

**McGladrey & Pullen**  
Certified Public Accountants

**TOWN OF WILTON, CONNECTICUT**

**FINANCIAL REPORT**  
**JUNE 30, 2007**



# TOWN OF WILTON, CONNECTICUT

## FINANCIAL REPORT

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**TOWN OF WILTON, CONNECTICUT**

**FINANCIAL REPORT**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Honorable Members of the  
Board of Finance  
Town of Wilton, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wilton, Connecticut (the "Town"), as of and for the year ended June 30, 2007, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Wilton's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wilton, Connecticut, as of June 30, 2007, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with "Government Auditing Standards," we have also issued our report dated January 28, 2008 on our consideration of the Town of Wilton, Connecticut's internal control over financial reporting and 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 read in conjunction with this report in considering the results of our audit.

The management discussion and analysis on pages 3 through 12 is not a required part of the basic financial statements, but is supplementary information required by the 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 Town's basic financial statements. The budgetary detail and combining and individual nonmajor fund statements, capital asset schedules and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary detail, combining and individual nonmajor fund statements, capital asset schedules and other 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.

*McGladrey & Pullen, LLP*

New Haven, Connecticut  
January 28, 2008

**Town of Wilton, Connecticut**  
**Management's Discussion and Analysis**  
**June 30, 2007**

As management of the Town of Wilton, Connecticut (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2007. We encourage readers to consider the information presented here in conjunction with the Town's basic financial statements that follow this section. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

**Financial Highlights -- Primary Government**

The assets of the Town of Wilton exceeded its liabilities on June 30, 2007 by \$107,189 (net assets). Of this amount, \$33,163 (unrestricted net assets) may be used to meet the government's ongoing obligations. The increase is chiefly the result of higher tax, grants and interest revenues.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the Town of Wilton's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances. In a manner similar to a private-sector business, the statement of net assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the Town include general government, education, public safety, public works, public health and welfare, parks and recreation activities, and other.

The business-type activities of the Town include the Water Pollution Control Authority and the Transfer Station. They are reported here because the Town charges fees to customers to help cover all or most of the cost of operations.

The government-wide financial statements (statement of net assets and statement of activities) can be found on pages 13-14 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The Town of Wilton, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town of Wilton has three kinds of funds:

**Governmental funds.** Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures, and changes in fund balances. They are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a year, but do not include capital assets such as land and buildings. The difference between a fund's total assets and total liabilities is labeled as the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, because different accounting bases are used to prepare fund financial statements and government-wide financial statements, there are often significant differences between the totals presented in these financial statements. For this reason, there is an analysis at the bottom of the balance sheet that reconciles the total fund balance to the amount of net assets presented in the governmental activities column on the statement of net assets. In addition, there is an analysis at the bottom of the statement of revenues, expenditures, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net assets as reported in the governmental activities column in the statement of activities.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) can be found on pages 15-16 of this report.

**Proprietary funds.** Proprietary fund financial statements consist of a statement of net assets, statement of revenues, expenses, and changes in fund net assets and statement of cash flows. These are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds.

The Town of Wilton maintains two different types of proprietary funds. Enterprise funds are used to report the same functions present as business-type activities in the government-wide

financial statement. The Town of Wilton uses Enterprise funds to account for its Water Pollution Control Authority and the Transfer Station.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Pollution Control Authority and the Transfer Station.

The propriety fund financial statements can be found on pages 21-23 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to provide services to the Town's constituency. The Town's fiduciary funds include a pension trust fund and student activity funds. The basic fiduciary fund financial statements can be found on pages 22-23 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 through 55 of this report.

**TOWN OF WILTON, CONNECTICUT**  
**NET ASSETS (000's)**  
**June 30, 2007 and 2006**

	June 30, 2007			June 30, 2006		
	Primary Government			Primary Government		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and Other Assets	\$ 41,731	\$ 7,700	\$ 49,431	\$ 37,651	\$ 7,776	\$ 45,427
Capital Assets	141,071	2,818	143,889	139,746	2,172	141,918
Total assets	182,802	10,518	193,320	177,397	9,948	187,345
Long-term liabilities	65,648	45	65,693	67,603	78	67,681
Other liabilities	19,793	645	20,438	18,174	410	18,584
Total liabilities	85,441	690	86,131	85,777	488	86,265
Net Assets:						
Invested in capital assets, net of related debt	71,287	2,739	74,026	72,276	2,059	74,335
Unrestricted	26,074	7,089	33,163	19,344	7,401	26,745
Total net assets	\$ 97,361	\$ 9,828	\$ 107,189	\$ 91,620	\$ 9,460	\$ 101,080

By far the largest portion of the Town's net assets (69%) is its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Net assets increased by \$6,109 from June 30, 2006 as shown in the following in the following table.

**TOWN OF WILTON, CONNECTICUT  
STATEMENT OF ACTIVITIES (000's)  
Years Ended June 30, 2007 and 2006**

	Year Ended					
	June 30, 2007			June 30, 2006		
	Primary Government			Primary Government		
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 5,412	\$ 1,684	\$ 7,096	\$ 5,976	\$ 1,667	\$ 7,643
Operating grants and contributions	4,372	-	4,372	7,986	-	7,986
Capital grants and contributions	489	-	489	506	-	506
General Revenues:						
Property taxes	88,341	-	88,341	84,027	-	84,027
Grants and contributions not restricted to specific programs	4,335	-	4,335	2,817	-	2,817
Unrestricted investment earnings	2,247	518	2,765	1,370	307	1,677
Transfers in (out)	(135)	135	-	-	-	-
<b>Total revenues</b>	<b>105,061</b>	<b>2,337</b>	<b>107,398</b>	<b>102,682</b>	<b>1,974</b>	<b>104,656</b>
<b>Expenses:</b>						
General Government	6,493	-	6,493	4,552	-	4,552
Public Safety	11,583	-	11,583	10,666	-	10,666
Public Works	4,196	-	4,196	3,500	-	3,500
Health & Human Services	1,384	-	1,384	1,273	-	1,273
Education	68,355	-	68,355	64,945	-	64,945
Parks and Recreation	2,001	-	2,001	2,481	-	2,481
Library and other	2,530	-	2,530	2,363	-	2,363
Interest on long-term debt	2,778	-	2,778	3,033	-	3,033
WPCA	-	861	861	-	853	853
Transfer station	-	1,108	1,108	-	1,085	1,085
<b>Total expenses</b>	<b>99,320</b>	<b>1,969</b>	<b>101,289</b>	<b>92,813</b>	<b>1,938</b>	<b>94,751</b>
<b>Change in net assets</b>	<b>5,741</b>	<b>368</b>	<b>6,109</b>	<b>9,869</b>	<b>36</b>	<b>9,905</b>
<b>Net assets – beginning</b>	<b>91,620</b>	<b>9,460</b>	<b>101,080</b>	<b>81,751</b>	<b>9,424</b>	<b>91,175</b>
<b>Net assets - ending</b>	<b>\$ 97,361</b>	<b>\$ 9,828</b>	<b>\$ 107,189</b>	<b>\$ 91,620</b>	<b>\$ 9,460</b>	<b>\$ 101,080</b>

**Government-Wide Financial Analysis**

Governmental activities. As shown in the Statement of Changes in Net Assets above, the revenues of governmental activities exceeded expenses by \$5,741. There are two classes of governmental activities revenue: program and general. As the classifications imply, program specific revenue is directly associated with and/or generated by specific programs. General revenue, such as property taxes and interest on investments, is not. Key elements of this increase are as follows:

Eighty-five percent (84%) of the governmental activities revenue was derived from property taxes, followed by six percent (9%) from grants and contributions. Fees accounted for five percent (5%) and interest two percent (2%).

Major revenue factors included:

- ◆ An increase in property tax revenues due to an increase in the current year mill rate.
- ◆ Interest income benefited from successive short-term rate increases and higher balances available to invest.
- ◆ The Excess Special Education Cost grant exceeded the budget by \$918.
- ◆ Building permits and revenues derived from real estate transactions were less than budgeted.

Major expense factors included:

- ◆ The Board of Education under expended its budget by \$1,010 as explained in the General Fund Budgetary Highlights section hereof.
- ◆ The Board of Selectmen's workers compensation expenses were \$111 higher than expected. Furthermore, an unanticipated expenditure and corresponding liability of \$150 were recorded for a police heart and hypertension claim.
- ◆ The Town's (exclusive of the Library) actuarially computed contribution to the Wilton Employee's Retirement Fund was \$255 higher than that of FY 2006.
- ◆ \$673 of a budgeted contingency of \$823 was unspent.

### **Business-Type Activities**

Business-type activities consist of the Water Pollution Control Authority (WPCA) and the Transfer Station. These activities increased the Town's net assets by \$368 resulting primarily from WPCA investment earnings.

The WPCA operates the Town's liquid waste system, which consists of collection infrastructure but no treatment facilities. Sewage treatment is provided by the City of Norwalk under a contract with the Wilton WPCA. Capital assessments, user charges and interest comprise the WPCA's revenue. Capital assessments are levied by the WPCA on properties that benefit from sewer construction. The assessments may be paid over twenty years with interest. By general statutes, income from assessment payments may be used only for debt service on sewer-related bonds and for capital improvements to the system. Wilton has no sewer debt outstanding as of June 30, 2007. User charges are established annually to pay for operating expenses, including Norwalk's processing fee.

For fiscal 2007, the WPCA's operations resulted in an increase of \$342 in net assets of business-type activities.

The Wilton Transfer Station accepts and then transfers solid waste of the Town from both commercial haulers and citizens. This includes trash and recyclables. Waste is then trucked by the Town to other facilities under a contract with the Connecticut Resources Recovery Authority. Revenues of the Transfer Station consist primarily of tip fees from commercial haulers, fees collected from residents, a rebate from CRRA based on tonnage, and a payment from CRRA for the Town to haul the waste to intermediate processing facilities. Property taxes support the

recycling activities of the Transfer Station in the form of a subsidy from the general fund. Fiscal 2007 Transfer Station operations resulted in a net asset increase of only \$26. Were it not for a \$135 general fund subsidy, net assets would have decreased by \$110.

### Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to comply with finance-related legal requirements.

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

Wilton's governmental funds reported combined ending fund balances of \$23,482. For the general fund, the unreserved and undesignated balance was \$13,868 or 13.8% of revenues and other financing sources. This is an increase of \$977 from June 30, 2006.

All other governmental funds reported ending fund balances of \$4,312 of which \$2,141 is reserved or otherwise designated.

The following table shows the fund types comprising governmental funds and compares their fund balances for fiscal years 2007 and 2006.

**TOWN OF WILTON, CONNECTICUT  
GOVERNMENTAL FUNDS - SUMMARY OF REVENUES, EXPENDITURES (000's)  
AND FUND BALANCES - FY'S 2007 AND 2006**

Fund Types	General		Other Governmental Fund		Totals	
	2007	2006	2007	2006	2007	2006
Revenues and other financing sources	\$ 100,630	\$ 96,241	\$ 8,587	\$ 9,230	\$ 109,217	\$ 105,471
Expenditures and other financing uses	96,941	90,285	10,625	6,249	107,566	96,534
Net change	3,689	5,956	(2,038)	2,981	1,651	8,937
Beginning fund balance	15,481	9,525	6,350	3,369	21,831	12,894
Ending fund balance	<u>\$ 19,170</u>	<u>\$ 15,481</u>	<u>\$ 4,312</u>	<u>\$ 6,350</u>	<u>\$ 23,482</u>	<u>\$ 21,831</u>
Components of fund balance						
Reserved						
Encumbrances	\$ 742	\$ 499	\$ -	\$ -	\$ 742	\$ 499
Prepaid expenditures	6	9	16	28	22	37
Continuing appropriations	493	562	-	-	493	562
Long-term advances	142	142	-	-	142	142
Inventories	-	-	13	17	13	17
Donors' intentions	-	-	9	9	9	9
Designated						
Debt service	-	-	328	302	328	302
Medical insurance premiums	-	22	-	-	-	22
Capital improvements	-	-	1,805	4,070	1,805	4,070
Future years	3,919	1,356	-	-	3,919	1,356
Unreserved and undesignated	13,868	12,891	2,141	1,923	16,009	14,814
Total fund balance	<u>\$ 19,170</u>	<u>\$ 15,481</u>	<u>\$ 4,312</u>	<u>\$ 6,349</u>	<u>\$ 23,482</u>	<u>\$ 21,830</u>

**General fund.** At June 30, 2007 the total general fund balance was \$19,170, of which \$13,868 was unreserved and undesignated. This is 14.3% of expenditures and other financing uses and 13.8% of revenues and other financing sources. The total fund balance increased by \$3,689. This increase resulted primarily from positive revenue variances from estimates in the following categories: current taxes, state grants for education, interest income, and “other” (proceeds from State of Connecticut acquisitions of Town land for the Route 7 widening and unanticipated rental income from a Town-owned property.) The land acquired by the State consisted of right-of-way “strips” along Route 7.

Expenditures, chiefly those of the Board of Education, were less than estimated. Specific revenue and expenditure variances are detailed in the following section.

**General Fund Budgetary Highlights (000’s)**

The difference between the original and adjusted budget was \$513 and consisted entirely of unobligated capital appropriations continued from fiscal 2006 in accordance with the Town Charter. Continued appropriations constitute a reservation of the fund balance. The following table summarizes the budget operating results:

	Fiscal 2007			Fiscal 2006		
	Adjusted	Budget Basis	Positive (Negative)	Adjusted	Budget Basis	Positive (Negative)
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues	\$ 93,622	\$ 96,039	\$ 2,417	\$ 88,809	\$ 92,066	\$ 3,257
Expenditures	95,539	92,572	2,967	89,322	85,840	3,482
Subtotal	\$ (1,917)	\$ 3,467	\$ 5,384	\$ (513)	\$ 6,226	\$ 6,739

\$493 in unexpended capital appropriations have been carried forward to fiscal 2008.

The detail of budget variances is shown on pages 57 through 60 of this report. The revenue variances for the year are shown in the following table (000’s):

	Fiscal 2007			Fiscal 2006		
	Adjusted	Budget Basis	Positive (Negative)	Adjusted	Budget Basis	Positive (Negative)
	Budget	Actual	Variance	Budget	Actual	Variance
Property taxes, interest and lien fees	\$ 87,733	\$ 88,068	\$ 335	\$ 83,073	\$ 83,923	\$ 850
Intergovernmental	2,324	3,277	953	2,565	3,484	919
Licenses, fees and permits	2,242	1,981	(261)	2,162	2,275	113
Interest	930	2,004	1,074	360	1,311	951
Other	392	709	317	649	1,073	424
Total	\$ 93,621	\$ 96,039	\$ 2,418	\$ 88,809	\$ 92,066	\$ 3,257

Of the property tax variance, \$424 is due to current tax revenue. Back taxes varied negatively by \$102 and interest and lien fees positively by \$13. The variance in intergovernmental revenue is due to State grants for education, primarily the Special Education Excess Cost grant, \$918. The investment income variance is attributable to successive increases in short-term rates and higher balances available to invest. Licenses, permits and fees were negatively affected by reductions in the Real Estate Transfer Tax (\$162) and building permits (\$114). The positive variance in other revenue is due to the State acquisition of Town-owned land along Route 7, and rent for a Town property that was expected to be vacated.

The expenditure variances for the year are shown in the following table (000's):

**General Fund Expenditures Fiscal Years 2007 and 2006 (000's)**

	Fiscal 2007			Fiscal 2006		
	Final Budget	Actual	Variance	Final Budget	Actual	Variance
General Government	\$ 3,761	\$ 3,449	\$ 312	\$ 3,483	\$ 3,463	\$ 20
Public Safety	10,337	10,153	184	9,414	9,311	103
Public Works	2,405	2,220	185	2,247	2,163	84
Health & Welfare	1,361	1,343	18	1,256	1,235	21
Other	4,620	4,674	(54)	4,102	4,071	31
Recreation	1,117	1,068	49	1,076	1,010	66
Education	59,965	58,955	1,010	56,082	54,293	1,789
Capital	2,144	1,631	513	1,723	1,142	581
Debt service	9,073	9,079	(6)	9,175	9,152	23
Additional appropriations	756	-	756	764	-	764
<b>Total</b>	<b>\$ 95,539</b>	<b>\$ 92,572</b>	<b>\$ 2,967</b>	<b>\$ 89,322</b>	<b>\$ 85,840</b>	<b>\$ 3,482</b>

Additional appropriations during the year from the Board of Finance and Board of Selectmen contingencies were \$34 and \$150 respectively, leaving \$756 of the budgeted contingency unspent.

The Wilton Board of Education ended the fiscal 2007 with a final positive variance to budget of \$1,010 after expenditures were reduced by applying \$741 of the Excess Cost Grant. The total grant was \$1,659. State statute requires that the grant first be used to offset the amount by which the Board of Education's special education expenditures exceed the amount budgeted for them even if the total Board of Education budget will not be exceeded. The primary reasons for the deficit in Special Education were an increase in the cost of outplacements and contracted services needed to provide for a rapidly growing population of students with autism. These are all costs incurred providing for students according to their Individual Educational Plans (IEP) in accordance with State and Federal mandates. The effect of the deficit on the total Board of Education expenditures was mitigated by \$778 in savings in Regular and Special Education salary accounts because of several vacancies, retirements and unpaid leaves of absence.

The Board of Education's Health Insurance Internal Service Fund ended the year with a positive result of \$748 resulting in a fund balance of \$3,032.

**Capital Asset and Debt Administration**  
**(000's omitted throughout unless otherwise obvious from context)**

**Capital assets.** The Town's investment in capital assets as of June 30, 2007, is \$144 (net of accumulated depreciation). This investment includes land, buildings and other improvements to land, machinery and equipment, as well as roads, highways, bridges, and other infrastructure.

Major capital asset events during the current fiscal year included improvements to athletic fields, replacement boilers in a school and two sewer main projects.

**Town of Wilton, Connecticut**  
**Capital Asset Balances at Year-End (000's)**  
**(Net of Depreciation)**

	Fiscal 2007			Fiscal 2006		
	Governmental	Business-	Total	Governmental	Business-	Total
	Activities	Type Activities		Activities	Type Activities	
Land	\$ 22,417	\$ 82	\$ 22,499	\$ 22,416	\$ 82	\$ 22,498
Buildings and other improvements	81,430	-	81,430	81,830	-	81,830
Machinery, equipment and infrastructure	32,567	1,905	34,472	33,177	2,090	35,267
Construction in progress	4,657	830	5,487	2,323	-	2,323
<b>Total</b>	\$ 141,071	\$ 2,817	\$ 143,888	\$ 139,746	\$ 2,172	\$ 141,918

Additional information on the Town's capital assets can be found on pages 39-40 of this report.

Long-term debt. At the end of the fiscal year, the Town had total bonded debt outstanding of \$69, all of which is backed by the full faith and credit of the government. Although all of Wilton's bonded debt is secured by the Town's full taxing power, \$363 will be paid from water capital assessments.

**Town of Wilton, Connecticut Outstanding Debt**  
**General Obligation Bonds and Notes Outstanding at June 30 (000's)**

	2007	2006	2005	2004	2003
Governmental Activities	\$ 69,293	\$ 71,216	\$ 73,000	\$ 75,808	\$ 73,831
Business-Type Activities	37	44	50	57	64
<b>Total</b>	\$ 69,330	\$ 71,260	\$ 73,050	\$ 75,865	\$ 73,895

**Changes in Bonded Debt**  
**Fiscal Years 2006 and 2005 (000's)**

	FY 2006	FY2005
Bonds and notes outstanding at July 1	\$ 71,260	\$ 73,050
Principal payments	(5,985)	(5,920)
Issued during the year	4,055	4,130
Balance outstanding at June 30	\$ 69,330	\$ 71,260

The Town maintains an “AAA” rating from Moody’s Investors Service.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times its annual tax collections. At June 30, 2007, Wilton’s statutory debt limitation was \$594,317.

Additional information on the Town’s long-term debt can be found on pages 41-46 of this report.

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

- ◆ According to the 2000 Census, Wilton’s median family income was \$162.
- ◆ As of September 2007, Wilton’s unemployment rate was 3.2%, comparing favorably to the State's average unemployment rate of 4.3% and the Bridgeport/Stamford Labor Market of 4.2%. (Source: Connecticut Department of Labor).
- ◆ The Net Taxable Grand List of October 1, 2005 on which the fiscal 2007 mill rate was based was \$3,768,790, an increase of 1.5% over the October, 2004 Grand List.
- ◆ For Fiscal Year 2007, the collection rate of current property taxes was 99.3%. of the adjusted taxes to be collected. For back taxes, 33% of the receivables outstanding at July 1, 2006 was collected.

These factors, as well as the provision of essential public services and the quality of life in Wilton, were considered in preparing the Town of Wilton's Fiscal Year 2008 general fund budget. Of equal if not greater influence was the need to achieve and maintain a general fund balance at a level consistent with a Moody’s AAA credit rating. The fiscal 2008 budget as recommended by the Board of Finance and adopted by the Annual Town Meeting calls for revenues of \$98,159 and appropriations of \$102,078. The budget was balanced by the use of \$3,919 of the June 30, 2007 ending fund balance. The FY 2008 budget as developed by the Board of Finance is designed to result in an estimated ending fund balance equal to 11.8% of revenues.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. The reader is strongly urged to read the entire report, especially the notes, which contain important explanatory information. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, Attn. Joseph A. Dolan, C.F.O., Town of Wilton, 238 Danbury Rd., Wilton, CT 06897.

## **Basic Financial Statements**



TOWN OF WILTON, CONNECTICUT

STATEMENT OF NET ASSETS

June 30, 2007

	<b>Governmental Type Activities</b>	<b>Business-Type Activities</b>	<b>Total*</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 37,317,093	\$ 7,365,635	\$ 44,682,728
Receivables, net of allowances for collection losses:			
Property taxes	1,477,227	-	1,477,227
Intergovernmental	2,048,686	-	2,048,686
Special assessments	231,560	334,389	565,949
Other	619,769	-	619,769
Inventories	12,717	-	12,717
Prepays and other	21,881	-	21,881
Net pension asset	2,234	-	2,234
Capital assets, net of accumulated depreciation	141,070,571	2,818,313	143,888,884
<b>Total assets</b>	<b>182,801,738</b>	<b>10,518,337</b>	<b>193,320,075</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	10,399,026	342,122	10,741,148
Intergovernmental payables	19,625	-	19,625
Property taxes collected in advance	2,054,645	-	2,054,645
Unearned revenues	688,672	67,188	755,860
Internal balances	(201,493)	201,493	-
Noncurrent liabilities:			
Due within one year	6,832,024	35,002	6,867,026
Due in more than one year	65,648,352	44,208	65,692,560
<b>Total liabilities</b>	<b>85,440,851</b>	<b>690,013</b>	<b>86,130,864</b>
<b>Net Assets</b>			
Investment in capital assets, net of related debt	71,287,195	2,739,103	74,026,298
Unrestricted	26,073,692	7,089,221	33,162,913
<b>Total net assets</b>	<b>\$ 97,360,887</b>	<b>\$ 9,828,324</b>	<b>\$ 107,189,211</b>

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

\* After internal receivables and payables have been eliminated.

TOWN OF WILTON, CONNECTICUT

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2007

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental activities:							
General government	\$ (6,492,495)	\$ 2,482,505	\$ -	\$ -	\$ (4,009,990)	\$ -	\$ (4,009,990)
Public safety	(11,582,747)	363,266	-	-	(11,219,481)	-	(11,219,481)
Public works	(4,195,931)	54,820	113,035	157,034	(3,871,042)	-	(3,871,042)
Public health and welfare	(1,384,490)	67,110	17,143	-	(1,300,237)	-	(1,300,237)
Education	(68,354,884)	2,379,822	3,363,989	331,620	(62,279,453)	-	(62,279,453)
Recreation and Parks Commission	(2,000,775)	64,022	877,401	-	(1,059,352)	-	(1,059,352)
Library and other	(2,530,341)	-	-	-	(2,530,341)	-	(2,530,341)
Interest on long-term debt	(2,777,892)	-	-	-	(2,777,892)	-	(2,777,892)
<b>Total governmental activities</b>	<b>(99,319,555)</b>	<b>5,411,545</b>	<b>4,371,568</b>	<b>488,654</b>	<b>(89,047,788)</b>	<b>-</b>	<b>(89,047,788)</b>
Business-type activities:							
WPCA	(860,983)	687,426	-	-	-	(173,557)	(173,557)
Transfer station	(1,108,309)	996,798	-	-	-	(111,511)	(111,511)
<b>Total business-type activities</b>	<b>(1,969,292)</b>	<b>1,684,224</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(285,068)</b>	<b>(285,068)</b>
<b>Total government</b>	<b>\$ (101,288,847)</b>	<b>\$ 7,095,769</b>	<b>\$ 4,371,568</b>	<b>\$ 488,654</b>	<b>\$ (89,047,788)</b>	<b>\$ (285,068)</b>	<b>\$ (89,332,856)</b>
		General revenues:					
		Property taxes			\$ 88,341,823	\$ -	\$ 88,341,823
		Grants and contributions not restricted to specific programs			4,334,616	-	4,334,616
		Unrestricted investment earnings			2,247,434	518,436	2,765,870
		Transfers in (out)			(135,000)	135,000	-
		Total general revenues			94,788,873	653,436	95,442,309
		Change in net assets			5,741,085	368,368	6,109,453
		Net assets - beginning			91,619,802	9,459,956	101,079,758
		Net assets - ending			\$ 97,360,887	\$ 9,828,324	\$ 107,189,211

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

TOWN OF WILTON, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2007

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 26,861,613	\$ 6,548,191	\$ 33,409,804
Receivables, net of allowances for collection losses:			
Property taxes	1,477,227	-	1,477,227
Intergovernmental	2,021,447	27,239	2,048,686
Special assessments	-	231,560	231,560
Other	219,481	234,794	454,275
Due from other funds	749,244	47,127	796,371
Inventories	-	12,717	12,717
Prepays	5,892	15,989	21,881
<b>Total assets</b>	<b>\$ 31,334,904</b>	<b>\$ 7,117,617</b>	<b>\$ 38,452,521</b>
<b>Liabilities</b>			
Accounts payable and accruals	2,388,160	1,812,376	4,200,536
Intergovernmental payables	19,625	-	19,625
Property taxes collected in advance	2,054,645	-	2,054,645
Performance bonds	4,010,785	-	4,010,785
Due to other funds	32,537	526,260	558,797
Unearned revenues	453,587	235,085	688,672
Deferred revenue	3,206,227	231,560	3,437,787
<b>Total liabilities</b>	<b>12,165,566</b>	<b>2,805,281</b>	<b>14,970,847</b>
<b>Fund balances</b>			
Reserved for:			
Prepaid items	5,892	15,989	21,881
Encumbrances	742,271	-	742,271
Continuing appropriations	492,523	-	492,523
Inventory	-	12,717	12,717
Donor's intentions	-	9,344	9,344
Long term advances	142,001	-	142,001
Unreserved:			
Designated for:			
Debt service	-	328,451	328,451
Capital improvements	-	1,804,989	1,804,989
Future years	3,918,682	-	3,918,682
Unreserved, reported in:			
Special revenue funds	-	2,053,189	2,053,189
Capital projects funds	-	87,657	87,657
General Fund	13,867,969	-	13,867,969
<b>Total fund balances</b>	<b>19,169,338</b>	<b>4,312,336</b>	<b>23,481,674</b>
<b>Total liabilities and fund balances</b>	<b>\$ 31,334,904</b>	<b>\$ 7,117,617</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets, net of accumulated depreciation of \$50,556,656, purchased by governmental funds are reported as expenditures, however, the statement of net assets includes those capital assets among the assets of the Town as a whole.	141,070,571
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recognized.	129,412
Deferred Revenue	3,437,787
Net pension asset	2,234
Internal service fund is used by management to charge the costs of BOE Health Insurance to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net assets.	3,032,289
Accrued interest payable	(1,312,704)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(72,480,376)

Net assets of governmental activities

\$ 97,360,887

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

TOWN OF WILTON, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) -  
 GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2007

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>			
Property taxes	\$ 88,067,800	\$ -	\$ 88,067,800
Intergovernmental	7,669,044	775,487	8,444,531
Licenses and permits	1,981,305	1,074,340	3,055,645
Investments income	2,003,645	86,227	2,089,872
Tuition	-	1,182,110	1,182,110
School lunch sales	-	1,196,502	1,196,502
Contributions	-	217,985	217,985
Other revenue	709,145	-	709,145
<b>Total revenues</b>	<b>100,430,939</b>	<b>4,532,651</b>	<b>104,963,590</b>
<b>EXPENDITURES</b>			
Current:			
General government	3,363,146	198,176	3,561,322
Education	63,652,774	3,041,511	66,694,285
Public safety	10,135,382	297,023	10,432,405
Public works	2,088,763	-	2,088,763
Public health and welfare	1,446,944	3,266	1,450,210
Recreation and Parks commission	1,159,650	696,214	1,855,864
Other	4,592,688	-	4,592,688
Debt service:			
Principal retirements	5,951,145	27,047	5,978,192
Interest and other charges	3,127,525	17,175	3,144,700
Capital outlay	1,423,201	6,344,547	7,767,748
<b>Total expenditures</b>	<b>96,941,218</b>	<b>10,624,959</b>	<b>107,566,177</b>
<b>Revenues over (under) expenditures</b>	<b>3,489,721</b>	<b>(6,092,308)</b>	<b>(2,602,587)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from bonds	-	4,055,000	4,055,000
Capital leases issued	333,938	-	333,938
Transfers out	(135,000)	-	(135,000)
<b>Total other financing sources</b>	<b>198,938</b>	<b>4,055,000</b>	<b>4,253,938</b>
<b>Net change in fund balances</b>	<b>3,688,659</b>	<b>(2,037,308)</b>	<b>1,651,351</b>
<b>FUND BALANCES, beginning</b>	<b>15,480,679</b>	<b>6,349,644</b>	<b>21,830,323</b>
<b>FUND BALANCES, ending</b>	<b>\$ 19,169,338</b>	<b>\$ 4,312,336</b>	<b>\$ 23,481,674</b>

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

**TOWN OF WILTON, CONNECTICUT**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2007**

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Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – total governmental funds \$ 1,651,351

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period. 1,324,799

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 36,233

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, however, 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 deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 1,896,857

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 governmental funds. 84,267

The net increase of certain activities of internal service funds is reported with governmental activities. 747,578

Change in net assets of governmental activities \$ 5,741,085

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

TOWN OF WILTON, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES,  
BUDGET AND ACTUAL - BUDGETARY BASIS - CHANGE IN FUND BALANCE - GENERAL FUND

For the Year Ended June 30, 2007

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes, interest and lien fees	\$ 87,733,195	\$ 87,733,195	\$ 88,067,800	\$ 334,605
Intergovernmental	2,324,221	2,324,221	3,276,964	952,743
Fees, permits and other	2,242,444	2,242,444	1,981,305	(261,139)
Investment income	930,000	930,000	2,003,645	1,073,645
Other	392,169	392,169	709,145	316,976
<b>Total revenues</b>	<b>93,622,029</b>	<b>93,622,029</b>	<b>96,038,859</b>	<b>2,416,830</b>
<b>EXPENDITURES AND ENCUMBRANCES</b>				
General government	3,760,740	3,760,740	3,449,439	311,301
Public safety	10,114,428	10,336,682	10,153,179	183,503
Public works	2,405,420	2,405,420	2,219,638	185,782
Public health and welfare	1,328,942	1,361,251	1,343,197	18,054
Other	4,690,921	4,620,358	4,674,209	(53,851)
Recreation and Parks Commission	1,117,122	1,117,122	1,067,520	49,602
Education	59,965,097	59,965,097	58,955,205	1,009,892
Capital outlay	1,582,054	2,143,579	1,630,615	512,964
Debt Service	9,072,862	9,072,862	9,078,670	(5,808)
Additional appropriations	940,376	756,376	-	756,376
<b>Total expenditures and encumbrances</b>	<b>94,977,962</b>	<b>95,539,487</b>	<b>92,571,672</b>	<b>2,967,815</b>
<b>Revenues over (under) expenditures and encumbrances</b>	<b>(1,355,933)</b>	<b>(1,917,458)</b>	<b>3,467,187</b>	<b>5,384,645</b>
<b>Net increase (decrease) in unreserved budgetary fund balance</b>	<b>\$ (1,355,933)</b>	<b>\$ (1,917,458)</b>	<b>3,467,187</b>	<b>\$ 5,384,645</b>
<b>FUND BALANCE, BUDGETARY BASIS, beginning</b>			<b>15,615,244</b>	
<b>FUND BALANCE, BUDGETARY BASIS, ending</b>			<b>\$ 19,082,431</b>	

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

**TOWN OF WILTON, CONNECTICUT**

**STATEMENT OF NET ASSETS - PROPRIETARY FUNDS**

**June 30, 2007**

	Business-Type Activities - Enterprise Funds			Governmental
	Major	Nonmajor	Totals	Activities
	WPCA	Transfer Station		Internal Service Fund
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 7,203,068	\$ 162,567	\$ 7,365,635	\$ 3,907,289
Receivables, net of allowances for collection losses:				
Special assessments	262,405	71,984	334,389	-
<b>Total current assets</b>	<u>7,465,473</u>	<u>234,551</u>	<u>7,700,024</u>	<u>3,907,289</u>
Noncurrent assets:				
Capital assets, net of accumulated depreciation	2,627,953	190,360	2,818,313	-
<b>Total noncurrent assets</b>	<u>2,627,953</u>	<u>190,360</u>	<u>2,818,313</u>	<u>-</u>
<b>Total assets</b>	<u>10,093,426</u>	<u>424,911</u>	<u>10,518,337</u>	<u>3,907,289</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	216,575	125,547	342,122	875,000
Due to other funds	13,100	188,393	201,493	-
Unearned revenues	67,188	-	67,188	-
Capital lease	-	28,342	28,342	-
Bonds payable	-	6,660	6,660	-
<b>Total current liabilities</b>	<u>296,863</u>	<u>348,942</u>	<u>645,805</u>	<u>875,000</u>
Noncurrent liabilities:				
Capital lease	-	13,949	13,949	-
Bonds payable	-	30,259	30,259	-
<b>Total liabilities</b>	<u>296,863</u>	<u>393,150</u>	<u>690,013</u>	<u>875,000</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	2,627,953	111,150	2,739,103	-
Unrestricted (deficit)	7,168,610	(79,389)	7,089,221	3,032,289
<b>Total net assets</b>	<u>\$ 9,796,563</u>	<u>\$ 31,761</u>	<u>\$ 9,828,324</u>	<u>\$ 3,032,289</u>

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

**TOWN OF WILTON, CONNECTICUT**

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

**For the Year Ended June 30, 2007**

	Business-Type Activities - Enterprise Funds			Governmental
	Major	Nonmajor	Totals	Activities
	WPCA	Transfer Station		Internal Service Fund
<b>OPERATING REVENUES</b>				
Usage fees and assessments	\$ 687,426	\$ 996,798	\$ 1,684,224	\$ -
Premiums			-	7,970,387
<b>Total operating revenues</b>	<b>687,426</b>	<b>996,798</b>	<b>1,684,224</b>	<b>7,970,387</b>
<b>OPERATING EXPENSES</b>				
Operating costs	683,767	1,089,403	1,773,170	-
Claims	-	-	-	7,390,317
Depreciation	177,216	17,489	194,705	-
<b>Total operating expenses</b>	<b>860,983</b>	<b>1,106,892</b>	<b>1,967,875</b>	<b>7,390,317</b>
<b>Operating income (loss)</b>	<b>(173,557)</b>	<b>(110,094)</b>	<b>(283,651)</b>	<b>580,070</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest income	515,630	2,806	518,436	167,508
Interest expense	-	(1,417)	(1,417)	-
<b>Total nonoperating revenues (expenses)</b>	<b>515,630</b>	<b>1,389</b>	<b>517,019</b>	<b>167,508</b>
<b>Operating income (loss) before transfers</b>	<b>342,073</b>	<b>(108,705)</b>	<b>233,368</b>	<b>747,578</b>
Transfers in	-	135,000	135,000	-
<b>Change in net assets</b>	<b>342,073</b>	<b>26,295</b>	<b>368,368</b>	<b>747,578</b>
<b>FUND NET ASSETS, beginning</b>	<b>9,454,490</b>	<b>5,466</b>	<b>9,459,956</b>	<b>2,284,711</b>
<b>FUND NET ASSETS, ending</b>	<b>\$ 9,796,563</b>	<b>\$ 31,761</b>	<b>\$ 9,828,324</b>	<b>\$ 3,032,289</b>

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

TOWN OF WILTON, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

For the Year Ended June 30, 2007

	Business-Type Activities - Enterprise Funds			Governmental
	Major	Nonmajor	Totals	Activities
	WPCA	Transfer Station		Internal Service Fund
<b>Cash Flows From Operating Activities</b>				
Receipts from customers and users	\$ 726,858	\$ 1,074,032	\$ 1,800,890	\$ 7,970,387
Payments to suppliers and personnel	(499,936)	(1,037,332)	(1,537,268)	(7,815,317)
<b>Net cash provided by operating activities</b>	<u>226,922</u>	<u>36,700</u>	<u>263,622</u>	<u>155,070</u>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Principal payments on debt	-	(33,839)	(33,839)	-
Capital assets purchased	(840,880)	-	(840,880)	-
Interest paid on debt	-	1,089,403	1,089,403	-
<b>Net cash used in capital and related financing activities</b>	<u>(840,880)</u>	<u>1,055,564</u>	<u>214,684</u>	<u>-</u>
<b>Cash Flows From Noncapital Financing Activities</b>				
Transfers in	-	135,000	135,000	-
<b>Net cash provided by noncapital financing</b>	<u>-</u>	<u>135,000</u>	<u>135,000</u>	<u>-</u>
<b>Cash Flows From Investing Activities</b>				
Interest received	515,630	2,806	518,436	167,508
<b>Net cash provided by investing activities</b>	<u>515,630</u>	<u>2,806</u>	<u>518,436</u>	<u>167,508</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(98,328)	1,230,070	1,131,742	322,578
<b>Cash and Cash Equivalents</b>				
Beginning	7,301,396	23,317	7,324,713	3,584,711
Ending	<u>\$ 7,203,068</u>	<u>\$ 1,253,387</u>	<u>\$ 8,456,455</u>	<u>\$ 3,907,289</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>				
Operating income (loss)	\$ (173,557)	\$ (110,094)	\$ (283,651)	\$ 580,070
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	177,216	17,489	194,705	-
Changes in assets and liabilities:				
Decrease in accounts receivable	39,432	77,236	116,668	-
Increase in accounts payable and accrued liabilities	195,195	5,678	200,873	(425,000)
Increase in due to other funds	763	46,391	47,154	-
Decrease in deferred revenue	(12,127)	-	(12,127)	-
<b>Net cash provided by operating activities</b>	<u>\$ 226,922</u>	<u>\$ 36,700</u>	<u>\$ 263,622</u>	<u>\$ 155,070</u>

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

TOWN OF WILTON, CONNECTICUT

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

June 30, 2007

	Pension Trust Fund	Agency Fund
<b>ASSETS</b>		
Cash and cash equivalents	\$ 381,521	\$ 477,902
Investments, at fair value		
Mutual funds	53,355,259	-
<b>Total investments</b>	<b>53,355,259</b>	<b>-</b>
Contribution receivable	106,668	-
<b>Total assets</b>	<b>53,843,448</b>	<b>477,902</b>
<b>LIABILITIES</b>		
Accounts payable	91,042	-
Due to other funds	36,081	-
Due to student groups	-	477,902
<b>Total liabilities</b>	<b>127,123</b>	<b>477,902</b>
<b>Net Assets Held in Trust for Pension Benefits and Other Purposes</b>	<b>\$ 53,716,325</b>	<b>\$ -</b>

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

**TOWN OF WILTON, CONNECTICUT**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS-EMPLOYEE PENSION PLAN**

**For the Year Ended June 30, 2007**

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**Additions**

Contributions

Employer \$ 2,168,031

Plan members 1,056,951

**Total contributions** 3,224,982

Investment Income

Net appreciation in fair value of investments 5,228,485

Interest and dividends 1,492,688

6,721,173

Less investment expense (100,626)

**Net investment income** 6,620,547

**Total additions** 9,845,529

**Deductions**

Benefits paid 1,762,425

**Change in net assets** 8,083,104

**Net Assets**

Beginning of year 45,633,221

End of year \$ 53,716,325

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

## TOWN OF WILTON, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS

June 30, 2007

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#### **Note 1. Summary of Significant Accounting Policies**

##### **Reporting entity**

The Town of Wilton, Connecticut (the "Town") was incorporated as a town in 1802. The Town operates under a Board of Selectmen, Board of Finance and Town Meeting form of government and provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning and general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United State of America as applicable to governments.

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Governmental Accounting Standards Board Codification Section 2100 has been considered and there are no agencies or entities which should be presented with the Town.

##### **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 non-fiduciary activities of the Town. 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.

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 fund 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.

## TOWN OF WILTON, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2007

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#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. However, agency funds, unlike other fiduciary funds, report only assets and liabilities and do not have a measurement focus and follow the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied for. Intergovernmental grants and entitlements 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 Town 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 and expenditures related to compensated absences are recorded only when payment is due (matured).

Property taxes when levied for, intergovernmental revenue when eligibility requirements are met, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual (measurable) and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable only when cash is received by the Town.

The Town reports the following major governmental fund.

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

The Town reports the following major proprietary funds:

*The WPCA Fund* – accounts for the operations of the Town's wastewater treatment system.

Additionally, the Town reports the following fund types:

*Internal Service Fund* – is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town on a cost-reimbursement basis. The Town's internal service fund is its Board of Education Medical Self-Insurance Fund.

## TOWN OF WILTON, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2007

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The *Pension Trust Fund* accounts for the activities of the Town's benefit pension plan, which accumulates resources for pension benefit payments to qualified employees. Pension funds follow the accrual basis of accounting.

The *Agency Funds* account for monies held as a custodian for outside groups and agencies. Agency funds have no measurement focus and are reported on the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and enterprise 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 enterprise fund financial statements, subject to this same limitation. The Town 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 charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the funds are charges to customers for services. Operating expenses for the funds include the cost of operations and maintenance, and depreciation on capital assets. The principal operating revenues of the Town's internal service funds are charges to other Town funds for medical insurance premiums. Operating expenses for internal service funds include the cost of claims and administrative expenses. 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 government's policy to use restricted resources first, then unrestricted resources as they are needed.

## TOWN OF WILTON, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2007

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#### **Accounting estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **Property taxes**

Property taxes are assessed as of October 1, and are levied for on the following July 1, and billed and generally due in two installments, July 1 and the following January 1. Liens are filed on June 1 following the due date.

#### **Cash equivalents**

The Town classifies money market funds, the State of Connecticut Short-Term Investment Fund, MBIA class investments, the Tax Exempt Proceeds Fund, U.S. treasury notes and certificates of deposit with original maturities of three months or less, when purchased as cash equivalents.

#### **Investments**

Investments are carried at fair value based on quoted market prices. Guaranteed investment contracts are carried at contract value. The Town's investments are in its Pension Trust Fund.

The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

The balance of the pooled fixed income investments were invested in a pool similar to a 2a-7. The value of the position in the pool is the same as the value of the pool shares and are recorded at amortized cost.

#### **Inventories**

Inventories are stated at lower of cost or market. Purchased items are recorded as expenditures when consumed.

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

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**Capital assets**

Capital assets, which include land, buildings, 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 and enterprise fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair 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.

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

Assets	Years
Buildings and improvements	40-50
Infrastructure	20-75
Machinery and equipment	5-20

In the governmental fund financial statements, capital outlay (assets) is reported as an expenditure and no depreciation is recorded.

**Compensated absences**

Town employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only for amounts that have become due. In addition, certain vacation and sick leave expenses will be paid out of the general fund upon retirement.

## TOWN OF WILTON, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2007

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#### **Long-term obligations**

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the interest method. Bonds payable are reported net of the applicable bond premium or discount. 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, including capital leases, is reported as other financing sources. Payment of debt is reported as expenditures. 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.

#### **Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balance as they do not constitute either expenditures or liabilities.

The Town Charter stipulates that every appropriation shall lapse at the end of the fiscal year if such appropriation is not expended or encumbered except for continuing appropriations for capital and nonrecurring expenditures. Continuing appropriations are reflected in the accompanying financial statements as reserved fund balance.

#### **Pension accounting**

##### **Pension Trust Funds:**

The Pension Trust Fund is reported on the accrual basis of accounting. Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when paid. Administrative costs are financed through investment earnings.

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2007

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**Governmental Funds:**

The net pension obligation (asset), the cumulative difference between annual pension cost and the Town's contributions to the plan since 1986, is calculated on an actuarial basis consistent with the requirements of Governmental Accounting Standards Board Statement No. 27 and is recognized in the entity-wide statements. Expenditures are recognized when they are paid or are expected to be paid with current available resources.

**Funding Policy:**

The Town funds the contributions to its pension plans based on the actuarial required contribution.

**Fund Equity and Net Assets**

In the government-wide and proprietary fund financial statements, net assets are classified in the following categories:

*Invested in Capital Assets, Net of Related Debt* – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduces this category.

*Unrestricted Net Assets* – This category represents the net assets of the Town, which are not restricted for any project or other purpose.

In the fund financial statements, fund balances of governmental funds are classified in three separate categories. The three categories, and their general meanings, are as follows:

*Reserved Fund Balance* - indicates that portion of fund equity that is not available for appropriation or which has been legally segregated for specific purposes.

*Unreserved/Designated Fund Balance* - indicates that portion of fund equity for which the Town has made tentative plans.

*Unreserved/Undesignated Fund Balance* - indicates that portion of fund equity which is available for appropriation and expenditure in future periods.

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2007

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**Note 2. Reconciliation of Government-Wide and Fund Financial Statements**

**Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds, and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bonds payable	\$ 69,293,080
Capital leases payable	490,296
Compensated absences	<u>2,697,000</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u><u>\$ 72,480,376</u></u>

**Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 5,073,561
Depreciation expense	(3,673,305)
Loss on disposal	<u>(75,457)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 1,324,799</u></u>

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

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Another element of that reconciliation states that “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, however, 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 deferred and amortized in the statement of activities.” The details of this difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (4,055,000)
Capital lease	(333,938)
Principal repayments:	
General obligation debt	5,978,192
Capital lease	<u>307,603</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 1,896,857</u></u>

Another element of that reconciliation states that “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 governmental funds.” The details of this difference are as follows:

Compensated absences	\$ (3,000)
Accrued interest	<u>87,267</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 84,267</u></u>

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2007

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**Note 3. Budgets and Budgetary Accounting**

Governmental revenues and expenditures accounted for in the General Fund are controlled by formal integrated budgetary accounting systems in accordance with various legal requirements which govern the Town's operations. The Town does not adopt legal budgets for Special Revenue, Debt Service, Capital Projects, Enterprise and Trust funds.

Accordingly, the budget and actual expenditure comparisons are only presented for the General Fund. Due to the various funding requirements, expenditures of the Capital Projects Fund require appropriation through a Town Meeting.

The Board of Selectmen or the Board of Finance is authorized to transfer budgeted amounts between departments; however, any revisions that otherwise alter the total expenditures of any department must be approved by the Board of Selectmen or the Board of Finance from the budgeted charter authority. Requests in excess of 1% of the aggregate Town budget must be approved by a Town Meeting. Total appropriations as originally adopted were increased by approximately \$562,000 during the year ended June 30, 2007.

Any portion of an annual capital and nonrecurring appropriation, for any uncompleted projects, remaining unexpended and unencumbered at the close of the fiscal year is continued in force for two succeeding fiscal years. There were \$493,000 of appropriations continued in force as of June 30, 2007.

A reconciliation of General Fund revenues as presented in accordance with accounting principles generally accepted in the United States of America ("GAAP") and revenues presented on the budgetary basis is as follows:

Revenues, budgetary basis	\$ 96,038,859
Education excess cost grant revenue presented as a reduction of education expenditures for budgetary purposes	741,080
Capital lease proceeds	333,938
On-behalf payments paid directly by the State of Connecticut Teachers' Retirement System	<u>3,651,000</u>
Revenues, GAAP basis	<u><u>\$ 100,764,877</u></u>

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

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A reconciliation of expenditures of the General Fund presented in accordance with GAAP and expenditures and encumbrances presented on the budgetary basis is as follows:

Expenditures and encumbrances, budgetary basis	\$ 92,571,672
Education excess cost grant revenue presented as a reduction of education expenditures for budgetary purposes	741,080
On-behalf payments paid directly by the State of Connecticut Teachers' Retirement System	3,651,000
Purchased equipment under capital leases	333,938
Change in designated fund balance	22,226
Encumbrances:	
Prior year's encumbrances, liquidated during the year ended June 30, 2006	498,573
Current year's encumbrances, outstanding as of June 30, 2007	<u>(742,271)</u>
Expenditures, GAAP basis, end of year	<u>\$ 97,076,218</u>

A reconciliation of the General Fund fund balance presented in accordance with GAAP and fund balance presented on the budgetary basis is as follows:

Fund balance, budgetary basis, end of year	\$ 19,082,431
Change in designated fund balance	(22,226)
Prior year effects excluding encumbrances	(134,565)
Encumbrances:	
Prior year's encumbrances, liquidated during the year ended June 30, 2006	(498,573)
Current year's encumbrances, outstanding as of June 30, 2007	<u>742,271</u>
Fund balance, GAAP basis, end of year	<u>\$ 19,169,338</u>

Classifications of certain revenues and expenditures under GAAP differ from classifications utilized for budgetary purposes.

## TOWN OF WILTON, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2007

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#### **Note 4. Cash, Cash Equivalents and Investments**

Deposits: The Town does not have a policy for deposits. The Town also does not have a custodial credit risk policy. However, as a practice, the Town follows State statutes. The State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk based capital ratio.

Investments: The Town and Pension Trust Fund do not have a custodial credit risk policy for investments, however, it is their practice to follow State statutes. 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 mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short Term Investment Fund and the Tax Exempt Proceeds Fund. Other provisions of the Statutes cover specific municipal funds with particular investment authority.

The Town's policy for pension investments allows the fund to invest in a target range of 45%-65% in equity investments, 35%-55% in fixed income and cash equivalents and no more than 20% in non-us investments.

Interest rate risk: The Town and pension plan do not have a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, its practice is to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations or pension payments, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Concentrations: The Town and pension plan do not have a policy that limits the amounts invested in any one issuer. However, its practice is to maintain a diversified portfolio to minimize the risk of loss resulting from over-concentration of assets in a specific issuer.

#### Custodial credit risk:

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an out side party. As of June 30, 2007, \$10,400,474 of the Town's bank balance of \$11,959,918 was uninsured and uncollateralized.

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2007**

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*Investments:* This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Town has no investments subject to this risk.

The Town and Pension Trust have no investment subject to custodial credit risk, as their investments are in mutual funds.

Cash and investments of the Town consist of the following at June 30, 2007:

<b>Cash and Cash Equivalents</b>	
Deposits with financial institutions	\$ 13,075,593
State of Connecticut Short-Term Investment Fund	31,677,028
Tax Exempt Proceeds Fund	312,479
Municipal Backed Investment Fund	477,051
<b>Total cash and cash equivalents</b>	<u>45,542,151</u>
<b>Investments</b>	
Equity Mutual Funds	32,908,404
Money Market Mutual Funds	4,773,331
Bond Mutual Funds	15,673,524
<b>Total pension investments</b>	<u>53,355,259</u>
<b>Total cash and investments</b>	<u>\$ 98,897,410</u>

Cash and investments are classified in the accompanying financial statements as follows:

<b>Statement of Net Assets</b>	
Cash and cash equivalents	\$ 44,682,728
<b>Fiduciary Funds:</b>	
Cash and cash equivalents	859,423
Investments	53,355,259
<b>Total cash and investments</b>	<u>\$ 98,897,410</u>

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2007**

*Interest rate risk:* This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the Town's debt type investments to this risk using the segmented time distribution model is as follows:

Summary of Investments	Fair Value	Investment Maturities (in Years)		
		Less Than 1 Year	1-5 Years	6-10 Years
Bond Mutual Funds	\$ 15,673,524	\$ -	\$ 15,152,086	\$ 521,438
Money Market Mutual Funds	4,773,331	4,773,331	-	-
Pooled fixed income	32,466,558	32,466,558	-	-
<b>TOTAL</b>	<b>\$ 52,913,413</b>	<b>\$ 37,239,889</b>	<b>\$ 15,152,086</b>	<b>\$ 521,438</b>

*Credit risk:* Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Presented below is the minimum rating as required for each debt type investment.

Average Rating	Bond Mutual Funds	Money Market Mutual Funds	Pooled Fixed Income
AAA	\$ -	\$ -	\$ 477,051
AA	15,673,524	-	-
AAA/M	-	-	31,677,028
Unrated	-	4,773,331	312,479
	<b>\$ 15,673,524</b>	<b>\$ 4,773,331</b>	<b>\$ 32,466,558</b>

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2007

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**Note 5. Unearned Revenue/Deferred Revenue**

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

	Unearned Revenue	Deferred Revenue
<b>General Fund:</b>		
Property taxes	\$ -	\$ 1,324,364
School construction	-	1,881,863
Grant drawdowns prior to meeting all eligibility	453,587	-
	<u>453,587</u>	<u>3,206,227</u>
<b>Other Nonmajor Governmental Funds</b>	<u>235,085</u>	<u>231,560</u>
<b>Total</b>	<u><u>\$ 688,672</u></u>	<u><u>\$ 3,437,787</u></u>

**Note 6. Interfund Receivables and Payables**

As of June 30, 2007, amounts due to and due from other funds were as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 749,244	\$ 32,537
Other Governmental Funds	47,127	526,260
WPCA	-	13,100
Transfer Station	-	188,393
Pension Trust Fund	-	36,081
<b>Totals</b>	<u><u>\$ 796,371</u></u>	<u><u>\$ 796,371</u></u>

The balances above resulted from the time lag between the dates that payments occur between funds for various activities.

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

Interfund transfers during the year ended June 30, 2007 were as follows:

	Transfers From Other Funds	Transfers To Other Funds
General Fund	\$ -	\$ 135,000
Transfer Station	135,000	-
<b>Total</b>	<b>\$ 135,000</b>	<b>\$ 135,000</b>

General Fund transferred \$135,000 as a subsidy to the Transfer Station.

**Note 7. Capital Assets**

Capital asset activity for the year ended June 30, 2007 was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 22,416,543	\$ -	\$ -	\$ -	\$ 22,416,543
Construction in progress	2,322,738	3,092,217	-	(758,065)	4,656,890
Total capital assets, not being depreciated	24,739,281	3,092,217	-	(758,065)	27,073,433
Capital assets, being depreciated:					
Buildings and improvements	116,305,462	1,346,048	-	758,065	118,409,575
Machinery and equipment	8,016,937	635,296	321,167	-	8,331,066
Infrastructure	37,813,153	-	-	-	37,813,153
Total capital assets being depreciated	162,135,552	1,981,344	321,167	758,065	164,553,794
Less accumulated depreciation for:					
Buildings and improvements	34,475,633	2,503,512	-	-	36,979,145
Machinery and equipment	4,066,299	658,966	245,710	-	4,479,555
Infrastructure	8,587,129	510,827	-	-	9,097,956
Total accumulated depreciation	47,129,061	3,673,305	245,710	-	50,556,656
Total capital assets, being depreciated, net	115,006,491	(1,691,961)	75,457	758,065	113,997,138
Governmental activities capital assets, net	\$ 139,745,772	\$ 1,400,256	\$ 75,457	\$ -	\$ 141,070,571

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

	Beginning Balance	Additions	Disposals	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 82,290	\$ -	\$ -	\$ 82,290
Construction in progress	-	830,369	-	830,369
Total capital assets, not being depreciated	82,290	830,369	-	912,659
Capital assets, being depreciated:				
Buildings and improvements	193,282	-	-	193,282
Machinery, equipment, distribution and collection systems, mains and extensions	7,518,283	10,510	-	7,528,793
Total capital assets, being depreciated	7,711,565	10,510	-	7,722,075
Less accumulated depreciation for:				
Buildings and improvements	192,980	-	-	192,980
Machinery, equipment, distribution and collection systems, mains and extensions	5,428,736	194,705	-	5,623,441
Total accumulated depreciation	5,621,716	194,705	-	5,816,421
Total capital assets, being depreciated, net	2,089,849	(184,195)	-	1,905,654
Business-type activities capital assets, net	\$ 2,172,139	\$ 646,174	\$ -	\$ 2,818,313

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

**Governmental Activities:**

General government	\$ 661,343
Education	2,240,669
Public safety	405,133
Recreation and Parks commission	160,377
Public works	202,868
Other	2,915
Total depreciation expense - governmental activities	<u>\$ 3,673,305</u>

**Business-Type Activities:**

WPCA	\$ 177,216
Transfer Station	17,489
Total depreciation expense - business-type activities	<u>\$ 194,705</u>

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2007

**Note 8. Long-Term Debt and Subsequent Event**

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 71,216,272	\$ 4,055,000	\$ 5,978,192	\$ 69,293,080	\$ 6,033,340
<b>Total bonds and notes payable</b>	<u>71,216,272</u>	<u>4,055,000</u>	<u>5,978,192</u>	<u>69,293,080</u>	<u>6,033,340</u>
Compensated absences	2,694,000	3,000	-	2,697,000	539,400
Capital leases payable	463,961	333,938	307,603	490,296	259,284
<b>Governmental activity     long-term liabilities</b>	<u>\$ 74,374,233</u>	<u>\$ 4,391,938</u>	<u>\$ 6,285,795</u>	<u>\$ 72,480,376</u>	<u>\$ 6,832,024</u>
<b>Business-type activities:</b>					
Bonds payable:					
General obligation bonds	\$ 43,728	\$ -	\$ 6,808	\$ 36,920	\$ 6,660
Capital lease payable	69,322	-	27,031	42,291	28,342
<b>Total bonds and capital     leases payable</b>	<u>113,050</u>	<u>-</u>	<u>33,839</u>	<u>79,211</u>	<u>35,002</u>
<b>Business-type activity     long-term liabilities</b>	<u>\$ 113,050</u>	<u>\$ -</u>	<u>\$ 33,839</u>	<u>\$ 79,211</u>	<u>\$ 35,002</u>

General obligation bonds

As of June 30, 2007, the outstanding long-term indebtedness of the Town payable from its governmental activities, was as follows:

	<u>Outstanding Amount</u>
<b>Governmental Activities:</b>	
\$5,500,000 bond, issue of 10/15/04, due 10/15/24, annual principal payments range from \$235,000 to \$280,000, plus interest due semi-annually at 2.5% to 4.5%.	\$ 4,940,000

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

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	<u>Outstanding Amount</u>
\$6,000,000 bond, issue of 7/15/03, due 7/15/22, annual principal payments range from \$330,000 to \$340,000, plus interest due semiannually at 2.5% to 4.5%	4,980,000
\$3,240,000 bond, issue of 7/15/02 due 7/15/18, annual principal payments range from \$215,000 to \$220,000, plus interest due semiannually at 3% to 4.375%	2,365,000
\$14,210,000 bond issue of 7/15/01 due 7/15/20, annual principal payments range from \$780,000 to \$790,000, plus interest due semiannually at 4.19% to 4.8%	10,260,000
\$9,600,000 bond issue of 7/15/00 due 7/15/19, annual principal payments range from \$505,000 to \$535,000, plus interest due semiannually at 5.0% to 5.25%	6,955,000
\$15,645,000 bond, issue of 7/15/99 due 7/15/18, annual principal payments range from \$800,000 to \$900,000, plus interest due semiannually at 4.5% to 5.0%	10,620,000
\$26,690,000 bond issue of 7/15/98 due 7/15/17, annual principal payments range from \$1,480,000 to \$1,500,000, plus interest due semiannually at 4.5% to 4.7%.	16,330,000
\$3,060,000 bond, issue of 7/15/97 due 7/15/13, annual principal payments range from \$190,000 to \$205,000, plus interest due semiannually at 4.7% to 5.1%	1,420,000
\$3,470,000 bond, issue of 08/15/95 due 08/15/12, annual principal payments range from \$200,000 to \$225,000, plus interest due semiannually at 4.2% to 6.1%	1,183,080

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2007

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	<u>Outstanding Amount</u>
\$3,050,000 bond, issue of 12/15/94 due 12/15/11, annual principal payments range from \$180,000 to \$200,000, plus interest due semiannually at 5.2% to 6.375%	910,000
\$3,225,000 bond, issue of 10/15/93 due 10/15/10, annual principal payments range from \$190,000 to \$210,000, plus interest due semiannually at 3.6% to 4.4%	760,000
\$3,575,000 bond, issue of 10/01/92 due 10/01/09, annual principal payments range from \$215,000 to \$235,000, plus interest due semiannually at 3.8% to 5.7%	645,000
\$4,130,000 bond, issue of 11/22/05 due 11/22/23, annual principal payments range from \$200,000 to \$260,000, plus interest due semiannually at 3.65% to 4.05%	3,870,000
\$4,055,000 bond, issue of 11/15/07 due 11/15/24, annual principal payments range from \$200,000 to \$265,000, plus interest due semiannually at 3.625% to 4.0%	4,055,000
	<u>\$ 69,293,080</u>

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

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The annual debt service requirements of the governmental activities bonded indebtedness described above is as follows:

	Principal	Interest	Total
2008	\$ 6,033,340	\$ 3,097,866	\$ 9,131,206
2009	5,998,948	2,749,058	8,748,006
2010	5,978,948	2,482,235	8,461,183
2011	5,753,948	2,220,423	7,974,371
2012	5,608,948	1,966,522	7,575,470
2013	5,408,948	1,719,452	7,128,400
2014	5,200,000	1,481,528	6,681,528
2015	5,010,000	1,250,603	6,260,603
2016	4,995,000	1,022,745	6,017,745
2017	4,995,000	792,290	5,787,290
2018	4,965,000	561,904	5,526,904
2019	3,230,000	366,004	3,596,004
2020	2,320,000	237,071	2,557,071
2021	1,005,000	114,150	1,119,150
2022	1,005,000	102,088	1,107,088
2023	675,000	59,619	734,619
2024	675,000	31,881	706,881
2025	435,000	8,994	443,994
Total	<u>\$ 69,293,080</u>	<u>\$ 20,264,433</u>	<u>\$ 89,557,513</u>

**Business-Type Activities:**

Allocated portion of \$3,470,000 bond issue of 8/15/95 due  
8/15/12, annual principal payments range from \$6,052 to  
\$6,808, plus interest due semiannually at 4.2% to 6.1%

\$ 36,920

**Amount to be financed and paid through business-  
type activities**

\$ 36,920

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

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The annual debt service requirements of the business-type activities bonded indebtedness described above is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 6,660	\$ 2,005	\$ 8,665
2009	6,052	1,676	7,728
2010	6,052	1,351	7,403
2011	6,052	1,023	7,075
2012	6,052	693	6,745
2013	6,052	363	6,415
Total	<u>\$ 36,920</u>	<u>\$ 7,111</u>	<u>\$ 44,031</u>

Lease commitments

Property and equipment carried at approximately \$867,000, with approximately \$250,000 in accumulated depreciation, in the governmental and business-type activities is being acquired under capital lease arrangements.

	<u>Capital</u>
2008	\$ 302,893
2009	192,598
2010	59,322
Total minimum lease payments	<u>554,813</u>
Less interest	<u>(22,226)</u>
Present value of minimum payments	<u>\$ 532,587</u>

School bond reimbursements

The State of Connecticut reimburses the Town for eligible school bond principal and interest costs. The amount of such reimbursement for the year ended June 30, 2007 was approximately \$328,000. Additional payments for principal and interest aggregating approximately \$2,313,000 are expected to be received through the bonds' maturity dates.

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

Debt limitation

The Town's statement of debt limitation under Connecticut General Statutes, Section 7-434(b) as of June 30, 2007, is as follows:

Total tax collections (including interest and lien fees) for the year ended June 30, 2007	\$ 84,853,943
Reimbursement for revenue loss:	
Tax relief for elderly	48,512
Base	<u>\$ 84,902,455</u>

The Connecticut General Statutes provide the total authorized debt of the Town shall not exceed seven times the above base cash receipts, or \$594,317,185 nor shall the total authorized particular purpose debt exceed the individual debt limitations reflected in the table below:

	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension Benefit
Debt limitation:					
2-1/4 times base	\$ 191,030,524	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	382,061,048	-	-	-
3-3/4 times base	-	-	318,384,206	-	-
3-1/4 times base	-	-	-	275,932,979	-
3 times base	-	-	-	-	254,707,365
Total debt limitation	<u>191,030,524</u>	<u>382,061,048</u>	<u>318,384,206</u>	<u>275,932,979</u>	<u>254,707,365</u>
Debt as defined by statute:					
Bonds payable <sup>(1)</sup>	29,473,477	39,517,117	-	-	-
Bonds authorized but unissued	1,455,000	2,285,000	-	-	-
Construction grants	-	(2,047,291)	-	-	-
Total indebtedness	<u>30,928,477</u>	<u>39,754,826</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt	<u>\$ 160,102,047</u>	<u>\$ 342,306,222</u>	<u>\$ 318,384,206</u>	<u>\$ 275,932,979</u>	<u>\$ 254,707,365</u>

(1) Water bonds of \$339,406 are excluded from this calculation in accordance with Connecticut General Statutes.

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

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Compensated absences

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences", the Town accrues compensated absences as they are earned by employees if the leave is attributable to past service and it is probable that the employer will compensate the employees by cash payments at termination or retirement. The amount of this estimated obligation at June 30, 2007 is \$2,697,000. This liability is recorded in the government-wide financial statements.

Subsequent event

In November 2007, the Town issued \$4,055,000 in general obligation bonds. The bonds bear interest at 3.65% to 4.00% and mature in November 2024.

**Note 9. Fund Deficits**

As of June 30, 2007, the following funds had deficits:

Debt Issuance 1998	\$	6,975
School Lunch	\$	20,070
Educational Entitlement Grants	\$	25,643
Youth Services	\$	60
Debt Issuance 2005	\$	56,882
Debt Issuance 2008	\$	923,420

The Town anticipates financing these deficits through permanent financing or future revenues.

**Note 10. Contingencies**

Lawsuits

The Town is currently involved in a number of litigation matters. In the estimation of the Town's management and legal counsel, the final settlement of these matters will not have a material adverse effect the financial condition of the Town.

Municipal Solid Waste Service Agreement

The Town has entered into the municipal solid waste agreement, as amended (the "service agreement") with the Connecticut Resources Recovery Authority (the "Authority") pursuant to which it participates with seventeen other Connecticut municipalities (the eighteen constituting the "Contracting Municipalities"), in the Greater Bridgeport Resources Recovery System (the "System").

Under the service agreement, the Town is required to deliver, or cause to be delivered, to the System solid waste generated within its boundaries up to its minimum commitment of 11,300

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

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tons per year and to pay a uniform per ton disposal service payment (the "service payment"). The aggregate minimum commitment of the eighteen Contracting Municipalities is 400,000 tons per year. The Town's service payment commitment is a "put-or-pay" commitment, in that if the aggregate minimum commitment of the Contracting Municipalities is not met by the total deliveries of all the Contracting Municipalities in any year, the Town must pay the service payment for its proportionate share of the shortfall of the aggregate minimum commitment (even if it delivered its full portion).

**Note 11. Employee Pension Plan**

Employee Pension Plan

The Town of Wilton is an administrator of a single employer defined benefit pension plan (the "Plan") which covers substantially all full-time employees of the Town, other than certified teachers and other Board of Education personnel, who participate in a contributory retirement plan administered by the State Teachers' Retirement Board.

The table below provides details of the various provisions for the three categories of employees covered by the Plan.

Provisions	Police	Firefighters	Other Employees
Plan Eligibility Requirements	Every policeman of the Town upon first day of hire by the Town, who is a member of Wilton Police Union Local 1429 or who is a nonunion sworn officer.	Every firefighter of the Town who is a member of Local 2233, International Association of Firefighters, AFL-CIO, and the Fire Chief, Deputy Fire Chief, and Fire Marshal upon first day of hire.	All other Town employees upon the first day of hire, except those who fall into any of the following categories: <ul style="list-style-type: none"> <li>• are members of the Police, Fire or Highway Department plans.</li> <li>• are customarily employed by the Town for less than 20 hours in any one week.</li> <li>• are customarily employed by the Town for less than five months in any calendar year.</li> <li>• are covered by any other non-governmental retirement plan to which the Town has contributed.</li> <li>• are covered by any retirement plan maintained wholly or partially by State funds.</li> </ul>

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2007

Provisions	Police	Firefighters	Other Employees
Plan Eligibility Requirements, Continued			<ul style="list-style-type: none"> <li>hold an elective office, unless they were members of the Plan immediately prior to holding elective office. Effective July 1, 2002, persons whose paid employment results from holding an elective office regardless of whether the elected official had been a member of the Plan prior to becoming an elected official shall be included in the definition of an "Employee" eligible to be a member in the Plan for all but Board of Education custodians.</li> </ul>
Vesting	Vested 100% upon ten (10) years of credited service.	Vested 100% upon ten (10) years of credited service.	Vested 100% upon ten (10) years of continuous service for all but Board of Education custodians.
Retirement Benefit Calculation	<p>Calculated as 2.5% of Average Annual Salary for each year of Credited Service. Average Annual Salary is defined as the highest consecutive three (3) year average compensation within the last ten (10) years preceding retirement.</p> <p>The maximum benefit is 71.25% of Average Annual Salary or maximum 28.5 years of Credited Service.</p>	<p>Calculated as 2.0% of Average Annual Salary for each year of Credited Service through September 30, 1979 plus 2.5% of Average Annual Salary for each year of Credited Service thereafter. Average Annual Salary is defined as the highest consecutive four (4) year average Base Contributable Compensation within the last ten (10) years preceding retirement. Effective July 1, 2002, Base Contributable Compensation includes holiday pay.</p> <p>The maximum benefit is 67.5% of Average Annual Salary. Effective July 1, 2002, the maximum benefit is 71.25% of Average Annual Salary.</p>	<p>Calculated as 2.0% of Average Annual Salary for each year of Credited Service. Average Annual Salary is defined as the highest consecutive four (4) year average compensation within the last ten (10) years preceding retirement. Effective July 1, 2002, calculated as 2.25% of Average Annual Salary for each year of Credited Service for all but Board of Education custodians.</p> <p>The maximum benefit is 60.0% of Average Annual Salary or maximum 30 years of Credited Service. Effective July 1, 2002 the maximum benefit is 67.5% for all but Board of Education custodians.</p>

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

Provisions	Police	Firefighters	Other Employees
Employee Contribution Obligations	7.0% of compensation. 7.25% of compensation.	6.0% of compensation. 7.0% of compensation.	6.0% of compensation for all but Board of Education custodians.
Employer Contribution Obligations	Periodic contributions at actuarially determined rates using the "projected unit credit method".	Periodic contributions at actuarially determined rates using the "projected unit credit method".	Periodic contributions at actuarially determined rates using the "projected unit credit method" for all but Board of Education custodians.
Authority Under Which Obligations are Established	Obligations are established periodically through a collective bargaining agreement.	Obligations are established periodically through a collective bargaining agreement.	Obligations are established periodically through a collective bargaining agreement for those employees covered by such agreements. For non-union employees, obligations are established by the Plan which may be amended only by the Board of Selectmen acting as trustees of the Plan for all but Board of Education custodians.

The Town's annual pension cost and the change in the net pension asset during the year ended June 30, 2007, is as follows:

Annual required contribution	\$ 2,168,031
Interest on net pension obligation	(181)
Adjustment to annual required contribution	186
Annual pension cost	<u>2,168,036</u>
Contributions made	<u>2,168,031</u>
Decrease in net pension asset	(5)
Net pension asset, beginning of year	<u>2,239</u>
Net pension asset, end of year	<u><u>\$ 2,234</u></u>

**TOWN OF WILTON, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2007**

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Membership in the Plan consisted of the following at June 30, 2007, the date of the last actuarial valuation:

Retirees and beneficiaries receiving benefits	133
Terminated plan members entitled to, but not yet receiving benefits	61
Active plan members	<u>374</u>
Total	<u>568</u>

**TREND INFORMATION**

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/05	\$ 1,536,515	100.0%	\$ (2,243)
6/30/06	\$ 1,907,437	100.0%	\$ (2,239)
6/30/07	\$ 2,168,036	100.0%	\$ (2,234)

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Year Ended June 30,	Annual Actuarially Required Contribution	Actual Contribution	Percentage Contributed
2002	\$ 740,153	\$ 740,153	100%
2003	894,620	894,620	100%
2004	1,267,482	1,264,142	100%
2005	1,536,511	1,536,511	100%
2006	1,907,433	1,907,433	100%
2007	2,168,031	2,168,031	100%

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2007

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Under Funded AAL (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	(Over)/Under Funded AAL Percentage of Covered Payroll ((b-a)/c)
June 30, 2002	\$ 34,872,476	\$ 35,194,183	\$ 321,707	99.1%	\$ 12,856,292	2.5%
June 30, 2003	35,974,737	38,006,471	2,031,734	94.7%	13,614,024	14.9%
June 30, 2004	38,008,838	42,447,145	4,438,307	89.5%	15,084,913	29.4%
June 30, 2005	40,603,549	46,891,424	6,287,875	86.6%	15,827,681	39.7%
June 30, 2006	44,576,272	54,532,889	9,956,617	81.7%	16,745,475	59.5%
June 30, 2007	50,467,055	61,011,744	10,544,689	82.7%	17,677,903	59.6%

Significant actuarial assumptions are as follows:

Valuation date	June 30, 2007
Actuarial cost method	Projected Unit Credit
Amortization method	Level Dollar Amount
Remaining amortization period	30 year open period
Asset valuation method	5-year smoothed market
Actuarial assumptions	
Investment rate of return	7.8%
Projected salary increases	4.5%
Inflation rate	3.5%
Cost of living adjustment	2.5%
Mortality	UP94 – projected to 2017
Retirement Age	Normal retirement age, but not earlier than one year after the valuation date. Minimum age 55 for Fire, Town, Library and Board of Education (except for custodians). Minimum age 54 for Police.

## TOWN OF WILTON, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2007

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#### Connecticut State Teachers' Retirement System

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age sixty and has accumulated twenty years of credited service in the public schools of Connecticut or has attained any age and has accumulated thirty-five years of credited service, at least twenty-five of which are service in the public schools of Connecticut. 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.

Certain part-time and full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not, and is not legally responsible to, contribute to the plan.

The State of Connecticut contributes based on actuarially determined amounts. The funding level was determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual city/town basis.

In addition, the Town has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were approximately \$3,651,000 for the year ended June 30, 2007.

#### **Note 12. Risk Management**

The Town is exposed to various risks of loss related to employee health; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. Coverage has not been materially reduced, nor have settled claims exceeded commercial coverage in any of the last three years.

The Board of Education ("BOE") currently reports its self-insured employee health insurance activities in the Board of Education Internal Service Fund. Claim expense and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. The BOE also purchases "stop loss" insurance to limit its losses to \$175,000 per person per year with a maximum aggregate for all claims of approximately \$9,400,000 for fiscal year 2007.

## TOWN OF WILTON, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2007

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The Town and the Board of Education self-insures for worker's compensation. The Town records expenditures for its self-insurance claims in the General Fund. The Town's stop loss limits under this Plan are \$250,000 per occurrence, per year, and \$650,000 aggregate per incident for fiscal year 2007.

Changes in the balances of claim liabilities recorded by the Town during the past two years are as follows:

Fiscal Year Ended	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2007	\$1,300,000	\$6,965,317	\$7,390,317	\$ 875,000
2006	\$1,415,000	\$5,661,263	\$5,776,263	\$1,300,000

#### Note 13. Pronouncements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2007 that have effective dates that may impact future financial presentations.

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements:

- ◆ GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, issued June 2004, will be effective for the Town beginning with its year ending June 30, 2009. This Statement establishes standards for the measurement, recognition and display of other postemployment benefits expenses and related liabilities or assets, note disclosures and, if applicable, required supplementary information in the financial reports.
- ◆ GASB Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues, issued September 2006, is effective for periods beginning after December 15, 2006. This Statement establishes accounting and financial reporting standards for transactions in which a government receives, or is entitled to, resources in exchange for future cash flows generated by collecting specific receivables or specific future revenues. It also provides disclosure requirements for a government that pledges or commits future cash flows from a specific revenue source. In addition, this Statement establishes accounting and financial reporting standards for intra-entity transfers of assets and future revenues.
- ◆ GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations, issued December 1, 2006, will be effective for the Town beginning with its fiscal year June 30, 2008, but the liability should be measured at July 1, 2007 so that

## TOWN OF WILTON, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2007

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beginning net assets can be restated. This Statement identifies the circumstances under which a government would have to estimate its expected outlays for pollution remediation if it knows a site is polluted, if the pollution poses an imminent danger to the public or the environment, if the government has violated a pollution prevention permit or license, if the government has been named as a responsible party for cleaning up the pollution, if the government began to clean up the pollution, and if the government is named in a lawsuit. In addition, it provides disclosure information about their pollution obligations associated with clean-up efforts.

- ◆ GASB Statement No. 50, "Pension Disclosures - an Amendment of GASB Statements No. 25 and No. 27," issued May, 2007. This Statement more closely aligns the financial reporting requirements for pensions with those for other post-employment benefits (OPEB) and, in doing so, enhances information disclosed in notes to financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. The reporting changes required by the Statement amend applicable note disclosure and RSI requirements of Statements No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans," and No. 27, "Accounting for Pensions by State and Local Governmental Employers," to conform with requirements of Statements No. 43, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans," and No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." This Statement is effective for periods beginning after June 15, 2007, except for requirements related to the use of the entry age actuarial cost method for the purpose of reporting a surrogate funded status and funding progress of plans that use the aggregate actuarial cost method, which are effective for periods for which the financial statements and RSI contain information resulting from actuarial valuations as of June 15, 2007, or later.
- ◆ GASB Statement No. 51, "Accounting and Financial Reporting for Intangible Assets," issued June, 2007. Governments possess many different types of assets that may be considered intangible assets, including easements, water rights, timber rights, patents, trademarks, and computer software. The objective of this Statement is to establish accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2009, or later.

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**Supplementary and Combining  
Fund Statements and Schedules**



**General Fund**



**TOWN OF WILTON, CONNECTICUT**

**GENERAL FUND REVENUES - BUDGETARY BASIS -  
BUDGET AND ACTUAL**

**For the Year Ended June 30, 2007**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>PROPERTY TAXES, INTEREST AND LIEN FEES</b>				
Property taxes	\$ 87,503,195	\$ 87,503,195	\$ 87,825,216	\$ 322,021
Interest and lien fees	230,000	230,000	242,584	12,584
<b>Total property taxes, interest and lien fees</b>	<b>87,733,195</b>	<b>87,733,195</b>	<b>88,067,800</b>	<b>334,605</b>
<b>INTERGOVERNMENTAL</b>				
Education	1,325,013	1,325,013	2,296,876	971,863
	1,325,013	1,325,013	2,296,876	971,863
Town:				
State property refund	88,480	88,480	92,147	3,667
Tax relief for elderly	55,000	55,000	48,409	(6,591)
Town aid road	146,269	146,269	157,034	10,765
Telephone line tax	230,000	230,000	168,031	(61,969)
Veterans exemption	4,000	4,000	5,283	1,283
Boat tax	14,387	14,387	14,387	-
Pequot pilot	17,418	17,418	23,757	6,339
Per capita grant	16,834	16,834	17,143	309
Youth Service Bureau	14,000	14,000	14,000	-
Local capital improvement	112,780	112,780	113,035	255
Bioterrorism	50,040	50,040	46,530	(3,510)
New manufacturing equipment	250,000	250,000	275,295	25,295
Other grant revenue	-	-	5,037	5,037
	999,208	999,208	980,088	(19,120)
<b>Total intergovernmental</b>	<b>2,324,221</b>	<b>2,324,221</b>	<b>3,276,964</b>	<b>952,743</b>
<b>FEES, PERMITS AND OTHER</b>				
Town clerk	1,250,800	1,250,800	1,088,697	(162,103)
Building	783,200	783,200	669,138	(114,062)
Planning and zoning	11,500	11,500	14,008	2,508
Zoning Board of Appeals	6,000	6,000	3,896	(2,104)
Police reports	5,300	5,300	3,148	(2,152)
Finance Department	25,000	25,000	33,208	8,208
Police permits	925	925	705	(220)
DPW permits	5,000	5,000	3,750	(1,250)
Parking fines	5,500	5,500	7,185	1,685
Other police revenue	-	-	5,890	5,890

TOWN OF WILTON, CONNECTICUT

GENERAL FUND REVENUES - BUDGETARY BASIS -  
 BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>FEES, PERMITS AND OTHER, Continued</b>				
Registrar of Voters	150	150	55	(95)
Assessor	2,600	2,600	2,876	276
Animal Control	6,130	6,130	6,260	130
Fire Department	1,100	1,100	5,856	4,756
Environmental Affairs	29,875	29,875	32,606	2,731
Swimming Fees	32,500	32,500	29,856	(2,644)
Park and Recreation	-	-	378	378
Dial-A-Ride	5,500	5,500	5,501	1
Senior Net and Center	16,214	16,214	15,419	(795)
Environmental Health	45,150	45,150	51,691	6,541
BOE Athletic Fees	10,000	10,000	1,182	(8,818)
<b>Total fees, permits and other</b>	<b>2,242,444</b>	<b>2,242,444</b>	<b>1,981,305</b>	<b>(261,139)</b>
<b>INVESTMENT INCOME</b>				
Interest	930,000	930,000	2,003,645	1,073,645
<b>OTHER</b>				
Rentals:				
Town Property	59,850	59,850	48,149	(11,701)
Town Green	69,000	69,000	84,412	15,412
Gilbert & Bennett	9,600	9,600	-	(9,600)
Comstock School	77,833	77,833	135,915	58,082
Marvin Tavern	5,170	5,170	4,487	(683)
Day Care Center	117,856	117,856	118,422	566
Radio Tower	49,860	49,860	49,861	1
Sale of Assets	3,000	3,000	216,938	213,938
Other	-	-	50,961	50,961
<b>Total other</b>	<b>392,169</b>	<b>392,169</b>	<b>709,145</b>	<b>316,976</b>
<b>Total Revenues</b>	<b>\$ 93,622,029</b>	<b>\$ 93,622,029</b>	<b>\$ 96,038,859</b>	<b>\$ 2,416,830</b>

TOWN OF WILTON, CONNECTICUT

GENERAL FUND EXPENDITURES AND ENCUMBRANCES - BUDGETARY BASIS -  
BUDGET AND ACTUAL

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>GENERAL GOVERNMENT</b>				
Board of Selectmen	\$ 279,651	\$ 279,651	\$ 257,503	\$ 22,148
Finance Office	629,408	629,408	621,202	8,206
Town Counsel	191,300	191,300	159,087	32,213
Town Hall and Annex	253,142	253,142	279,778	(26,636)
Major Utilities	222,353	222,353	192,598	29,755
Other Town Properties	141,521	141,521	69,702	71,819
Dial-A-Ride	82,046	82,046	85,555	(3,509)
Town Clerk	274,516	274,516	248,936	25,580
Planning & Zoning	333,540	333,540	320,608	12,932
Board of Finance	75,600	75,600	75,171	429
Assessor	207,133	207,133	192,325	14,808
Tax Collector	145,358	145,358	137,123	8,235
Probate Court	31,000	31,000	23,506	7,494
Registrar of Voters	88,501	88,501	97,747	(9,246)
Code Enforcement - Building	188,387	188,387	163,623	24,764
Comstock Community Center	208,634	208,634	206,113	2,521
Information Systems	408,650	408,650	318,862	89,788
<b>Total general government</b>	<b>3,760,740</b>	<b>3,760,740</b>	<b>3,449,439</b>	<b>311,301</b>
<b>PUBLIC SAFETY</b>				
Police	5,516,216	5,694,216	5,599,497	94,719
CERT	6,000	6,000	3,860	2,140
Emergency Medical Service	246,916	246,916	255,791	(8,875)
Fire and Emergency Service	3,829,245	3,873,499	3,841,217	32,282
Central Dispatch	283,196	283,196	253,026	30,170
Georgetown Fire District	232,855	232,855	199,788	33,067
<b>Total public safety</b>	<b>10,114,428</b>	<b>10,336,682</b>	<b>10,153,179</b>	<b>183,503</b>
<b>PUBLIC WORKS</b>				
	<b>2,405,420</b>	<b>2,405,420</b>	<b>2,219,638</b>	<b>185,782</b>
<b>PUBLIC HEALTH AND WELFARE</b>				
Health and Sanitation	252,433	252,433	232,238	20,195
Public Health Nursing	777,660	777,660	778,695	(1,035)
Welfare and Social Services	298,849	331,158	332,264	(1,106)
<b>Total public health and welfare</b>	<b>1,328,942</b>	<b>1,361,251</b>	<b>1,343,197</b>	<b>18,054</b>

TOWN OF WILTON, CONNECTICUT

GENERAL FUND EXPENDITURES AND ENCUMBRANCES - BUDGETARY BASIS -  
BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>OTHER</b>				
Employee Benefits and Unemployment Compensation	1,824,938	1,754,375	1,726,247	28,128
Insurance	653,000	653,000	735,725	(82,725)
Library Association	2,010,902	2,010,902	2,010,902	-
Route 7 Bus	5,000	5,000	5,000	-
Teen Center	103,747	103,747	103,747	-
Animal Control	93,334	93,334	92,588	746
<b>Total other</b>	<b>4,690,921</b>	<b>4,620,358</b>	<b>4,674,209</b>	<b>(53,851)</b>
<b>RECREATION AND PARKS COMMISSION</b>				
Parks and Recreation	871,902	871,902	835,140	36,762
Conservation and Inland-Wetlands	245,220	245,220	232,380	12,840
<b>Total recreation and parks commission</b>	<b>1,117,122</b>	<b>1,117,122</b>	<b>1,067,520</b>	<b>49,602</b>
<b>EDUCATION</b>	<b>59,965,097</b>	<b>59,965,097</b>	<b>58,955,205</b>	<b>1,009,892</b>
<b>CAPITAL OUTLAY</b>				
General Government	462,895	660,926	421,943	238,983
Public Safety	154,000	246,091	92,790	153,301
Public Works	870,002	1,121,168	1,021,411	99,757
Parks, Recreation and Conservation	95,157	115,394	94,471	20,923
<b>Total capital outlay</b>	<b>1,582,054</b>	<b>2,143,579</b>	<b>1,630,615</b>	<b>512,964</b>
<b>DEBT SERVICE</b>				
Principal Retirement	5,910,711	5,910,711	5,910,711	-
Interest	3,162,151	3,162,151	3,167,959	(5,808)
<b>Total debt service</b>	<b>9,072,862</b>	<b>9,072,862</b>	<b>9,078,670</b>	<b>(5,808)</b>
Additional appropriations	940,376	756,376	-	756,376
<b>Total Expenditures and Encumbrances</b>	<b>\$ 94,977,962</b>	<b>\$ 95,539,487</b>	<b>\$ 92,571,672</b>	<b>\$ 2,967,815</b>

**Nonmajor Governmental Funds**



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**TOWN OF WILTON, CONNECTICUT**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

**June 30, 2007**

	Special Revenue					
	Ambulance	Educational Entitlement Grants	School Lunch	Summer School	Continuing Education	Forfeited Property Fund
<b>ASSETS</b>						
Cash and cash equivalents	\$ 989,240	\$ 240,917	\$ 146,495	\$ 296,341	\$ 432,868	\$ 29,660
Special assessments	-	-	-	-	-	-
Intergovernmental receivables	-	27,239	-	-	-	-
Other receivables	136,421	-	13,544	-	-	-
Inventories	-	-	12,717	-	-	-
Prepays	-	-	-	-	-	-
Due from other funds	9,388	12	-	-	-	-
<b>Total assets</b>	<b>\$ 1,135,049</b>	<b>\$ 268,168</b>	<b>\$ 172,756</b>	<b>\$ 296,341</b>	<b>\$ 432,868</b>	<b>\$ 29,660</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>						
<b>LIABILITIES</b>						
Unearned revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenues	-	-	-	-	-	-
Accounts payable	11,456	13,704	192,826	-	-	-
Due to other funds	55,087	280,107	-	-	-	8,946
<b>Total liabilities</b>	<b>66,543</b>	<b>293,811</b>	<b>192,826</b>	<b>-</b>	<b>-</b>	<b>8,946</b>
<b>FUND BALANCES (DEFICITS)</b>						
Reserved for inventories	-	-	12,717	-	-	-
Reserved for donors' intention	-	-	-	-	-	-
Reserved for prepaid items	-	-	-	-	-	-
Designated for debt service	-	-	-	-	-	-
Designated for capital improvements	-	-	-	-	-	-
Unreserved and undesignated	1,068,506	(25,643)	(32,787)	296,341	432,868	20,714
<b>Total fund balances (deficits)</b>	<b>1,068,506</b>	<b>(25,643)</b>	<b>(20,070)</b>	<b>296,341</b>	<b>432,868</b>	<b>20,714</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 1,135,049</b>	<b>\$ 268,168</b>	<b>\$ 172,756</b>	<b>\$ 296,341</b>	<b>\$ 432,868</b>	<b>\$ 29,660</b>

Special Revenue						Capital Projects			
Youth Services	Selectmen's Benevolent	Recreation	Gift	Debt Service Fund	Cemetery	Debt Issuance 2004	Debt Issuance 1997	Debt Issuance 1998	Debt Issuance 2000
\$ -	\$ 9,244	\$ 276,449	\$ 304,661	\$ 346,837	\$ 200	\$ 190,882	\$20,692	\$ 4,051	\$ 57,336
-	-	-	-	231,560	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	66,647	16,792	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	15,989	-	-	-	-	-	-	-
-	-	-	1,530	-	-	-	-	6,328	15,412
<u>\$ -</u>	<u>\$ 9,244</u>	<u>\$ 359,085</u>	<u>\$ 322,983</u>	<u>\$ 578,397</u>	<u>\$ 200</u>	<u>\$ 190,882</u>	<u>\$20,692</u>	<u>\$10,379</u>	<u>\$ 72,748</u>
\$ -	\$ -	\$ 223,395	\$ 11,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	231,560	-	-	-	-	-
-	-	38,860	59,441	-	-	56,636	-	-	-
60	-	37,500	1,943	18,386	100	-	-	17,354	1,530
<u>60</u>	<u>-</u>	<u>299,755</u>	<u>73,074</u>	<u>249,946</u>	<u>100</u>	<u>56,636</u>	<u>-</u>	<u>17,354</u>	<u>1,530</u>
-	-	-	-	-	-	-	-	-	-
-	9,244	-	-	-	100	-	-	-	-
-	-	15,989	-	-	-	-	-	-	-
-	-	-	-	328,451	-	-	-	-	-
-	-	-	-	-	-	134,246	-	-	-
(60)	-	43,341	249,909	-	-	-	20,692	(6,975)	71,218
<u>(60)</u>	<u>9,244</u>	<u>59,330</u>	<u>249,909</u>	<u>328,451</u>	<u>100</u>	<u>134,246</u>	<u>20,692</u>	<u>(6,975)</u>	<u>71,218</u>
<u>\$ -</u>	<u>\$ 9,244</u>	<u>\$ 359,085</u>	<u>\$ 322,983</u>	<u>\$ 578,397</u>	<u>\$ 200</u>	<u>\$ 190,882</u>	<u>\$20,692</u>	<u>\$10,379</u>	<u>\$ 72,748</u>

(Continued)

**TOWN OF WILTON, CONNECTICUT**

**COMBINING BALANCE SHEET, Continued  
NONMAJOR GOVERNMENTAL FUNDS**

**June 30, 2007**

	Capital Projects					
	Debt Issuance 2001	Debt Issuance 2002	Debt Issuance 2003	Debt Issuance 2005	Debt Issuance 2006	Debt Issuance 2007
<b>ASSETS</b>						
Cash and cash equivalents	\$ 638,765	\$ 25,436	\$ 74,238	\$ 1,316	\$ 916,348	\$ 1,543,602
Special assessments	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-
Other receivables	1,390	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepays	-	-	-	-	-	-
Due from other funds	-	-	-	14,348	-	-
<b>Total assets</b>	<b>\$ 640,155</b>	<b>\$ 25,436</b>	<b>\$ 74,238</b>	<b>\$ 15,664</b>	<b>\$ 916,348</b>	<b>\$ 1,543,602</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>						
<b>LIABILITIES</b>						
Unearned revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-
Accounts payable	-	-	17	-	513,439	21,908
Due to other funds	-	-	-	72,546	13,370	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>72,546</b>	<b>526,809</b>	<b>21,908</b>
<b>FUND BALANCES (DEFICITS)</b>						
Reserved for inventories	-	-	-	-	-	-
Reserved for donors' intention	-	-	-	-	-	-
Reserved for prepaid items	-	-	-	-	-	-
Designated for debt service	-	-	-	-	-	-
Designated for capital improvements	640,155	25,436	74,221	(56,882)	389,539	1,521,694
Unreserved and undesignated	-	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>640,155</b>	<b>25,436</b>	<b>74,221</b>	<b>(56,882)</b>	<b>389,539</b>	<b>1,521,694</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 640,155</b>	<b>\$ 25,436</b>	<b>\$ 74,238</b>	<b>\$ 15,664</b>	<b>\$ 916,348</b>	<b>\$ 1,543,602</b>

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Capital Projects

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Debt Issuance 2008	Open Space Fund	Totals
\$ -	\$ 2,613	\$ 6,548,191
-	-	231,560
-	-	27,239
-	-	234,794
-	-	12,717
-	-	15,989
-	109	47,127
<u>\$ -</u>	<u>\$ 2,722</u>	<u>\$ 7,117,617</u>

\$ -	\$ -	\$ 235,085
-	-	231,560
904,089	-	1,812,376
19,331	-	526,260
<u>923,420</u>	<u>-</u>	<u>2,805,281</u>

-	-	12,717
-	-	9,344
-	-	15,989
-	-	328,451
(923,420)	-	1,804,989
-	2,722	2,140,846

<u>(923,420)</u>	<u>2,722</u>	<u>4,312,336</u>
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<u>\$ -</u>	<u>\$ 2,722</u>	<u>\$ 7,117,617</u>
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**TOWN OF WILTON, CONNECTICUT**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES (DEFICITS) NONMAJOR GOVERNMENTAL FUNDS**

**For the Year Ended June 30, 2007**

	Special Revenue					Forfeited Property Fund
	Ambulance	Educational Entitlement Grants	School Lunch	Summer School	Continuing Education	
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ 775,487	\$ -	\$ -	\$ -	\$ -
Licenses, permits, fees and other	343,397	-	-	-	-	1,825
Investment income	49,377	-	-	-	-	-
Tuition	-	-	-	346,873	835,237	-
School lunch sales	-	-	1,196,502	-	-	-
Contributions	-	-	-	-	-	-
<b>Total revenues</b>	<b>392,774</b>	<b>775,487</b>	<b>1,196,502</b>	<b>346,873</b>	<b>835,237</b>	<b>1,825</b>
<b>EXPENDITURES</b>						
General government	-	-	-	-	-	-
Education	-	811,687	1,215,149	359,971	654,704	-
Public safety	293,604	-	-	-	-	-
Public health & welfare	-	-	-	-	-	-
Recreation and parks commission	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>293,604</b>	<b>811,687</b>	<b>1,215,149</b>	<b>359,971</b>	<b>654,704</b>	<b>-</b>
<b>OTHER FINANCING SOURCES</b>						
Bond proceeds	-	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenue over (under) expenditures</b>	<b>99,170</b>	<b>(36,200)</b>	<b>(18,647)</b>	<b>(13,098)</b>	<b>180,533</b>	<b>1,825</b>
<b>FUND BALANCES (DEFICITS), beginning</b>	<b>969,336</b>	<b>10,557</b>	<b>(1,423)</b>	<b>309,439</b>	<b>252,335</b>	<b>18,889</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ 1,068,506</b>	<b>\$ (25,643)</b>	<b>\$ (20,070)</b>	<b>\$ 296,341</b>	<b>\$ 432,868</b>	<b>\$ 20,714</b>

Special Revenue						Capital Projects			
Youth Services	Selectmen's Benevolent	Recreation	Gift	Debt Service	Cemetery	Debt Issuance 2004	Debt Issuance 1997	Debt Issuance 1998	Debt Issuance 2000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	659,416	-	55,353	-	-	-	-	-
-	427	-	10,591	15,748	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	217,985	-	-	-	-	-	-
-	427	659,416	228,576	71,101	-	-	-	-	-
-	-	-	198,176	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	3,419	-	-	-	-	-	-
-	-	-	3,266	-	-	-	-	-	-
-	-	668,912	27,302	-	-	-	-	-	-
-	-	-	-	27,047	-	-	-	-	-
-	-	-	-	17,175	-	-	-	-	-
-	-	-	-	-	-	3,129	-	-	-
-	-	668,912	232,163	44,222	-	3,129	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	427	(9,496)	(3,587)	26,879	-	(3,129)	-	-	-
(60)	8,817	68,826	253,496	301,572	100	137,375	20,692	(6,975)	71,218
\$ (60)	\$ 9,244	\$ 59,330	\$ 249,909	\$ 328,451	\$ 100	\$ 134,246	\$ 20,692	\$ (6,975)	\$ 71,218

**TOWN OF WILTON, CONNECTICUT**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES (DEFICITS) NONMAJOR GOVERNMENTAL FUNDS, Continued**

**For the Year Ended June 30, 2007**

	Capital Projects					
	Debt	Debt	Debt	Debt	Debt	Debt
	Issuance	Issuance	Issuance	Issuance	Issuance	Issuance
	2001	2002	2003	2005	2006	2007
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, fees and other	-	-	-	14,349	-	-
Investment income	-	-	-	-	-	9,946
Tuition	-	-	-	-	-	-
School lunch sales	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
<b>Total revenues</b>	-	-	-	14,349	-	9,946
<b>EXPENDITURES</b>						
General government	-	-	-	-	-	-
Education	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public health & welfare	-	-	-	-	-	-
Recreation and parks commission	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	2,520	75,583	2,796,643	2,543,252
<b>Total expenditures</b>	-	-	2,520	75,583	2,796,643	2,543,252
<b>OTHER FINANCING SOURCES</b>						
Bond proceeds	-	-	-	-	-	4,055,000
<b>Total other financing sources</b>	-	-	-	-	-	4,055,000
<b>Revenue over (under) expenditures</b>	-	-	(2,520)	(61,234)	(2,796,643)	1,521,694
<b>FUND BALANCES (DEFICITS), beginning</b>	640,155	25,436	76,741	4,352	3,186,182	-
<b>FUND BALANCES (DEFICITS), ending</b>	\$640,155	\$ 25,436	\$ 74,221	\$ (56,882)	\$ 389,539	\$ 1,521,694

Capital Projects			
Debt Issuance 2008	Open Space Fund	Totals	
\$ -	\$ -	\$	775,487
-	-		1,074,340
-	138		86,227
-	-		1,182,110
-	-		1,196,502
-	-		217,985
-	138		4,532,651
-	-		198,176
-	-		3,041,511
-	-		297,023
-	-		3,266
-	-		696,214
-	-		27,047
-	-		17,175
923,420	-		6,344,547
923,420	-		10,624,959
-	-		4,055,000
-	-		4,055,000
(923,420)	138		(2,037,308)
-	2,584		6,349,644
\$ (923,420)	\$ 2,722	\$	4,312,336

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**Agency Fund**



**TOWN OF WILTON, CONNECTICUT**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**AGENCY FUND**

**For the Year Ended June 30, 2007**

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	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
<b>STUDENT ACTIVITY FUND</b>				
Assets	\$ 444,257	\$ 1,059,207	\$ 1,025,562	\$ 477,902
Liabilities	\$ 444,257	\$ 1,059,207	\$ 1,025,562	\$ 477,902

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



**TOWN OF WILTON, CONNECTICUT**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -  
SCHEDULE BY SOURCE**

**June 30, 2007**

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Governmental funds capital assets:

Land	\$ 22,416,543
Buildings and improvements	118,409,575
Machinery and equipment	8,331,066
Infrastructure	37,813,153
Construction in progress	4,656,890
<b>Total governmental funds capital assets</b>	<u><u>\$ 191,627,227</u></u>

Investments in governmental funds capital assets by source:

Assets put into service prior to July 1, 2007	\$ 191,627,227
<b>Total governmental funds capital assets</b>	<u><u>\$ 191,627,227</u></u>

**TOWN OF WILTON, CONNECTICUT**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -  
SCHEDULE BY FUNCTION AND ACTIVITY**

**For the Year Ended June 30, 2007**

	Land	Construction in Progress	Buildings and Improvements	Machinery and Equipment	Technology Upgrade and Infrastructure	Total
General Government	\$ 7,583,125	\$ 971,620	\$ 5,344,845	\$ 383,266	\$ 35,774,750	\$ 50,057,606
Public Safety	167,002	-	1,449,540	4,525,891	-	6,142,433
Education	865,699	8,615	106,336,261	460,808	-	107,671,383
Public Works	-	-	793,678	2,333,651	1,782,865	4,910,194
Recreation & Parks Commssion	13,800,717	3,676,655	4,439,846	599,339	255,538	22,772,095
Other	-	-	45,405	28,111	-	73,516
	<u>\$ 22,416,543</u>	<u>\$ 4,656,890</u>	<u>\$ 118,409,575</u>	<u>\$ 8,331,066</u>	<u>\$ 37,813,153</u>	<u>\$ 191,627,227</u>

**TOWN OF WILTON, CONNECTICUT**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -  
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**

**For the Year Ended June 30, 2007**

	Governmental Funds Capital Assets			Governmental Funds Capital Assets
	July 1, 2006	Additions	Deletions	June 30, 2007
General Government	\$ 49,798,616	\$ 272,285	\$ 13,294	\$ 50,057,607
Public Safety	6,092,030	193,290	142,888	6,142,432
Education	106,331,018	1,340,364	-	107,671,382
Public Works	4,728,079	302,714	120,598	4,910,195
Parks and Recreation	19,854,562	2,942,065	24,531	22,772,096
Other	70,528	22,843	19,856	73,515
<b>Total</b>	<b>\$186,874,833</b>	<b>\$ 5,073,561</b>	<b>\$ 321,167</b>	<b>\$ 191,627,227</b>

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**Other Schedules**



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**TOWN OF WILTON, CONNECTICUT**

**SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING**

**For the Year Ended June 30, 2007**

Grand List Year	Taxes Receivable July 1, 2006	Current Levy	Prior Year Overpayments To Be Refunded	Lawful Corrections		Transfers to/from Suspense	Balance to be Collected
				Additions	Deletions		
1990	\$ 15	\$ -	\$ -	\$ 215	\$ -	\$ (15)	\$ 215
1991	5,350	-	-	138	46	(5,037)	405
1992	6,042	-	-	675	117	(191)	6,409
1993	7,780	-	-	1,931	218	(75)	9,418
1994	7,206	-	-	150	-	(232)	7,124
1995	19,791	-	-	844	3,335	(412)	16,888
1996	17,712	-	-	517	-	(924)	17,305
1997	22,355	-	-	3,301	88	(949)	24,619
1998	36,951	-	-	1,278	16,781	(270)	21,178
1999	30,359	-	-	1,449	2,912	(227)	28,669
2000	45,270	-	(201)	112	7,349	(2,760)	35,072
2001	67,517	-	(366)	1,199	10,774	(8,017)	49,559
2002	118,667	-	(646)	641	34,142	(12,341)	72,179
2003	183,134	-	(2,161)	4,961	25,132	(2,823)	157,979
2004	401,147	-	(849)	106,132	23,746	(714)	481,970
2005		84,895,379	(15,313)	468,308	453,591	-	84,894,783
	<u>\$ 969,296</u>	<u>\$ 84,895,379</u>	<u>\$ (19,536)</u>	<u>\$ 591,851</u>	<u>\$ 578,231</u>	<u>\$ (34,987)</u>	<u>\$ 85,823,772</u>

Collections							Balance Uncollected June 30, 2007
Taxes	Refunds	Overpayments		Lien Fees	Total		
		To Be Refunded	Interest				
\$ 215	\$ -	\$ -	\$ 597	\$ -	\$ 812	\$ -	
406	-	-	289	-	695	(1)	
501	-	-	1,351	-	1,852	5,908	
515	-	-	882	-	1,397	8,903	
337	-	-	324	-	661	6,787	
-	-	-	217	-	217	16,888	
402	-	-	708	-	1,110	16,903	
1,072	-	-	1,604	-	2,676	23,547	
958	-	-	1,270	-	2,228	20,220	
1,104	-	201	1,110	-	2,013	27,766	
870	-	366	815	-	1,319	34,568	
2,534	-	646	2,133	-	4,021	47,671	
6,391	1,058	5,605	2,984	-	2,712	72,451	
41,716	840	5,506	12,078	168	47,616	122,609	
290,331	22,234	12,286	46,060	816	302,687	226,159	
84,438,227	103,739	18,407	165,318	528	84,481,927	578,702	
<u>\$ 84,785,579</u>	<u>\$ 127,871</u>	<u>\$ 43,017</u>	<u>\$ 237,740</u>	<u>\$ 1,512</u>	<u>\$ 84,853,943</u>	<u>\$ 1,209,081</u>	

TOWN OF WILTON, CONNECTICUT

**SCHEDULE OF SPECIAL ASSESSMENTS AND SEWER USAGE  
CHARGES LEVIED, COLLECTED AND OUTSTANDING**

**For the Year Ended June 30, 2007**

	Balance Uncollected July 1, 2006	Delinquent Interest and Current Charges	Adjustments	Balance to be Collected	Collections			Balance Uncollected June 30, 2007
					Assessments and Charges	Interest	Total	
Special assessment	\$ 300,847	\$ 147,814	\$ -	\$ 448,661	\$ 188,051	\$ -	\$ 188,051	\$ 260,610
Sewer usage	990	2,175		3,165	1,307		1,307	1,858
<b>Total</b>	<b>\$ 301,837</b>	<b>\$ 149,989</b>	<b>\$ -</b>	<b>\$ 451,826</b>	<b>\$ 189,358</b>	<b>\$ -</b>	<b>\$ 189,358</b>	<b>262,468</b>

**TOWN OF WILTON, CONNECTICUT**

**SCHEDULE OF WATER MAIN ASSESSMENTS LEVIED, COLLECTED AND  
OUTSTANDING**

**For the Year Ended June 30, 2007**

	Balance Uncollected July 1, 2006	Delinquent Interest and Current Charges	Adjustments	Balance to be Collected	Collections			Balance Uncollected June 30, 2007
					Assessments and Charges	Interest	Total	
Water Main Assessment	\$ 140,704	\$ 147,814	\$ -	\$ 288,518	\$ 188,051	\$ -	\$ 188,051	\$ 100,467

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