absolute and unconditional, it is not subject to any rights of set-off, recoupment or counterclaim any contracting community may have against the Company, the Bond Indenture Trustee or any other person, and may not be suspended or discontinued for any purpose. In the event of a payment default under the Service Agreement by any one or more of the Contracting Communities, the non-defaulting Contracting Communities are jointly and severally liable to pay such defaulted amount. Each of the Contracting Communities pledges its full faith and credit to, and is obligated to appropriate, levy taxes, or otherwise raise the funds necessary for the payment in full of all amounts at any given time due from such Contracting Community under the Project Agreement or the Service Agreement to the complete satisfaction of all obligations of such Contracting Community under such agreements.

The Contracting Communities' obligation to pay the Service Fee ceases if the Service Agreement is terminated. If the Service Agreement is terminated due to a default by the Contracting Community, the Contracting Communities are obligated to pay amounts sufficient to decrease the Bonds or pay amounts sufficient to make timely payments of principal and interest on the Bonds. If the Service Agreement is terminated due to a default by the Company, the Company is generally obligated to defease the Bonds or continue to make timely payments of principal and interest on the Bonds. If the Company does not perform its obligation under the Service Agreement and Ogden Corporation fails to perform such obligations pursuant to the Guaranty Agreement referred to below, the Contracting Communities have certain rights to terminate the Service Agreement and upon termination would be no longer obligated to pay the Service Fee.

The Company provides specific performance to the Contracting Communities under the Project Agreement and the Service Agreement. These include an Annual Acceptance Guarantee and an Energy Efficiency Guarantee of a minimum of 486.5-kilowatt hours of electricity net of in-plant use per ton of reference composition Acceptable Waste. Specific liquidated damages are payable for failure to meet performance guarantees. In the event the Company fails to demonstrate that the Facility meets the Minimal Performance Standard in Performance Tests by the end of the Extension Period which is a period of one year following the scheduled Commercial Operation Date (can be subject to extensions), the Contracting Communities have the right to terminate the Project Agreement and the Service Agreement.

The Contracting Communities have each designated, in accordance with State legislation, the Facility as the area for the disposal of municipal solid waste generated within such Contracting Communities' boundaries.

Covanta guarantees the performance of all the obligations of the Company under the Project Agreement and the Service Agreement, including its obligation upon default, pursuant to a guarantee dated as of August 1, 1985 (the "Guaranty Agreement"). The obligations of Covanta under the Guaranty Agreement are absolute and unconditional.

Municipal Employees
Full-Time

Fiscal Year Ended June 30	*2011*	*2010*	*2009*	*2008*	*2007*
Board of Education………………………………	1,121	1,136	1,164	1,211	1,131
General Government……………………………	513	531	546	548	550
***Total*……………………………………………**	1,634	1,667	1,710	1,759	1,681

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

The table below shows an analysis of general government employees by department:

Department	*Full Time*	*Part-Time & Temporary*
Police …………………………	138	-
Fire ……………………………	90	-
Administrative and Financial ….	76	7
Youth Services…………………	6	54
Recreation ……………………	21	127
Library …………………………	30	8
Public Works …………………	118	-
Water …………………………	34	2
Total ………………………	513	198

Source: City of Bristol, Personnel Office.

Employee Relations

Almost all full and permanent part-time City employees, with the exception of management, are represented by a bargaining organization as follows:

Board of Education	*Employees Represented* [1]	*Current Contract Expiration Date*
Bristol Federation of Teachers Local 1464 ………………………	668	6/30/2012
Bristol Association of Principals & Supervisors …………………	36	6/30/2014
Bristol Educational Secretaries Association ……………………	75	6/30/2013
Bristol Municipal Employees Local 2267 Board of Education, Custodial, Maintenance & Teachers Aides ……………………	219	6/30/2012
AFL Local 2267 Council No. 4 (Board of Education Cafeteria) …	60	6/30/2012
Bristol Association of Crossing Guards …………………………	25	6/30/2011[3]
#818 Council 4 ………………………………………………	7	6/30/2012
Non-Bargaining Employees ………………………………………	31	--
Sub-total ……………………………………………………	1,121	
City Groups		
Local 1338 of Council No. 4, AFSCME, AFL-CIO ………………	117	6/30/2012
Police Local 754 of Council No. 15 ……………………………	112	6/30/2011[2]
Local 773, International Association of Fire Fighters ……………	88	6/30/2011[2]
Bristol City Hall Employees, Local 233 …………………………	119	6/30/2012
Bristol Professionals & Supervisors Association ………………	54	6/30/2012
Non-Bargaining Employees ………………………………………	20	--
Sub-total ……………………………………………………	510	
Total ………………………………………………………	1,631	

[1] *Excludes part-time employees.*

[2] *In negotiation.*

[3] *Positions eliminated July 1, 2011*

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

General Statutes Sections 7-473c, 7-474 and 10-153a to 153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipal entity may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. Effective October 1, 1997, for binding arbitration of teachers' contracts, in assessing the financial capability of a town, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

Educational Services. The Bristol Public School system provides educational services ranging from pre-school programs through adult education programs. Within the system, there are nine elementary schools which accommodate grades kindergarten through five; three middle schools, which provide programs for grades six, seven and eight; and two high schools which are comprehensive high schools for grades nine through twelve. Two new elementary schools with a K - 8th grade model are currently under construction.

In addition to these schools, alternative education programs are provided at the Bristol Community-Senior Center. Bristol maintains an extensive special education program with a variety of services provided for handicapped and learning disabled students from pre-school to age twenty-one. Bristol's program for gifted and talented children includes special programs and resource services for students identified as gifted or talented in grades three through twelve. The academic program is complemented by a wide variety of extracurricular activities, including intramural and interscholastic sports, instrumental and vocal music programs, and many student organizations, which are available to all students.

The community is further served by a parochial school system of four elementary (K-8) schools and one high school. The Bristol Technical Educational Center is open to adults and high school students in grades 11 and 12, and is approved for veterans. Opportunities for post secondary education in technical, professional, and the liberal arts field abound in the area through both public and private schools. A regional community/technical college is situated one mile over the Bristol border in the Town of Farmington and Central Connecticut State University is in nearby New Britain. Branches of the University of Connecticut and State technical colleges are located in both Waterbury and Hartford, twenty minutes away. Also available in the area are nursery schools and day care facilities, as well as Latchkey programs in all of the elementary schools in Bristol.

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School Facilities

School	Grades	Construction (Remodeling or Renovation)	Number of Classrooms [1]	Rated Capacity	Actual Enrollment 10/1/10 [2, 3]
Bristol Central High School	9-12	1967, 2000	96	1,260	1,327
Bristol Eastern High School	9-12	1959 (65), 2000	90	1,260	1,362
Chippens Hill Middle School	6-8	1993	45	990	882
Memorial Blvd. School	6-8	1922 (59,79)	25	560	515
Northeast Middle School	6-8	1922 (65,83)	25	550	563
Stafford School	K- 5	1951 (54,85)	18	380	463
C. A. Bingham	K- 5	1916 (37,81)	17	316	0[4]
Edgewood School	K- 5	1957 (64,86)	20	444	395
Greene-Hills	K- 5	1928 (54,83)	21	468	325
Ellen Hubbell	K- 5	1991	26	594	467
Ivy Drive School	K- 5	1967 (2007)	22	378	378
Jennings School	K- 5	1921 (29,80)	20	380	366
Mountain View School	K- 5	1967 (2007)	19	298	320
O'Connell School	K- 5	1913 (19,27,60,82)	22	444	321
South Side School	K- 5	1974	30	612	579
Totals			496	8,934	8,263

[1] *New England School Development Annual Report.*

[2] *The Bristol Board of Education reports Current Operating Capacity as of 10/1 every year based upon square footage and other requirements of the State Department of Education; however, the Bristol Board of Education's actual utilization of Current Operating Capacity is maximized by scheduling classes in interchangeable classrooms that are available for instruction. The Bristol Board of Education's Actual Enrollment, therefore, may exceed Current Operating Capacity in some schools.*

[3] *Excludes 61 out-of-district placements and 309 pre-school students, but includes Special Education students.*

[4] *C. A. Bingham was closed at the end of the 2010 school year.*

Source: City of Bristol, Board of Education.

School Enrollment

School Year	Pre K	K - 5	6 - 8	9-12	Total [2]
		Historical [1]			
2001-2002	192	3,871	2,071	2,793	8,927
2002-2003	209	3,901	2,112	2,749	8,971
2003-2004	192	3,890	2,108	2,812	9,002
2004-2005	253	3,850	2,109	2,779	8,991
2005-2006	293	3,912	2,086	2,758	9,049
2006-2007	293	4,184	2,032	2,753	9,262
2007-2008	297	3,780	2,039	2,776	8,892
2008-2009	340	3,728	2,002	2,713	8,783
2009-2010	326	3,628	2,039	2,700	8,693
2010-2011	309	3,585	1,960	2,714	8,568
		Projected [3]			
2011-2012	330	3,648	1,941	2,661	8,580
2012-2013	332	3,630	1,906	2,620	8,488
2013-2014	334	3,667	1,802	2,632	8,435
2014-2015	336	3,630	1,828	2,531	8,325
2015-2016	338	3,620	1,781	2,525	8,264

[1] *Bristol Board of Education (excludes 56 out-of-district placements).*

[2] *As of 1998-99 Special Education students are included in counts of regular education.*

[3] *State of Connecticut, Department of Education.*

Source: City of Bristol, Board of Education.

III. Economic and Demographic Information

Population and Density

	City of Bristol			Hartford County		State of Connecticut	
Year	Actual Population [1]	% Increase/ (Decrease)	Density [2]	Population	% Increase/ (Decrease)	Population	% Increase/ (Decrease)
1960	45,499	26.5%	1,679	689,555	21.0%	2,535,234	26.3%
1970	55,487	22.0	2,047	816,737	18.4	3,032,217	19.6
1980	57,370	3.4	2,117	807,766	(1.1)	3,107,576	2.5
1990	60,640	5.7	2,238	851,783	5.4	3,287,116	5.8
2000	60,062	(1.0)	2,216	857,183	0.6	3,405,565	3.6
2010	60,477	0.7	2,232	894,014	4.3	3,574,097	4.9

[1] *1960 - 2010, U.S. Department of Commerce, Bureau of Census.*

[2] *Per square mile: 27.1 square miles.*

Age Distribution of the Population

	City of Bristol		State of Connecticut	
Age	Number	Percent	Number	Percent
Under 5	3,761	6.3	223,344	6.6
5 – 9	3,931	6.5	244,144	7.2
10 – 14	3,988	6.6	241,587	7.1
15 – 19	3,394	5.7	216,627	6.4
20 – 24	3,192	5.3	187,571	5.5
25 – 34	9,065	15.1	451,640	13.3
35 – 44	10,462	17.4	581,049	17.1
45 – 54	8,087	13.5	480,807	14.1
55 – 59	2,981	5.0	176,961	5.2
60 – 64	2,276	3.8	131,652	3.9
65 – 74	4,374	7.3	231,565	6.8
75 – 84	3,367	5.6	174,345	5.1
85 and over	1,184	2.0	64,273	1.9
Total	60,062	100.0	3,405,565	100.0
***Median Age (2000)*.............**	37.6		37.4	

Source: U.S. Department of Commerce, Bureau of the Census, 2000.

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Income Distribution

Income Distribution	City of Bristol 2000	City of Bristol Percent	State of Connecticut 2000	State of Connecticut Percent
Less than $10,000	1,651	6.6	91,721	7.0
10,000 - 14,999	1,372	5.5	64,895	5.0
15,000 - 24,999	2,847	11.4	126,157	9.7
25,000 - 34,999	3,054	12.3	130,916	10.1
35,000 - 49,999	4,039	16.3	188,021	14.4
50,000 - 74,999	6,059	24.3	265,470	20.4
75,000 - 99,999	3,182	12.8	172,569	13.3
100,000 - 149,999	2,019	8.1	152,405	11.7
150,000 - 199,999	407	1.6	48,533	3.7
200,000 or more	257	1.1	61,540	4.7
Total	24,887	100.0	1,302,227	100.0

Source: U.S. Department of Commerce, Bureau of the Census, 2000.

Income Levels

	City of Bristol	State of Connecticut
Per Capita Income, 1999	$23,362	$28,766
Per Capita Income, 1989	16,909	20,189
Median Family Income, 1999	$58,259	$65,521
Percent Below Poverty, 1999	4.8%	5.6%

Source: U.S. Department of Commerce, Bureau of the Census, 2000.

Employment Data [1]

	City of Bristol		Percentage Unemployed		
Period	***Employed***	***Unemployed***	***City of Bristol***	***Hartford Labor Market Area***	***State of Connecticut***
June 2011	31,513	3,127	9.1	9.2	9.1
Annual Average					
2010	31,557	3,444	9.8	9.2	9.1
2009	31,932	3,161	9.0	8.3	8.2
2008	32,315	2,092	6.1	5.7	5.6
2007	32,602	1,734	5.1	4.7	4.6
2006	32,101	1,627	4.8	4.5	4.4
2005	31,608	1,842	5.5	5.1	4.9
2004	29,724	1,783	5.7	5.1	4.7
2003	29,882	2,065	6.5	5.9	5.5
2002	30,255	1,671	5.2	4.5	4.3
2001	30,927	1,241	3.9	3.3	3.3

[1] *Not seasonally adjusted.*

Source: Department of Labor, State of Connecticut.

Employment by Industry

Trade	City of Bristol Number	City of Bristol Percent	State of Connecticut Number	State of Connecticut Percent
Agriculture, forestry, fisheries, mining	64	0.2	7,445	0.4
Construction	2,073	6.6	99,913	6.0
Manufacturing	7,127	22.8	246,607	14.8
Transportation	949	3.0	64,662	3.9
Information	897	2.9	55,202	3.3
Wholesale trade	928	3.0	53,231	3.2
Retail trade	3,405	10.9	185,633	11.2
Finance, Insurance, Real Estate	3,362	10.8	163,568	9.8
Professional, scientific, management services	1,900	6.1	168,334	10.1
Personal, Entertainment, Recreation	1,745	5.6	111,424	6.8
Educational, health and social services	6,198	19.9	366,568	22.0
Other services (except public administration)	1,477	4.7	74,499	4.5
Public Administration	1,094	3.5	67,354	4.0
Total Labor Force, Employed	31,219	100.0	1,664,440	100.0

Source: U.S. Department of Commerce, Bureau of the Census, 2000.

Educational Attainment
Years of School Completed Age 25 & Over

Grade Level	City of Bristol Number	City of Bristol Percent	State of Connecticut Number	State of Connecticut Percent
Less than 9th grade	2,824	6.7	132,917	5.8
9th to 12th grade	5,215	12.5	234,739	10.2
High school graduate	15,877	37.9	653,300	28.5
Some college, no degree	8,109	19.4	402,741	17.5
Associate's degree	3,080	7.4	150,926	6.6
Bachelor's degree	4,500	10.7	416,751	18.2
Graduate or professional degree	2,262	5.4	304,243	13.2
Total	41,867	100.0	2,295,617	100.0
Total high school graduate or higher	80.8%		84.0%	
Total bachelor's degree or higher	16.2%		31.4%	

Source: U.S. Department of Commerce, Bureau of the Census, 2000.

Age Distribution of Housing

Year Built	City of Bristol Units	City of Bristol Percent	State of Connecticut Units	State of Connecticut Percent
1939 or earlier	5,303	20.3	308,896	22.3
1940 to 1969	10,861	41.6	571,218	41.2
1970 to 1979	4,007	15.3	203,377	14.7
1980 to 1989	4,174	16.0	183,405	13.2
1990 to March 2000	1,780	6.8	119,079	8.6
***Total Housing Units*, 2000**	26,125	100.0	1,385,975	100.0
Percent Owner-Occupied, 2000	49.5%		66.8%	

Source: U.S. Department of Commerce, Bureau of the Census, 2000.

Housing Inventory

Type of Unit	*Units*	*Percent*
1-unit detached	13,761	52.7
1-unit attached	1,018	3.9
2 to 4 units	5,997	23.0
5 to 9 units	1,793	6.9
10 or more units	3,335	12.7
Mobile home, trailer, other	221	0.8
Total Inventory	26,125	100.0

Source: U.S. Department of Commerce, Bureau of the Census, 2000.

Owner-Occupied Housing Values

	City of Bristol		*State of Connecticut*	
Specified Owner-Occupied Values	***Number***	***Percent***	***Number***	***Percent***
Less than $50,000	51	0.4	5,996	0.8
$50,000 to $99,999	2,541	19.7	85,221	11.7
$100,000 to $149,999	6,477	50.1	212,010	29.1
$150,000 to $199,999	2615	20.2	156,397	21.5
$200,000 to $299,000	1,063	8.2	137,499	18.9
$300,000 or more	172	1.4	131,121	18.0
Total	12,919	100.0	728,244	100.0

Source: U.S. Department of Commerce, Bureau of the Census, 2000.

Major Employers
Employment Levels
As of May 2011

Name	*Business*	*Estimated Number of Employees*
ESPN	Broadcasting Facility Headquarters	3,400
City of Bristol	Municipality	1,656
Bristol Hospital, Inc.	Healthcare	1,750
Stephen World of Wheels	Auto Dealership	200
IDEX Health & Science LLC	Health Care	200
Sheriden Woods Health Care Center	Health Care	180
Quality Coils	Manufacturing	170
Stop & Shop	Retail	150
Rowley Spring	Manufacturing	150
The Pines at Bristol	Health Care	140
Total		7,996

Source: Bristol Chamber of Commerce

Land Use Summary

Category	All Land Acreage	All Land Percent	Undeveloped Land Acreage	Undeveloped Land Percent
Residential …………………………………	8,012	46.67%	2,822	85.10%
Industrial and Commercial ……………………	1,519	8.85%	494	14.90%
Public and Semi-Public …………………………	3,250	18.93%	-	0.00%
Roads and Transportation Networks …………	1,072	6.24%	-	0.00%
Vacant Land …………………………………	3,316	19.31%	-	0.00%
Totals…………………………………………	17,169	100.00%	3,316	100.00%

	Sewer	Percent	With Water	Percent
Area (acreage) ………………………………	13,452	78.40%	16,323	95.00%
Population …………………………………	53,626	89.30%	52,560	87.50%

Source: Central Connecticut Regional Planning Agency, City of Bristol Public Works Department and City of Bristol Water Department.

Building Permits
Ten-Year Comparison

Calendar Year	Residential No.	Residential Value	Commercial & Industrial No.	Commercial & Industrial Value	Apartments & Condominiums No.	Apartments & Condominiums Value	Total Estimates No.	Total Estimates Value
2010	1,169	$12,966,812	275	$20,080,414			1,444	$33,047,226
2009	1,113	9,993,010	297	37,602,324	-	-	1,410	47,595,334
2008	1,323	13,158,760	318	16,255,135	-	-	1,641	29,413,895
2007	1,295	18,448,089	267	27,522,663	43	4,022,000	1,605	49,992,752
2006	1,473	20,607,994	350	19,239,966	-	-	1,823	39,847,960
2005	1,466	27,050,846	323	26,513,564	1	600,000	1,790	54,164,410
2004	1,620	27,299,151	301	25,670,439	1	600,000	1,922	53,569,590
2003	1,612	28,417,188	324	30,889,817	-	-	1,936	59,307,005
2002	1,485	24,620,400	262	15,508,615	-	-	1,747	40,129,015
2001	1,568	21,336,261	237	49,189,126	-	-	1,805	70,525,387

Note: Does not include mechanicals.

Source: City of Bristol, Building Department.

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IV. Tax Base Data

Property Tax

Assessments

The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the limits of the City of Bristol for inclusion on the Grand List is the responsibility of the Assessor. The Grand List represents the total assessed value for all taxable real and personal property and motor vehicles located within the City as of October 1st. The three classes of taxable property that create the Grand List are Real Estate, Motor Vehicles, and Personal Property. Real Property includes land and improvements that are permanently attached to the land. Personal Property includes all other property not classified as real property, such as machinery, equipment, furniture, fixtures, registered and non-registered motor vehicles. Assessments for real property are computed at seventy percent (70%) of the estimated market value at the time of the last revaluation. The last City-wide revaluation was 2007. The Board of Assessment Appeals is charged with the duty of hearing appeals on assessments from aggrieved taxpayers, and reviewing and changing valuation set by the Assessor.

Public Act No. 04-2 of the May 2004 Special Session of the Connecticut General Assembly modified the required cycle of revaluation and lengthened the cycle from four to five years. Generally, the law requires a revaluation every five years and a general revaluation based on physical observation where the preceding revaluation in the five-year cycle was a statistical revaluation. The City of Bristol's next general revaluation is scheduled to take effect October 1, 2012.

New construction of real estate and modifications to existing structures completed after any assessment date are liable for payment of municipal taxes from the date of Certificate of Occupancy is issued by the Building Inspector. This involves the physical inspection of the property and computing the assessment. The prorated increment is the increase in the building assessment prorated on a daily basis from the Certificate of Occupancy date to the next assessment year.

Pursuant to the Connecticut General Statutes 14-163, the Commissioner of Motor Vehicles is required to furnish to the assessor in each town, a list containing the names and address of the owners of motor vehicles, residing in their respective towns, as they appear on October 1st of each year. Appraisals of motor vehicles are accomplished in accordance with an automobile pricing schedule recommended by the State Office of Policy and Management. In the past five years National Automobile Dealers Association ("NADA") has been the recommended schedule. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1st are subject to a property tax as if the motor vehicle had been included on the October 1st Grand List. The tax is prorated and is based on the number of months of ownership between October 1 and the following July 31st. Motor vehicles purchased in August and September are not taxed until the next October 1st Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October Grand List, the taxpayer is entitled to certain credits. If the motor vehicle is sold, destroyed, or stolen and not replaced, the tax bill will be prorated for the number of months of ownership.

The Personal Property list consists of all businesses located within the corporate City limits of Bristol. In general terms, personal property is everything needed to engage in a business enterprise, excluding land and any improvements thereon. The common categories are machinery, furniture and fixtures, equipment, data processing equipment, and unregistered motor vehicles. Discovery of new accounts are obtained by telephone directories, newspaper articles, advertisements, trade names filed with the City Clerk, and a physical canvass of the business districts. State Statutes require all owners of business personal property to file annual lists of such property no later than November 1st, or be subject to a 25% penalty. All business personal property is assessed annually. Site inspections and audits are completed periodically.

Connecticut General Statutes 12-81(72) allows a five year, 100% property tax exemption for eligible new manufacturing machinery and equipment acquired and installed on or after October 2, 1991, and for "newly acquired" used manufacturing machinery and equipment acquired and installed on or after July 1, 1992. The State of Connecticut reimburses each municipality for the revenue loss sustained as a result of this exemption.

Levy

Property taxes are levied on all assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. At the discretion of the City and for the convenience of the taxpayer, in compliance with Connecticut General Statutes, tax bills are payable in two installments - July 1 and January 1. A margin against delinquencies, legal reductions, and Grand List adjustments, such as assessor corrections, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. A modest estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed at least three times a year, with interest charged at the rate of one and one-half percent per month in accordance with Connecticut General Statutes, with a minimum charge of $2. Outstanding real estate tax accounts are automatically liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Auto accounts and personal property accounts are transferred to suspense when deemed least likely to be collected and all accounts become uncollectible 15 years after the due date in accordance with Connecticut General Statutes.

Tax Abatement Policy

In November 2009, Bristol voters approved a five-year extension of the Tax Abatement Policy as authorized under the Connecticut City and Town Development Act. The City originally adopted the tax exemption policy in 1984 for the purpose of attracting new firms and to promote expansion of business and industry. To qualify for full or partial exemption from local property taxation, a property must meet the definition of “development property” under Section 7-482 of the Connecticut General Statutes. The exemption must be requested in writing prior to an irrevocable commitment to the investment and must certify that the new investment would not occur in Bristol without the tax exemption requested. The Tax Exemption Policy uses a matrix system using new jobs and building size to determine years of partial tax exemption for real estate. The maximum years a business can qualify for exemption is six years.

Bristol’s Enterprise Zone primarily encompasses the geographic center of downtown Bristol but also includes Riverside Avenue, the West End Business District, a portion of Federal Hill, Park Street to the entrance of Rockwell Park, the Maple End, and the Gavelick (industrial) property. The approximate boundaries of the Zone are West Street on the West (with an extension down Park Street to the entrance of Rockwell Park), South Street on the South end, Bellevue and Maple Streets on the East end, and Route 6 (Farmington, North, and Terryville Avenues) on the North side. The Zone contains an entire census tract and part of two others. Commercial properties immediately bordering either side of these streets are usually included in the Zone. The Enterprise Zone property tax abatements reimburse the City for 50% of the abatement.

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Comparative Assessed Valuation

Grand List as of 10/1	Residential Real Property	Commercial/ Industrial Real Property	All Land	Personal Property	Motor Vehicle	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	Percent Growth
2010	59.00	24.20	1.80	8.00	7.00	$4,855,301,920	$ 211,187,671	$4,644,114,249	0.00%
2009	59.20	24.20	1.80	7.90	6.90	4,825,349,090	181,046,126	4,644,302,964	0.37%
2008	59.50	24.00	2.00	7.80	6.70	4,801,496,900	174,309,060	4,627,187,840	0.27%
2007[1]	59.10	24.90	1.20	7.20	7.60	4,785,651,520	171,074,590	4,614,576,930	51.76%
2006	58.80	17.50	1.40	11.70	10.60	3,196,184,610	155,518,380	3,040,666,230	1.83%
2005	59.20	17.50	1.30	11.30	10.70	3,144,365,830	158,409,030	2,985,956,800	0.90%
2004	59.30	17.60	1.30	11.50	10.30	3,102,022,760	142,739,030	2,959,283,730	2.92%
2003	61.50	17.90	1.50	8.90	10.20	2,947,077,540	71,826,520	2,875,251,020	1.06%
2002[1]	61.00	17.40	1.90	9.10	10.60	2,934,401,850	89,196,060	2,845,205,790	18.95%
2001	55.90	20.10	1.20	10.70	12.10	2,497,532,520	105,522,930	2,392,009,590	1.90%

[1] *Revaluation.*

Source: City of Bristol, City Assessor.

Exempt Property
Assessed Value as of October 1, 2010

The following categories of exempt properties are not included in the Grand List:

Public		***Assessed Value***
State of Connecticut	$	7,334,360
City of Bristol		206,212,920
United States of America		8,400,490
Sub-Total Public	$	221,947,770
Private		
Recreation Facilities	$	2,753,240
Churches		32,761,680
Hospitals and Sanitariums		58,287,320
Veterans' Organizations		732,900
Scientific, Educational, Historical and Charitable		18,644,870
Cemeteries		2,211,230
Sub-Total Private	$	115,391,240
Total Tax Exempt Property	$	337,339,010
Percent Compared to Net Taxable Grand List[1]		7.26%

[1] *Based on a Net Taxable Grand List as of October 1, 2010 of $4,644,114,249.*

Source: City of Bristol, Assessor.

Ten Largest Taxpayers

Name	Nature of Business	Taxable Valuation	Percent of Net Taxable Grand List [1]
ESPN (Entertainment & Sports TV) [2]………..	Broadcasting Facility Headquarters	$ 289,978,740	6.24%
Covanta Inc. …………………………………	Solid Waste Facility	42,723,230	0.92%
Bristol Center…………………………………	Real Estate Holding Company	34,424,950	0.74%
Connecticut Light & Power Co. ……………..	Utility	33,370,190	0.72%
Carpenter Realty Company ……………………	Real Estate Holding Company	24,102,040	0.52%
Federal Realty Investment Trust …………….	Shopping Plaza	22,520,350	0.48%
Win Stanley Enterprises………………………	Office / Industrial Complex	18,232,200	0.39%
Lake Compounce………………………………	Amusement Park	17,787,250	0.38%
Elk Bristol Annex LLC / Elias Kalimian…….	Shopping Center	16,664,200	0.36%
Theis Precision Steel…………………………	Commercial & Industrial	15,710,480	0.34%
Total ………………………………………………		$ 515,513,630	11.09%

[1] *Based on a Net Taxable Grand List as of October 1, 2010 of $4,644,114,249.*

[2] *The Walt Disney Company owns 80% and the Hearst Corporation owns 20% of ESPN, Inc. The Walt Disney Company is traded on the New York Stock Exchange, and the Hearst Corporation is privately-held.*

Source: City of Bristol, Assessor.

Property Tax Levies and Collections

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Adjusted Annual Levy	Percent Collected at End of Fiscal Year	Uncollected: Percent of Annual Levy Uncollected at End of Fiscal Year	Uncollected: Percent of Annual Levy Uncollected as of 6/30/10
2009	2011 [2]	$4,644,302,964	27.24	$116,072,405		*IN COLLECTION*	
2008	2010	4,627,187,840	25.99	110,504,691	98.32	1.68	1.68
2007 [1]	2009	4,614,576,930	25.99	110,667,948	98.15	1.85	0.51
2006	2008	3,040,666,230	34.71	106,591,042	98.10	1.90	0.08
2005	2007	2,985,956,800	34.21	101,682,014	97.94	2.06	0.07
2004	2006	2,959,283,730	33.33	98,632,926	98.11	1.89	0.05
2003	2005	2,875,251,020	32.83	95,389,437	97.81	2.19	0.04
2002 [1]	2004	2,845,205,790	30.93	88,824,439	97.65	2.35	0.05
2001	2003	2,392,009,590	32.25	77,983,080	97.34	2.66	0.05
2000	2002	2,346,737,530	30.50	72,315,000	97.07	2.93	0.05

[1] *Revaluation .*

[2] *Subject to audit .*

Source: City of Bristol, Tax Collector.

Property Taxes Receivable
Last Five Fiscal Years
(In Thousands)

As of June 30	Total Uncollected Taxes	Current Year Levy
2010	$3,001	$1,656
2009	3,924	2,005
2008	3,602	2,012
2007	3,949	2,124
2006	3,979	1,883

V. Debt Summary

Long-Term Debt

As of August 24, 2011
Principal Only
(Pro-Forma)

Date	Purpose	Rate %	Amount of Original Issue	Amount Outstanding	Date of Fiscal Year Maturity
12/15/93	Refunding Bonds - Sewer	3.25-5.40	$ 1,490,000	$ 190,000	2013
05/15/95	Water.[1].......................................	4.90-6.00	1,640,000	300,000	2014
06/30/02	Clean Water PLO (415-D/C)	2.00	1,409,533	761,959	2021
06/30/02	Clean Water PLO (498-D/C)	2.00	1,483,380	801,879	2021
12/31/03	Clean Water PLO (504-C)	2.00	1,488,101	912,930	2022
10/15/04	General Purpose	3.00-5.00	22,365,000	3,945,000	2022
10/15/04	Water [1]..	3.00-5.00	600,000	105,000	2022
11/30/04	Clean Water PLO (562-C)	2.00	693,527	455,549	2023
06/15/05	Refunding Bonds – Schools	3.00-5.00	10,635,000	7,690,000	2019
06/15/05	Refunding Bonds – Water..[1]..............	2.70-5.00	2,315,000	1,210,000	2017
05/31/06	Clean Water PLO (464-C)	2.00	470,225	363,825	2026
12/01/06	General Purpose	3.50-5.50	10,006,000	1,250,750	2022
12/01/06	Schools	3.50-5.50	11,600,000	1,450,000	2022
12/01/06	Water [1]..	3.50-5.50	3,394,000	419,250	2022
02/15/09	General Purpose	2.00-4.00	8,515,000	7,445,000	2025
02/15/09	Schools	2.00-4.00	385,000	335,000	2025
06/15/11	General Purpose	2.00-4.00	8,637,000	8,637,000	2031
06/15/11	Schools	2.00-4.00	25,550,000	25,550,000	2031
06/15/11	Sewer	2.00-4.00	5,400,000	5,400,000	2031
06/15/11	Water [1]..	2.00-4.00	813,000	813,000	2031
Total Outstanding Long-Term Debt..............................			$ 118,889,766	$ 68,036,142	
This Issue					
08/24/11	General Purpose		$ 15,589,000	$ 15,589,000	2023
08/24/11	Schools		6,234,000	6,234,000	2023
08/24/11	Water		2,112,000	2,112,000	2023
Total This Issue...			$ 23,935,000	$ 23,935,000	
Grand Total..			$ 142,824,766	$ 91,971,142	

[1] *The City has a Memorandum of Agreement and Understanding regarding the financing commitment of the Water Department to ensure the self-funding of the Water Department's debt.*

Note: Effective July 1, 1990, the City's debt service for general obligation sewer bonds is paid completely from the General Fund.

Short-Term Debt

As of August 24, 2011

The City has short-term debt outstanding as follows:

Project	Amount Authorized	Notes Due 7/30/12
Bristol Centre Mall Demolition/Abatement.........	$ 3,500,000	$ 1,135,000
Bristol Centre Mall Purchase/Legal.................	6,275,000	6,275,000
Totals	$ 9,775,000	$ 7,410,000

General Fund
Bonded Debt Maturity Schedule [1]
As of August 24, 2011
(Pro-Forma)

Fiscal Year	Principal	Interest	Total	Pro-forma: This Issue Pub. Imp.	Pro-forma: This Issue Schools	Pro-forma: This Issue Total	Cumulative Principal Retired
2012 [2]	$ 3,172,637	$ 1,556,245	$ 4,728,882	$ -	$ -	$ -	3.65%
2013	6,645,754	2,086,487	8,732,241	-	-	-	11.28%
2014	6,556,315	1,826,002	8,382,316	-	-	-	18.82%
2015	3,906,613	1,616,948	5,523,560	1,876,000	690,000	2,566,000	26.26%
2016	3,907,400	1,471,340	5,378,740	1,874,000	688,000	2,562,000	33.69%
2017	3,908,305	1,331,377	5,239,681	1,871,000	691,000	2,562,000	41.13%
2018	3,887,328	1,213,302	5,100,630	1,873,000	693,000	2,566,000	48.55%
2019	3,878,474	1,104,216	4,982,690	1,873,000	693,000	2,566,000	55.95%
2020	2,954,742	990,522	3,945,265	1,868,000	693,000	2,561,000	62.29%
2021	2,961,139	893,188	3,854,327	1,875,000	695,000	2,570,000	68.65%
2022	2,792,077	806,360	3,598,437	1,882,000	698,000	2,580,000	74.82%
2023	2,750,240	720,410	3,470,650	597,000	693,000	1,290,000	79.47%
2024	2,682,653	632,914	3,315,567	-	-	-	82.55%
2025	2,665,913	542,377	3,208,291	-	-	-	85.61%
2026	2,104,304	448,023	2,552,327	-	-	-	88.03%
2027	2,083,000	372,336	2,455,336	-	-	-	90.42%
2028	2,083,000	291,620	2,374,620	-	-	-	92.82%
2029	2,083,000	208,300	2,291,300	-	-	-	95.21%
2030	2,083,000	124,980	2,207,980	-	-	-	97.61%
2031	2,083,000	41,660	2,124,660	-	-	-	100.00%
Total…..	$ 65,188,892	$ 18,278,609	$ 83,467,501	$ 15,589,000	$ 6,234,000	$ 21,823,000	

[1] *Includes debt service related to Clean Water Fund Loans from the State of Connecticut outstanding as of August 24, 2011 but excludes self-supporting water debt and refunded bonds.*

[2] *Excludes $1,372,666 of principal and $208,081 of interest paid between July 1, 2011 and August 24, 2011.*

Note: Effective July 1, 1990, the City's debt service for general obligation sewer bonds is paid completely from the General Fund.

Self-Supporting Water Debt Maturity Schedule
As of August 24, 2011
(Pro-Forma)

Fiscal Year	Principal [2]	Interest [2]	Total	Pro-forma: This Issue Water	Cumulative Principal Retired
2012 [1]	$ 340,000	$ 99,513	$ 439,513	$ -	6.86%
2013	594,625	97,949	692,574	-	18.85%
2014	594,625	69,072	663,697	-	30.84%
2015	245,000	44,770	289,770	234,000	40.50%
2016	245,000	33,970	278,970	238,000	50.23%
2017	240,000	24,563	264,563	238,000	59.87%
2018	42,000	19,635	61,635	239,000	65.54%
2019	42,000	18,585	60,585	239,000	71.21%
2020	42,000	17,115	59,115	239,000	76.87%
2021	42,000	15,645	57,645	240,000	82.56%
2022	42,000	14,385	56,385	240,000	88.24%
2023	42,000	13,125	55,125	205,000	93.22%
2024	42,000	11,839	53,839	-	94.07%
2025	42,000	10,474	52,474	-	94.92%
2026	42,000	9,030	51,030	-	95.77%
2027	42,000	7,508	49,508	-	96.61%
2028	42,000	5,880	47,880	-	97.46%
2029	42,000	4,200	46,200	-	98.31%
2030	42,000	2,520	44,520	-	99.15%
2031	42,000	840	42,840	-	100.00%
Total…..	$ 2,847,250	$ 520,616	$ 3,367,866	$ 2,112,000	

[1] *Excludes $209,625 of principal and $13,625 of interest paid between July 1, 2011 and August 24, 2011.*

[2] *Excludes Refunded Bonds.*

Overlapping/Underlying Debt

The City of Bristol has neither overlapping nor underlying debt.

THE CITY OF BRISTOL HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.

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Debt Statement
As of August 24, 2011
Principal Only
(Pro Forma)

Long-Term Debt Outstanding:	
General Purpose (Including This Issue)	$ 36,866,750
Schools (Including This Issue)	41,259,000
Sewers	8,886,142
Water (Including This Issue)	4,959,250
Total Long-Term Debt	91,971,142
Short-Term Debt	7,410,000
Total Direct Debt	99,381,142
Less: Amount to be provided by the State for school construction [1]	-
Self Supporting Water Debt [2]	(4,959,250)
Total Net Direct Debt	94,421,892
Plus: Overlapping/Underlying Debt	-
Total Overall Net Debt	$ 94,421,892

[1] *The State of Connecticut Bureau of School Building Grants reimburses municipalities for eligible principal and interest costs over the life of any bonds issued for projects authorized by the Connecticut General Assembly prior to July 1, 1996. The City does not expect to receive any principal reimbursement from the State of Connecticut under this program going forward.*

[2] *The City has a Memorandum of Agreement and Understanding regarding the financing commitment of the Water Department to ensure the self-funding of the Water Department's debt.*

Current Debt Ratios
As of August 24, 2011
(Pro Forma)

Population (2010) [1]	60,477
Net Taxable Grand List (10/1/10) [2]	$ 4,644,114,249
Estimated Full Value (70%)	$ 6,634,448,927
Equalized Grand List (10/1/08) [3]	$ 6,164,454,137
Income per Capita (1990) [1]	$ 16,909
Income per Capita (2000) [1]	$ 23,362

	Total Direct Debt $99,381,142	***Total Net Direct Debt $94,421,892***	***Total Overall Net Debt $94,421,892***
Per Capita	$ 1,643.29	$ 1,561.29	$ 1,561.29
Ratio to Net Taxable Grand List	2.14%	2.03%	2.03%
Ratio to Estimated Full Value	1.50%	1.42%	1.42%
Ratio to Equalized Grand List	1.61%	1.53%	1.53%
Debt per Capita to Income per Capita (1990)	9.72%	9.23%	9.23%
Debt per Capita to Income per Capita (2000)	7.03%	6.68%	6.68%

[1] *U.S. Department of Commerce, Bureau of Census.*
[2] *Revalued: October 1, 2007.*
[3] *Office of Policy and Management, State of Connecticut.*

Bond Authorization Procedure

Authorization to incur indebtedness through the issuance of bonds or notes must be approved by the Board of Finance which has the sole power by Charter to determine the necessity for and manner of issuing bonds by the City of Bristol. Special appropriations which are financed by bond issues must be approved by the Board of Finance and the Joint Board.

Temporary Financing

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

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

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

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

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Statement of Debt Limitation
As of August 24, 2011
(Pro Forma)

Total Tax Collections (including interest and lien fees) for the year ended June 30, 2011 (unaudited)......	$115,952,147
Reimbursement for Revenue Loss on Tax Relief for Elderly-Freeze (unaudited)	10,000
Base	$115,962,147

	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension
Debt Limitation :					
2 1/4 times base........................	260,914,831	-	-	-	-
4 1/2 times base........................	-	521,829,662	-	-	-
3 3/4 times base........................	-	-	434,858,051	-	-
3 1/4 times base........................	-	-	-	376,876,978	-
3 times base............................	-	-	-	-	347,886,441
***Total Debt Limitation*....................**	260,914,831	521,829,662	434,858,051	376,876,978	347,886,441
Indebtedness:					
Outstanding Debt: [1]					
Bonds Payable..........................	21,277,750	35,025,000	8,886,142	-	-
Bonds of This Issue....................	15,589,000	6,234,000	-	-	
Notes	7,410,000	-	-	-	-
Bonds Authorized But Unissued ...[2]	8,092,850	102,436,481	450,000	-	-
***Total Indebtedness*......................**	52,369,600	143,695,481	9,336,142	-	-
Less School Construction Grants...[3]	-	-	-	-	-
***Total Net Indebtedness For Debt Limitation Calculation*................**	52,369,600	143,695,481	9,336,142	-	-
***DEBT LIMITATION IN EXCESS OF INDEBTEDNESS*..................**	$208,545,231	$378,134,181	$425,521,909	$ 376,876,978	$347,886,441

[1] *Because water debt is excludable from the calculation of debt limitation as allowed by Connecticut General Statutes, excluded from above is $2,847,250 of water bonds outstanding, $2,185,000 of water bonds of this issue and $8,000 of authorized but unissued water debt.*

[2] *Amount authorized but unissued for school projects has been reduced by grants received from the State of Connecticut. For school projects authorized by the General Assembly after July 1, 1996, a bond authorization is required for the portion of the project that is eligible for state grants.*

[3] *The State of Connecticut Bureau of School Building Grants reimburses municipalities for eligible principal and interest costs over the life of any bonds issued for projects authorized by the Connecticut General Assembly prior to July 1, 1996. The City does not expect to receive any principal reimbursement from the State of Connecticut under this program going forward.*

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or $811,735,029.

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Authorized but Unissued Debt
As of August 24, 2011
(Pro Forma)

Project	Authorized Amount	Debt Previously Issued	Notes Due: 7/30/12	Authorized but Unissued	Estimated Grants or Other Funds to Reduce Bond Authorization
Revitalization of Public Parks…………………………	$ 684,700	$ 675,000	$ -	9,700 [2]	$ -
Main Street Culvert Replacement……………………	800,000	650,000	-	150,000 [2]	-
Matthews Street Culvert Replacement………………	480,000	472,120	-	7,880 [2]	-
North Creek Storm Drainage Repair…………………	700,000	650,000	-	50,000 [2]	-
Reconstruction of Willis Street………………………	350,000	340,000	-	10,000 [2]	-
Camp Street Reconstruction…………………………	102,000	95,000	-	7,000 [2]	-
Bristol Centre Mall Purchase/Legal…………………	6,275,000	-	6,275,000	-	-
Bristol Centre Mall Demolition/Abatement…………	3,500,000	-	1,135,000	2,365,000	-
Forestville K-8 School………………………………	53,000,000	12,650,000	-	40,350,000	39,182,900
West Bristol K-8 School……………………………	52,000,000	12,900,000	-	39,100,000	38,443,600
Bristol Eastern High School………………………..	21,200,000	10,455,000	-	3,202,366 [1, 2]	3,202,366
Bristol Central High School………………….	18,000,000	8,435,000	-	2,483,907 [1, 2]	2,483,907
Mountain View School……………….……………	14,250,945	5,700,300	-	8,550,645 [2]	8,550,567
Ivy Drive School……………………………………	14,249,055	5,699,700	-	8,549,355 [2]	8,549,433
Downtown Revitalization Phase I……………………	4,200,000	1,685,000	-	2,515,000 [2]	2,000,000
Perkins Street Reconstruction………………………	2,318,000	2,200,000	-	118,000 [2]	243,826
Bristol Eastern High School Roof…………………	1,500,000	520,000	-	200,208 [1, 2]	200,208
West Washington St. Bridge Improvements………	1,175,000	797,880	-	377,120 [2]	377,120
Brackett Park Improvements………………………	900,000	875,000	-	25,000 [2]	-
Stafford Avenue and Milton Road Sidewalks..……	540,000	500,000	-	40,000 [2]	-
Kilmartin Sewers…………………………………...…	450,000	-	-	450,000	-
Reconstruction of Waterbury Road- Design ………	60,000	-	-	60,000	-
Sediment Control Structures- Pequabuck River …..	20,000	-	-	20,000	-
Fire Department Architectural Study- E4 …………	400,000	-	-	400,000	-
Frederick Street/Coppermine Engineering Study….	81,000	-	-	81,000	-
Marsh Road Reconstruction ………………………	650,000	504,000	-	146,000 [2]	-
Radio System Upgrade Z" release Smartzone …….	243,610	243,000	-	610 [2]	-
HJ Mills Parking Lot Construction …………………	880,000	-	-	880,000	-
Broad Street Pump Station Force Main ……………	5,460,000	5,400,000	-	60,000	-
Water Storage Tank Replacement …………………	821,000	813,000	-	8,000	-
Bike Trail……………………………………………	405,040	-	-	405,040 [2]	-
Merrill Court Improvements………………………	360,500	255,000	-	105,500 [2]	80,500
Vincent Road Storm Drainage………………………	240,000	180,000	-	60,000 [2]	-
Public Works Garage Design………………………	120,000	-	-	120,000	-
South Street Widening………………………………	80,000	-	-	80,000	-
Total…………………………………………………	$ 206,495,850	$ 72,695,000	$ 7,410,000	110,987,331	$ 103,314,427

[1] *Reduced by grants for school construction received from the State of Connecticut.*

[2] *The City does not expect to issue the balance of this appropriation.*

Principal Amount of Outstanding Debt [1]

Last Five Fiscal Years

General Obligation Bonds Payable From:	2010	2009	2008	2007	2006
General Fund [2]	$50,640,000	$54,950,000	$50,731,000	$ 55,416,000	$ 38,665,000
Water Enterprise Fund [3]	5,000,000	-	6,109,000	7,034,000	4,355,000
Sub-Total	55,640,000	54,950,000	56,840,000	62,450,000	43,020,000
Short-Term Debt					
Bond Anticipation Notes	7,410,000	7,410,000	-	-	11,000,000
Total	$ 7,410,000	$ 7,410,000	$ -	$ -	$ 11,000,000

[1] *Amounts rounded.*

[2] *Excludes Clean Water Fund Loans.*

[3] *The City has a memorandum of agreement and understanding regarding the financing commitment by the Water Department to ensure the self-funding of the Water Department's debt.*

Ratio of Net Long-Term Debt to Valuation, Population and Income

Fiscal Year Ended 6/30	Net Assessed Value (000s)	Estimated Full Value (000s)	Net Long-Term Debt [1]	Ratio of Net Long-Term Debt to Assessed Value	Ratio of Net Long-Term Debt to Estimated Full Value	Population [2]	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Per Capita Income [3]
2010	$4,627,188	$ 6,610,268	$ 50,640	1.09%	0.77%	60,477	$ 837.34	3.58%
2009	4,614,577	6,592,253	54,950	1.19%	0.83%	60,927	901.90	3.86%
2008	3,040,666	4,343,809	50,731	1.67%	1.17%	60,927	832.65	3.56%
2007	2,985,957	4,265,653	55,416	1.86%	1.30%	60,911	909.79	3.89%
2006	2,959,284	4,227,548	38,665	1.31%	0.91%	61,258	631.18	2.70%

[1] *Exclusive of water debt and school building grants receivable.*

[2] *U.S. Department of Commerce, Bureau of Census, 2010. State of Connecticut, Department of Public Health. 2006-2009.*

[3] *Income per Capita: $23,362 U.S. Department of Commerce, Bureau of Census, 2000*

Ratio of Annual Debt Service Expenditures for Total Long-Term Debt to General Fund Expenditures (GAAP Basis)

(In Thousands)

Fiscal Year Ended 6/30	Principal	Interest	Total Debt Service [1]	Total General Fund Expenditures [2]	Ratio of General Fund Debt Service To Total General Fund Expenditures
2011 [3]	$4,310	$1,940	$6,250	$173,739	3.60%
2010	4,310	2,218	6,528	179,750	3.63%
2009	4,681	1,929	6,610	182,895	3.61%
2008	4,686	2,207	6,893	203,630	3.39%
2007	4,855	1,507	6,362	165,032	3.86%

[1] *Excludes the Water Department's debt accounted for in the Enterprise Fund.*

[2] *Includes General Fund Expenditures and Transfers-Out.*

[3] *Budgetary Basis.*

Source: City of Bristol, Audit Reports 2007-2010. Comptroller's Office, 2011.

VI. Financial Administration

Audit

The City of Bristol, pursuant to local ordinance and provisions of the Connecticut General Statutes (Chapter 111), is required to undergo an annual audit by an independent public accountant. The auditor, appointed by the Board of Finance, is required to conduct the audit under the guidelines outlined by the Office of Policy and Management, which also receives a copy of the audit report. For fiscal year ended June 30, 2010, the financial statements of the various funds of the City were audited by Blum Shapiro & Company Certified Public Accountants, West Hartford, Connecticut.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada ("GFOA") presents a Certificate of Achievement for Excellence in Financial Reporting Award to those applicants who conform to the program's requirements. The award is valid for one year only.

In order to be awarded the Certificate of Achievement for Excellence in Financial Reporting, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The City has not only received the Certificate of Conformance (previous name of award before 1986) for past financial reports, but the City also has received the Certificate of Achievement for Excellence in Financial Reporting for its annual financial report for the last twenty five consecutive years including the June 30, 2010 report.

The City feels confident that it meets the program requirements for the award and will continue to participate in the Certificate of Achievement for Excellence in Financial Reporting Program.

Award for Distinguished Budget Presentation

The GFOA presented the Distinguished Budget Presentation Award, which is the highest form of recognition in governmental budgeting, to the City of Bristol for the eleventh consecutive year for its annual budget for fiscal year ending June 30, 2010. This award reflects the commitment of the governing body and its staff towards meeting the highest principles of governmental budgeting.

The City feels confident that it meets the program requirements for this award, and will continue to participate in the Distinguished Budget Presentation Award Program.

Award for Outstanding Achievement in Popular Annual Financial Reporting

The GFOA presented the Award for Outstanding Achievement in Popular Annual Financial Reporting for the eleventh consecutive year to the City for the Popular Annual Financial Report for the fiscal year ending June 30, 2010. This award recognizes the recipient's conformance with the highest standards for preparation of state and local government popular reports.

The City feels confident that it meets the program requirements for the award, and will continue to participate in the Outstanding Achievement in Popular Annual Financial Reporting Award Program.

Budget Procedure

The Board of Finance is the budget making authority for the City. The Board annually adopts a budget calendar outlining the budget process timetable which is summarized below:

Early February	All City Agencies, Boards, Commissions and Departments submit their estimates for receipts and expenditures.
Middle February to Early April	Board of Finance holds hearings and budget workshops.

15 Days Prior to 3rd Monday in May or 1st Friday in June, whichever is applicable .... Board of Finance must adopt a budget and deliver to Council.

Seven Days Prior to 3rd Monday in May .... Publish the budget in a newspaper.

3rd Monday in May or 1st Friday in June, as applicable .... Board of Finance and City Council (Joint Board) meet on budget (they may modify only) and adopt tax rate.

The Charter requires that the adopted budget have a balanced relationship between revenues and expenditures as well as the inclusion of pension contributions and debt service requirements. Once adopted, transfers may be authorized by the Board of Finance and, if in excess of $5,000, transfers must also be approved by the Joint Board. Additional appropriations require Board of Finance and Joint Board approval. The only exception to the above involves appropriations from the Reserve Fund for Capital and Nonrecurring Expenditures under the provisions of Chapter 108 of the Connecticut General Statutes. Appropriations are made based on recommendation of the Board of Finance and approval by the legislative body, the City Council.

Five-Year Capital Improvement Program Summary

Proposed Projects	***2011-12***	***2012-13***	***2013-14***	***2014-15***	***2015-16***	***Total***
ADA Committee..............	$ -	$ 50	$ 50	$ -	$ -	$ 100
Board of Education	-	-	298	660	-	958
Bristol Dev. Authority	-	200	2,000	-	-	2,200
Information Systems	-	-	100	100	-	200
Fire Department	-	1,800	1,800	2,500	2,500	8,600
Parks & Recreation	990	2,780	2,975	1,500	775	9,020
Police Department	-	-	-	-	-	-
Public Works	4,931	5,967	4,217	6,860	7,460	29,435
Water Pollution Control......	170	14,900	1,400	800	-	17,270
Water Department	-	1,000	1,000	1,004	-	3,004
TOTAL	$ 6,091	$ 26,697	$ 13,840	$ 13,424	$ 10,735	$ 70,787
Funding Sources						
General Fund Cash...........	$ 320	$ 400	$ 458	$ 480	$ 500	$ 2,158
State & Federal Aid	410	5,000	500	500	500	6,910
WPC CNR Fund.............	170	400	600	800	-	1,970
Other Funds...................	-	-	-	20	-	20
Bonds	5,191	20,897	12,282	11,624	9,735	59,729
TOTAL	$ 6,091	$ 26,697	$ 13,840	$ 13,424	$ 10,735	$ 70,787

Insurance & Risk Management

In the early 1970s the City of Bristol acquired all of its insurances through a local insurance association. In the middle 1970s, the City ceased this practice and started a practice of selection of qualified agents and brokers to secure and market the City's insurance needs. In the early 1980s, the City hired an insurance consultant through the Request for Proposal (RFP) process to assist the City in identifying exposures and recommend types of insurance to be secured. The selection process for the consultant and qualified brokers is repeated every four to five years.

In 1985, the City established a Workers' Compensation self-insurance program to be administered by a third party, Constitution State Services Co. (Travelers). The program ran through June 30, 1988. The program was terminated due to lack of adequate availability of excess liability insurance for self-insured. This Self-Insurance Fund will be maintained until all outstanding claims are closed. After a thorough analysis between the City's legal department and Travelers, it was determined that $150,000 should be sufficient funding for all open claims. A periodic review is conducted to ensure adequate funding, therefore, as of June 30, 2010, a balance of $163,000 was available to pay claims.

Starting in 1988, in addition to use of the private sector insurers, the City utilized a Municipal Insurance Pool operated by Connecticut Interlocal Risk Management Association ("CIRMA"). The use of both the private sector and the Municipal Insurance Pool made for better competition at the time.

Due to rising insurance rates, the Board of Finance decided in July 2003 to self-insure its Workers' Compensation program. The program is administered by a third party, PMA Management Corp. of New England.

The City constantly analyzes the advantages of self-insurance and identifying programs for self-insurance.

In September 1988, the decision was also made to self-insure the City's Hospital, Medical Surgical, Dental and Major Medical Benefits. A Special Fund was established for this program. An internal service fund was then established for this program in 1993. Effective July 1, 2010 the administrators of the plans changed to Cigna for medical and Medco for prescription from Anthem Blue Cross/Blue Shield. The firm of AON Hewitt is the City's consultant for this program. As of June 30, 2010 the Health Insurance Benefit Fund had an excess of over $4,009,000 which was available.

The City of Bristol has not had any problems in securing or meeting its insurance needs.

Investment Practices for Operating Funds

The City's operating and working capital funds are invested at the direction of the City Treasurer in the following short-term investments: (1) various certificates of deposit with Connecticut banks; (2) overnight repurchase agreements collateralized by U.S. government agency obligations such as Federal Home Loan Mortgage Corporation which are valued daily; and (3) overnight U.S. Treasury obligations.

In addition, the City monitors the risk based capital ratios and collateral requirements of the qualified public depositories, as defined by the Connecticut General Statutes, Section 36-382, for which it places deposits or makes investments.

Eligible investments for Connecticut municipalities are governed by the Connecticut General Statues, including Section 7-400 and 7-402. Please refer to Note 15 in the Comprehensive Annual Financial Report for Fiscal Year ended June 30, 2010.

Investment Practices for Pension Plans

The City provides three pension plans which cover substantially all employees of the City. In 1969 the City adopted the Retirement Ordinance, as provided by the City Charter, amended 1969. The pension plan provides retirement systems for Bristol's municipal employees, Police and Firefighters. It also empowers the Retirement Board and the Boards of Trustees of the Police and Firefighters' Benefit Funds to oversee the management and administration of the funds. Teachers are covered under the Connecticut State Teachers' Retirement System.

The Retirement Ordinance establishes that decision-making authority regarding investments is entrusted to the Pension Boards ("Boards"), while the City Treasurer and Comptroller, as Custodian and Secretary of the Municipal Employees' fund, respectively, and the Treasurer and Mayor, as custodians of the Police and Firefighters' Benefit Funds, respectively, carry out the directives of the three Pension Boards.

Investment Objectives and Guidelines

A. Philosophy

The Boards are to follow generally accepted mandates comparable to the Employee Retirement Income Security Act ("ERISA"). The policy's purpose for the investment of the funds is to provide benefits to the participants and their beneficiaries of the pension plan and to defray reasonable expenses for the administration of the plan.

B. Investment Objectives

These objectives relate to the total fund as it relates to all of the various managers that have responsibility for managing the assets of the fund.

1. To achieve a favorable relative return on the total funds invested, as compared with the inflation rate, the common stock market, the bond market, real estate market, cash equivalents and other similar funds with similar objectives.
2. Long-term growth and preservation of capital.
3. An average absolute rate of return of 8.0% per year over a five year period.
4. While income is currently not required, nor is it expected to be required for the foreseeable future, an overall target yield of 3 to 5% per annum is desired.

C. Investment Guidelines - Asset Allocation

The general asset mix of the total portfolio should be as indicated below:

	Maximum	Target	Minimum
Fixed Income	50%	30%	25%
High Quality	50	25	25
International	10	2.5	0
High Yield	10	2.5	0
Common Stocks	75	60	35
Large Capitalization	45	25	10
Mid-Capitalization [1]	20	7.5	5
Small Capitalization [1]	20	7.5	5
International [2]	20	15	5
Real Estate Investment Trusts	7.5	5	0
Alternative Investments [3]	15	10	0

[1] *Small Capitalization and Mid-Capitalization equities are to be combined for their percentage allocation in the total portfolio.*

[2] *Included as part of the International asset class shall be an allocation to emerging markets.*

[3] *Alternative Investments shall include Hedge Funds, Venture Capital, Private Equity and Real Estate Investment Trusts.*

D. Permissible Investments

Common Stocks, Real Estate, Convertible Securities, Preferred Stock, Corporate Bonds (investment grade or better, unless otherwise specified), U.S. Government Bonds & Agencies of the U.S. Government, Commercial Paper, Money Market Funds, Participating Mortgages, Zero Coupon Bonds (Government & Corporate), Limited Partnerships, Mutual Funds, and Foreign Stocks and Bonds.

E. Prohibited Transactions

Selling Short, Commodities, Letter or Restricted Securities, Naked Options, Options and Futures.

F. Investment Managers

Investment managers are hired to diversify risk and add complimentary investment styles. Each manager is provided a copy of the general guidelines and policies of the Board with regard to the total fund and to their particular role if multiple managers are being used.

G. Periodic Reviews

The Board meets with each manager, consultant, actuary and custodian periodically. Each manager is interviewed at least once a year or more frequently, if necessary. The managers' strategy is discussed relative to the current environment.

City Retirement System

The actuarial firm of Milliman, Inc. performs an annual valuation for all the City retirement plans. Following is an outline of the assumptions and valuation methods used for the plans from the June 30, 2010 actuarial reports:

Interest: 8% compounded annually.

Employee Turnover: Termination rates illustrated as follows are assumed:

Age	Percent
20	6.0
25	6.0
30	4.0
35	3.0
40	2.0
45	1.0
50	0.0

Salary Scale: It is assumed that salaries will increase by 3.25%, plus 1.75% per year for promotion or merit increase compounded annually to retirement date.

Retirement Age: According to the Rule of 80 but not before age 55, unless age and service is equal to 85.

Disability: 1985 Pension Disability Table. Class 1 x 50%. 40% are assumed to be service-connected, and 60% are assumed to be non-service-connected.

Asset Valuation: Market Value appreciation or depreciation of assets is recognized over a four year period at 25% per year.

Actuarial Method: Projected Unit Credit Actuarial Cost Method for retirement benefits.

Police and Firefighter's Benefit Funds

The actuarial assumptions and actuarial cost method used to determine costs and actuarial liabilities under these Police and Firefighter's plans are as outlined below:

Mortality: UP-94 projected to the valuation year and 10 years with separate male and female tables.

Interest: 8% compounded annually.

Average Age at Retirement: When 25 years is completed for Police; and 25 years of service for Firefighters. Maximum age 65.

Expenses: Loading for estimated actuarial fees is included in Future Service recommended contributions. Loading equals 17% of payroll.

Termination of Employment: No discount for terminations is included in the actuarial assumptions.

Salary Scale: It is assumed that salaries will increase by 4% per year or merit increases plus 2.25% per year for promotion.

Pension Escalation: It is assumed that pensions will increase at a compound rate of 4.50% per annum.

Asset Valuation: Market value appreciation or depreciation of assets is recognized over a four year period at 25% per year.

Actuarial Cost Method: Projected Unit Credit Actuarial Cost Method.

Salary Basis: Base Pay.

	General Retirement System	Firefighter's Benefit Fund	Police Benefit Fund	Total
Cash & Securities:				
Adjusted Asset Value ………………	$ 202,903,999	$ 157,353,517	$ 172,814,049	$ 533,071,565
Market Value ………………………	180,300,034	140,560,083	154,398,873	475,258,990
Unfunded Actuarial Liability …………	46,758,871	94,847,832	(86,714,682)	54,892,021
Covered Payroll (est.) ……………………	30,783,005	5,274,545	8,377,025	44,434,575
Total Actuarial Liabilities ……………	156,145,128	62,505,685	86,099,367	304,750,180
Annual Pensions ……………………	9,251,000	3,017,000	3,448,000	15,716,000
City Contribution :				
Actual 2010-2011 …………………	-0-	-0-	-0-	-0-
Funded Ratio (Adjusted Asset Value to Total Actuarial Liabilities) ..	129.9%	251.7%	200.7%	

Education

Teachers and administrators, who belong to the retirement program provided by the State Teachers' Retirement Board, contribute 7.25% (6% + 1.25% health insurance). The State of Connecticut makes appropriations from the General Fund for its contributions to the Retirement Fund. The contributions are calculated using the terminal funding method. Neither the City of Bristol nor the Board of Education is required to contribute to the Fund.

Other Post-Employment Benefits

In addition to providing pension benefits, the City provides certain health care and life insurance benefits for retired employees in accordance with City Council resolutions and bargaining agreements. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. The cost of retiree health care benefits is recognized as an expenditure as claims are paid. For 2009-10, 246 retirees received these benefits with a cost to the City in the amount of $2,001,054 (amount not rounded).

The City has designated $1.1 million (amount not rounded) from the General Fund's unreserved fund balance for implementation of GASB 45.

The City commissioned the actuarial firm of Aon Hewitt to perform an analysis of its estimated basic liability for post-employment benefits as of June 30, 2010. The following is a summary of this analysis, dated December 2010.

Estimated Basic Liability Valuation: June 30, 2010	
Present Value of all Projected Benefits ("PVPB").[1]……………………	$ 120,700,875
Present Value of Benefits Earned to Date ("AAL")..………………	80,451,260
2009/2010 Annual Required Contribution (ARC").[2]…………………	9,322,264
2009/2010 Annual OPEB Cost………………………………………	9,157,427

Annual Required Contribution: June 30, 2010	
Normal cost at End of Year.[2]………………………………………	$ 3,939,616
AAL Amortization……………………………………………………	5,382,648
Total Annual Required Contribution………………………………	$ 9,322,264

[1] *As of 7/1/2009*

[2] *ARC reflects a 30-year, level amortization of the unfunded AAL.*

The City contributed $312,500 to OPEB for fiscal year 2010 and $390,625 for fiscal year 2011.

Four Year Summary of General Fund Revenues and Expenditures and Adopted Current Budget (Budgetary Basis)

(In Thousands)

	Budget 2012[1]	Est. Actual 2011[1]	Actual 2010	Actual 2009	Actual 2008
Revenues:					
Taxes and assessments	$ 116,174	$ 116,950	$ 110,760	$ 110,048	$ 105,498
Interest and lien fees	570	883	1,073	1,087	1,012
Licenses and permits	743	1,105	805	824	946
Intergovernmental	49,386	51,210	60,286	62,075	90,193
Charges for Services	2,984	2,908	4,149	3,778	4,237
Investment Income	105	153	271	960	2,067
Sale of property and equipment	50	20	-	-	-
Miscellaneous	1,135	622	834	793	1,009
Total Revenues	171,147	173,851	178,178	179,565	204,962
Expenditures:					
General government	5,638	5,450	5,775	6,257	6,278
Public safety	21,778	21,550	21,477	20,767	20,499
Public works	11,358	11,058	10,577	14,214	12,580
Health and Welfare	2,746	4,832	5,026	5,121	4,646
Libraries	2,004	1,987	1,971	1,958	1,980
Parks and Recreation	2,280	2,385	2,210	2,278	2,275
Education	83,050	86,000	95,615	96,364	121,810
Employee Benefits	5,516	4,897	2,637	2,702	2,892
Insurance	1,034	897	589	681	655
Miscellaneous	3,582	3,000	792	758	837
Total Expenditures	138,986	142,056	146,669	151,100	174,452
Operating Results	32,161	31,795	31,509	28,465	30,510
Other Financing Source (Uses):					
Operating transfers in & Other	3	338	2,053	1,868	1,787
Operating transfers (out)	(32,164)	(31,683)	(33,081)	(31,795)	(30,965)
Net Other Financing Sources (Uses)	(32,161)	(31,345)	(31,028)	(29,927)	(29,178)
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	N/A	450	481	(1,462)	1,332
Fund Balance, July 1	N/A	28,072	27,591	29,053	27,721
Fund Balance, June 30	N/A	$ 28,522	$ 28,072	$ 27,591	$ 29,053

Analysis of General Fund Equity

	Budget 2012[1]	Est. Actual 2011[1]	Actual 2010	Actual 2009	Actual 2008
Reserved for encumbrances	N/A	$ 350	$ 249	$ 496	$ 1,350
Reserved for landfill closure	N/A	510	500	502	509
Unreserved :					
Designated for subsequent year	N/A	750	875	2,895	1,120
Designated for specific projects & purposes	N/A	6,700	6,552	6,053	10,639
Undesignated	N/A	20,212	19,896	17,645	15,435
Total Fund Balance	N/A	$ 28,522	$ 28,072	$27,591	$29,053

[1] *Budgetary Basis. Subject to audit. No assurances can be given that subsequent projections and the final result of operations will not change.*

Enterprise Fund

The Enterprise Fund is used to account for the operations of the Bristol Water Department. These operations are financed and operated in a manner similar to that of a private business enterprise, utilizing the accrual basis of accounting, where the intent is that all costs (including depreciation), related to the provision of goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Statement of Revenues, Expenses and Changes in Fund Balance

(In Thousands)

	Actual 2010	Actual 2009	Actual 2008	Actual 2007	Actual 2006
Operating Revenues:					
Charges for services	$ 5,475	$ 5,264	$ 5,342	$ 5,297	$ 5,521
Miscellaneous	193	129	155	131	140
Total Operating Revenues	5,668	5,393	5,497	5,428	5,661
Operating Expenses:					
Source of supply	127	212	146	228	149
Pumping	250	307	261	214	208
Purification	1,028	1,171	1,055	1,018	903
Transmission and distribution	1,150	1,150	1,023	1,354	918
Customer accounts, administrative				1,860	1,672
and general	2,120	2,050	1,984		
Depreciation	775	852	808	805	829
Taxes other than income taxes	558	397	375	331	385
Loss on disposal	-	-	-	-	-
Total Operating Expenses	6,008	6,139	5,652	5,810	5,064
Operating Income (Loss)	(340)	(746)	(155)	(382)	597
Non-Operating Revenue (Expenses):					
Interest income (loss)	451	661	320	325	84
Interest expense	(186)	(251)	(226)	(246)	(210)
Other, net	-	-	-	-	-
Loss on disposal	(9)	(63)	(53)	(57)	(48)
Amortization of debt discount and expense	(5)	(5)	(5)	(41)	(41)
Total Non-Operating Revenues (Expenses)	251	342	36	(19)	(215)
Income (loss) before capital contribution and operating transfers	(89)	(404)	(119)	(401)	382
Capital Contribution	33	30	90	209	19
Change in Net Assets	(56)	(374)	(29)	(192)	401
Fund Balance, July 1	24,321	24,695	24,724	24,916	24,515[1]
Fund Balance, June 30	$ 24,265	$ 24,321	$ 24,695	$ 24,724	$ 24,916

[1] *As restated.*

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Bristol Water Department
Balance Sheet
June 30, 2010
(In Thousands)

Assets and Other Debits	
Current Assets:	
Cash and cash equivalents	$ 411
Investments	3,459
Receivables, net	1,068
Inventories	180
Other assets	-
Total Current Assets	5,118
Noncurrent Assets:	
Other deferred charges	18
Capital assets:	
Assets not being depreciated	2,750
Assets being depreciated, net	22,916
Total Noncurrent Assets	25,684
Total Assets	30,802

Liabilities, Equity and Other Credits	
Current Liabilities:	
Accounts and contracts payable	329
Payroll liabilities	97
Customer deposits	677
Deferred credits	21
Compensated absences	42
Bonds payable	550
Total Current Liabilities	1,716
Non-current Liabilities:	
Compensated absences	372
Bonds payable	4,449
Total Noncurrent Liabilities	4,821
Total Liabilities	6,537
Net Assets:	
Invested in capital assets, net of related debt	20,667
Unrestricted	3,598
Total Net Assets	24,265
Total Liabilities and Fund Equity	$ 30,802

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VII. Legal and Other Information

Litigation

It is the opinion of the City's Corporation Counsel, Edward C. Krawiecki, Jr., that pending litigation will not be finally determined so as to result individually, or in the aggregate, in final judgments against the City which would materially adversely affect its financial position.

Transcript and Closing Documents

Upon delivery of the Bonds, the Underwriter will be furnished with the following:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the levy or collection of taxes to pay them.

2. A Certificate on behalf of the City, signed by the Mayor, Chairman and Agent of the Board of Finance, and the Comptroller which will be dated the date of delivery and attached to a signed copy of the Official Statement, and which will certify, to the best of said officials' knowledge and belief, that on the date the Contract of Purchase is executed, the description and statements in the Official Statement relating to the City and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the City from that set forth in or contemplated by the Official Statement.
3. A receipt for the purchase price of the Bonds.
4. The approving opinion of Day Pitney LLP, Bond Counsel, of Hartford, Connecticut.
5. An executed Continuing Disclosure Agreement for the Bonds in substantially the form attached hereto as Appendix C to this Official Statement.
6. A copy of the Escrow Agreement pertaining to the Refunded Bonds.
7. Any other documents required by the Contract of Purchase for the Bonds.

A record of the proceedings taken by the City in authorizing the Bonds will be kept on file at the principal office of the Certifying Agent, U.S. Bank National Association, Goodwin Square, 23rd Floor, 225 Asylum Street, Hartford, Connecticut 06103 and may be examined upon reasonable request.

Concluding Statement

This Official Statement is not to be construed as a contract or agreement between the City and the purchaser or holders of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representation of fact, and no representation is made that any of such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provisions of law are subject to repeal or amendment.

Information herein has been derived by the City from official and other sources and is believed by the City to be reliable, but such information other than that obtained from official records of the City has not been independently confirmed or verified by the City and its accuracy is not guaranteed.

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

CITY OF BRISTOL, CONNECTICUT

/s/ *Art Ward*

ARTHUR WARD, *Mayor*

/s/ *Richard Miecznikowski*

RICHARD MIECZNIKOWSKI, *Chairman and Agent of the Board of Finance*

/s/ *Glenn S. Klocko*

GLENN S. KLOCKO, *Comptroller*

Dated: August 11, 2011

Appendix A

General Purpose Financial Statements
(Excerpted from the City's Comprehensive Annual Financial Report)

The following includes the General Purpose Financial Statements of the City of Bristol, Connecticut for the fiscal year ended June 30, 2010. The supplemental data which was a part of that report has not been reproduced herein. A copy of the complete report is available upon request from Matthew Spoerndle, Managing Director, Phoenix Advisors, LLC, 53 River Street, Suite #3, Milford, Connecticut. Telephone (203) 878-4945.

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29 South Main Street
P.O. Box 272000
West Hartford, CT 06127-2000
Tel 860.561.4000
Fax 860.521.9241
blumshapiro.com

2 Enterprise Drive
P.O. Box 2488
Shelton, CT 06484-1488
Tel 203.944.2100
Fax 203.944.2111
blumshapiro.com

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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, 2010, 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, 2010 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 27, 2010 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, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis on pages 3 through 14 and budgetary comparison information on pages 54 through 65 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 27, 2010

CITY OF BRISTOL, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2010

This discussion and analysis of the City of Bristol, Connecticut's ("City") financial performance is provided by management to provide an overview of the City's financial activities for the fiscal year ended June 30, 2010. Please read this MD&A in conjunction with the transmittal letter beginning on page 1 and the City's financial statements, Exhibits I to IX.

FINANCIAL HIGHLIGHTS

- The City's total net assets decreased by $4.9 million as a result of this year's operations. While net assets of our business-type decreased by $56 thousand, or less than one percent, net assets of our governmental activities decreased by $4.8 million, or 2%. Decreases were primarily due to depreciation expenses exceeding the aggregate acquisition of any new assets during the fiscal year and expenses exceeding actual revenues during the year.
- During the year, the City had expenses that were $4.9 million more than the $208.1 million generated in tax and other revenues for governmental programs and business activities. Revenues not exceeding expenses are clearly a result of a recessionary economy resulting in lower than expected revenues while maintaining budgeted expense service levels.
- In the City's business-type activities, revenues increased $68 thousand or 1.1% while expenses decreased by 3.9%. A slight decrease in user charges were offset by a doubling of current investment earnings over prior year results. The earnings were a result of high cash and reserve levels.
- Total cost of all of the City's programs was $213 million with no new programs added this year. This represents a $3.4 million reduction compared to fiscal year 2009. The reduction represents, in part, reduced budget appropriations and mid-year freezes in open employee positions and overtime.
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was $19.9 million, or 11.07% of general fund expenditures and transfers out.
- The tax collection rate was 98.32% of the current levy, which includes current interest and liens equaling last year's rate of 98.15%.
- The City designated $1.1 million 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. An additional $390 thousand is budgeted for OPEB designation in the 2010-2011 budget.
- The City of Bristol's total debt decreased by $5.1 million to $59.2 million or 7.9% during the current fiscal year. The key factors in this decrease were the scheduled debt service payments made and no new tax exempt long-term general obligation debt issuance. 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 non-financial 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 decreased from a year ago from $263.2 million to $258.3 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.

TABLE 1
NET ASSETS
(in thousands)

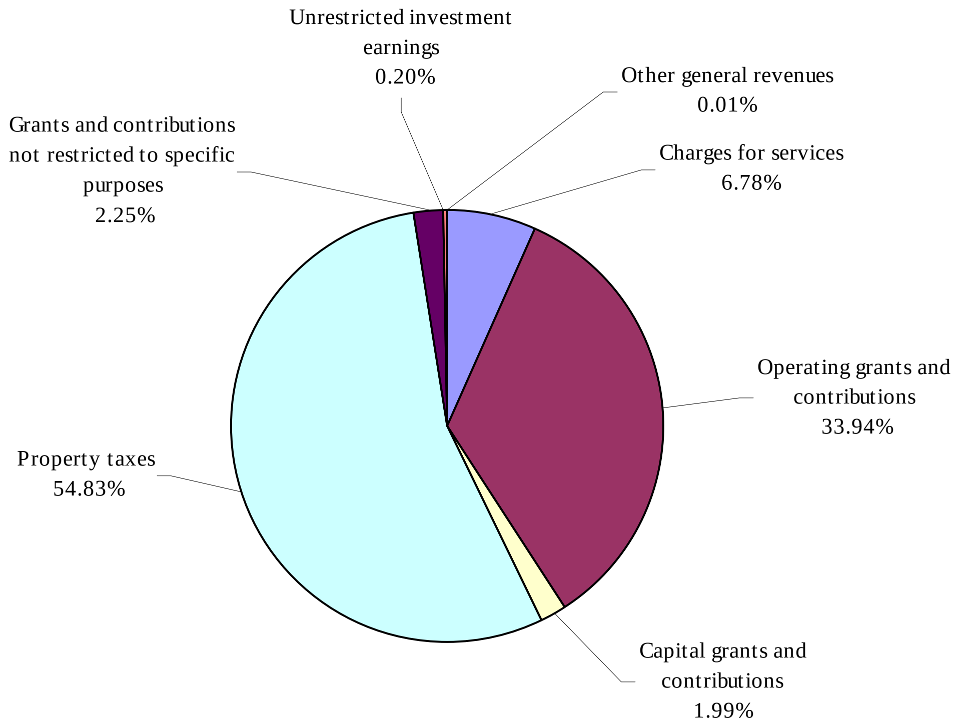
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	**2009**	**2010**	**2009**	**2010**	**2009**
Current assets	$ 81,783	$ 84,731	$ 5,136	$ 5,236	$ 86,919	$ 89,967
Capital assets, net of accumulated depreciation	267,905	267,760	25,666	26,141	293,571	293,901
Total assets	349,688	352,491	30,802	31,377	380,490	383,868
Long-term liabilities outstanding	88,330	87,145	5,413	5,986	93,743	93,131
Other liabilities	27,258	26,428	1,124	1,070	28,382	27,498
Total liabilities	115,588	113,573	6,537	7,056	122,125	120,629
Net Assets:						
Invested in capital assets, net of related debt	206,272	201,557	20,667	20,592	226,939	222,149
Restricted	655	557			655	557
Unrestricted	27,173	36,804	3,598	3,729	30,771	40,533
Total Net Assets	$ 234,100	$ 238,918	$ 24,265	$ 24,321	$ 258,365	$ 263,239

Net assets of the City's governmental activities decreased by 2 % or $234.1 million compared to a prior $238.9 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 $27.2 million at the end of this year. The net assets of business-type activities decreased by $56 thousand in 2010 compared to 2009.

TABLE 2
CHANGES IN NET ASSETS
(in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	**2009**	**2010**	**2009**	**2010**	**2009**
Revenues:						
Program revenues:						
Charges for services	$ 13,687	$ 13,450	$ 5,668	$ 5,393	$ 19,355	$ 18,843
Operating grants and contributions	68,554	67,428			68,554	67,428
Capital grants and contributions	4,014	2,896	33	30	4,047	2,926
General revenues:						
Property taxes	110,752	111,163			110,752	111,163
Grants and contributions not restricted to specific programs	4,553	5,421			4,553	5,421
Unrestricted investment earnings	396	1,332	451	661	847	1,993
Other general revenues	25	82			25	82
Total revenues	201,981	201,772	6,152	6,084	208,133	207,856
Program expenses:						
General government	14,433	14,551			14,433	14,551
Public safety	31,548	29,854			31,548	29,854
Public works	24,696	28,190			24,696	28,190
Health and welfare	5,656	6,445			5,656	6,445
Libraries	2,651	2,933			2,651	2,933
Parks and recreation	2,972	3,032			2,972	3,032
Education	122,597	122,846			122,597	122,846
Interest on long-term debt	2,246	2,063			2,246	2,063
Water			6,208	6,458	6,208	6,458
Total program expenses	206,799	209,914	6,208	6,458	213,007	216,372
Decrease in Net Assets	$ (4,818)	$ (8,142)	$ (56)	$ (374)	$ (4,874)	$ (8,516)

The City's total revenues were $208.1 million. The total cost of all programs and services was $213 million. Our pie chart analysis below considers the operations of governmental and business-type activities.



Governmental Activities

Governmental Activities decreased the City of Bristol's net assets by $4.8 million, thereby accounting for 98.9% of the total decline in the net assets of the City of Bristol. The prior year decline in net assets was $8.1 million. Key elements of this decline with off setting increases are as follows:

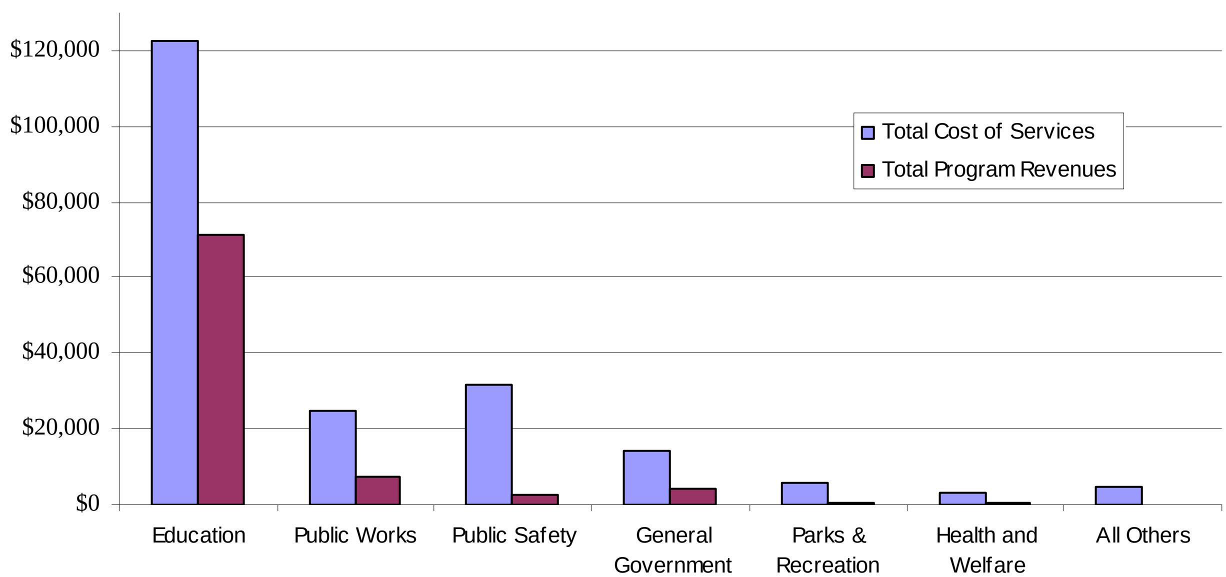
- Taxes and Assessment collections increased by $706 thousand (.64 %) during the year. Most of this increase is the product of an increased mill rate and emphasis on collection of delinquent taxes.
- Operating grants and contributions for governmental activities increased by $1.1 million, mostly as a result of the federal stimulus monies afforded exclusively to the City's education Department.
- Charges for services increased $237 thousand. This is a direct result of police extra duty services provided at a State road refurbishment project.
- Investment earnings dropped $662 thousand. Once again, a reflection of investment rates in a recessionary economy.
- Public Works expenses significantly decreased due to significant budget reductions for vehicle replacements and elimination and/or restructuring of departmental staffing (11 positions eliminated).
- For the most part, increases in 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 $8.27 million, last year the amount was $8.25 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.

TABLE 3
GOVERNMENTAL ACTIVITIES
(in thousands)

	Total Cost of Services		Net Cost of Services	
	2010	**2009**	**2010**	**2009**
Education	$ 122,597	$ 122,846	$ 51,225	$ 54,337
Public works	24,696	28,190	17,505	20,444
Public safety	31,548	29,854	28,974	27,534
General government	14,433	14,551	10,467	11,218
Health and welfare	5,656	6,445	5,366	5,552
Parks and recreation	2,972	3,032	2,235	2,181
All others	4,897	4,996	4,772	4,874
Total	$ 206,799	$ 209,914	$ 120,544	$ 126,140

Expenses and Program Revenues- Govermental Activities (in millions)



Business-type Activities

Revenues of the City's business-type activities (see Table 2) were approximately the same at $6.2 million in 2010 compared to $6.1 million in 2009 and expenses decreased by 3.9%. The factors influencing these results included:

- There were no increases to water consumption and no rate increases.
- Decreases to expenses were due to reduced costs for water treatment plant chemicals which are typically used in large quantities for the operations of the plant.

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 $30.7 million.

Approximately 47% of this total amount ($14.3 million) constitutes *unreserved fund balance*, which is available for spending at the City's discretion. The remainder of fund balance is *reserved* 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 purposes.

The General Fund is the chief operating fund of the City of Bristol. At the end of the current fiscal year, *unreserved fund balance* of the general fund was $27.3 million, while total fund balance reached $28.1 million. As a measure of the general fund's liquidity, it may be useful to compare both *unreserved fund balance* and total fund balance to total fund expenditures. *Unreserved fund balance* represents 18.6% of total general fund expenditures, while total fund balance represents 19.1% of that same amount.

The unreserved undesignated fund balance of the City of Bristol's General Fund increased by $2.3 million during the current fiscal year. A key factor for this was a planned reduction of designated fund balance shifted to undesignated fund balance.

The Debt Service Fund has a total fund balance of $714 thousand, 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 $8.2 million, of that amount; the Health Benefits and Workers' Compensation fund has accumulated $4.6 million of net assets, which is equal to the funds unrestricted net assets. This fund is self funded and has experienced increasingly high year-to-year medical claims. To demonstrate this increasing expense trend, current year expenses were $28.8 million compared to 2009 expenses of $28.6 million and $26.7 million in 2008.

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

General Fund Budgetary Highlights

Variances 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 98.02%. Actual collections were 100.34% 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 $36 thousand under budgeted estimates. This revenue source is economy driven.

- Vital Statistics are fees collected for recording marriages and deaths during the year. A $56 thousand positive variance was by all estimates compared to prior year's collections, a one time anomaly.
- 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.
- Interest income on idle general fund monies were significantly 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.
- School tuition expenses are difficult to estimate since it is relatively unknown the total change in students switching school districts.

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 $9.4 million transfer from Other Financing Uses (department) refers to the collection of health benefits budgeted within the City side of the General Fund is combined with $12.9 million from the education side of the General Fund budget, which reflects a similar amount transferred in to Other Financing Services- Internal Service (health benefits) fund. The total transfer-in from all sources for health benefits is $22.3 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2010, the City had $293.5 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 decrease (including additions and deductions) of $400 thousand, or .14%, over last year.

TABLE 4
CAPITAL ASSETS AT YEAR-END (Net of Depreciation)
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	**2009**	**2010**	**2009**	**2010**	**2009**
Land	$ 17.5	$ 15.6	$ 2.7	$ 2.7	$ 20.2	$ 18.3
Construction in progress	34.4	30.9			34.4	30.9
Buildings	99.1	101.3	21.3	22.0	120.4	123.3
Improvement other than buildings	2.1	2.3			2.1	2.3
Machinery and equipment	15.0	15.7	1.6	1.4	16.6	17.1
Infrastructure	99.8	102.0			99.8	102.0
Total	$ 267.9	$ 267.8	$ 25.6	$ 26.1	$ 293.5	$ 293.9

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 2010 Capital Budget	
Department	
Public Works	$5,503,000
Parks & Recreation	2,655,000
Water Pollution Control	420,000
Information Systems	300,000
Police	150,000
Bristol Development Authority	2,300,000
Water	500,000
Total All Departments	**$11,828,000**
Funding	
Sale of Bonds	$7,500,000
State/Federal Grants	2,550,000
General Fund Reserve	510,000
General Fund Cash	75,000
LoCIP	413,000
WPC CNR Cash	420,000
Other Funds	360,000
Total All Funding	**$11,828,000**

The City's fiscal year 2009-2010 capital budget called for it to spend $11.8 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
- Main Street Streetscapes project
- Water storage tank improvements throughout the City
- Upgrade City Control signals
- Continuation of public park revitalization efforts
- Continuation of fibertoptic connections to all City Buildings
- 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, 2010 the City had $59.2 million in bonds or notes outstanding versus $64.3 million last year – a decrease of 7.9 % – as shown in Table 5.

TABLE 5
OUTSTANDING DEBT, AT YEAR-END
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	**2009**	**2010**	**2009**	**2010**	**2009**
General Obligation Bonds (Backed by the City)	$ 54.2	$ 58.8	$ 5.0	$ 5.5	$ 59.2	$ 64.3

The City also "rolled over" (reissued) $7.41 million in taxable general obligation notes originally issued in 2009.

The City also paid $6.53 million on previously issued debt service obligations.

The City's general obligation bond ratings are Aa3 and AA+ respectfully from Moody's Investors Service and Standard and Poor's Corporation. The Standard and Poor's Corporation (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 formula determined under State Statutes based on type of debt and tax base. The City's outstanding general obligation debt is significantly below this $783 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 9 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 2010 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 9.5 % versus 8.5 % a year ago. This compares with the State's unemployment rate of 8.5 % (seasonally adjusted) and the national rate of 9.3 %.

Bristol's wealth and income factors and unemployment trends are for the most part consistent within the Hartford region. Bristol's median household effective buying income is 89% of the state's average and 107% of the nation's average.

These indicators were taken into account when adopting the General Fund budget for 2010-11. Amounts appropriated in the 2010-2011 General Fund budget are $170.9 million, an increase of $100 thousand over the previous year's budget of approximately $170.8 million. The property tax rate increased 1.25 mills to 27.24 mills.

The City will use these increases in tax revenues to finance programs currently offered and to off-set 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, 2010. 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 off set revenue deficiencies.

The City of Bristol has appropriated $875 thousand of its $28.1 million total fund balance to balance its 2010-2011 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

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CITY OF BRISTOL, CONNECTICUT

STATEMENT OF NET ASSETS

JUNE 30, 2010
(In Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Bristol-Burlington Health District
Assets:				
Cash and cash equivalents	$ 60,067	$ 411	$ 60,478	$ 936
Investments	375	3,459	3,834	
Receivables, net	14,172	1,068	15,240	91
Inventory	53	180	233	
Other assets	7,116	18	7,134	
Capital assets:				
Assets not being depreciated	51,907	2,750	54,657	
Assets being depreciated, net	215,998	22,916	238,914	107
Total assets	349,688	30,802	380,490	1,134
Liabilities:				
Accounts and other payables	7,533	329	7,862	84
Accrued liabilities	10,676	97	10,773	30
Bond anticipation notes payable	7,410		7,410	
Other current liabilities		677	677	
Unearned revenue	1,639	21	1,660	
Noncurrent liabilities:				
Due within one year	10,601	592	11,193	54
Due in more than one year	77,729	4,821	82,550	31
Total liabilities	115,588	6,537	122,125	199
Net Assets:				
Invested in capital assets net of related debt	206,272	20,667	226,939	107
Restricted for:				
Trust purposes:				
Expendable	236		236	
Nonexpendable	419		419	
Unrestricted	27,173	3,598	30,771	828
Total Net Assets	$ 234,100	$ 24,265	$ 258,365	$ 935

The accompanying notes are an integral part of the financial statements

EXHIBIT II

CITY OF BRISTOL, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2010
(In Thousands)

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
					Primary Government			Component Unit
Functions/Programs	**Expenses**	**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	$ 14,433	$ 2,481	$ 1,272	$ 213	$ (10,467)	$	$ (10,467)	$
Public safety	31,548	2,093	481		(28,974)		(28,974)	
Public works	24,696	6,582	372	237	(17,505)		(17,505)	
Health and welfare	5,656	8	282		(5,366)		(5,366)	
Libraries	2,651	38	87		(2,526)		(2,526)	
Parks and recreation	2,972	353	328	56	(2,235)		(2,235)	
Education	122,597	2,132	65,732	3,508	(51,225)		(51,225)	
Debt service:								
Interest and fiscal charges	2,246				(2,246)		(2,246)	
Total governmental activities	206,799	13,687	68,554	4,014	(120,544)	-	(120,544)	-
Business-type activities:								
Water	6,208	5,668		33		(507)	(507)	
Total Primary Government	$ 213,007	$ 19,355	$ 68,554	$ 4,047	(120,544)	(507)	(121,051)	-
Component Unit:								
Bristol-Burlington Health District	$ 3,038	$ 198	$ 2,809	$ -				(31)
General revenues:								
Property taxes					110,752		110,752	
Grants and contributions not restricted to specific programs					4,553		4,553	
Unrestricted investment earnings					396	451	847	3
Miscellaneous					25		25	
Total general revenues and transfers					115,726	451	116,177	3
Change in net assets					(4,818)	(56)	(4,874)	(28)
Net Assets at Beginning of Year					238,918	24,321	263,239	963
Net Assets at End of Year					$ 234,100	$ 24,265	$ 258,365	$ 935

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2010
(In Thousands)

	General	Debt Service Fund	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 30,242	$ 714	$ 3,740	$ 12,032	$ 46,728
Investments				375	375
Receivables, net	5,061		7,107	1,882	14,050
Due from other funds	11,094			142	11,236
Other assets	366				366
Inventories				53	53
Total Assets	$ 46,763	$ 714	$ 10,847	$ 14,484	$ 72,808
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts and contracts payables	$ 4,616	$	$ 1,201	$ 1,059	$ 6,876
Accrued liabilities	9,941		-	735	10,676
Due to other funds	43		10,570	572	11,185
Due to other governments			-	42	42
Bond anticipation notes payable			7,410		7,410
Deferred revenue	4,091		1	1,822	5,914
Total liabilities	18,691	-	19,182	4,230	42,103
Fund balances (deficits):					
Reserved	749	714	13,788	1,109	16,360
Unreserved, reported in:					
General Fund	27,323				27,323
Special Revenue Funds				8,726	8,726
Capital Project Funds			(22,123)		(22,123)
Permanent Fund				419	419
Total fund balances	28,072	714	(8,335)	10,254	30,705
Total Liabilities and Fund Balances	$ 46,763	$ 714	$ 10,847	$ 14,484	$ 72,808

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2010
(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		$ 30,705
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	$ 526,513	
Less accumulated depreciation	(258,608)	
Net capital assets		267,905
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:		
Net pension asset		6,750
Property tax receivables greater than 60 days		2,035
Interest receivable on property taxes		1,660
Sewer assessments receivable		548
Sewer assessments interest receivable		32
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.		4,564
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		(54,223)
Interest payable on bonds and notes		(615)
Compensated absences		(7,885)
Landfill post closure care		(1,717)
Other postemployment benefit obligation		(15,659)
Net Assets of Governmental Activities (Exhibit I)		$ 234,100

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, 2010
(In Thousands)

	General	Debt Service Fund	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Taxes and assessments	$ 110,760	$	$ 40	$ 3	$ 110,803
Interest and lien fees on delinquent taxes and assessments	1,073				1,073
Licenses, permit and fees	805			5,379	6,184
Intergovernmental	60,286		3,605	12,033	75,924
Charges for services	4,149			3,165	7,314
Income on investments	271	1	26	49	347
Miscellaneous	834	22	160	690	1,706
Total revenues	178,178	23	3,831	21,319	203,351
Expenditures:					
Current:					
General government	5,775			1,519	7,294
Public safety	21,477			322	21,799
Public works	10,577			6,534	17,111
Health and welfare	5,026			462	5,488
Libraries	1,971			10	1,981
Parks and recreation	2,210			186	2,396
Education	95,615			11,125	106,740
Citywide:					
Employee benefits and pensions	2,637				2,637
Insurance	589				589
Miscellaneous	792				792
Capital outlay			10,521		10,521
Debt service:					
Principal retirement		4,310	260		4,570
Interest and fiscal charges		2,218	74		2,292
Total expenditures	146,669	6,528	10,855	20,158	184,210
Excess (Deficiency) of Revenues Over Expenditures	31,509	(6,505)	(7,024)	1,161	19,141
Other Financing Sources (Uses):					
Transfers in	2,053	7,028	984	3,732	13,797
Transfers out	(33,081)	(200)	(502)	(3,837)	(37,620)
Total other financing sources (uses)	(31,028)	6,828	482	(105)	(23,823)
Net Change in Fund Balance	481	323	(6,542)	1,056	(4,682)
Fund Balance at Beginning of Year	27,591	391	(1,793)	9,198	35,387
Fund Balance at End of Year	$ 28,072	$ 714	$ (8,335)	$ 10,254	$ 30,705

(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, 2010

(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)	$	(4,682)
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		12,426
Depreciation expense		(11,978)
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.		(229)
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.		(74)
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		(1,001)
Property tax interest and lien revenue - accrual basis change		(178)
Sewer assessment receivable - accrual basis change		(13)
Net pension asset		(157)
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		4,570
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		(53)
Accrued interest		46
Other postemployment benefits		(4,707)
Landfill post closure care		46
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.		1,166
Change in Net Assets of Governmental Activities (Exhibit II)	$	(4,818)

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

PROPRIETARY FUNDS
STATEMENT OF NET ASSETS

JUNE 30, 2010
(In Thousands)

	Business Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
ASSETS AND OTHER DEBITS		
Assets:		
Current assets:		
Cash and cash equivalents	$ 411	$ 13,339
Investments	3,459	
Receivables, net	1,068	122
Due from other funds		48
Inventories	180	
Total current assets	5,118	13,509
Noncurrent assets:		
Other deferred charges	18	
Capital assets:		
Assets not being depreciated	2,750	
Assets being depreciated, net	22,916	
Total noncurrent assets	25,684	-
Total assets	30,802	13,509
LIABILITIES, EQUITY AND OTHER CREDITS		
Liabilities:		
Current liabilities:		
Accounts and other payables	329	
Payroll liabilities	97	
Due to other funds		99
Customer deposits	677	
Deferred credits	21	
Compensated absences - current	42	
Bonds payable - current	550	
Unpaid claims - current		4,605
Total current liabilities	1,716	4,704
Noncurrent liabilities:		
Compensated absences	372	
Bonds payable	4,449	
Unpaid claims		4,241
Total noncurrent liabilities	4,821	4,241
Total liabilities	6,537	8,945
Net Assets:		
Invested in capital assets, net of related debt	20,667	
Unrestricted	3,598	4,564
Total Net Assets	$ 24,265	$ 4,564

The accompanying notes are an integral part of the financial statements

EXHIBIT VI

CITY OF BRISTOL, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2010
(In Thousands)

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
Operating revenues:		
Charges for services	$ 5,475	$ 5,789
Contributions		111
Miscellaneous	193	204
Total operating revenues	5,668	6,104
Operating expenses:		
Source of supply	127	
Pumping	250	
Purification	1,028	
Transmission and distribution	1,150	
Customer accounts, administrative and general	2,120	
Depreciation	775	
Taxes other than income taxes	558	
Insurance claims, premiums and fees		28,810
Total operating expenses	6,008	28,810
Operating loss	(340)	(22,706)
Nonoperating revenues (expenses):		
Income on investments	451	49
Interest expense	(186)	
Loss on disposal	(9)	
Amortization of debt discount and expense	(5)	
Total nonoperating revenues	251	49
Loss before capital contributions and transfers	(89)	(22,657)
Capital contributions	33	
Transfers:		
Transfers in		23,823
Change in Net Assets	(56)	1,166
Total Net Assets, Beginning of Year	24,321	3,398
Total Net Assets, at End of Year	$ 24,265	$ 4,564

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, 2010
(In Thousands)

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
Cash Flow from Operating Activities:		
Cash received from charges for services and contributions	$ 5,632	$ 5,977
Cash received from other operating revenue		189
Cash paid to employees	(2,435)	
Cash paid to suppliers	(2,748)	
Cash payment for claims paid		(27,739)
Deposits received from (returned to) customers	35	
Net cash provided by (used in) operating activities	484	(21,573)
Cash Flows from Noncapital Financing Activities:		
Transfers from other funds		23,933
Cash Flows from Capital Financing Activities:		
Purchase of capital assets/utility plant	(309)	
Principal payments bonds/notes	(550)	
Interest payments and issuance costs	(186)	
Net cash used in capital and related financing activities	(1,045)	-
Cash Flows from Investing Activities:		
Income on investments		49
Net cash provided by investing activities	-	49
Net Increase (Decrease) in Cash and Cash Equivalents	(561)	2,409
Cash and Cash Equivalents at Beginning of Year	972	10,930
Cash and Cash Equivalents at End of Year	$ 411	$ 13,339
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities:		
Operating loss	$ (340)	$ (22,706)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation	775	
(Increase) decrease in accounts receivable	(31)	75
Increase (decrease) in provision for uncollectible accounts	(5)	
(Increase) decrease in inventory	18	
(Increase) decrease in other assets	3	
Increase (decrease) in accounts payable	10	1,041
Increase (decrease) in due to other funds		20
Increase (decrease) in deferred revenues		(1)
Increase (decrease) in accrued liabilities	42	
Increase (decrease) in accrued compensated absences	(23)	
Increase (decrease) in unpaid claims		(2)
Increase (decrease) in customer deposits	35	
Total adjustments	824	1,133
Net Cash Provided by (Used in) Operating Activities	$ 484	$ (21,573)
Noncash Investing and Capital Activities:		
Capital contributions	$ 33	$ -

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2010
(In Thousands)

	Pension Trust Funds	Agency Funds
Assets:		
Cash and cash equivalents	$ 772	$ 415
Investments, at fair value:		
Certificates of deposit		159
Corporate bonds	75,268	
US treasury	50,151	
US government agencies	11,649	
Securitized instruments	44,531	
Common stock	246,672	
Mutual funds	46,216	
Total investments	474,487	159
Total assets	475,259	$ 574
Liabilities:		
Due to senior citizens		$ 20
Due to student groups		554
Total liabilities		$ 574
Net Assets:		
Held in trust for pension benefits	$ 475,259	

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, 2010
(In Thousands)

Additions:		
Contributions:		
Plan members		$ 2,456
Investment income:		
Net appreciation in fair value of investments	$ 37,229	
Interest and dividends	13,325	
Total	50,554	
Less investment expense	(458)	
Total investment income		50,096
Total additions		52,552
Deductions:		
Benefits	15,716	
Administration	2,471	
Total deductions		18,187
Net Increase		34,365
Net Assets Held in Trust for Pension Benefits, Beginning of Year		440,894
Net Assets Held in Trust for Pension Benefits, End of Year		$ 475,259

The accompanying notes are an integral part of the financial statements

(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 and 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 non-stock corporation organized pursuant to the Non-Stock Corporation act, Connecticut General Statue 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 current year there were no additional transactions between the City and 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 2009-10 related to the City's participation in TROC.

The unreserved, undesignated fund balance for fiscal year ended June 30, 2010 as reflected in the TROC's financial statements is $1.5 million. A complete set of financial statements for TROC can be obtained from the TROC's administrative office at 43 Enterprise Drive, Bristol, Connecticut.

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). The BRRFOC was created pursuant to an inter-community 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 the BRRFOC amounted to $2,780 this year. The unreserved, undesignated fund balance for fiscal year ended June 30, 2010 as reflected in the BRRFOC's financial statements is $9.9 million. A complete set of financial statements for BRRFOC can be obtained from the administrative office at 43 Enterprise Drive, Bristol, Connecticut.

In April 2005, the 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 $25,690.

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 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.

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.

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, 2010 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:

Assets	Years
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

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

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 fifteen 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 $2,608 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 reported as a reservation of fund balance 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 which 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.

B. Deficit Fund Equity

As of June 39, 2010 Capital Projects Fund has a deficit fund balance of $8,335. This deficit will be reduced or eliminated by transfers from the General Fund or when permanent financing is obtained.

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*, $23,948 of the City's bank balance of $56,307 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$	5,117
Uninsured and collateral held by the pledging bank's trust department, not in the City's name		18,831
Total Amount Subject to Custodial Credit Risk	$	23,948

At June 30, 2010, 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, 2010, the cash equivalent amounted to $8,738,452. 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.

	Standard and Poor's
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, 2010 in all funds are as follows:

			Investment Maturities (Years)		
Investment Type	**Credit Rating**	**Fair Value**	**Less Than 1**	**1 – 10**	**More Than 10**
Interest-bearing investments:					
U.S. Treasury bonds	AAA	$ 50,151	$	$ 50,151	$
U.S. Government agencies	AAA	11,649		11,649	
Corporate bonds	Caa3	7,012		6,658	354
Corporate bonds	A3	31,199		31,199	
Corporate bonds	AA	37,057		37,057	
Securitized instruments	AAA	44,417		20,500	23,917
Certificates of deposit	*	262	146	116	
Total		181,747	$ 146	$ 157,330	$ 24,271
Other investments:					
Common stock		246,672			
Mutual funds		50,061			
Total Investments		$ 478,480			

*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 Town 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, 2010, 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:

	General	Capital Projects	Water Enterprise Fund	Nonmajor and Other Funds	Total
Receivables:					
Taxes	$ 2,903	$	$	$	$ 2,903
Interest	1,660				1,660
Accounts	421		1,150	498	2,069
Special assessments				580	580
Intergovernmental	387	7,107		926	8,420
Gross receivables	5,371	7,107	1,150	2,004	15,632
Less allowance for uncollectibles	(310)		(82)		(392)
Net Total Receivables	$ 5,061	$ 7,107	$ 1,068	$ 2,004	$ 15,240

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	82
Total Uncollectibles of the Current Fiscal Year	$ 392

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

	Unavailable	Unearned
Delinquent property taxes receivable principal and interest	$ 3,695	$
Property taxes collected in advance		266
Sewer assessments not yet due	580	
Other		1,373
Total Deferred/Unearned Revenue for Governmental Funds	$ 4,275	$ 1,639

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 15,610	$ 2,127	$ (253)	$ 17,484
Construction in progress	30,862	8,154	(4,593)	34,423
Total capital assets not being depreciated	46,472	10,281	(4,846)	51,907
Capital assets being depreciated:				
Buildings	180,449	1,791		182,240
Improvements other than buildings	6,977			6,977
Machinery and equipment	59,421	2,214	(739)	60,896
Infrastructure	221,760	2,733		224,493
Total capital assets being depreciated	468,607	6,738	(739)	474,606
Less accumulated depreciation for:				
Buildings	(79,149)	(3,968)		(83,117)
Improvements other than buildings	(4,686)	(221)		(4,907)
Machinery and equipment	(43,687)	(2,920)	689	(45,918)
Infrastructure	(119,797)	(4,869)		(124,666)
Total accumulated depreciation	(247,319)	(11,978)	689	(258,608)
Total capital assets being depreciated, net	221,288	(5,240)	(50)	215,998
Governmental Activities Capital Assets, Net	$ 267,760	$ 5,041	$ (4,896)	$ 267,905
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 2,700	$	$	$ 2,700
Construction in progress	47	50	(47)	50
Total capital assets not being depreciated	2,747	50	(47)	2,750
Capital assets being depreciated:				
Buildings and system	36,588	46		36,634
Machinery and equipment	4,337	260	(66)	4,531
Total capital assets being depreciated	40,925	306	(66)	41,165
Less accumulated depreciation for:				
Buildings and system	(14,588)	(739)		(15,327)
Machinery and equipment	(2,943)	(36)	57	(2,922)
Total accumulated depreciation	(17,531)	(775)	57	(18,249)
Total capital assets being depreciated, net	23,394	(469)	(9)	22,916
Business-Type Activities Capital Assets, Net	$ 26,141	$ (419)	$ (56)	$ 25,666

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

Governmental activities:		
General government	$	220
Public safety		1,434
Public works		6,480
Health and welfare		7
Libraries		550
Parks and recreation		301
Education		2,986
Total Depreciation Expense - Governmental Activities	$	11,978
Business-type activities:		
Water	$	775

Construction Commitments

The City has several active construction projects as of June 30, 2010. The following is a summary of capital projects as of June 30, 2010:

		Project Authorization		Cumulative Expenditures
Schools	$	178,222	$	85,510
Streets, bridges and building improvements		63,751		53,433
Capital and nonrecurring		43,729		33,022
Total	$	285,702	$	171,965

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, 2010, was as follows:

		Beginning Balance		Increases		Decreases		Ending Balance
Capital assets being depreciated:								
Furniture and equipment	$	214	$	11	$	(3)	$	222
Less accumulated depreciation for:								
Furniture and equipment		(92)		(23)				(115)
District Capital Assets, Net	$	122	$	(12)	$	(3)	$	107

6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2010 interfund receivables and payables comprised:

Receivable Fund	Payable Fund	Amount
General Fund	Capital Projects Fund	$ 10,570
General Fund	Nonmajor Governmental Funds	524
Nonmajor Governmental Funds	Internal Service Fund	99
Nonmajor Governmental Funds	General Fund	43
Internal Service	Nonmajor Governmental Funds	48
Total		$ 11,284

Interfund receivables and payables generally represent temporary balances arising from reimbursement type transactions. Interfund balance between Capital Projects Fund and the General Fund is result of negative equity in pooled cash. All balances are expected to be repaid within a year.

Interfund transfers:

	Transfers In					
	General Fund	Debt Service Fund	Capital Projects	Nonmajor Governmental	Internal Service Funds	Total
Transfer out:						
General Fund	$	$ 6,529	$ 510	$ 3,721	$ 22,321	$ 33,081
Debt Service Fund	200					200
Capital Projects		499		3		502
Nonmajor Governmental Funds	1,853		474	8	1,502	3,837
Total Transfers Out	$ 2,053	$ 7,028	$ 984	$ 3,732	$ 23,823	$ 37,620

Transfers are for regularly recurring operational transfers. Interfund transfers are used to 1) to move revenues from the general fund to the debt service 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 lease. Total costs for such lease were $628 for the year ended June 30, 2010. The future minimum lease payments for these leases are as follows:

Year Ending June 30,	Amount
2011	$ 645
2012	526
2013	383
2014	144
2015	1
	$ 1,699

8. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2010 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation bonds					
Clean Water Fund Loans	$ 58,793	$	$ 4,570	$ 54,223	$ 4,575
Compensated absences	7,832	1,760	1,707	7,885	1,358
Landfill postclosure care	1,763	17	63	1,717	63
Net OPEB obligation	10,952	9,157	4,450	15,659	
Unpaid claims	7,805	28,810	27,769	8,846	4,605
Total Governmental Activities Long-Term Liabilities	$ 87,145	$ 39,744	$ 38,559	$ 88,330	$ 10,601
Business-Type Activities:					
Bonds payable:					
General obligation bonds	$ 5,549	$	$ 550	$ 4,999	$ 550
Compensated absences	437	19	42	414	42
Total Business-Type Activities Long-Term Liabilities	$ 5,986	$ 19	$ 592	$ 5,413	$ 592
Component Unit					
Compensated absences	$ 92	$ 27	$ 34	$ 85	$ 54

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

Bond Anticipation Notes

Bond anticipation notes payable activity for the year ended June 30, 2010 was as follows:

Description	Issue Date	Maturity Date	Interest Rate %	Beginning Balance	Additions	Reductions	Ending Balance
Bond anticipation notes	02/17/09	02/16/10	2.50%	$ 7,410	$	$ 7,410	$
Bond anticipation notes	02/16/10	11/15/10	1.25%		7,410		7,410
	Total			$ 7,410	$ 7,410	$ 7,410	$ 7,410

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, 2010 comprise of the following:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2010
General City Bonds:					
General improvement:					
2004	10/15/04	10/15/21	3.00-5.00	$ 22,365	$ 15,780
2006	12/01/06	07/15/22	3.00-4.00	10,006	8,130
2009	02/15/09	02/15/17	2.00-4.18	8,900	7,980
Total general improvement bonds					31,890
School:					
2005 Refunding	06/15/05	10/15/18	2.70-5.00	10,635	8,646
2006	12/01/06	07/15/22	3.00-4.00	11,600	9,425
2009	02/15/09	02/15/17	2.00-4.18	385	360
Total school bonds					18,431
Sewers:					
1993 Refunding	12/15/93	06/15/13	3.25-5.40	1,490	285
2005 Refunding	06/15/05	10/15/05	2.70-5.00	105	34
Total sewer bonds					319
Capital Projects Fund:					
Clean Water Fund Notes 498-D/C	06/30/02	06/30/21	2.00	1,483	880
Clean Water Fund Notes 415-D/C	06/30/02	06/30/21	2.00	1,410	836
Clean Water Fund Notes 504-C	12/31/03	12/31/22	2.00	1,488	989
Clean Water Fund Notes 562-C	11/30/04	11/30/23	2.00	694	490
Clean Water Fund Notes 464-C	05/31/06	03/31/26	2.00	470	388
Total capital projects level debt					3,583
Total General City Serial Bonds and Clean Water Fund Loans					54,223
Water Department Enterprise Fund Bonds:					
Water 1995	05/15/95	05/15/14	4.90-6.00	1,640	400
Water 2004	10/15/04	10/15/21	3.00-5.00	600	420
Water 2005 Refunding	06/15/05	10/15/18	2.70-5.00	2,315	1,415
Water 2006	12/01/06	07/15/22	3.00-4.00	3,394	2,764
Total Water Department Enterprise Fund Bonds					4,999
Total Bonded Indebtedness					$ 59,222

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, 2010 are as follows:

General Fund:

	Principal	Interest	Total
2011	$ 4,181	$ 1,848	$ 6,029
2012	4,181	1,684	5,865
2013	4,191	1,533	5,724
2014	4,191	1,367	5,558
2015	4,201	1,200	5,401
2016-2020	19,921	3,730	23,651
2021-2025	9,455	681	10,136
Total	$ 50,321	$ 12,043	$ 62,364

Sewer Operating and Assessment Fund:

	Principal	Interest	Total
2011	$ 129	$ 16	$ 145
2012	95	10	105
2013	95	5	100
Total	$ 319	$ 31	$ 350

Capital Projects Fund:

	Principal	Interest	Total
2011	$ 265	$ 69	$ 334
2012	270	64	334
2013	275	58	333
2014	281	53	334
2015	287	47	334
2016-2020	1,522	147	1,669
2021-2025	662	22	684
2026	21		21
Total	$ 3,583	$ 460	$ 4,043

Water Enterprise Fund:

	Principal	Interest	Total
2011	$ 550	$ 205	$ 755
2012	549	179	728
2013	550	154	704
2014	550	127	677
2015	444	100	544
2016-2020	1,642	279	1,921
2021-2023	714	41	755
Total	$ 4,999	$ 1,085	$ 6,084

The City does not have any overlapping debt contingencies as of June 30, 2010.

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):

Category	Debt Limit	Net Indebtedness	Balance
General purpose	$ 251,647	$ 43,044	$ 208,603
Schools	503,294	45,804	457,490
Sewers	419,411	4,352	415,059
Urban renewal	363,490		363,490
Pension deficit	335,529		335,529

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation ($782,901).

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	$ 6,445
Schools	127,986
Sewers	450
	$ 134,881

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. (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 $1,717. 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 worker's compensation claims for fiscal years July 1, 1985 through June 30, 1998 and July 1, 2004 through June 30, 2008. The Health Benefits and Worker's Compensation Internal Service Fund, is utilized to report this self-insurance activity. Anthem Blue Cross/Blue Shield administers the 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 $8,846 reported in the Internal Service Fund at June 30, 2010 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:

	Liability July 1,	Current Year Claims And Changes In Estimates	Claim Payment	Liability June 30,
2008-09	$ 6,889	$ 28,574	$ 27,658	$ 7,805
2009-10	7,805	28,810	27,769	8,846

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

11. FUND BALANCE RESERVED

Fund balance reserved consists of the following:

Reserved for encumbrances:	
General Fund	$ 247
Special Revenue - Nonmajor Fund	1,056
Capital Projects	11,935
Reserved for landfill closures	
General Fund	502
Capital Projects	1,853
Reserved for Debt Service:	
Debt Service Fund	714
Reserved for inventory:	
Special Revenue - Nonmajor Fund	53

12. FUND BALANCE DESIGNATED

A portion of unreserved fund balance is designated for specific purposes. Unreserved Designated Fund Balance consists of the following:

General Fund:		
Designated for subsequent year's budget	$	875
Designated for compensated absences		2,500
Designated for carryovers		1,866
Designated for economic development		286
Designated for OPEB		1,100
Designated for Heart & Hypertension		800
Nonmajor Governmental Funds:		
Equipment and Building Sinking Fund		
Designated for special projects		586
Sewer Operating and Assessment Fund:		
Designated for compensated absences		154
Designated for carryovers		89
Pardee Fund #1:		
Designated for trust purposes		41
Pardee Fund #2:		
Designated for trust purposes		1
Reserve Fund for Depreciation for Page Park Swimming Pool:		
Designated for trust purposes		194
Permanent Funds:		
Designated for trust purposes		419

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 which 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, 2010, 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 post-employment 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, 2009, plan membership consisted of the following:

	Retiree Health Plan
Active plan members	1,683
Retired members	292
Total Participants	1,975

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, 2010 the City has not established a trust fund to irrevocably segregate assets to fund the liability associated with the post employment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. It is the City's intention to open such a trust during the fiscal year ending June 30, 2011. 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 thirty 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)	$ 9,322
Interest on net OPEB obligation	547
Adjustment to annual required contribution	(712)
Annual OPEB cost	9,157
Contributions made	4,450
Increase in net OPEB obligation	4,707
Net OPEB obligation, beginning of year	10,952
Net OPEB Obligation, End of Year	$ 15,659

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
6/30/2008	$ 8,200	$ 2,771	33.8%	$ 5,429
6/30/2009	8,686	3,163	36.4	10,952
6/30/2010	9,157	4,450	48.5	15,659

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)
7/1/07	$ -	$ 72,000	$ (72,000)	0.0%	$ 70,000	(102.9)
7/1/09	-	81,451	(81,451)	0.0	70,000	(116.3)

Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2008	$ 8,200	33.7%
2009	8,767	36.0
2010	9,322	47.7

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, 2009 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	$ 271	$ 300	$ 201	$ 772
Investments	180,029	140,260	154,198	474,487
Total Assets	180,300	140,560	154,399	475,259
Net Assets:				
Reserved for Employee Retirement	$ 180,300	$ 140,560	$ 154,399	$ 475,259

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	$ 1,804	$ 245	$ 407	$ 2,456
Investment income:				
Net appreciation in fair value of investments	14,252	10,943	12,034	37,229
Interest and dividends	5,081	3,926	4,318	13,325
Total investment earnings	19,333	14,869	16,352	50,554
Less investment expenses	(264)	(84)	(110)	(458)
Net investment income	19,069	14,785	16,242	50,096
Total additions	20,873	15,030	16,649	52,552
Deductions:				
Benefits	9,251	3,017	3,448	15,716
Administration	935	731	805	2,471
Total deductions	10,186	3,748	4,253	18,187
Change in net assets	10,687	11,282	12,396	34,365
Net assets held in trust for pension benefits, July 1, 2009	169,613	129,278	142,003	440,894
Net Assets Held in Trust for Pension Benefits, June 30, 2010	$ 180,300	$ 140,560	$ 154,399	$ 475,259

At July 1, 2009 PERS membership consisted of:

	City of Bristol Retirement System	Firefighters' Benefit Fund	Police Benefit Fund
Retirees, disabled and beneficiaries currently receiving benefits	433	92	94
Terminated employees entitled to benefits but not yet receiving them	38	1	
Current employees:			
Vested	350	52	76
Nonvested	425	39	52
Total	1,246	184	222

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, 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 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 5.7% 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, 2010 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 twenty-five 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, 2010 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 twenty-five 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, 2010 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:

	City of Bristol Retirement System	Firefighters' Benefit Fund	Police Benefit Fund
Annual required contribution	$ -	$ -	$ -
Interest on net pension obligation	(144)	(146)	(245)
Adjustment to annual required contribution	186	189	317
Annual pension cost	42	43	72
Contributions made	-	-	-
Increase in net pension obligation	42	43	72
Net pension asset, beginning of year	(1,856)	(1,888)	(3,163)
Net Pension Assets, End of Year	$ (1,814)	$ (1,845)	$ (3,091)

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

	City of Bristol Retirement System	Firefighters' Benefit Fund	Police Benefit Fund
Actuarial valuation date	July 1, 2009	July 1, 2009	July 1, 2009
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)
6/30/08	$	44	0.0	(1,899)
6/30/09		43	0.0	(1,856)
6/30/10		42	0.0	(1,814)

Firefighters' Benefit Fund

Fiscal Year Ended		Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/08	$	45	0.0	(1,931)
6/30/09		43	0.0	(1,888)
6/30/10		43	0.0	(1,845)

Police Benefit Fund

Fiscal Year Ended		Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/08	$	75	0.0	(3,235)
6/30/09		72	0.0	(3,163)
6/30/10		72	0.0	(3,091)

F. Schedule of Funding Progress

City of Bristol Retirement System

Actuarial Valuation Date		Actuarial Value of Assets (a)		Actuarial Accrued Liability(AAL) Projected Unit Credit (b)		Unfunded AAL (UAAL) (a-b)	Funded Ratio (a/b)		Covered Payroll (c)	UALL as a % of Covered Payroll ((a-b)/c)
7/1/04	$	147,678	$	113,840	$	33,838	129.7	$	25,219	134.2%
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

Firefighters' Benefit Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UALL as a % of Covered Payroll ((a-b)/c)
7/1/04	$ 106,636	$ 55,865	$ 50,771	190.9	$ 4,750	1,068.9%
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

Police Benefit Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UALL as a % of Covered Payroll ((a-b)/c)
7/1/04	$ 117,755	$ 73,101	$ 44,654	161.1	$ 6,339	704.4
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

G. Schedule of Employer Contributions

City of Bristol Retirement System

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
6/30/05	$ 49	100%
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

Firefighters' Benefit Fund

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
6/30/05	$ -	N/A
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

Police Benefit Fund

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
6/30/05	$ -	N/A
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

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 $53,433 for the year ended June 30, 2010.

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, 2010 the City has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of $8,266 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.

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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, 2010 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2009**
(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance Over (Under)	2009 Actual
Property taxes:						
Current levy	$ 108,514	$	$ 108,514	$ 108,892	$ 378	$ 108,180
Prior levies	1,500		1,500	1,878	378	1,868
Interest and penalties	600		600	1,063	463	1,087
Total property taxes	110,614	-	110,614	111,833	1,219	111,135
Licenses, permits and fees:						
Assessors' late filing fees	1		1	1		1
Circuit court fines	1		1	1		2
Dog penalties	1		1	1		-
Merchandising licenses	4		4	5	1	7
Animal licenses	8		8	9	1	9
Hunting and fishing licenses	2		2	1	(1)	2
Marriage licenses	3		3	3		4
Fees	8		8	10	2	9
Notary services	4		4	5	1	5
Burial permits	2		2	2		2
Trade names	1		1	1		1
Vital statistics	70		70	126	56	80
Parking violations	50		50	87	37	70
Alarm fees	35		35	21	(14)	37
Police report fees	8		8	13	5	15
Building permits	500		500	464	(36)	525
Building Violations				1	1	2
PW excavating permits	12		12	7	(5)	7
Land use fees and permits	12		12	18	6	16
Library fines	23		23	28	5	30
Total licenses, fees and permits	745	-	745	804	59	824
State and Federal Grants:						
State grants-in-aid:						
State Owned Property (PILOT)	58		58	58		78
PILOT: Manufacturing and Equipment	2,180		2,180	2,300	120	2,565
State Grant: Elderly Freeze	13		13	10	(3)	11
Boat registration	12		12	6	(6)	12
Tax Relief Elderly/Disabled Homeowner	375		375	346	(29)	367
Private Hospitals (PILOT)	684		684	675	(9)	897
Tax Relief Totally Disabled	6		6	7	1	6
Additional Tax Relief: Veterans	22		22	23	1	23
Enterprise zone reimbursement	138		138	167	29	110
Town Aid Road Transportation	307	33	340	340		341
Mashantucket Pequot Grant	589		589	582	(7)	913
PILOT				74	74	79
Off-track betting	110		110	71	(39)	99
Utilities tax	250		250	186	(64)	250
Youth Services Bureau	49		49	49		49
Youth Service Bureau - Enhancement		8	8	8		8
School Readiness Grant/Quality Enhancement		2,151	2,151	2,131	(20)	1,954
Education Cost Sharing	41,657	(5,943)	35,714	35,395	(319)	41,675
Trans. Child - Public	749		749	460	(289)	760

(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, 2010 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2009
(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance Over (Under)	2009 Actual
Medicaid Coordination	$ 140	$	$ 140	$ 404	$ 264	$ 250
Education for the Blind	30		30		(30)	10
Excess Student Cost Base	2,400		2,400	2,113	(287)	2,653
Health Serv. PA 481/Private School Health Reimbursement	300		300	256	(44)	253
Transportation School Child-Nonpublic	182		182	182		181
Miscellaneous State grants	19	64	83	126	43	194
Federal Grants:						
Housing Authority (FED-PILOT)	81		81	104	23	88
ARRA ECS GRANT-(0015000-542060)		5,943	5,943	5,943		-
Public safety federal grants	3		3	2	(1)	4
Total intergovernmental	50,354	2,256	52,610	52,018	(592)	53,830
Charges for Services:						
Copier charges	46		46	56	10	51
Code enforcement reimbursements	20		20	63	43	279
Water reimbursement fees	5		5	2	(3)	2
Foreclosure reimbursement fees	25		25	16	(9)	11
Recording fees	280		280	279	(1)	258
Real estate transfer tax	850		850	905	55	708
Department of Aging Services	69		69	74	5	67
Public safety charges for services	483	717	1,200	1,484	284	1,232
Animal control charges	14		14	14		14
Miscellaneous charges for services	17	1	18	12	(6)	19
Public works service and maps	221	12	233	268	35	257
Recycling permits	111		111	117	6	101
City building rentals	156		156	218	62	222
School Tuition	300		300	434	134	348
Pool revenue	138		138	150	12	135
Park program	77		77	65	(12)	74
Total charges for services	2,812	730	3,542	4,157	615	3,778
Investment earnings:						
Interest-General Fund	924		924	262	(662)	958
Interest-Miscellaneous A/R	2		2	9	7	2
Total investment earnings	926		926	271	(655)	960
Sale of property and equipment	50	179	229	229	-	56

(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, 2010 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2009
(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance Over (Under)	2009 Actual
Other local revenue:						
Miscellaneous	$ 3	$ 125	$ 128	$ 135	$ 7	$ 201
Contributions to Youth Services		1	1	1		1
Contributions Interdistrict Cooperative		120	120	120		120
Library Trust Funds	16	4	20	16	(4)	18
Park Trust Funds and Gifts	324		324	328	4	397
Total other local revenue	343	250	593	600	7	737
Transfers in	2,055	-	2,055	2,053	(2)	1,868
Total Revenues and Other Financing Sources	$ 167,899	$ 3,415	$ 171,314	171,965	$ 651	$ 173,188

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	8,266
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds - Exhibit IV	$ 180,231

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2010

(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	2009 Actual
General Government						
City Council:						
Personnel Services	$ 58	$ 1	$ 59	$ 59	$	$ 60
Mayor's Office:						
Personnel Services	150		150	150		152
Contractual Services	57		57	54	3	58
Supplies	1		1	1		
Total mayor's office	208	-	208	205	3	210
Probate Court:						
Contractual Services	23	(1)	22	19	3	20
Supplies	3		3	2	1	2
Capital Outlay	1		1	1		5
Total probate court	27	(1)	26	22	4	27
Registrar of Voters:						
Personnel Services	137	(1)	136	133	3	138
Contractual Services	89		89	51	38	76
Supplies	8		8	2	6	1
Total registrar of voters	234	(1)	233	186	47	215
Assessor:						
Personnel Services	344		344	342	2	329
Contractual Services	112	(94)	18	18		15
Supplies	2		2	1	1	1
Total assessor	458	(94)	364	361	3	345
Board of Assessment Appeals:						
Personnel Services	5		5	5		4
Contractual Services						1
Total board of tax appeals	5	-	5	5	-	5
Tax Collector:						
Personnel Services	296	(2)	294	293	1	278
Contractual Services	64		64	56	8	62
Supplies	1		1	1		1
Capital Outlay		2	2	2		
Total tax collector	361	-	361	352	9	341
Purchasing:						
Personnel Services	163		163	163		163
Contractual Services	13		13	8	5	9
Capital Outlay						2
Total purchasing	176	-	176	171	5	174

(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 2009

(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	2009 Actual
Comptroller's Office:						
Personnel Services	$ 638	$	$ 638	$ 616	$ 22	$ 607
Contractual Services	11		11	9	2	20
Supplies	2		2	1	1	1
Total comptroller's office	651	-	651	626	25	628
Treasurer:						
Personnel Services	145	(10)	135	127	8	145
Contractual Services	8		8	8		8
Supplies	1		1	1		1
Capital Outlay		10	10	10		
Total treasurer	154	-	154	146	8	154
Information Systems:						
Personnel Services	448	2	450	450		448
Contractual Services	238	(1)	237	226	11	218
Supplies	35	(1)	34	27	7	33
Capital Outlay	22	1	23	17	6	13
Total information systems	743	1	744	720	24	712
Personnel Department:						
Personnel Services	477		477	439	38	461
Contractual Services	178	14	192	162	30	165
Purch. Professional Services	6	8	14	10	4	4
Supplies	6		6	6		6
Total personnel department	667	22	689	617	72	636
Corporation Counsel:						
Personnel Services	355	(2)	353	299	54	313
Contractual Services	244		244	153	91	704
Supplies	13		13	8	5	15
Capital Outlay	250		250	250		6
Total corporation counsel	862	(2)	860	710	150	1,038
City Clerk:						
Personnel Services	302		302	283	19	288
Contractual Services	82		82	78	4	82
Supplies	3		3	3		3
Total city clerk	387	-	387	364	23	373

(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 2009

(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	2009 Actual
Board of Finance:						
Personnel Services	$ 1	$	$ 1	$ 1	$	$ 1
Contractual Services	70		70	70		72
Total board of finance	71	-	71	71	-	73
Aging Department:						
Personnel Services	383	(1)	382	379	3	380
Contractual Services	137	60	197	193	4	197
Supplies	53		53	45	8	54
Capital Outlay						3
Total aging department	573	59	632	617	15	634
Veteran's Office:						
Personnel Services	22		22	5	17	29
Contractual Services	1		1		1	
Total veteran's office	23	-	23	5	18	29
CCRPA:						
Contractual Services	30		30	29	1	30
Youth Services:						
Personnel Services	207	2	209	209		202
Contractual Services	166	(8)	158	151	7	152
Supplies	14		14	7	7	17
Total youth services	387	(6)	381	367	14	371
Interdistrict COOP:						
Personnel Services		57	57	57		57
Contractual Services		60	60	60		61
Supplies		3	3	3		2
Total interdistrict COOP	-	120	120	120	-	120
Community Promotions:						
Contractual Services	5		5	3	2	3
Other	50		50	19	31	38
Total community promotions	55	-	55	22	33	41
Charter Revision Committee:						
Personal Services		2	2	2		-
Mayors Energy Task Force						
Personal Services	1		1	1		-
Total general governmental	6,131	101	6,232	5,778	454	6,216

(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 2009

(In Thousands)

	2010					
	Original Budget	**Adjustments**	**Amended Budget**	**Actual**	**Variance (Over) Under**	**2009 Actual**
Public Safety						
Police Department:						
Personnel Services	$ 11,784	$ 305	$ 12,089	$ 11,995	$ 94	$ 11,759
Contractual Services	675	(104)	571	382	189	562
Supplies	369	(4)	365	283	82	318
Capital Outlay	71	3	74	28	46	271
Total police department	12,899	200	13,099	12,688	411	12,910
Fire Department:						
Personnel Services	6,901	816	7,717	7,717		6,710
Contractual Services	246	(65)	181	173	8	207
Supplies	156	(19)	137	132	5	201
Capital Outlay	50		50	48	2	64
Total fire department	7,353	732	8,085	8,070	15	7,182
Animal Control:						
Personnel Services	111	3	114	114		108
Contractual Services	16		16	11	5	14
Supplies	1		1		1	
Total animal control	128	3	131	125	6	122
Emergency Management:						
Personnel Services	6		6	6		6
Contractual Services	5		5	5		4
Supplies	2		2	1	1	3
Total emergency management	13	-	13	12	1	13
Building Inspection:						
Personnel Services	536		536	536		530
Contractual Services	11		11	10	1	5
Supplies	10		10	7	3	8
Total building inspection	557	-	557	553	4	543
L.E.P.C.:						
Personnel Services	6		6	3	3	6
Supplies	1		1		1	
Total L.E.P.C.	7	-	7	3	4	6
Total public safety	20,957	935	21,892	21,451	441	20,776

(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 2009

(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	2009 Actual
Public Works						
Administration:						
Personnel Services	$ 406	$	$ 406	$ 403	$ 3	$ 401
Contractual Services	11		11	6	5	7
Supplies	3		3	1	2	2
Capital Outlay						(8)
Total administration	420	-	420	410	10	402
Engineering:						
Personnel Services	919		919	892	27	951
Contractual Services	18		18	12	6	19
Supplies	4		4	2	2	4
Capital Outlay						15
Total engineering	941	-	941	906	35	989
Land Use:						
Personnel Services	194		194	192	2	179
Contractual Services	17		17	17		14
Supplies	1		1	1		1
Total land use	212	-	212	210	2	194
Maintenance:						
Personnel Services	416	(10)	406	388	18	414
Contractual Services	536	(40)	496	469	27	580
Supplies	180	(74)	106	103	3	273
Capital Outlay						57
Total maintenance	1,132	(124)	1,008	960	48	1,324
Streets Division:						
Personnel Services	1,620	16	1,636	1,631	5	1,701
Contractual Services	11	2	13	10	3	7
Supplies	160	45	205	191	14	220
Total streets division	1,791	63	1,854	1,832	22	1,928
Solid Waste Division:						
Personnel Services	1,420	(72)	1,348	1,322	26	1,394
Contract Services	1,524	1	1,525	1,468	57	1,416
Supplies	20		20	20		19
Capital Outlay		19	19	8	11	28
Transfer out	(1,245)		(1,245)	(1,245)		(1,160)
Total solid waste division	1,719	(52)	1,667	1,573	94	1,697

(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 2009

(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	2009 Actual
Fleet Maintenance:						
Personnel Services	$ 556	$ (80)	$ 476	$ 476	$	$ 492
Contractual Services	157	65	222	216	6	117
Supplies	829	(9)	820	769	51	992
Capital Outlay		3	3	3		2
Total fleet maintenance	1,542	(21)	1,521	1,464	57	1,603
Snow Removal:						
Personnel Services	231	(26)	205	205		279
Contractual Services	289	(95)	194	194		328
Supplies	259	314	573	573		585
Capital Outlay						11
Total snow removal	779	193	972	972	-	1,203
Major Road Improvements:						
Personnel Services	10	(3)	7	7		16
Contractual Services	925	35	960	960		2,222
Total road improvements	935	32	967	967	-	2,238
Railroad Maintenance:						
Contractual Services	54	(20)	34	34		54
Other City Buildings:						
Contractual Services	43	20	63	59	4	45
Supplies	2		2	1	1	3
Capital Outlay	6	8	14	14		8
Total other city buildings	51	28	79	74	5	56
Composting:						
Personnel Services	2		2		2	
Contractual Services	76	16	92	71	21	63
Supplies						
Total composting	78	16	94	71	23	63
Perm Patch Utility Trenches:						
Contractual Services		12	12	12		49
Public Works Fleet:						
Capital Outlay	15	15	30	25	5	697
Public Works Line Painting						
Personnel Services	1		1		1	103
Contractual Services	108	19	127	123	4	
Total public works line painting	109	19	128	123	5	103

(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 2009

(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	2009 Actual
Storm Maintenance:						
Personnel Services	$	$	$	$	$	$ 2
Contractual Services						1
Total storm maintenance	-	-	-	-	-	3
Street Lighting:						
Contractual Services	765		765	755	10	772
Total public works	10,543	161	10,704	10,388	316	13,375
Health and Welfare						
Social Services:						
Personnel Services	195	(2)	193	164	29	194
Contractual Services	26		26	25	1	27
Supplies	1		1	1		1
Other/Miscellaneous	15	2	17	17		23
Total social services	237	-	237	207	30	245
Bristol-Burlington Health:						
Contractual Services	2,497		2,497	2,497		2,449
Code Enforcement:						
Contractual Services	2	3	5	4	1	1
Supplies	1		1		1	1
Other/Miscellaneous	80	(3)	77	46	31	419
Total personnel services	83	-	83	50	33	421
Bristol Preschool:						
Contractual Services	12		12	12		12
North Central Reg. Mental Health:						
Contractual Services	64	1	65	63	2	4
Saint Vincent DePaul:						
Contractual Services						17
CMED:						
Contractual Services						36
Substance Abuse Action:						
Contractual Services						4

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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 2009

(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	2009 Actual
Mayor's HIV/AIDS Task Force:						
Contractual Services	$	$	$	$	$	$ 2
Community Health Center:						
Contractual Services						1
Cemetery Upkeep:						
Contractual Services						8
Purch. Prof. Services	77		77	77		71
Total cemetery upkeep	77	-	77	77	-	79
School Readiness Program:						
Personnel Services	12	55	67	67		67
Contractual Service	4	2,096	2,100	2,054	46	1,783
Total school readiness program	16	2,151	2,167	2,121	46	1,850
Total health and welfare	2,986	2,152	5,138	5,027	111	5,120
Libraries						
Library:						
Personnel Services	1,405		1,405	1,343	62	1,320
Contractual Services	270		270	242	28	272
Supplies	373		373	361	12	380
Capital Outlay						10
Total libraries	2,048	-	2,048	1,946	102	1,982
Parks and Recreation						
Parks and Recreation:						
Personnel Services	1,724	(3)	1,721	1,660	61	1,645
Contractual Services	355	(1)	354	307	47	331
Employee Benefits	55		55	55		55
Supplies	220	1	221	210	11	246
Capital Outlay	11	1	12	10	2	26
Other/Miscellaneous	3		3	3		
General Insurance	34		34	20	14	30
OP - Transfer Out		(55)	(55)	(55)		(55)
Total parks and recreation	2,402	(57)	2,345	2,210	135	2,278
Employee Benefits and Pension						
Employee benefits and pension:						
Retirement Benefits	108		108	61	47	83
Heart and Hypertension Police	715	(82)	633	586	47	737
Employee Benefits	9,129	509	9,638	9,590	48	8,629
Transfer to Internal Service	(7,600)		(7,600)	(7,600)		(6,746)
Other Post Employment Benefits	313	(313)				
Total benefits and pension	2,665	114	2,779	2,637	142	2,703

(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 2009

(In Thousands)

	2010					
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	2009 Actual
General Insurance						
General Insurance:						
General City Insurance	$ 749	$ 35	$ 784	$ 589	$ 195	$ 681
Miscellaneous						
Miscellaneous:						
All Other Costs and Fees	2,137	1,111	3,248	736	2,512	540
Public buildings	200	(154)	46	44	2	211
Total miscellaneous	2,337	957	3,294	780	2,514	751
Education						
Board of Education:						
Personnel Services	64,269	(1,119)	63,150	62,713	437	63,133
Employee Benefits	15,387	(139)	15,248	15,248		14,407
Contractual Services	5,647	791	6,438	6,438		5,636
Supplies and Materials	14,733	436	15,169	14,473	696	15,377
Capital Outlay	281	626	907	907		737
All Other	1,331	(1,287)	44	44		449
General Insurance	606	(208)	398	398		517
Transfer to Internal Service and Other		(12,873)	(12,873)	(12,873)		(12,137)
Operating Transfers Out	9	41	50	50		
Total Board of Education	102,263	(13,732)	88,531	87,398	1,133	88,119
Transfers to other funds:						
Special Revenue	1,716	1,994	3,710	3,671	39	3,702
Debt Service	6,529		6,529	6,529		6,610
Capital Projects	75	435	510	510		993
Internal Service	9,393	12,928	22,321	22,321		20,490
Total other financing uses	17,713	15,357	33,070	33,031	39	31,795
Total	$ 170,794	$ 6,023	$ 176,817	171,235	$ 5,582	$ 173,796

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	8,266
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	249
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds - Exhibit IV	$ 179,750

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Appendix B

Opinion of Bond Counsel and Tax Exemption

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APPENDIX B - OPINION OF BOND COUNSEL AND TAX EXEMPTION

The following information has been prepared by Bond Counsel in connection with this bond issue. Bond Counsel are not passing upon and do not assume responsibility for the accuracy or completeness of the statements made in the Official Statement (other than matters in this Appendix), and they make no representation that they have independently verified the same.

BOND COUNSEL OPINION

The legal opinion of the firm of Day Pitney LLP of Hartford, Connecticut, Bond Counsel, will be furnished to the initial purchaser when the Bonds are delivered, and a copy of the legal opinion will be included in the record of proceedings of the City authorizing the Bonds. The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds to the initial purchaser.

The opinion of Day Pitney LLP with respect to the Bonds will be substantially in the following form:

[FORM OF BOND COUNSEL OPINION]

(date of closing)

City of Bristol
Bristol, Connecticut

We have represented the City of Bristol, Connecticut as Bond Counsel in connection with the issuance by the City of $23,935,000 General Obligation Refunding Bonds, Issue of 2011, dated as of August 24, 2011.

We have examined a record of proceedings authorizing the Bonds, and based on our examination, we are of the opinion that the City of Bristol is authorized to issue the Bonds; the City is duly and legally organized; all proper proceedings for the issuance and delivery of the Bonds have been taken; no limitation of indebtedness under the laws of the State of Connecticut has been exceeded in the issuance of the Bonds; the Bonds will be valid and binding general obligations of the City when certified as provided thereon by a duly authorized official of U.S. Bank National Association; and the City has the power to levy ad valorem taxes to pay the Bonds against all the taxable property in the City without limit as to rate or amount except certified forest land taxable at a limited rate and dwelling houses of qualified elderly people of low income or of qualified disabled persons taxable at limited amounts.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met in order that interest on the Bonds is excluded from gross income for Federal income tax purposes. The City officials authorized to issue the Bonds have executed written representations and agreements on behalf of the City relating to compliance with such provisions of the Code to ensure that the interest on the Bonds will be excluded from gross income for Federal income tax purposes.

Based on such representations and agreements and on the record of proceedings authorizing the Bonds, and assuming the accuracy of such representations and compliance with such agreements, it is our opinion that, under existing statutes: (1) interest on the Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Code; and (2) the Bonds are not "private activity bonds" and interest on the Bonds is not treated as a preference item for purposes of calculating the Federal alternative minimum tax, but in the case of corporations a portion of such interest may be included in alternative minimum taxable income for purposes of computing any Federal alternative minimum tax.

Based on the record of proceedings authorizing the Bonds, it is our opinion that, under existing statutes: (1) interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and (2) interest on the Bonds is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax.

Very truly yours,

Day Pitney LLP

FEDERAL INCOME TAX.

Interest Excluded From Gross Income. The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements that must be met in order that interest on the Bonds is excluded from the gross income of the owners thereof for Federal income tax purposes Some of these requirements must be continuously met subsequent to delivery of the Bonds. Failure to comply with any of these requirements may cause the interest on the Bonds to be includable in gross income for Federal income tax purposes retroactively to the date of their issuance irrespective of the date on which such noncompliance occurs.

The City officials authorized to issue the Bonds will enter into a Tax Compliance Agreement in connection with the delivery of the Bonds, which will contain certain representations and covenants on behalf of the City relating to compliance with such requirements of the Code to ensure that the interest on the Bonds will be excluded from the gross income of the owners thereof for Federal income tax purposes.

Alternative Minimum Tax. The Code imposes an alternative minimum tax on individuals and an alternative minimum tax on corporations. The alternative minimum tax is imposed on alternative minimum taxable income, which includes preference items. The interest on certain tax-exempt “private activity bonds” is treated as a preference item. The City's Tax Compliance Agreement will contain certain representations and covenants to ensure that the Bonds are not “private activity” the Bonds so that interest on the Bonds will not be treated as a preference item for individuals or corporations in calculating alternative minimum taxable income.

The Code provides, however, that for most corporations a portion of the excess of adjusted current earnings (which includes certain tax-exempt interest) over other alternative minimum taxable income will be included in alternative minimum taxable income for purposes of calculating the corporation's alternative minimum tax.

Financial Institutions. The Code provides that commercial banks, thrift institutions and certain other financial institutions may not deduct the portion of their interest expense allocable to tax-exempt obligations acquired after August 7, 1986, other than "qualified tax-exempt obligations". The Bonds will **not** be "qualified tax-exempt obligations" for purposes of the deduction for Federal income tax purposes by financial institutions of a portion of interest expense allocable to tax-exempt obligations.

Additional Federal Income Tax Matters. In addition to the matters addressed above, prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations, such as the Bonds, may result in collateral Federal income tax consequences to certain taxpayers, including without limitation, taxpayers otherwise eligible for the earned income credit, recipients of Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, certain insurance companies, certain S corporations and foreign corporations subject to the branch profits tax. Prospective purchasers of the Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

STATE OF CONNECTICUT TAX ON INTEREST.

The opinion of Bond Counsel will state in substance that, based on the record of proceedings authorizing the Bonds, under existing statutes: (1) interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and (2) interest on the Bonds is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax.

Interest on the Bonds is included in gross income for purposes of the Connecticut corporation business tax.

Owners of the Bonds should consult their tax advisors with respect to other applicable state and local tax consequences of ownership of the Bonds and the disposition thereof, including the extent to which gains and losses from the sale or exchange of the Bonds held as capital assets reduce and increase, respectively, amounts taken into account in computing the Connecticut income tax on individuals, trusts and estates and may affect the net Connecticut minimum tax on such taxpayers who are also required to pay the Federal alternative minimum tax.

ORIGINAL ISSUE DISCOUNT.

The initial public offering price of certain of the Bonds may be less than the amount payable on the Bonds at maturity. The excess of the amount payable at maturity over the initial public offering price at which a substantial amount of such Bonds are sold constitutes original issue discount. Any prices set forth on the cover page of the Official Statement may or may not reflect the prices at which a substantial amount of the Bonds were ultimately sold to the public.

The discussion in this paragraph applies to those Bonds having original issue discount. Under Section 1288 of the Code, the amount of original issue discount treated as having accrued with respect to any such bond during each day it is owned by a taxpayer is added to the cost basis of such owner for purposes of determining gain or loss upon the sale or other disposition of such bond by such owner. Accrued original issue discount on a bond is excluded from gross income of the owners thereof for Federal income tax purposes. Accrued original issue discount on a bond is also excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. Original issue discount on any bond is treated as accruing on the basis of economic accrual for such purposes, computed by a constant semiannual compounding method using the yield to maturity on such bond. The original issue discount attributable to any bond for any particular semiannual period is equal to the excess of the product of (i) one-half of the yield to maturity of such bond and (ii) the amount which would be the adjusted basis of the bond at the beginning of such semiannual period if held by the original owner and purchased by such owner at the initial public offering price, over the interest payable on such bond during such period. The amount so treated as accruing during each semiannual period is apportioned in equal amounts among the days in that period to determine the amount of original issue discount accruing for such purposes during each such day. Owners of Bonds having original issue discount, and especially any owner who is not an original owner of a bond who bought the bond at its initial public offering price, should consult their tax advisors with respect to the Federal and state income tax consequences of the disposition of such Bonds.

ORIGINAL ISSUE PREMIUM.

The initial public offering price of certain of the Bonds may be greater than the amount payable on the Bonds at maturity. The excess of the initial public offering price at which a substantial amount of such Bonds are sold over the amount payable thereon at maturity constitutes original issue premium. Any prices set forth on the cover page of the Official Statement may or may not reflect the prices at which a substantial amount of the Bonds were ultimately sold to the public.

The discussion in this paragraph applies to those Bonds having original issue premium. Under Sections 1016 and 171 of the Code, the amount of original issue premium treated as having amortized with respect to any bond during each day it is owned by a taxpayer is subtracted from the cost basis of such owner for purposes of determining gain or loss upon the sale or other disposition of such bond by such owner. Original issue premium on any bond is treated as amortizing on the basis of the taxpayer's yield to maturity on such bond using the taxpayer's cost basis and a constant semiannual compounding method. As a consequence of the resulting cost basis reduction, under certain circumstances an owner of a bond acquired with original issue premium may realize a taxable gain upon disposition thereof even though it is sold or redeemed for an amount equal to or less than such owner's original cost of acquiring the bond. Amortized original issue premium on a bond is not allowed as a deduction from gross income for Federal income tax purposes. Amortized original issue premium on a bond also does not reduce Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and does not reduce amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. Owners of Bonds having original issue premium, and especially any owner who is not an original owner of a bond who bought the bond at its initial public offering price, should consult their tax advisors with respect to the Federal and state income tax consequences of the disposition of such Bonds.

GENERAL.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Bonds may affect the tax status of interest on the Bonds. Legislation affecting municipal bonds is regularly under consideration by the United States Congress. No assurance can be given that future Federal legislation enacted or proposed after the date of issuance of the Bonds will not have an adverse effect on the tax-exempt status or market price of the Bonds or will not change the effect of other Federal tax law consequences discussed above of owning and disposing of the Bonds. No assurance can be given that future legislation, or amendments to the State income tax law, if enacted into law, will not contain provisions which could, directly or indirectly, reduce the benefit of the exclusion of the interest on the Bonds or any gain made on the sale or exchange thereof from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates.

The information above does not purport to deal with all aspects of Federal or State of Connecticut taxation that may be relevant to a particular owner of the Bonds. Prospective owners of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal, state and local tax consequences of owning and disposing of the Bonds, including any tax consequences arising under the laws of any other state or other taxing jurisdiction.

Appendix C

Form of Continuing Disclosure Agreement

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APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT FOR BONDS

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City will agree, pursuant to a Continuing Disclosure Agreement for Bonds to be executed by the City substantially in the following form, to provide, or cause to be provided, (i) annual financial information and operating data, (ii) in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of certain events with respect to the Bonds and (iii) timely notice of a failure by the City to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement for Bonds.

Continuing Disclosure Agreement for Bonds

This Continuing Disclosure Agreement for Bonds ("Agreement") is made as of August 24, 2011 by the City of Bristol, Connecticut (the "Issuer") acting by its undersigned officers, duly authorized, in connection with the issuance of $23,935,000 General Obligation Refunding Bonds, Issue of 2011, dated as of August 24, 2011 (the "Bonds"), for the benefit of the beneficial owners from time to time of the Bonds.

Section 1. **Definitions**. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"Final Official Statement" means the official statement of the Issuer dated August 11, 2011 prepared in connection with the Bonds.

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

"Repository" means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

"Rule" means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Annual Financial Information.

(a) The Issuer agrees to provide or cause to be provided to each Repository, in accordance with the provisions of the Rule and of this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2011) as follows:

(i) Financial statements of the Issuer's general fund for the prior fiscal year which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer prepares its financial statements in accordance with generally accepted accounting principles. The financial statements will be audited.

(ii) The following financial information and operating data to the extent not included in the financial statements described in (i) above:

(A) amounts of the net taxable grand list applicable to the fiscal year,

(B) listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon,

(C) percentage of the annual property tax levy uncollected as of the close of the fiscal year,

(D) schedule of annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year,

(E) calculation of total direct debt and total net debt as of the close of the fiscal year,

(F) total direct debt and total net debt of the Issuer per capita,

(G) ratios of the total direct debt and total net debt of the Issuer to the net taxable grand list,

(H) statement of statutory debt limitation as of the close of the fiscal year, and

(I) funding status of the pension benefit obligation.

(b) The financial information and operating data described above will be provided on or before the date eight months after the close of the fiscal year for which such information is being provided. The Issuer's fiscal year currently ends on June 30.

(c) Annual financial information and operating data may be provided in whole or in part by cross-reference to other documents available to the public on the MSRB’s Internet Web site referenced in the Rule as amended from time to time or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report.

(d) The Issuer reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format of the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

Section 3. Notice of Certain Events.

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository notice of the occurrence of any of the following events with respect to the Bonds:

(a) principal and interest payment delinquencies;

(b) non-payment related defaults, if material;

(c) unscheduled draws on debt service reserves reflecting financial difficulties;

(d) unscheduled draws on credit enhancements reflecting financial difficulties;

(e) substitution of credit or liquidity providers, or their failure to perform;

(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the Bonds;

(g) modifications to rights of holders of the Bonds, if material;

(h) Bond calls, if material, and tender offers;

(i) Bond defeasances;

(j) release, substitution, or sale of property securing repayment of the Bonds, if material;

(k) rating changes;

(l) bankruptcy, insolvency, receivership or similar event of the Issuer;

(m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

Section 4. Notice of Failure to Provide Annual Financial Information.

The Issuer agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the Issuer to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

Section 5. Use of Agents.

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

Section 6. Termination.

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Bonds, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Bonds within the meaning of the Rule.

Section 7. Enforcement.

The Issuer acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding 30 days with respect to the undertakings set forth in Section 2 of this Agreement or five business days with respect to the undertakings set forth in Sections 3 and 4 of this Agreement) from the time the Issuer's Comptroller, or a successor, receives written notice from any beneficial owner of the Bonds of such failure. The present address of the Comptroller is City Hall, 111 North Main Street, Bristol, Connecticut 06010.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Bonds shall be entitled only to the remedy of specific performance. The parties expressly acknowledge and agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Bonds.

Section 8. Miscellaneous.

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Sections 2, 3 and 4 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Issuer from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Bonds. If the Issuer elects to provide any such additional information, data or notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(c) This Agreement shall be governed by the laws of the State of Connecticut.

(d) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds, and (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver. A copy of any such amendment or waiver will be filed in a timely manner with each Repository. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

CITY OF BRISTOL

By:____________________________________
Arthur J. Ward
Mayor

By:____________________________________
Richard J. Miecznikowski
Agent of the Board of Finance

By:____________________________________
Glenn S. Klocko
Comptroller