

Final Official Statement Dated September 19, 2012

NEW ISSUE: Book-Entry-Only

RATINGS: Moody's Investors Service: "Aaa"

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance with certain covenants and procedures relating to requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax. Interest on the Bonds may be includable in the calculation of certain taxes under the Code, including the federal alternative minimum tax imposed on certain corporations. In the opinion of Bond Counsel, based on existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. See "Tax Matters" herein.



Town of Wilton, Connecticut \$7,910,000 General Obligation Bonds, Issue of 2012 Bank Qualified

Dated: Date of Delivery

Due: Serially September 15,
as shown below:

MATURITY SCHEDULE

Year	Principal	Coupon	Yield	CUSIP	Year	Principal	Coupon	Yield	CUSIP
2013	\$ 400,000	2.000%	0.300%	972499XG7	2023*	\$ 400,000	2.000%	1.750%	972499XS1
2014	400,000	2.000%	0.400%	972499XH5	2024*	400,000	2.000%	1.800%	972499XT9
2015	400,000	2.000%	0.500%	972499XJ1	2025*	400,000	2.000%	1.900%	972499XU6
2016	400,000	2.000%	0.600%	972499XK8	2026	400,000	2.000%	2.000%	972499XV4
2017	400,000	2.000%	0.800%	972499XL6	2027*	400,000	2.250%	2.100%	972499XW2
2018	400,000	2.000%	1.000%	972499XM4	2028*	400,000	2.250%	2.200%	972499XX0
2019	400,000	2.000%	1.200%	972499XN2	2029	385,000	2.250%	2.300%	972499XY8
2020	400,000	2.000%	1.300%	972499XP7	2030*	375,000	2.500%	2.400%	972499XZ5
2021	400,000	2.000%	1.450%	972499XQ5	2031	375,000	2.500%	2.500%	972499YA9
2022*	400,000	2.000%	1.600%	972499XR3	2032	375,000	2.500%	2.550%	972499YB7

* Priced assuming redemption on September 15, 2021; however any such redemption is at the option of the Town.

The Bonds will be general obligations of the Town of Wilton, Connecticut (the "Town") and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. (See "Security and Remedies" herein).

The Bonds will bear interest payable on March 15, 2013 and semiannually thereafter on September 15 and March 15 in each year until maturity. The Bonds are issuable only as fully registered bonds, without coupons, and when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book entry-only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. So long as Cede & Co. is the Bondowner, as nominee of DTC, reference herein to the Bondowner or owners shall mean Cede & Co. as aforesaid, and shall not mean the Beneficial Owners (as described herein) of the Bonds. (See "Book Entry Only Transfer System" herein).

The Registrar, Transfer Agent, Paying Agent and Certifying Agent will be U.S. Bank National Association, of Hartford, Connecticut.

The Bonds are subject to redemption prior to maturity, as more fully described herein. (See "Redemption Provisions" herein).

FTN FINANCIAL CAPITAL MARKETS

The Bonds are offered for delivery when, as and if issued, subject to the approving opinion of Robinson & Cole LLP, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC on or about September 28, 2012.

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

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

The information set forth herein has been obtained by the Town from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. Certain information in this Official Statement has been obtained by the Town from other sources. Neither the Town nor the Financial Advisor guaranty the accuracy or completeness of such information, and such information is not to be construed as a representation of any of the foregoing.

The independent auditors for the Town are not passing upon and do not assume responsibility for the accuracy or completeness of the financial information presented in this Official Statement (other than matters expressly set forth in their opinion in Appendix A), and they make no representation that they have independently verified the same.

Other than as to matters expressly set forth in Appendix B and in "Tax Matters" herein, Bond Counsel is not passing on and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and make no representation that it has independently verified the same.

The Bonds have not been registered under the Securities Act of 1933, as amended, nor have the Bonds been registered under any state securities laws.

The Town deems this Official Statement to be "final" for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but it is subject to revision or amendment.

The Town currently files its official statements for primary offerings with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system. In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide or cause to be provided (i) annual financial information and operating data, (ii) a notice of the occurrence of certain events within 10 business days of the occurrence of such events, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement. The Continuing Disclosure Agreement shall be executed in substantially the form attached as Appendix C to this Official Statement.

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Bond Issue Summary

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

Date of Sale:	Wednesday, September 19, 2012 at 11:30 A.M. (E.D.T).
Location of Sale:	The Office of the First Selectman, Town of Wilton, Town Hall, 238 Danbury Road, Wilton, Connecticut 06897.
Issuer:	Town of Wilton, Connecticut (the "Town").
Issue:	\$7,910,000 General Obligation Bonds, Issue of 2012 (the "Bonds").
Dated Date:	Date of delivery.
Interest Due:	Interest due March 15, 2013 and semiannually thereafter on September 15 and March 15 in each year until maturity.
Principal Due:	Principal due serially, September 15, 2013 through September 15, 2032 as detailed in this Official Statement.
Authorization and Purpose:	Proceeds of the Bonds will be used to finance various general purpose and school projects authorized by the Town Meeting.
Redemption:	The Bonds are subject to redemption prior to maturity. See "Redemption Provisions" herein.
Security and Remedies:	The Bonds will be general obligations of the Town of Wilton, Connecticut, and the Town will pledge its full faith and credit to the payment of principal and interest on the Bonds when due.
Credit Rating:	The Bonds have been rated "Aaa" from Moody's Investors Service, Inc.
Bond Insurance:	The Town does not expect to direct purchase a credit enhancement facility.
Basis of Award:	Lowest True Interest Cost (TIC), as of the dated date.
Tax Exemption:	See "Tax Matters" herein.
Bank Qualification:	The Bonds shall be designated as qualified tax-exempt obligations by the Town under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for certain interest expense allocable to the Bonds.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, annual financial information and operating data and notices of material events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C to this Official Statement.
Paying Agent, Certifying Agent, Transfer Agent and Registrar:	U.S. Bank National Association of Hartford, Connecticut.
Financial Advisor:	Phoenix Advisors, LLC of Milford, Connecticut will act as Financial Advisor.
Legal Opinion:	Robinson & Cole LLP of Hartford, Connecticut will act as Bond Counsel.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about September 28, 2012 against payment in Federal Funds.
Issuer Official:	Questions concerning the Town or this Official Statement should be addressed to Ms. Sandra L. Dennies, Chief Financial Officer, Town of Wilton, 238 Danbury Road, Wilton, Connecticut 06897. Telephone (203) 563-0128.

I. Introduction

This Official Statement is provided for the purpose of presenting certain information relating to the Town of Wilton, Connecticut (the "Town"), in connection with the original issuance and sale of \$7,910,000 General Obligation Bonds, Issue of 2012 (the "Bonds") of the Town.

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

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

The independent auditors for the Town are not passing upon and do not assume responsibility for the accuracy or completeness of the financial information presented in this Official Statement (other than matters expressly set forth in their opinion in Appendix A), and they make no representation that they have independently verified the same.

Bond Counsel is not passing upon and does not assume responsibility for the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth as their opinion) and makes no representation that it has independently verified the same.

The information set forth herein has been obtained by the Town, from sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness.

The information, estimates and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date of the Official Statement.

Financial Advisor

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

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

Description of the Bonds

The Bonds will be dated the date of delivery and will mature as described on the front cover of this Official Statement. The Bonds will bear interest payable on March 15, 2013 and semiannually thereafter on September 15 and March 15 in each year until maturity, as set forth on the front cover of this Official Statement. Interest will be calculated on the basis of twelve 30-day months and a 360-day year. Interest is payable to the registered owner as of the close of business on the last business day of February and August in each year by check mailed to the registered owner or, so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC and the Town shall agree. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. See "Book-Entry-Only Transfer System."

Redemption Provisions

The Bonds maturing on or before September 15, 2021 are not subject to redemption prior to maturity. The Bonds maturing September 15, 2022 and thereafter are subject to redemption prior to maturity, at the election of the Town, on or after September 15, 2021 at any time, in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine, at the respective prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
September 15, 2021 and thereafter	100%

Notice of redemption shall be given by the Town or its agent by mailing a copy of the redemption notice by first-class mail at least thirty (30) days prior to the redemption date to the registered owner of the Bonds at the address of such registered owner as the same shall last appear on the registration books for the Bonds kept for such purpose. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if sufficient funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Town in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or a multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

The Town, so long as Cede & Co., as nominee of the Depository Trust Company ("DTC"), is the registered owner of the Bonds, will send any notice of redemption only to DTC (or successor securities depository) or its successor nominee. Any failure of DTC to advise any DTC Participant or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its contents or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of a portion of the Bonds of any maturity by the Town will reduce the outstanding principal amount of Bonds of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interests held by DTC Participants in the Bonds to be redeemed, the interest to be reduced by such redemption in accordance with its own rules or other agreements with DTC Participants. The DTC Participants and Indirect Participants may allocate reductions of the interest in the Bonds to be redeemed held by the Beneficial Owners. Any such allocations of reductions of interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by or the responsibility of the Town.

Authorization and Purpose

Authorization: The Bonds are being issued pursuant to Title 7 of the General Statutes of Connecticut, as amended, the charter of the Town of Wilton, Connecticut and certain bond resolutions approved at the Annual Town Meeting held on May, 1, 2012.

Purpose: Proceeds of the Bonds will be used to finance the following projects:

Project	Amount Authorized	Previously Bonded	This Issue
Road Restoration.....	\$ 3,329,800	\$ -	\$ 3,329,000
Engine-Tanker Fire Truck.....	695,000	-	695,000
Roof and Generator - Comstock.....	836,000	-	836,000
Renovations - Ambler Farm.....	250,000	-	250,000
Renovations - Various Schools.....	2,800,000	-	2,800,000
Totals.....	\$ 7,910,800	\$ -	\$ 7,910,000

Tax Matters

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements which must be met at and subsequent to delivery of the Bonds in order that interest on the Bonds be and remains excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Tax Regulatory Agreement, which will be executed and delivered by the Town concurrently with the Bonds, contains representations, covenants and procedures relating to the use, expenditure and investment of proceeds of the Bonds in order to comply with such requirements of the Code. Pursuant to the Tax Regulatory Agreement, the Town also covenants and agrees that it shall perform all things necessary or appropriate under any valid provision of law to ensure interest on the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance by the Town with its covenants and the procedures contained in the Tax Regulatory Agreement, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax.

Ownership of the Bonds may also result in certain collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security and Railroad Retirement benefits, taxpayers utilizing the earned income credit and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax exempt obligations, such as the Bonds. Prospective purchasers of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of ownership and disposition of, or receipt of interest on, the Bonds.

In the opinion of Bond Counsel, based on existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. The opinion of Bond Counsel is rendered as of its date and is based on existing law, which is subject to change. Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to their attention, or to reflect any changes in law that may thereafter occur or become effective.

Prospective purchasers of the Bonds are advised to consult their own tax advisors regarding other State and local tax consequences of ownership and disposition of and receipt of interest on the Bonds.

Original Issue Discount

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

Under Section 1288 of the Code, the amount of original issue discount treated as having accrued with respect to any Bond during each day it is owned by a taxpayer is added to the owner’s adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Accrued original issue discount on the Bonds is excluded from gross income for federal income tax purposes. Original issue discount on any bond is treated as accruing on the basis of economic accrual for such purposes, computed by a constant

semiannual compounding method using the yield to maturity on such bond. The original issue discount attributable to any bond for any particular semiannual period is equal to the excess of the product of (i) one half of the yield to maturity of such bond, and (ii) the amount which would be the adjusted basis of the bond at the beginning of such semiannual period if held by the original owner and purchased by such owner at the initial public offering price, over the interest paid during such period. The amount so treated as accruing during each semiannual period is apportioned in equal amounts among the days in that period to determine the amount of original issue discount accruing for such purposes during each such day. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the federal income tax consequences of the disposition of and receipt of interest on the Bonds.

Original Issue Premium

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

Under Sections 1016 and 171 of the Code, the amount of original issue premium treated as amortizing with respect to any bond during each day it is owned by a taxpayer is subtracted from the owner's adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Amortized original issue premium on the Bonds is not treated as a deduction from gross income for federal income tax purposes. Original issue premium on any bond is treated as amortizing on the basis of the taxpayer's yield to maturity using the taxpayer's cost basis and a constant semiannual compounding method. Prospective purchasers of the Bonds should consult their tax advisors with respect to the federal income tax consequences of the disposition of and receipt of interest on the Bonds.

School Projects

Pursuant to Public Act No. 97-11 of the June Special Session of the 1997 Connecticut General Assembly, the State of Connecticut will provide proportional progress payments for eligible school construction expenses on projects approved after July 1, 1996.

Debt service reimbursement will continue under the prior reimbursement program for all projects approved prior to July 1, 1996. Under the old program, a municipality would issue bonds for the entire amount of a school construction project and the State of Connecticut would reimburse the Town for principal and interest costs for eligible school construction projects over the life of the municipality's outstanding school bonds and subsequent bond issues necessary to completely fund a project.

Under the new program, the State of Connecticut will make proportional progress payments for eligible construction costs during project construction. The State grant will be paid directly to the municipality after it submits its request for progress payments, and accordingly, the municipality will issue its bonds only for its net share of project costs.

Book-Entry-Only Transfer System

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's

participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

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

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

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

DTC Practices

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

Replacement Bonds

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

Security and Remedies

The Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of the principal of and interest on the Bonds when due.

Unless paid from other sources, the Bonds are payable from general property tax revenues. The Town has the power under Connecticut statutes to levy ad valorem taxes on all taxable property in the Town without limitation as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts.

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

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

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

Enforcement of a claim for payment of principal of or interest on such debt would also be subject to the applicable provisions of Federal bankruptcy laws and to provisions of other statutes, if any, hereafter enacted by the Congress or the Connecticut General Assembly extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. Under the federal bankruptcy code, the Town may seek relief only, among other requirements, if it is specifically authorized, in its capacity as a municipality or by name, to be a debtor under Chapter 9, Title 11 of the United States Code, or by state law or by a governmental officer or organization empowered by state law to authorize such entity to become a debtor under such Chapter.

Section 7-566 of the Connecticut General Statutes, as amended, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

Qualification for Financial Institutions

The Bonds shall be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Availability of Continuing Information

The Town of Wilton prepares, in accordance with state law, annual independent audited financial statements and files such annual report with the State Office of Policy and Management within six months of the end of its fiscal year.

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

The Town has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and event notices pursuant to Rule 15c2-12(b)(5). To date the Town has met all of its undertakings under such agreements.

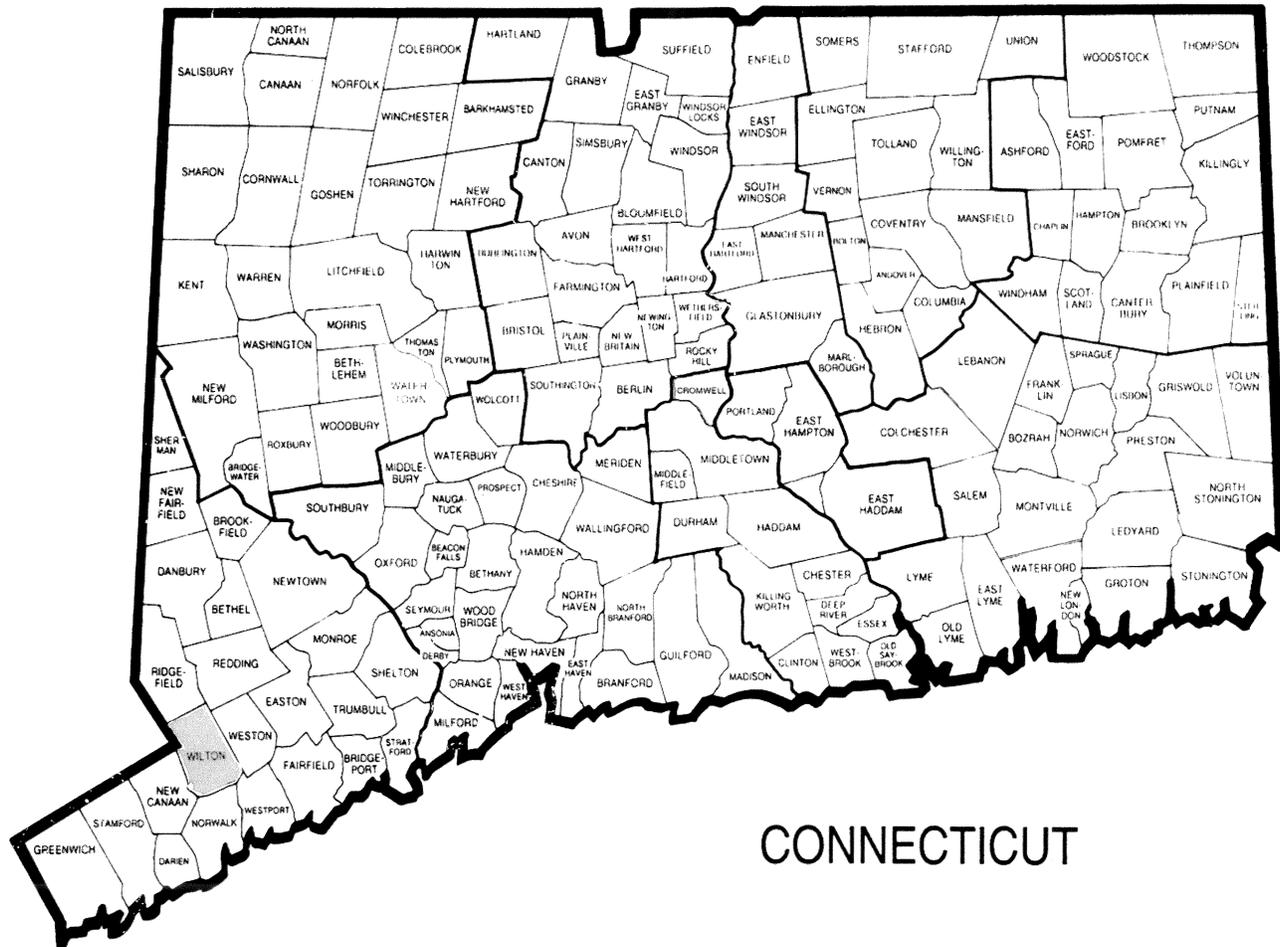
Ratings

The Bonds have been rated “Aaa” by Moody's Investors Service, Inc. (“Moody's”). The Town furnished to Moody's certain information and materials, some of which may not have been included in this Official Statement.

The rating reflects only the view of the rating agency and is subject to revision or withdrawal, which could affect the market price of the Bonds. Moody's should be contacted directly for information regarding its rating on the Bonds. No application was made to any other rating agencies for the purpose of obtaining ratings on outstanding securities of the Town.

The Town may issue short-term or other debt for which a rating may not be requested. The Town's Financial Advisor, Phoenix Advisors, LLC, recommends that all bonded debt be submitted for a credit rating.

II. The Issuer



Description of the Municipality

The Town of Wilton operates under a charter first granted in 1802 and most recently revised in 2009. The Town is located north of the City of Norwalk, west of the Town of Weston, and east of the Town of New Canaan in Fairfield County, Connecticut. Wilton is 55 miles from midtown Manhattan and is within easy driving distance from Westchester County, New York. U.S. Route 7, and State Highways 33, 53, 106 and 107 traverse the Town. Rail service is provided by Metro North at two stations.

Although commercial development in Wilton is approximately 2.0% of the land area as of 2011, it accounts for 13.8% of the Total Net Taxable Grand List of October 1, 2011. The principal businesses are corporate offices for firms such as Deloitte & Touche, Bridgewater Associates, Louis Dreyfus Commodities LLC, ASML Lithography, and the Neilsen Company LLC. The composition of the remaining employers is primarily in retail trade and offices located in two main shopping areas and along a sewer corridor on Route 7 from the Norwalk line to one mile north of the center of Town.

Description of Government

The Town of Wilton was incorporated in 1802, and operates with a Board of Selectmen, Board of Finance and Town Meeting form of government pursuant to the Connecticut Home Rule Act of 1957.

Principal Municipal Officials

Office	Name	Manner of Selection	Term
First Selectman.....	William F. Brennan	Elected	12/01/11 - 11/30/13
Treasurer.....	Sandra L. Dennies	Appointed	12/01/11 - 11/30/13
Chief Financial Officer	Sandra L. Dennies	Appointed	Indefinite
Chairman - Board of Finance.....	Warren Serenbetz	Elected	12/01/09 - 11/30/13
Superintendent of Schools.....	Gary G. Richards	Appointed	Indefinite

Municipal Services

Public Safety

Police Department: The Wilton Police Department’s authorized staffing consists of 44 sworn officers and four civilian employees, including two full time dispatchers, and two part time dispatchers. There is also a Police Explorer post which works with youth interested in pursuing a Law Enforcement Career. The Department operates a Neighborhood Watch Program, which began in 1984, and takes a proactive approach to law enforcement and crime prevention. Sworn officers receive ongoing training under state mandates. Certification is received through training at the Connecticut Police Academy as well as roll call training, plus attendance at specialized-training schools. The Department has a full-time School Resource Officer. A regular part of the school curriculum at the elementary level is the "Officer Friendly" program. The School Resource Officer also coordinates sessions on safety, drug, and alcohol abuse by youth, and provides counseling and advice to many youth-related special interest groups. The department also patrols the community on bicycles, and police sport utility vehicles, at times. The department also coordinates all road signs and markings for the community and as a service provides Child Safety Seat installations. The department consists of state assigned first responders 24-7 and is also part of a six town regional Emergency Response Team and collaborates with the Wilton Fire Department on a town Scuba Team. The department received Tier 1 status toward their State Accreditation in 2008 from POST, for meeting or exceeding state standards in Law Enforcement.

Fire Department: The Wilton Fire Department consists of 28 full-time career firefighters plus an apparatus maintenance supervisor and a full-time administrative secretary. The fire vehicle fleet consists of three engines, one engine/water tanker, one ladder truck and six support vehicles operating from two fire stations. All firefighters receive training from and are certified through the Connecticut State Fire Academy. All operational shift career firefighters are State Certified Emergency Medical Technicians. In addition to providing fire suppression, the department provides basic life support services during medical emergencies, hazardous materials response, dive rescue, heavy rescue, fire code inspection, fire safety and prevention services. The department actively participates in fire emergency mutual aid agreements with all six neighboring communities or departments, automatic mutual aid response agreements with five neighboring communities as well as the statewide fire emergency response plan. The department is a charter member of the Fairfield County Hazardous Material Response Team and has eight members trained to the Hazardous Materials Technician level. All other firefighters are trained to the Operations Level. The Insurance Service Office (ISO) gives Wilton a primary rating of four on a scale of one to ten with one being the highest rating.

Ambulance and Paramedic Services: Emergency medical care and transportation in Wilton are provided by the not for profit corporation, Wilton Volunteer Ambulance Corps, LLC (WVAC), from facilities owned by the Town. Emergency service is provided by WVAC personnel (Emergency Medical Technicians, Emergency Medical Responders, and drivers) who are on duty 24/7, 365 days a year. WVAC owns two fully equipped ambulances and responded to 1,400 calls in 2011.

Wilton-Weston Advanced Life Support, Inc is a not for profit corporation formed by the towns of Wilton and Weston for the sole purpose of providing 24 hour paramedic coverage for both towns. Wilton-Weston ALS, Inc. contracts with Norwalk Hospital to provide the dedicated paramedic personnel. Paramedics respond from facilities owned by the Town.

Conservation

The Town has approximately 631 acres of open space parks, which are listed below:

Bradley Park.....	82.6 acres	Trails, Boardwalk
Cherry Lane Park.....	50.5 acres	Trails, Pond
Horseshoe Park.....	8.8 acres	Pond, Birding
Schenck's Island.....	17.4 acres	Trails, Picnicking, Birding
Town Forest.....	190.8 acres	Foot Trails, Camping
Wild Duck Reserve.....	16.0 acres	Trails
Sackett Preserve.....	33.0 acres	Trails
Belknap Preserve.....	38.0 acres	Trails
Norwalk River Parks and Fields.....	33.0 acres	Ballfields, Fishing
Ambler Farm.....	23.0 acres	Historic structures, pastures
Black Farm Preserve.....	50.7 acres	Trails, Historic Structures
Grassi Property.....	71.0 acres	Trails
Rice Preserve.....	34.0 acres	Trails
Keiser Property.....	19.6 acres	Trails
Agnew Estate.....	22.0 acres	Trails
Offinger Farm on Chestnut Hill.....	15.0 acres	Farm fields, trail
Stow Property.....	21.0 acres	Trail

In addition, other areas of open space include:

Aspetuck Land Trust Inc.....	92.5 acres
Weir Farm Arts Center/Weir Preserve.....	110.0 acres
Wilton Land Conservation Trust.....	393.0 acres
State of CT/Woodcock Nature Center.....	146.0 acres
Town of Wilton:	
Open Space Preserves & mini-parks.....	183.0 acres
Vista Road Property.....	36.7 acres
State of Connecticut/Quarry Head*.....	33.7 acres
United States of America/Weir Farm.....	28.2 acres

* Quarry Head is managed by the Town under an agreement with the State.

Wilton Library Association, Inc.

The Wilton Library has served as the principal public library for the Town of Wilton since 1895. The Library and its contents are owned by the Wilton Library Association, Inc., which is governed by a Board of Trustees of 24 members. Eighteen of the trustees are elected directly by the members of the Association and six are appointed by the Board of Selectmen prior to their election by Association members.

Since 1919, the Wilton Library has received partial funding from the Town of Wilton. Currently approximately 75% of the annual budget is funded by an appropriation from the Town’s General Fund. The Board carries out an annual appeal campaign for the purchase of all Library collection materials. The remainder of operating costs and some major capital expenditures are funded by the Association through fund raising events, sponsorships, grants and fees. Ninety percent of the construction cost of the Library building, in 1973, came from private donations. The balance was paid for with Federal Revenue Sharing funds. More recently, and in response to growing use of its facility and services, the Library completed an \$11.4 million expansion and renovation in March 2006. Funding for the project included \$4.8 million from bonding authorized by the Town Meeting in May 2003. Additional funds came from the State of Connecticut in the amount of \$500,000 and private donations in the amount of \$6.1 million. As of June 2012, pledge payments and collected contributions total \$6,019,400, not including the grant. A purchase of adjacent property in 1996 enabled the expansion to be logistically feasible. It was financed with \$305,000 of Town bonds. The Library reimburses the Town for debt service.

Wilton Library is located in the heart of Wilton Center. Currently, 136,211 print and audiovisual, electronic databases, magazines, newspapers, DVDs, videos, music CDs and other items comprise its lending collections. 275,046 people visited the Library to use materials and computers or attend programs from July 2011

through June 2012. Over 862,569 people visited its website during the same period, searching for, reserving, and renewing items, using electronic databases and other electronic resources and interacting with our reference staff. 953 programs took place during the year, with concerts, lectures, story times, workshops and the like attended by 30,781 adults, teens, and children. Wilton Library continues to be a valued asset to all who live and work in Wilton.

Parks and Recreation

The Town has approximately 219 acres of developed recreation facilities. The Parks and Recreation Department also uses eight school sites for playgrounds and athletic activities which account for 165 acres. The Town's Park System has 44 acres of developed land. Below is a list of those facilities and their descriptive use.

- Merwin Meadows Park (17 acres) - swimming pond, athletic field, picnic facilities, playground, basketball court.
- Middlebrook Multi-Purpose Athletic Field (7 acres).
- Post Athletic Field (4 acres).
- Allen's Meadows - six athletic fields (four of the six athletic fields are on state owned property).
- Gilbert and Bennett – athletic field, playground (4 acres).
- Comstock Community Center - indoor recreation facilities, 2 outdoor lighted basketball courts, athletic field (10 acres), 1 baseball field and 1 soccer field.
- In addition there are 12 athletic fields, 2 lighted baseball diamonds, 3 softball diamonds, two of which are lighted, along with two synthetic turf athletic fields, and an all-weather track. The stadium and high school baseball and softball fields are illuminated for night events. There is also one lighted field at Middlebrook School.
- 12 Tennis Courts, 8 of which are lighted.
- Ambler Farm – Two rectangular fields.
- Lions Park - picnic pavilion, horseshoe pits, little league baseball field and fishing access.

Water Commission

The Wilton Water Commission was established in 1987 to study, manage and protect water resources serving the Town; to establish and maintain public water supply system(s); to provide for the furnishing of water by contract or otherwise; to extend or provide for the extension of water mains; and to exercise such powers as may be necessary or incidental thereto pursuant to the Connecticut General Statutes and the Code of the Town of Wilton.

The Commission consists of six members, five of whom are appointed by the Board of Selectmen for five-year terms. By Town ordinance, the First Selectman is the Chairman of the Commission and exercises full voting powers.

If, after conducting a public hearing, the Commission votes to proceed on a project, it then requests an appropriation from the Board of Selectmen. The appropriation and any required authority to issue Town of Wilton general obligation bonds are submitted to the Board of Finance and then to the Town Meeting.

After completion of construction, the Commission levies special assessments upon benefited properties. At the Commission's discretion, assessments may be paid over a period of years, not to exceed ten, at an interest rate that cannot be less than the interest rate on any bonds issued to finance construction of a water project. Unpaid assessments are secured by liens against the properties.

Arrangements for connecting to mains, provision of water service and billing and payment therefor are between the property owners and the utility companies. Neither the Town nor the Water Commission is responsible for the collection of user charges.

The Water Commission is responsible for ensuring that the following projects are properly serviced and maintained in accordance with the agreement with the appropriate utility company:

<i>Project</i>	<i>Year Completed</i>	<i>Number of Properties</i>	<i>Utility Company</i>
Old Kings Highway.....	1989	113	Norwalk Second Taxing District
Deerfield Road.....	1990	31	Aquarion Water Company
Belden Hill.....	1992	64	Norwalk Second Taxing District
Heather Lane.....	1992	20	Aquarion Water Company
Washington Post Drive.....	1995	18	Aquarion Water Company
New Street.....	2001	27	Aquarion Water Company
Church Street/West Church Street.....	2002	15	Aquarion Water Company
Salem Road.....	2005	13	Aquarion Water Company

Wilton Water Pollution Control Authority (WPCA)

The Water Pollution Control Authority (the "WPCA") was established in 1977 pursuant to Sec. 7-246 of the Connecticut General Statutes. The WPCA consists of six members, five of whom are appointed by the Board of Selectmen for five-year terms. By Town ordinance the First Selectman is the Chairman of the WPCA with full voting powers. The WPCA may exercise all of the powers granted under Chapter 103 of the Connecticut General Statutes, as amended.

Upon completion of a sewer construction, acquisition or improvement, the WPCA levies special assessments upon benefited properties which take into account lot size, assessed value and "units of use" as established by the WPCA. The assessments are secured by liens on the properties. Special assessments may be paid in single payments or annual installments, with interest. Under the Connecticut General Statutes, sewer assessments can only be used to construct, improve or expand sewer facilities, or to pay debt service on obligations issued for such purposes. The Town presently has no outstanding sewer-related debt.

Currently, 728 properties in the Town are "sewered." Treatment is provided by the City of Norwalk under a contract with the WPCA. The WPCA is billed annually by Norwalk under a formula, which takes into account volume of treated effluent and the operating and capital costs of the Norwalk Treatment Plant and Norwalk's debt service on system improvements serving Wilton. The WPCA adopts an annual operating budget upon which user charges are based. User charges are flat fees, which are based upon "units of use" as opposed to actual usage, and are due in July of each year and are collected by the Tax Collector of the Town. The user charge for fiscal year 2013 is \$214.00 per unit of use. Delinquent user charges are secured by liens against the properties.

Municipal Solid Waste

Effective December 31, 2008 (for solid waste) and June 30, 2009 (for recyclables) the Town terminated the Municipal Services Agreements with the Connecticut Resources Recovery Authority.

Effective January 1, 2009 the Town entered into an agreement with City Carting & Recycling, Inc. (“City Carting”) for the Disposing of Municipal Solid Waste (“MSW”). The agreement runs from January 1, 2009 through December 31, 2013. There is no minimum or maximum tonnage that the Town is required to deliver to City Carting. The Town will pay City Carting \$80.99 per ton of delivered MSW. Effective July 1, 2009, the Town entered into an agreement with City Carting for recyclable materials. The agreement runs through June 30, 2014. The Town receives \$15.00 for each ton of recyclable material delivered to City Carting.

The Town charges fees to commercial haulers and residents who use the Town’s Transfer Station. Operations of the Transfer Station are accounted for in an enterprise fund, subsidized by annual appropriations from the general fund, mainly to support recycling activities. The maximum annual subsidies have been as follows:

<i>Fiscal Year</i>	<i>Subsidy</i>
2013	\$275,000
2012	275,000
2011	300,000
2010	250,000
2009	300,000

Education System

The Board of Education consists of six members, each of whom serves a four year term of office. Three members are elected at one regular Town election; three members are elected at the next succeeding regular Town election; and so forth alternately. Under the provisions of the Connecticut General Statutes, the Board “shall maintain good public elementary and secondary schools, implement the educational interests of the state...and provide such other educational activities as in its judgments will best serve the interests of the school district.” Three elementary schools, one middle school, and one high school provide educational programs to students in grades pre-kindergarten special education through twelve.

In the last ten years, the (K-5) elementary student population has decreased by 4.1%, the middle school (grades 6-8) has increased by 5.5%, and the high school has increased by 19.0%. The enrollment for school year as of October 1, 2011 totaled 4,262 pupils pre-K through 12. Projections for 2012 through 2016 estimate the elementary school population will decrease by 15.7%, the middle school population will decrease by 6.2%, and the high school population will increase slightly by 1.8%.

**School Enrollment
Historical**

October 1,	Pre-K Sp. Ed.	K-5	6-8	9-12	Total	
2002	50	1,991	1,003	1,087	4,131	
2003	50	1,998	1,022	1,170	4,240	
2004	67	2,015	1,013	1,216	4,311	
2005	65	2,033	1,013	1,241	4,352	
2006	59	2,047	1,025	1,256	4,387	
2007	42	2,052	1,015	1,259	4,368	
2008	58	2,026	1,010	1,298	4,392	
2009	60	1,970	1,034	1,293	4,357	
2010	60	1,910	1,058	1,294	4,322	
2011	75	1,910	1,058	1,294	4,337	
		<u>Projected</u>¹				
2012	75	1,864	1,053	1,308	4,300	
2013	75	1,796	1,044	1,294	4,209	
2014	75	1,695	1,046	1,343	4,159	
2015	75	1,661	995	1,336	4,067	
2016	75	1,611	992	1,317	3,995	

¹ Plus 20 out of district students projected each year.

Source: Superintendent's Office, Town of Wilton

School Facilities

School	Grades	Enrollment 10/1/2011	Rated Capacity	Date Opened (Additions or Renovations)	Exterior Construction	Number of General Classrooms
Miller/Driscoll...	K-2	871	1,080	1964,1969 (1989, 1996)	Brick	54
Cider Mill.....	3-5	1,039	1,100	1950 (1958, 2001)	Brick	49
Middlebrook.....	6-8	1,058	1,134	1962 (1988, 1993, 1998)	Brick	47
Wilton High.....	9-12	1,294	1,500	1971 (2001)	Brick	31
Total		4,262	4,814			181

Note: Total enrollment does not include 60 Pre-K and Special Education students.

Source: Superintendent's Office, Town of Wilton.

The Town has completed a major capital program which provided for the expansion of Middlebrook and Wilton High schools and for the expansion and complete renovation of Cider Mill School. The Board of Education is now studying the need for additional space at Miller and Driscoll schools to accommodate the needs of the expanding pre-K program. The scope of this expansion has not yet been quantified. Future bonding, as proposed in the 5-year capital improvement program, will be for this expansion and improvements and upgrades to existing school facilities.

Municipal Employees

The following table illustrates the full-time Town employment rolls for the last five fiscal years:

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Government.....	151	155	154	159	158
Board of Education.....	585	582	620	612	658
Total	736	737	774	771	816

Municipal Employee Bargaining Organizations

<u>Board of Education (Full-Time Equivalent)</u>	<u>Positions Covered</u>	<u>Current Contract Expiration Date</u>
WASA Administrators.....	19	June 30, 2013
WEA Teachers.....	352	June 30, 2015
AFSCME Local 1303 Custodians.....	40	June 30, 2013
WAESCA School Secretaries and Aides.....	136 ¹	June 30, 2014
Sub-Total.....	547	
Non-Bargaining Employees.....	38	
Total Board of Education	585	
<u>Town Groups (Full-time and/or salaried positions)</u>		
Wilton Police Union, Local 1429	37	June 30, 2011 ^{2,3} June 30, 2012 ^{2,4}
International Association of Firefighters, Local 2233....	26	June 30, 2012 ^{2,3} June 30, 2013 ⁴
Teamster's Local 145.....	17	June 30, 2012 ^{2,3}
AFSCME Local 1303-160.....	37	June 30, 2012 ^{2,3}
Sub-Total.....	117	
Non-Bargaining Employees.....	34	
Total Town Groups	151	
Total Town of Wilton	736	

¹ Full-time equivalent.

² In negotiations.

³ Operating contract.

⁴ Pension contract.

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

III. Economic and Demographic Information

Population and Density

Year	Population ¹	% Increase	Density ²
1950	4,558	--	169
1960	8,026	76.1	298
1970	13,711	70.8	509
1980	15,351	12.0	570
1990	15,989	4.2	593
2000	17,633	10.3	654
2010	18,062	2.4	670

¹ U.S Bureau of the Census.

² Per square mile: 26.95 square miles.

Age Distribution of the Population

Age	Town of Wilton		State of Connecticut	
	Number	Percent	Number	Percent
Under 5.....	1,062	5.9%	202,106	5.7%
5 - 19.....	4,911	27.2	713,670	20.0
20 - 24.....	1,398	7.7	227,898	6.4
25 - 44.....	3,277	18.1	904,815	25.3
45 - 64.....	4,924	27.3	1,019,049	28.5
65 and over.....	2,490	13.8	506,559	14.2
Total.....	18,062	100.0%	3,574,097	100.0%

Median Age (Years)..... 40.2 40.0

Source: U.S. Bureau of Census, Census 2010.

Income Distribution

Income	Town of Wilton		State of Connecticut	
	Families	Percent	Families	Percent
Less than \$10,000.....	23	0.5%	28,927	3.2%
\$10,000 to \$14,999.....	30	0.6	21,898	2.5
\$15,000 to \$24,999.....	73	1.5	45,868	5.2
\$25,000 to \$34,999.....	54	1.1	58,539	6.6
\$35,000 to \$49,999.....	80	1.7	90,343	10.1
\$50,000 to \$74,999.....	300	6.3	152,291	17.1
\$75,000 to \$99,999.....	377	7.9	135,316	15.2
\$100,000 to \$149,999.....	999	20.8	185,679	20.9
\$150,000 to \$199,999.....	643	13.4	79,371	8.9
\$200,000 or more.....	2,216	46.2	92,298	10.4
Total.....	4,795	100.0%	890,530	100.0%

Source: U.S. Bureau of Census, Census 2010.

Income Levels

	<u>Town of Wilton</u>	<u>State of Connecticut</u>	<u>United States</u>
Per Capita Income, 2010.....	\$ 78,887	\$ 36,468	\$ 27,041
Per Capita Income, 2000.....	\$ 65,806	\$ 28,766	\$ 28,799
Median Family Income, 2010.....	\$ 188,958	\$ 83,797	\$ 62,363
Median Family Income, 2000.....	\$ 161,611	\$ 79,105	\$ 50,046
Percent Below Poverty, 2010.....	1.3%	6.2%	9.9%

Source: U.S. Bureau of Census, 2000 and 2010 Census.

Educational Attainment Persons 25 Years and Older

	<u>Town of Wilton</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than 9th grade.....	98	0.9%	109,092	4.7%
9th to 12th grade, no diploma.....	287	2.6	166,795	7.1
High School graduate (includes equivalency).....	1,132	10.1	675,219	28.8
Some college, no degree.....	1,227	11.0	400,524	17.1
Associate degree.....	586	5.2	170,811	7.3
Bachelor's degree.....	4,418	39.5	465,662	19.9
Graduate or professional degree.....	3,440	30.7	356,089	15.2
Total	11,188	100.0%	2,344,192	100.0%
Total high school graduate or higher (%).....		96.6%		88.2%
Total bachelor's degree or higher (%).....		70.2%		35.1%

Source: U.S. Bureau of Census, 2010.

Major Employers As of September 2012

<u>Name</u>	<u>Business</u>	<u>Number of Employees</u>
ASML Lithography Systems.....	Printing Trades Machinery & Equipment	800
Deloitte & Touche, LLP.....	Accounting and consulting	450
Bridgewater Associates Investments.....	Investment Advisors	310
The Nielsen Company LLC	Mgmt Consulting Services - Customer Intelligence	300
Ryan Partnership.....	Management Consulting Services	233
Louis Dreyfus Commodities LLC.....	Commodities, brokerage, property management	225
Melissa & Doug LLC.....	Toy & Puzzle Wholesaler	198
The Sun Products Corporation.....	Household Products Provider	183
The Common Fund.....	Investment Advisors/Broker-Dealer	161
Tracy Locke.....	Marketing Communication Services	160

Employment by Industry
(Employed Persons 16 Years and Over)

Sector	Town of Wilton		State of Connecticut	
	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	21	0.3%	6,668	0.4%
Construction.....	532	6.8	115,303	6.6
Manufacturing.....	597	7.7	210,800	12.1
Wholesale trade.....	141	1.8	49,061	2.8
Retail trade.....	686	8.8	195,096	11.2
Transportation and warehousing, and utilities.....	131	1.7	66,455	3.8
Information.....	287	3.7	47,293	2.7
Finance, insurance, real estate, and rental and leasing.....	1,675	21.5	169,743	9.7
Professional, scientific, management, administrative, and waste management services.....	1,775	22.8	184,514	10.6
Education, health and social services.....	1,301	16.7	421,009	24.1
Arts, entertainment, recreation, accommodation and food services.....	309	4.0	136,085	7.8
Other services (except public administration).....	259	3.3	77,069	4.4
Public Administration.....	85	1.1	66,165	3.8
Total Labor Force, Employed.....	7,799	100.0%	1,745,261	100.0%

Source: U.S. Bureau of Census, Census 2010.

Employment Data
(by Place of Residence)

Period	Town of Wilton		Percentage Unemployed		
	Employed	Unemployed	Town of Wilton	Bridgeport-Stamford Labor Market	State of Connecticut
July 2012	8,089	581	6.7	8.5	9.3
Annual Average					
2011.....	7,796	494	6.0	8.2	8.8
2010.....	7,839	512	6.1	8.4	9.0
2009.....	7,858	504	6.0	7.8	8.2
2008.....	8,045	340	4.1	5.3	5.7
2007.....	8,158	249	3.0	4.1	4.6
2006.....	8,099	242	2.9	3.9	4.3
2005.....	7,925	270	3.3	4.6	4.9
2004.....	7,870	266	3.3	4.5	4.9
2003.....	7,869	300	3.7	5.1	5.5
2002.....	8,772	225	2.5	4.3	4.4

Source: Department of Labor, State of Connecticut.

Age Distribution of Housing

Year Built	Town of Wilton		State of Connecticut	
	Units	Percent	Units	Percent
2005 or later.....	87	1.4%	20,143	1.4%
2000 to 2004.....	253	4.2%	57,549	4.0%
1990 to 1999.....	605	10.0	107,674	7.5
1980 to 1989.....	878	14.4	185,889	12.9
1970 to 1979.....	896	14.7	198,718	13.8
1940 to 1969.....	2,527	41.6	523,404	36.4
1939 or earlier.....	833	13.7	343,759	23.9
Total Housing Units, 2009.....	6,079	100.0%	1,437,136	100.0%
Percent Owner Occupied, 2009.....		77.3%		66.8%

Source: U.S. Bureau of Census, Census 2010.

Housing Inventory

Type	Units	Percent
1-unit, detached.....	5,258	86.5%
1-unit, attached.....	240	3.9
2 -4 units.....	186	3.1
5 to 9 units.....	139	2.3
10 or more units.....	229	3.8
Mobile home, trailer, other.....	27	0.4
Total Inventory	6,079	100.0%

Source: U.S. Bureau of Census, Census 2010.

Building Permits

Fiscal Year Ending 6/30	Residential		Commercial		Totals	
	No.	Value	No.	Value	No.	Value
	2012	10	\$ 7,960,090	75	\$ 23,430,312	85
2011	7	4,825,220	84	29,805,444	91	34,630,664
2010	7	5,792,575	53	8,001,542	60	13,794,117
2009	7	5,607,940	44	39,159,116	51	44,767,056
2008	28	21,509,325	62	30,132,862	90	51,642,187
2007	23	15,423,344	48	29,831,522	71	45,254,866
2006	25	16,346,663	36	12,977,542	61	29,324,205
2005	35	20,390,892	51	15,793,931	86	36,184,823
2004	33	20,059,767	54	20,145,750	87	40,205,517
2003	20	7,046,942	27	6,356,120	47	13,403,062

Source: Town of Wilton, Building Department.

New construction only for residential, all permits for commercial.

Owner-Occupied Housing Values

Specified Owner-Occupied Units	Town of Wilton		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000.....	-	0.0%	12,508	1.4%
\$50,000 to \$99,999.....	26	0.5	19,504	2.1
\$100,000 to \$149,999.....	22	0.4	60,601	6.6
\$150,000 to \$199,999.....	47	0.9	123,655	13.4
\$200,000 to \$299,999.....	166	3.1	253,927	27.5
\$300,000 to \$499,999.....	406	7.6	271,648	29.5
\$500,000 to \$999,999.....	2,802	52.2	133,515	14.5
\$1,000,000 or more.....	1,903	35.4	46,829	5.1
Total.....	5,372	100.0%	922,187	100.0%
Median Sales Price.....	\$561,100		\$166,900	

Source: U.S. Bureau of Census, Census 2010.

Land Use Summary

Type of Land Use	1987		2001		2012	
	Land Area in Use (Acres)	% of Total Town Area	Land Area in Use (Acres)	% of Total Town Area	Land Area in Use (Acres)	% of Total Town Area
Residential.....	8,751	50.0%	9,465	54.1%	9,501	54.3%
Commercial.....	198	1.1	351	2.0	355	2.0
Corporate/R&D.....	507	2.9	81	0.5	94	0.5
Governmental/Institutional....	512	2.9	607	3.5	607	3.5
Public Parks & Open Space...	705	4.0	1,413	8.1	1,413	8.1
Private Open Space & Rec.....	596	3.4	634	3.6	634	3.6
Watershed.....	1,177	6.7	1,174	6.7	1,174	6.7
Roads & Utilities.....	1,570	9.0	972	5.6	972	5.6
Total in Use.....	14,016	80.1	14,697	84.0	14,750	84.3
Vacant/Undeveloped.....	3,474	19.9	2,793	16.0	2,740	15.7
Total Area.....	17,490	100.0%	17,490	100.0%	17,490	100.0%

Source: Town of Wilton, Planning and Zoning Department

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IV. Tax Base Data

Property Tax

Assessments

The maintenance of an accurate tax base and the location and appraisal of all real and personal property within the Town for inclusion in the Grand List are the responsibilities of the Assessor. The Grand List represents the total of assessed value for all taxable real and personal property located within the Town as of October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments are computed at seventy percent (70%) of market value at the time of the last completed revaluation (Grand List 10/1/07).

Under Section 12-62 of the Connecticut General Statutes, the Town must revalue all real estate by physical inspection no later than ten years following the preceding physical inspection. The Town must conduct a statistical revaluation no later than five years after the last physical inspection. Public Act No. 09-60 provides that any municipality required to effect a revaluation of real property for the 2008, 2009 or 2010 assessment year shall not be required to effect a revaluation prior to the 2011 assessment year, provided any decision not to implement a revaluation pursuant to the Act is approved by the legislative body of the municipality. Wilton's next revaluation is October 1, 2012.

When a new structure or modification to an existing structure is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Inspector. A physical appraisal is then completed and the structure classified and priced from a schedule developed as of the revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

Motor vehicle lists are furnished to the Town by the State of Connecticut and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule developed by the Connecticut Association of Assessing Officials and as recommended by the State Office of Policy and Management. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1 are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the proration is based on the number of full months of ownership from the date of registration to the end of the assessment year (September 30). Cars purchased in August and September are not taxed until the next October 1 Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October Grand List, the taxpayer is entitled to certain credits.

All business personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually. An assessor's check and audit is completed periodically. Assessments for both personal property and motor vehicles are computed at seventy percent (70%) of present market value.

Levy

Property taxes are levied on all assessed taxable property on the Grand List of October 1 prior to the beginning of the fiscal year. Tax bills are payable in two installments - July 1 and January 1, except for motor vehicle taxes, and tax bills under \$100, which are payable in one installment in July. Estimating a collection rate of less than 100% when computing anticipated property tax revenue from the current levy provides a margin against delinquencies, legal reductions, and Grand List adjustments, such as assessor corrections. Delinquent tax notices are mailed at least two times a year, with interest charged at the rate of one and one-half percent per month with a minimum charge of \$2. In accordance with state law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are automatically liened each year prior to June 30 with legal demands and alias tax warrants are used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle and personal property taxes that the Tax Collector deems uncollectable are annually transferred to suspense subject to approval of the Board of Finance. In Fiscal Year 2012, \$45,155.79 was transferred to suspense.

Under Section 12-129(n) of Connecticut General Statutes, the Town has a local tax relief program for qualified elderly and disabled taxpayers. Wilton's program permits tax deferrals, tax credits, or a combination thereof. This fiscal year, deferred taxes bear interest at an annual rate of 3%. Fiscal Year 2013 credits and deferrals are \$876,409.40 and \$ 171,651.90, respectively. Deferred taxes are secured by liens against the real estate to guarantee future collection.

Pursuant to state law, except for deferrals, all taxes uncollected 15 years from the original due date must be written off as uncollectable. In accordance with generally accepted accounting principles, taxes, interest and lien fees collected within 60 days after June 30 are accrued as revenue as of June 30.

Comparative Assessed Valuations

Grand List of 10/1	Residential	Commercial/Industrial	All Land (%)	Personal Property (%)	Motor Vehicle (%)	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List
	Real Property (%)	Real Property (%)						
2011	78.0	13.8	1.0	3.4	3.8	\$5,147,385,340	\$ 34,438,540	\$5,112,946,800
2010	78.1	13.5	1.2	3.6	3.6	5,114,369,442	32,764,142	5,081,605,300
2009	78.1	13.5	1.2	3.7	3.5	5,082,822,539	24,339,827	5,058,482,712
2008	78.2	13.4	1.2	3.6	3.6	5,040,479,802	19,148,304	5,021,331,498
2007 ¹	78.1	12.6	1.7	3.8	3.8	4,989,032,850	17,939,045	4,971,093,805
2006	78.4	11.7	1.2	3.8	4.9	3,827,740,450	13,026,910	3,814,713,540
2005	78.4	12.0	1.3	3.4	4.9	3,785,773,484	16,982,514	3,768,790,970
2004	78.7	12.3	0.9	3.2	0.5	3,729,955,415	26,091,095	3,703,864,320
2003	78.5	12.8	1.1	3.1	4.5	3,689,576,470	39,713,560	3,649,862,910
2002 ¹	78.4	12.7	1.1	3.0	4.8	3,634,473,180	39,912,340	3,594,560,840

¹ Revaluation

Source: Town of Wilton, Assessor's Office

Tax Exempt Property

	Assessed Value 10/1/2011
Public	
State of Connecticut.....	\$ 110,157,000
Town of Wilton.....	233,709,700
Other Governments.....	24,614,800
Sub-Total Public	368,481,500
Private	
Private Hospitals and Colleges.....	5,737,200
Scientific, Educational.....	16,077,180
Agricultural.....	412,230
Historical & Charitable.....	55,090,630
Cemeteries.....	4,392,290
Churches.....	63,531,160
Veteran's Organizations.....	813,470
Sub-Total Private	146,054,160
Motor Vehicles.....	1,067,840
Total Exempt Property	\$ 515,603,500
Percent Compared to Net Taxable Grand List ¹	10.08%

¹ Based on October 1, 2011 Net Taxable Grand List of \$5,112,946,800.

Source: Town of Wilton, Assessor's Office

Property Tax Levies and Collections

Grand List of 10/1	Fiscal Year Ending 6/30	Original Net Taxable Grand List	Original Tax Levy	Net Adjustments²	Mill Rate	Adjusted Taxes to be Collected	Percent Collected in Year Due	Percent Collected through 6/30/2012	Percent Uncollected as of 6/30/2012
2010	2012 ¹	\$5,081,605,300	\$104,963,812	\$ 467,905	20.85	\$105,431,717	99.38%	99.38%	0.62%
2009	2011	5,058,482,712	101,237,589	321,267	20.16	101,505,090	99.28%	99.88%	0.12%
2008	2010	5,021,331,498	97,619,775	291,408	19.58	97,977,183	99.37%	99.96%	0.04%
2007 ³	2009	4,971,093,805	95,441,502	400,955	19.31	95,842,457	99.52%	99.98%	0.02%
2006	2008	3,814,713,540	91,973,451	542,358	24.23	92,515,809	99.22%	99.98%	0.02%
2005	2007	3,768,790,970	87,492,791	634,849	23.39	88,127,640	99.36%	99.99%	0.01%
2004	2006	3,703,864,320	82,858,697	612,467	22.55	83,471,164	99.38%	99.99%	0.01%
2003	2005	3,650,306,480	77,767,792	677,468	21.48	78,445,260	99.37%	99.99%	0.01%
2002 ³	2004	3,594,560,840	71,739,858	430,021	20.10	72,169,879	99.45%	99.99%	0.01%
2001	2003	2,185,317,661	65,104,555	641,744	29.94	65,746,299	99.16%	99.99%	0.01%

¹ Unaudited and subject to adjustment.

² Includes Supplemental Motor Vehicle levies, suspense transfers, Assessor's corrections, etc.

³ Revaluation

Source: Town of Wilton, Tax Collector

Percent Uncollected includes taxes deferred under the local Tax Relief for Elderly and Disabled Program. The deferred amounts by year are as follows:

Grand List of 10/1	Year Ending 6/30	Deferred Taxes Receivable
2010	2012 ¹	\$ 199,080
2009	2011	158,369
2008	2010	118,220
2007	2009	129,802
2006	2008	105,421
2005	2007	88,694
2004	2006	77,720
2003	2005	52,757
2002	2004	26,494
2001	2003	16,737

¹ Unaudited and subject to adjustment.

Top Ten Taxpayers

Name	Nature of Business	Assessed Value	Percent of Net Taxable Grand List¹
TIAA-CREF.....	Financial Services	\$111,026,070	2.17%
Wilton 40, 50, 60 LLC et al.....	Investment Company	97,792,720	1.91%
Connecticut Light & Power.....	Public Utility	92,312,210	1.81%
Avalon Properties.....	Rental Housing	38,047,060	0.74%
Wilton Executive Campus	Office Complex	30,542,890	0.60%
ASML Lithography Sys.....	Semiconductors & Lithographic Equipment	23,557,710	0.46%
Wilton Meadows Retirement et al....	Health Care	22,871,910	0.45%
Norwalk Second Taxing District.....	Municipal Utility	20,413,960	0.40%
M C L Ventures et al.....	Real Estate	16,427,930	0.32%
CD Station, LLC.....	Real Estate	13,735,190	0.27%
Total		\$466,727,650	9.13%

¹ Based on October 1, 2011 Net Taxable Grand List of \$5,112,946,800.

Source: Town of Wilton, Assessor's Office.

V. Debt Summary

Long-Term Bonded Debt As of September 28, 2012 (Pro Forma)

Year Issued	Purpose	Rate %	Original Issue	Debt Outstanding²	Fiscal Year of Maturity
1997	Public Improvement.....	4.70-4.80	\$ 760,000	\$ 47,190	2014
1997	School.....	4.70-4.80	2,300,000	142,810	2014
1998	Public Improvement.....	4.50-4.70	785,000	219,118	2018
1998	School.....	4.50-4.70	25,905,000	7,230,882	2018
1999	Public Improvement.....	4.70-5.00	7,950,000	2,744,010	2019
1999	School.....	4.70-5.00	7,695,000	2,655,990	2019
2000	Public Improvement.....	5.00-5.25	6,595,000	2,572,738	2020
2000	School.....	5.00-5.25	2,735,000	1,066,933	2020
2000	Water. ¹	5.00-5.25	270,000	105,329	2020
2004	Public Improvement.....	3.25-4.25	4,500,000	454,091	2025
2004	School.....	3.25-4.25	1,000,000	100,909	2025
2005	Public Improvement	3.65-4.05	3,700,000	645,036	2024
2005	School	3.65-4.05	430,000	74,964	2024
2006	Public Improvement	3.625-4.00	3,510,000	822,320	2025
2006	School	3.625-4.00	545,000	127,680	2025
2007	Public Improvement	3.75-4.00	1,485,000	1,064,504	2023
2007	School	3.75-4.00	2,255,000	685,496	2023
2009	School	2.00-4.00	6,000,000	4,500,000	2025
2009	Public Improvement Refunding.....	3.00-5.00	3,750,379	2,905,582	2022
2009	School Refunding.....	3.00-5.00	8,633,377	6,431,071	2022
2009	Water Refunding	3.00-5.00	111,244	78,347	2022
2010	School	2.00-4.00	12,250,000	11,805,000	2030
2011	General Purpose Refunding.....	2.00-4.00	7,238,000	7,104,000	2025
2011	Schools Refunding.....	2.00-4.00	2,607,000	2,451,000	2025
	Sub-Total Outstanding		113,010,000	56,035,000	
<u>This Issue</u>					
2012	General Purpose	2.00-2.50	5,110,000	5,110,000	2033
2012	Schools	2.00-2.50	2,800,000	2,800,000	2033
	Sub-Total This Issue Bonds		7,910,000	7,910,000	
	Total All Bonds		\$ 120,920,000	\$ 63,945,000	

¹ Water debt is paid by assessments levied against benefited property owners. The assessments are secured by liens against the properties and are therefore self-supporting.

² Excludes refunded bonds.

Short-Term Debt
As of September 28, 2012
(Pro Forma)

The Town has no outstanding short term debt as of the date of this official statement.

Annual Long-Term Bonded Debt Maturity Schedule
As of September 28, 2012
(Pro Forma)

Fiscal Year Ended 6/30	Principal Payments	Interest Payments	Total Payments	This Issue:			Total Principal	Cumulative Principal Retired %
				Gen. Purp.	Schools	Total		
2013 ¹	\$ 3,040,000	\$ 1,171,266	\$ 4,211,266	\$ -	\$ -	\$ -	\$ 3,040,000	4.75%
2014	6,490,000	2,022,054	8,512,054	260,000	140,000	400,000	6,890,000	15.53%
2015	6,330,000	1,760,713	8,090,713	260,000	140,000	400,000	6,730,000	26.05%
2016	6,310,000	1,506,019	7,816,019	260,000	140,000	400,000	6,710,000	36.55%
2017	6,300,000	1,253,394	7,553,394	260,000	140,000	400,000	6,700,000	47.02%
2018	6,270,000	992,306	7,262,306	260,000	140,000	400,000	6,670,000	57.46%
2019	4,535,000	755,819	5,290,819	260,000	140,000	400,000	4,935,000	65.17%
2020	3,630,000	579,706	4,209,706	260,000	140,000	400,000	4,030,000	71.48%
2021	2,320,000	442,175	2,762,175	260,000	140,000	400,000	2,720,000	75.73%
2022	2,310,000	362,515	2,672,515	260,000	140,000	400,000	2,710,000	79.97%
2023	1,980,000	277,521	2,257,521	260,000	140,000	400,000	2,380,000	83.69%
2024	1,720,000	225,984	1,945,984	260,000	140,000	400,000	2,120,000	87.00%
2025	1,475,000	171,815	1,646,815	260,000	140,000	400,000	1,875,000	89.94%
2026	665,000	125,353	790,353	260,000	140,000	400,000	1,065,000	91.60%
2027	665,000	102,078	767,078	260,000	140,000	400,000	1,065,000	93.27%
2028	665,000	78,138	743,138	260,000	140,000	400,000	1,065,000	94.93%
2029	665,000	53,200	718,200	260,000	140,000	400,000	1,065,000	96.60%
2030	665,000	26,600	691,600	245,000	140,000	385,000	1,050,000	98.24%
2031	-	-	-	235,000	140,000	375,000	375,000	98.83%
2032	-	-	-	235,000	140,000	375,000	375,000	99.41%
2033	-	-	-	235,000	140,000	375,000	375,000	100.00%
	\$ 56,035,000	\$ 11,906,654	\$ 67,941,654	\$ 5,110,000	\$ 2,800,000	\$ 7,910,000	\$ 63,945,000	

¹ Excludes principal payments of \$3,610,000 and interest payments of \$1,121,695 paid from July 1, 2012 through September 28, 2012.

Overlapping/Underlying Debt

The Georgetown Fire District has \$1,068,916 of long-term debt. Wilton is responsible for approximately 40% or \$427,567 of the District's debt, pursuant to an agreement between the Town and the District.

Debt Statement
As of September 28, 2012
(Pro Forma)

Long-Term Debt Outstanding:

General Purpose (Includes This Issue).....	\$ 23,688,589
Schools (Includes This Issue).....	40,072,735
Water.....	183,676
Total Long-Term Debt	63,945,000
Short-Term Debt	-
Total Direct Debt	63,945,000
Less: School Construction Grants Receivable (As of June 30, 2012) ¹	(900,242)
Less: Water Assessments (Self-Supporting Debt) ²	(183,676)
Total Net Direct Debt	62,861,082
Overlapping/Underlying Debt ³	427,567
Total Overall Net Debt	\$ 63,288,649

¹ Principal portion of approved and pending State of Connecticut school construction grants receivable over the life of outstanding school bonds. For projects approved by the Connecticut General Assembly after July 1, 1996, school construction grants will be paid during construction and the Town will bond only its net share. See "School Projects" herein for further information regarding state school grants.

² Water debt is paid by assessments levied against benefited property owners. The assessments are secured by liens against the properties.

³ Wilton contributes approximately 40% of the Georgetown Fire District's revenues. As of September 1, 2011 the District has \$1,068,916 of outstanding debt and Wilton's share of the District's total long-term debt is \$427,567.

Current Debt Ratios
As of September 28, 2012
(Pro Forma)

Population ¹	18,062
Net Taxable Grand List (10/1/11).....	\$ 5,112,946,800
Estimated Full Value (70%).....	\$ 7,304,209,714
Equalized Grand List (10/1/09).....	\$ 6,283,042,965
Money Income per Capita (2010) ¹	\$78,887

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
Per Capita.....	\$3,540.31	\$3,480.29	\$3,503.97
Ratio to Net Taxable Grand List.....	1.25%	1.23%	1.24%
Ratio to Estimated Full Value.....	0.88%	0.86%	0.87%
Ratio to Equalized Grand List.....	1.02%	1.00%	1.01%
Debt per Capita to Money Income per Capita.....	4.49%	4.41%	4.44%

¹ U.S Bureau of the Census.

Bond Authorization

The authorization of bonds shall be by resolution of the Town Meeting. The Board of Selectmen shall, in advance of such Town meeting, submit the bond resolution to the Board of Finance for review; should the Board of Finance object to any aspect of the bond resolution, it shall report its reasons to the Town Meeting. The Town Meeting may not amend any bond resolution.

Maturities

Original issue general obligation (serial or term) bonds are required to be paid in maturities wherein a succeeding maturity may not exceed any prior maturity by more than 50%, or aggregate annual principal and interest payments must be substantially equal. The term of the issue may not exceed twenty years except in the case of sewer and school bonds which may mature in up to thirty years.

Temporary Financing

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

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

Temporary notes may also be issued for up to fifteen years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year (whichever is sooner), and in each year thereafter, the notes must be reduced by at least 1/15 of the total amount of the notes issued by funds derived from certain sources of payment. Temporary notes may be issued in one year maturities for up to fifteen years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

Limitation of Indebtedness

Municipalities shall not incur indebtedness through the issuance of bonds which will cause the aggregate indebtedness by class to exceed the following:

General Purposes: 2.25 times annual receipts from taxation.

School Purposes: 4.50 times annual receipts from taxation.

Sewer Purposes: 3.75 times annual receipts from taxation.

Urban Renewal Purposes: 3.25 times annual receipts from taxation.

Unfunded Past Pension Purposes: 3.00 times annual receipts from taxation.

In no case, however, shall total indebtedness exceed seven times the base.

Annual receipts from taxation (the "base") are defined as total tax collections (including interest and penalties) and state payments for revenue loss under CGS Sections 12-129d and 7-528.

The statutes also provide for exclusion from the debt limit calculation debt issued in anticipation of taxes; for the supply of water, gas, electricity; for the construction of subways for cables, wires and pipes; for the construction of underground conduits for cables, wires and pipes; and for two or more of such purposes. There are additional exclusions for indebtedness issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement, and for indebtedness issued in anticipation of the receipt of proceeds from state or federal grants evidenced by a written commitment or contract but only to the extent such indebtedness can be paid from such proceeds. The statutes also provide for exclusion from the debt limitation any debt to be paid from a funded sinking fund.

**Statement of Statutory Debt Limitation
As of September 28, 2012
(Pro Forma)**

Total Tax Collections (including interest and lien fees)

Received by the Treasurer for the year ended June 30, 2011..... \$ 99,281,793

Reimbursement For Revenue Loss:

Tax relief for elderly 56,524

Base for Debt Limitation Computation..... \$ 99,338,317

	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension
Debt Limitation:					
2 1/4 times base.....	\$223,511,213	-	-	-	-
4 1/2 times base.....	-	\$447,022,427	-	-	-
3 3/4 times base.....	-	-	\$372,518,689	-	-
3 1/4 times base.....	-	-	-	\$ 322,849,530	-
3 times base.....	-	-	-	-	\$ 298,014,951
Total Debt Limitation	\$223,511,213	\$447,022,427	\$372,518,689	\$ 322,849,530	\$ 298,014,951
Indebtedness: ¹					
Bonds Outstanding	18,578,589	37,272,735	-	-	-
Bonds – This Issue.....	5,110,000	2,800,000	-	-	-
Overlapping Debt (Town's Share) ²	427,567	-	-	-	-
Debt Authorized But Unissued.....	800	-	-	-	-
Total Indebtedness	24,116,956	40,072,735	-	-	-
Less:					
State School Grants Receivable ³	-	(900,242)	-	-	-
Total Net Indebtedness	24,116,956	39,172,493	-	-	-
DEBT LIMITATION IN EXCESS OF OUTSTANDING INDEBTEDNESS	\$199,394,257	\$407,849,934	\$372,518,689	\$ 322,849,530	\$ 298,014,951

¹ \$183,676 of water bonds outstanding are excluded from this calculation pursuant to Connecticut General Statutes.

² Wilton contributes approximately 40% of the Georgetown Fire District's revenues. As of September 1, 2011 the District has \$1,068,916 of outstanding debt and Wilton's share of the District's total long-term debt is \$427,567.

³ See "School Projects" herein for further information regarding state school grants.

Note: At no time shall total indebtedness exceed seven times the base which equals \$695,368,219.

**THE TOWN OF WILTON HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR
INTEREST ON ITS BONDS OR NOTES.**

**Authorized But Unissued Debt
As of September 28, 2012
(Pro Forma)**

Project	Bonds Authorized	Previously Bonded	The Bonds	Authorized But Unissued Debt
Road Restoration.....	\$ 3,329,800	\$ -	\$ 3,329,000	\$ 800
Engine-Tanker Fire Truck.....	695,000	-	695,000	-
Roof and Generator - Comstock.....	836,000	-	836,000	-
Renovations - Ambler Farm.....	250,000	-	250,000	-
Renovations - Various Schools.....	2,800,000	-	2,800,000	-
Total	\$ 7,910,800	\$ -	\$ 7,910,000	\$ 800

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

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value ¹	Net Long-Term Debt ²	Ratio of Net Long-Term Debt to Assessed Value (%)	Ratio of Net Long-Term Debt to Estimated Full Value (%)	Population ³	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Per Capita Income ⁴ (%)
2011	\$5,058,482,712	\$7,226,403,874	\$ 64,783,514	1.28	0.90	18,062	3,586.73	4.55
2010	5,021,331,498	7,173,330,711	70,765,953	1.41	0.99	18,062	3,917.95	4.97
2009	4,971,093,805	7,101,562,579	64,839,045	1.30	0.91	17,771	3,648.59	4.63
2008	3,814,713,540	5,449,590,771	65,099,495	1.71	1.19	17,698	3,678.35	4.66
2007	3,814,713,540	5,449,590,771	66,947,098	1.75	1.23	17,715	3,779.12	4.79

¹ Assessment Ratio, 70%.

² Excludes School Construction Grants (principal only).

³ Sources of Population Statistics: State of Connecticut Department of Public Health (2007-2009), U.S. Bureau of the Census (2010-2011).

⁴ Money Income per Capita (2010): \$78,887.

Ratios of Annual Long-Term General Fund Debt Service Expenditures to General Fund Expenditures and Transfers Out

Fiscal Year Ended 6/30	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service To Total General Fund Expenditures
2012 ¹	\$ 6,195,000	\$ 2,503,624	\$ 8,698,624	\$ 110,560,961	7.87%
2011	6,163,937	2,908,010	9,071,947	111,339,137	8.15%
2010	6,481,686	2,411,741	8,893,427	111,247,368	7.99%
2009	6,173,903	3,061,412	9,235,315	110,184,387	8.38%
2008 ²	5,958,903	3,058,728	9,017,631	104,479,176	8.63%

¹ Subject to audit.

² General Fund expenditures are net of extraordinary item.

Capital Improvement Program

Proposed Projects	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Total
Open Space Acquisition.....	\$ -	\$ 2,500,000	\$ -	\$ -	\$ -	\$ 2,500,000
Assessor.....	174,000	-	-	-	350,000	524,000
Tax Collector.....	20,848	20,848	20,848	20,848	-	83,392
Information Systems.....	207,990	509,290	166,790	205,790	273,290	1,363,150
Wilton shared Data Link.....	500,000	875,000	300,000	-	-	1,675,000
Health.....	-	-	33,000	-	-	33,000
Police.....	190,386	204,405	196,905	200,005	176,900	968,601
Central Dispatch.....	22,653	30,700	18,700	18,700	18,700	109,453
Fire.....	747,500	120,000	576,925	1,792,250	114,000	3,350,675
Public Works.....	1,949,200	1,908,600	2,052,000	2,033,600	2,115,600	10,059,000
Parks & Recreation.....	969,000	59,000	240,000	172,000	50,000	1,490,000
Ambler Farm.....	125,000	125,000	125,000	125,000	-	500,000
Animal Control.....	2,847	-	-	-	-	2,847
Subtotal Selectmen	\$ 4,909,424	\$ 6,352,843	\$ 3,730,168	\$ 4,568,193	\$ 3,098,490	\$22,659,118
High School.....	\$ 90,000	\$ 880,000	\$ -	\$ 150,000	\$ -	\$ 1,120,000
Miller Driscoll.....	150,000	14,650,000	14,500,000	-	-	29,300,000
Cider Mill.....	-	150,000	-	-	-	150,000
Middlebrook.....	1,170,000	510,000	450,000	-	-	2,130,000
Subtotal Education	\$ 1,410,000	\$16,190,000	\$14,950,000	\$ 150,000	\$ -	\$32,700,000
Total Project Costs	\$ 6,319,424	\$22,542,843	\$18,680,168	\$ 4,718,193	\$ 3,098,490	\$55,359,118
Proposed Funding						
Bonds.....	\$ 5,250,200	\$21,335,600	\$17,810,000	\$ 3,504,600	\$ 1,676,600	\$49,577,000
General Fund.....	1,069,224	1,207,243	870,168	1,213,593	1,421,890	5,782,118
Total Funding Sources	\$ 6,319,424	\$22,542,843	\$18,680,168	\$ 4,718,193	\$ 3,098,490	\$55,359,118

Note: Year is fiscal year of appropriation and/or bond authorization, which is not necessarily the year of bond issuance. Fiscal years 2014 through 2017 are estimates for planning purposes only and do not represent appropriations or bond authorizations.

VI. Financial Administration

Fiscal Year

The Town of Wilton's fiscal year begins July 1 and ends June 30.

Basis of Accounting

The Town's accounting policies are summarized in Note 1 of the Audited Financial Statements.

Budget Procedure

The Town of Wilton uses the following schedule in the preparation and adoption of the annual General Fund Budget:

- All departments (except the Board of Education) submit their requests to the First Selectman in December.
- Requests are reviewed and modified as necessary prior to submission to the Board of Finance.
- The Board of Selectmen and the Board of Education must submit their requests to the Board of Finance at least 60 days prior to the Annual Town Meeting.
- The Board of Finance must hold public hearings at least 35 days prior to the Annual Town Meeting.
- The Board of Finance recommends to the Annual Town Meeting a budget and rate for taxation.
- The Annual Town Meeting occurs in the first week of May, on a day determined by the Board of Selectmen.

If at least 15% of the eligible electorate votes, and a majority thereof reject the recommended budget, the Board of Finance reconsiders its recommendations in consultation with the Board of Selectmen and the Board of Education, and submits reconsidered recommendations to a reconvened Town Meeting, which must be held within 25 days of the date the original recommended budget was rejected. At the reconvened Town Meeting, the reconsidered recommendation shall either be approved or amended and reduced, provided no appropriation may be reduced below the legal obligation of the Town. The reconsidered recommendation cannot be rejected in its entirety.

Annual Audit

The Town of Wilton, pursuant to local ordinance and provisions of the Connecticut General Statutes, is required to undergo an annual audit by an independent public accountant. The auditor, appointed by the Board of Finance, is required to conduct the audit under the guidelines outlined by the State of Connecticut Office of Policy and Management, which also receives a copy of the audit report. For the fiscal year ended June 30, 2011, the financial statements of the various funds of the Town are being audited by McGladrey and Pullen, LLP Certified Public Accountants, New Haven, Connecticut. For the fiscal year ended June 30, 2012 the financial statements of the various funds of the Town are being audited by O'Connor, Davies, Munns and Dobbins, Public Accountants, Stamford, Connecticut.

Insurance

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. For the 2012 Fiscal Year, the Town's major insurance coverage was as follows:

Insurance

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. For the 2012 Fiscal Year, the Town's major insurance coverage was as follows:

General Liability

Carrier: Argonaut Insurance Co.
Limits: \$1,000,000 each occurrence
\$2,000,000 general aggregate
Deductible: None

Commercial Property

Carrier: Great American Insurance Co.
Limits: \$ 182,311,637 blanket
Deductible: \$10,000

Boiler and Machinery

Carrier: Great American Insurance Co.
Limits: \$50,000,000 blanket
Deductible: \$10,000

Commercial Automobile

Carrier: Argonaut Insurance Co.
Limits: \$1,000,000 combined single limit per incident
Deductible: Collision \$2,000; Other than collision \$1,000

Umbrella Liability

Carrier: Tower National Insurance Company
Limits: \$10,000,000
Retention: \$10,000

Workers' Compensation

Carrier: CIRMA
Limits: Statutory benefits as prescribed by Connecticut General Statutes
Deductible: Paid loss deductible capped at: \$250,000 per loss event/\$650,000 aggregate

Law Enforcement Liability

Carrier: Argonaut Insurance Co.
Limits: \$1,000,000 each wrongful act /\$3,000,000 aggregate
Deductible: \$10,000 each wrongful act

Public Officials (excluding Board of Education)

Carrier: Argonaut Insurance Co.
Limits: \$1,000,000 each wrongful act /\$3,000,000 aggregate
\$500,000 wrongful employment act loss adjustment expense
Deductible: \$15,000 each wrongful act
\$15,000 each wrongful employment act

Employment Practices Liability (excluding Board of Education)

Carrier: Argonaut Insurance Co.
Limits: \$1,000,000 each wrongful act /\$3,000,000 aggregate
\$500,000 wrongful employment act loss adjustment expense
Deductible: \$15,000 each wrongful act
\$15,000 each wrongful employment act

School Leaders Professional

Carrier: Argonaut Insurance Co.
Limits: \$1,000,000 each wrongful act/\$3,000,000 aggregate
\$500,000 wrongful employment act loss adjustment expense
Deductible: \$10,000 each wrongful act
\$15,000 each wrongful employment act

Employment Practices Liability

Carrier: Argonaut Insurance Co.
Limits: \$1,000,000 each wrongful act/\$3,000,000 aggregate
\$500,000 wrongful employment act loss adjustment expense
Deductible: \$10,000 each wrongful act
\$15,000 each wrongful employment act

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 \$200,000 per person per year with a maximum aggregate for all claims of approximately \$12,300,000 for fiscal year 2010. Effective July 1, 2011, the Town has joined the BOE in self insuring its employee health insurance costs.

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 \$650,000 per occurrence, per year, and \$250,000 aggregate per incident for fiscal year 2010.

The Town records expenditures for Heart & Hypertension claims in the governmental statement of activities.

Investment Policy

Available cash is invested by the Treasurer in the following short-term investments: (1) various certificates of deposit and municipal money market accounts with Connecticut banks meeting the collateral, risk based capital and other requirements of Qualified Public Depositories as defined in section 36a-338 of the Connecticut General Statutes; (2) State of Connecticut Short Term Investment Fund ("STIF") established pursuant to section 3-27d of the Connecticut General Statutes (municipal funds deposited with STIF may be used by the State to acquire the investments set forth in section 3-27d of the general statutes); (3) Class (an investment fund managed by Cutwater Asset Management, the principal operating company of Cutwater, Cutwater Investor Services Corporation (CISC)). (4) U.S. Treasury Securities; or (5) repurchase agreements generally for no longer than three days. The proceeds of the Town's tax exempt obligations are invested in money market accounts at Fidelity Investments Institutional Services Company.

Eligible investments for Connecticut municipalities are determined by sections 7-400 and 7-402 of the Connecticut General Statutes. In response to a recommendation by the Town's external auditor, in fiscal year ending 2008, the Board of Finance formally adopted an investment policy which incorporates the statutory provisions. The Town expects to continue to invest in the foregoing investments and those of a similar character as permitted by statutes. In 2011, the Town of Wilton initiated investment of its undesignated fund balance with approximately \$3,050,000 in mortgaged backed securities for a period of approximately three years with principal and interest being returned on a monthly basis. The WPCA has also invested capital assessment funds of approximately \$3,373,000 in similar investment vehicles for a similar period of time. Those investment vehicles have been used to bring the total of such investments of the Town as of July 31, 2012 to \$3,344,626 and the WPCA to \$3,381,160.

Please refer to Note 3 of the Town's Audited Financial Statements for a description of the Town's cash and cash equivalent investments and investment practices at June 30, 2011.

Other Post-employment Benefits (GASB 45)

The Town elected to comply early with GASB 45 and created an OPEB Trust, effective July 1, 2007 for post employment health insurance for employees of the Town and Board of Education. Based upon an actuarial valuation, the required contribution (ARC) for fiscal year 2008 was \$555,000, which was made in July 2007.

The contribution for fiscal year 2009 was also \$555,000, based on an actuarial ARC update, using fiscal year 2007 data.

A full valuation, dated July 1, 2010, shows a fiscal year 2010 ARC of \$566,000 and a fiscal year 2011 ARC of \$566,713 both of which were deposited into the OPEB Trust during the first month of the referenced fiscal year. The employee contribution for fiscal year 2012, which was deposited into the Trust in July 2011, was \$760,833.

The primary assumptions adopted by the Trustees are (1) 30 year "new base" amortization of the unfunded liability, and (2) a 7.7% rate of return which was subsequently reduced 7.6% for fiscal year 2013 ARC.

In addition to the ARC, the Trust's other sources of revenue are employee contributions, investment income and reimbursements from the State Teachers Retirement Fund ("TRB") for certified retirees of the Board of Education for periods in which they are covered by the Board's health insurance but were eligible for coverage under the TRB program.

The summarized results as of July 1, 2011 are:

Present Value of all Projected Benefits	8,287,000
Present Value of Benefits Earned to July 1, 2010.....	7,836,743
Annual Required Contribution (FY 2011)	566,713

Fiscal year 2011 was the Trust's fourth year of operation. Summarized, audited financial information is as follows:

Revenues:

Town Contribution	\$ 320,514
Board of Education Contribution	184,199
Employee Contributions	512,203
Investment Income	308,202
State TRB Reimbursement	62,000
Total Revenues	\$ 1,387,118

Expenses:

Health claims and insurance premiums	\$ 523,472
Total Expenses	\$ 523,472
Operating result	\$ 863,646
Net Assets June 30, 2011	\$ 2,316,981

Pension Liability

Due to the fact that the July 1, 2006 valuation of the Town's pension plan showed an accrued, unfunded liability of \$9,956,617 vs. \$6,287,875 as of July 1, 2005 the Board of Finance had a series of meetings with the Plan Trustees, the Investment Committee and the Plan actuary to discuss actuarial assumptions, collective bargaining strategies and structural changes to reverse a troublesome trend.

Several changes resulted from those discussions. First, the Trustees immediately reduced the assumed rate of return from 8.1% to 7.8%, which was then further reduced to 7.6% with the July 1, 2011 valuation. Second, the Board of Trustees was expanded to include one representative each from the Board of Education and the Board of Finance. Third, the Board of Selectmen formally designated an Investment Committee comprised of citizens with professional investment expertise, and gave the Committee a formal written charge. Fourth, the Trustees engaged Mercer Investment Consulting to perform an asset/liability analysis. An additional and very significant change occurred through collective bargaining between the Town and one of its unions, AFSCME Local 1303-160. Effective July 1, 2007 newly hired employees covered by that contract will not be eligible for participation in the defined benefit plan but instead will participate in a defined contribution plan. The employer's contribution to that plan is 9% of base pay, which is considerably less than the 17.56% contribution to the defined benefit plan for those employees. The change also applies to newly hired non-union employees, other than sworn police and fire.

Of particular importance is a funding policy change formally adopted by the Board of Finance in April, 2007 in conjunction with its development of the fiscal year ending 2008 budget. Historically and through fiscal year ending 2007 the Board's policy and practice had been to make the actuarially recommended employer's contribution. Over several meetings and in consultation with the actuary, the Board adopted a tiered funding policy which is tied to the funded ratio as shown in the following table.

<u>Funded Ratio</u>	<u>Contribution</u>
Less than 85%	120% of actuary's recommendation
85% to 89.9%	115% of actuary's recommendation
90% to 99.9%	110% of actuary's recommendation
> 99.9%	100% of actuary's recommendation

More recently the Retirement Trust implemented several additional changes to the July 1, 2012 actuarial calculation of the Town's pension contribution including the retirement age, turnover, increase in compensation, mortality, amortization period for the unfunded liability and the investment return so that the actuarial valuation

more closely adhered to the actual experience in Wilton. The July 1, 2012 valuation will be conducted using these changes in the formula used to budget for the FY 14 contribution including a 7.25% rate of return.

The new policy was first effective with the contribution for fiscal year ending 2008. Historical ARC funding ratios are listed below:

Fiscal Year Ending	Actuary's Recommended Contribution	Actual Town Contribution	Percentage of ARC Funded
6/30/2013 ¹	\$3,675,413	\$4,410,496	120.0%
6/30/2012 ²	3,383,205	4,059,846	120.0%
6/30/2011	3,130,679	3,600,281	115.0%
6/30/2010	2,755,081	3,668,343	133.1%
6/30/2009	3,009,000	3,610,800	120.0%

¹ Adopted Budget.

² Subject to audit.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability as a % of Covered Payroll
6/30/2011	\$67,773,544	\$80,728,579	\$12,955,035	83.95%	\$ 19,012,434	68.14%
6/30/2010	62,749,422	74,982,329	12,232,907	83.69%	19,074,084	64.13%
6/30/2009	59,617,503	69,666,174	10,048,671	85.58%	18,868,063	53.26%
6/30/2008	56,408,328	63,924,453	7,516,125	88.24%	17,785,135	42.26%
6/30/2007	50,467,055	61,011,744	10,544,689	82.72%	17,677,903	59.65%

General Fund Revenues and Expenditures
Four Year Summary of Audited Revenues and Expenditures (GAAP Basis),
and Estimated Actuals and Current Budget (Budget Basis)

	Budget 6/30/2013 ²	Est. Actual 6/30/2012 ²	Actual 6/30/2011	Actual 6/30/2010	Actual 6/30/2009	Actual 6/30/2008
REVENUES						
Property Taxes.....	\$ 107,834,220	\$ 105,322,358	\$ 101,459,644	\$ 98,036,402	\$ 95,903,410	\$ 92,617,107
Intergovernmental ²	3,061,326	3,571,066	8,951,916	8,650,886	9,476,225	8,967,861
Charges for Services.....	1,235,840	1,494,056	1,507,574	1,287,595	-	-
Investment Income.....	115,000	178,499	163,110	113,401	559,963	1,559,604
Other.....	322,098	733,018	525,270	322,307	1,707,931	2,361,840
Extraordinary Intergovernmental ¹	-	-	-	-	-	18,172,000
Total Revenues	112,568,484	111,298,997	112,607,514	108,410,591	107,647,529	123,678,412
EXPENDITURES						
General Government.....	5,960,030	5,505,591	5,415,472	3,979,234	3,855,460	3,599,335
Public Safety.....	12,293,028	12,102,578	11,687,726	11,509,059	11,104,305	10,706,978
Public Works.....	3,027,662	2,502,135	2,749,142	2,202,247	2,443,229	2,553,158
Public Health & Welfare.....	1,891,547	1,853,394	1,799,997	1,502,449	1,441,571	1,512,703
Other.....	4,144,859	3,553,104	3,410,177	5,415,952	5,330,790	4,825,554
Parks & Recreation.....	1,960,973	1,755,813	1,662,135	1,182,117	1,167,154	1,297,856
Board of Education.....	74,051,216	72,905,410	74,243,675	75,499,566	73,939,700	69,063,730
Debt Service.....	8,617,950	8,400,268	9,071,947	8,893,427	9,235,315	9,017,631
Capital Outlay.....	1,069,224	1,982,668	1,298,866	1,063,317	1,666,863	1,359,899
Board of Education Capital Outlay.....	-	-	-	-	-	-
Contingency.....	1,130,165	0	-	-	-	-
Extraordinary Board of Education ¹	-	-	-	-	-	18,172,000
Total Expenditures	114,146,654	110,560,961	111,339,137	111,247,368	110,184,387	122,108,844
Excess (Deficiency) of Revenues						
Over Expenditures	(1,578,170)	738,036	1,268,377	(2,836,777)	(2,536,858)	1,569,568
Other Financing Sources						
(Uses) – Net	-	-	727,115	269,152	967,554	339,028
Net Operating Results.....	(1,578,170)	738,036	1,995,492	(2,567,625)	(1,569,304)	1,908,596
Fund Equity Beginning of Year.....	19,674,533	18,936,497	16,941,005	19,508,630	21,077,934	19,169,338
Residual Equity Transfers.....	-	-	-	-	-	-
Fund Equity End of Year	\$ 18,096,363	\$ 19,674,533	\$ 18,936,497	\$ 16,941,005	\$ 19,508,630	\$ 21,077,934

Analysis of General Fund Equity

	Budget 6/30/2013 ²	Est. Actual 6/30/2012 ²	Actual 6/30/2011 ³		Actual 6/30/2010	Actual 6/30/2009	Actual 6/30/2008 ¹
Nonspendable.....	N/A	\$ 60,049	\$ 2,572	Reserved for Encumbrances.....	\$ 417,106	\$ 465,547	\$ 754,298
Restricted.....	N/A	-	-	Reserved for Prepaid Items.....	8,528	3,449	5,773
Assigned.....	N/A	4,461,264	4,131,983	Reserved for Continued			
Unassigned.....	N/A	15,153,220	14,801,942	Appropriations.....	1,025,437	1,016,062	1,013,600
				Designated for Assessment Appeals	376,000	-	-
				Designated for Subsequent Years.....	2,891,310	5,190,426	5,672,255
				Unreserved and Undesignated.....	12,222,624	12,833,146	13,632,008
Total Fund Balance	N/A	\$ 19,674,533	\$ 18,936,497		\$ 16,941,005	\$ 19,508,630	\$ 21,077,934

¹ Fiscal years 2008 through 2011 are on a GAAP basis. In fiscal year 2008 the state contributed a total of \$22,673,000 to the State Teachers Retirement Plan on Wilton Board of Education employee members of the Plan. \$4,501,000 of the contribution is treated as ordinary intergovernmental revenue and Board of Education expenditures. \$18,172,000 is treated as extraordinary.

² Fiscal years 2012 & 2013 are on a budget basis and are subject to audit. They also exclude the aforementioned state contribution to the Teachers Retirement Plan.

³ Starting with the year ending June 30, 2011, there was a change in fund type classification per implementation of GASB Statement No. 54.

Sources: Audits for fiscal years ending 2008 through 2011; estimated actuals (2012) and adopted budget (2013): Finance Department.

VII. Legal and Other Information

Litigation

As of this date there are several actions pending against the Town of Wilton, the Wilton Planning and Zoning Commission, the Wilton Board of Assessment Appeals and the Wilton Zoning Board of Appeals. Although some of the actions claim monetary damages, in the opinion of Town Attorney, the monetary exposure to the Town, if any, will have no material adverse effect upon the Town's financial position.

Montanaro, et al. v. Town of Wilton, et al. The court decided that a paper road, which appears on old maps, but which road never existed, is a road for purposes of giving the plaintiff road frontage for zoning purposes. There is some possibility that the plaintiff could demand that the town construct an actual road, a project that would be very expensive costing upwards of \$1 million or more. In the opinion of the Town Attorney, with the existing underlying facts, neither statutory nor case law would require the town to construct the road in question.

There are other monetary claims against the Town which are being handled by the Town's insurance company and therefore will not have a materially adverse financial impact on the Town.

Transcript and Documents Furnished At Delivery

The original purchaser will be furnished the following documents when the Bonds are delivered:

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

2. A certificate on behalf of the Town, signed by the First Selectman and the Town Treasurer, which will be dated the date of delivery and attached to a signed copy of the Official Statement, and which will certify, to the best of said officials' knowledge and belief, that at the time bids on the Bonds were accepted the description and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.

3. A receipt for the purchase price of the Bonds.

4. The approving opinion of Robinson & Cole LLP, Bond Counsel in substantially the form attached hereto as Appendix B.

5. An executed continuing disclosure agreement for the Bonds in substantially the form attached hereto as Appendix C.

6. The Town of Wilton has prepared an Official Statement for the Bonds which is dated September 11, 2012. The Town deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12 (b)(1), but it is subject to revision or amendment. The Town will make available to the winning purchaser of the Bonds one hundred (100) copies of the Official Statement at the Town's expense. The copies of the Official Statement will be made available to the winning purchasers within seven business days of the bid opening at the office of the Town's Financial Advisor. If the Town's Financial Advisor is provided with the necessary information from the winning purchasers by noon of the day following the day bids on the Bonds are received, the copies of the Official Statement will include an additional cover page and other pages indicating the interest rates, ratings, yields or reoffering prices, the name of the managing underwriters, the name of the insurer, if any, and any changes on the Bonds. The purchasers shall arrange with the Financial Advisor the method of delivery of the copies of the Official Statement to the purchasers. Additional copies of the Official Statement may be obtained by the purchasers at its own expense by arrangement with the printer.

A record of the proceedings taken by the Town in authorizing the Bonds will be kept on file at the principal office of the Certifying Agent, U.S. Bank National Association of Hartford, Connecticut and may be examined upon reasonable request.

Concluding Statement

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

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

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

TOWN OF WILTON, CONNECTICUT

By: /s/ William F. Brennan
WILLIAM F. BRENNAN, *First Selectman*

By: /s/ Sandra L. Dennies
SANDRA L. DENNIES, *Chief Financial Officer & Town Treasurer*

Dated: September 19, 2012

Appendix A

Excerpts from the Town of Wilton's 2011 Annual Financial Report

The following includes the General Purpose Financial Statements of the Town of Wilton, Connecticut for the fiscal year ended June 30, 2011. The supplemental information which is a part of that report has not been reproduced herein. A copy of the complete report is available upon request from Matthew A. Spoerndle, Managing Director, Phoenix Advisors, 53 River Street, Suite 1, Milford, Connecticut 06460. Telephone (203) 878-4945.

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INDEPENDENT AUDITORS' REPORT

To the Honorable Members of the Board of Finance of the
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 ("Town") as of and for the year ended June 30, 2011, 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's management. Our responsibility is to express opinions on these basic 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 basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, 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 as of June 30, 2011 and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2011 on our consideration of the Town'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 considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements as a whole. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The information listed in the statistical section has not been subjected to the auditing procedures applied in our audit of the basic financial statements, and accordingly, we express no opinion on it.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
Stamford, Connecticut
December 12, 2011

Town of Wilton, Connecticut Management's Discussion and Analysis June 30, 2011

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, 2011. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and the Town's financial statements that follow this section.

Financial Highlights

In fiscal 2011, the Town's net assets increased by \$4,248,735 or 3.5% to \$125,557,141. On the government-wide basis, including all governmental activities and business-type activities, the Town's net assets exceeded its liabilities on June 30, 2011 by \$125,557,141. Of this amount, \$33,510,755 (unrestricted net assets) may be used to meet the Town's ongoing obligations. Overall, the continuing high level of net assets contributes to the Town's financial strength.

The Town's governmental funds, which are reported on a current financial resource basis, had a combined ending fund balance of \$22,398,592, an increase of \$479,995 from the prior fiscal year-end period.

Overview of the Financial Statements

This discussion and analysis is intended to provide an introduction to the Town'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. This report also contains supplementary information and a statistical section. The statistical section provides comparisons of selected information for the past several years.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a general understanding of the Town's finances, in a manner similar to those for private-sector businesses. All the resources the Town has at its disposal are reported, including major capital assets such as buildings and infrastructure. In addition, a thorough accounting of the costs of government operations as well as its revenue sources is provided.

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. However, other non-

financial factors need to be considered as well, including changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall health of the Town.

The statement of activities presents information showing how the Town'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. Uncollected taxes and earned but unused vacation leave are examples of these types of items.

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).

Governmental activities of the Town encompass most of the Town's basic services, including education, public safety, general government, public works, public health and welfare and recreation and parks. Property taxes, intergovernmental grants and charges for services finance the majority of the activities.

Business-type activities of the Town include the Water Pollution Control Authority and the Transfer Station. They are reported as business-type activities because the Town charges fees to customers or service users to cover all or most of the costs of operations.

The government-wide financial statements (Statement of Net Assets and Statement of Activities) can be found on pages 16 through 18 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town has three kinds of funds, as follows:

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 and improvements. 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 governmental-wide financial statements, there are often significant differences between the totals presented in these financial statements. For this reason, there is an analysis on page 20, 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 on page 22, 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 Town adopts an annual budget for its General Fund. A budgetary comparison statement is provided for the General Fund to demonstrate compliance with the authorized budget. The Statement of Revenues, Expenditures and Changes in Fund Balance on a Budgetary Basis is presented on page 23.

The basic governmental fund financial statements (Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance) can be found on pages 19 and 21 of this report.

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

The Town maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statement. The Town uses Enterprise funds to account for its Water Pollution Control Authority and the Transfer Station. The Town uses its Internal Service funds to account for employee health benefits costs for Board of Education (“BOE”) employees and workers’ compensation costs for both Town and BOE employees. Because the Internal Service funds predominantly benefit governmental rather than business-type functions, they are included within governmental activities in the government-wide financial statements.

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 which is considered to be a major proprietary fund and the Transfer Station which is considered to be a non-major proprietary fund. In addition, individual fund data for the Internal Service funds are provided in separate columns in the Proprietary Fund financial statements.

The propriety fund financial statements can be found on pages 24 through 26 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 the Pension Trust Fund, Other Post Employment Benefits Trust Fund and the Student Activity Funds. The basic fiduciary fund financial statements can be found on pages 27 and 28 of this report.

Notes to the financial statements

The notes to the financial statements 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 29 through 60 of this report.

Town of Wilton, Connecticut Net Assets (\$000's Omitted)

	June 30, 2011			June 30, 2010		
	Primary Government			Primary Government		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Current and other assets	\$ 37,978	\$ 8,320	\$ 46,298	\$ 39,430	\$ 8,753	\$ 48,183
Capital assets	155,077	2,157	157,234	157,768	2,371	160,139
Total Assets	193,055	10,477	203,532	197,198	11,124	208,322
Current liabilities	14,102	97	14,199	17,515	288	17,803
Long-term liabilities	63,761	15	63,776	69,199	12	69,211
Total Liabilities	77,863	112	77,975	86,714	300	87,014
Net Assets:						
Invested in capital assets, net of related debt	89,574	2,145	91,719	86,670	2,353	89,023
Restricted	327	-	327	-	-	-
Unrestricted	25,291	8,220	33,511	23,814	8,471	32,285
Total Net Assets	\$ 115,192	\$ 10,365	\$ 125,557	\$ 110,484	\$ 10,824	\$ 121,308

By far the largest portion of the Town's net assets (73%) is its investment in capital assets (e.g., land, buildings and improvements, machinery and equipment and infrastructure); net of accumulated depreciation and 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 \$4,248,735 from June 30, 2010 as shown in the following table.

Town of Wilton
Changes in Net Assets (\$000's Omitted)

	2011			2010		
	Primary Government			Primary Government		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Revenues:						
Program Revenues:						
Charges for services	\$ 4,968	\$ 931	\$ 5,899	\$ 5,035	\$ 996	\$ 6,031
Operating grants and contributions	9,966	9	9,975	8,604	-	8,604
Capital grants and contributions	790	-	790	591	-	591
General Revenues:						
Property taxes	101,239	-	101,239	98,260	-	98,260
Grants and contributions not restricted to specific programs	516	-	516	541	-	541
Unrestricted investment earnings	172	20	192	120	191	311
Sale of real property	57	-	57	-	-	-
Miscellaneous	268	-	268	311	-	311
Total Revenues	<u>117,976</u>	<u>960</u>	<u>118,936</u>	<u>113,462</u>	<u>1,187</u>	<u>114,649</u>
Expenses:						
General government	5,998	-	5,998	4,697	-	4,697
Public safety	12,895	-	12,895	13,148	-	13,148
Public works	2,951	-	2,951	3,867	-	3,867
Public health and welfare	1,900	-	1,900	1,551	-	1,551
Other	3,413	-	3,413	2,969	-	2,969
Recreation and parks commission	2,998	-	2,998	2,314	-	2,314
Education	80,151	-	80,151	81,541	-	81,541
Interest	2,769	-	2,769	2,368	-	2,368
WPCA	-	793	793	-	1,465	1,465
Transfer station	-	819	819	-	781	781
Total Expenses	<u>113,075</u>	<u>1,612</u>	<u>114,687</u>	<u>112,455</u>	<u>2,246</u>	<u>114,701</u>
Transfers	(193)	193	-	(132)	132	-
Change in Net Assets	4,708	(459)	4,249	875	(927)	(52)
Net Assets, beginning	<u>110,484</u>	<u>10,824</u>	<u>121,308</u>	<u>109,609</u>	<u>11,751</u>	<u>121,360</u>
Net Assets, ending	<u>\$ 115,192</u>	<u>\$ 10,365</u>	<u>\$ 125,557</u>	<u>\$ 110,484</u>	<u>\$ 10,824</u>	<u>\$ 121,308</u>

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. As shown in the Statement of Changes in Net Assets above, the revenues of governmental activities exceeded expenses by \$4,707,393. There are two classes of governmental activities revenue: program revenue and general revenue. 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:

Over eighty-five percent (85.8%) of the governmental activities revenue was derived from property taxes, followed by eleven percent (10.6%) from grants and contributions. Fees accounted for over three percent (3.2%) and interest and other miscellaneous revenues accounted for less than one percent (.4%).

Major revenue factors included:

- ◆ An increase in property tax revenues due to an increase in the current year mill rate, 20.16 compared to 19.85 and a 0.74% increase in the grand list.
- ◆ Interest income was greater than budgeted. During the course of the year, the Town invested in secure mortgage backed securities with a 2-3 year term offering higher returns.
- ◆ Building permits and revenues derived from real estate transactions were greater than budgeted due to an increase in construction and renovations. Building permits were approximately \$261k greater, Conveyance taxes were approximately \$60k greater and property transaction recording fees were approximately \$45k greater.

Major expense factors included:

- ◆ The Board of Education under-expended its budget by \$2,363,929 as explained in the General Fund Budgetary Highlights section hereof.
- ◆ The Board of Selectmen's operating budget was under-expended by approximately \$1,513,961. The capital budget was under-expended by approximately \$1,237,159. However, under the Town Charter, \$1,183,611 of this amount has been carried forward to Fiscal 2012 where it constitutes assigned fund balance in the General Fund. The Town continues to focus on containing costs although rising structural costs such as pensions, OPEB and Medical benefits represent a continuing challenge.

Business-Type Activities

Business-type activities consist of the Water Pollution Control Authority (WPCA) and the Transfer Station. These activities reduced the Town's net assets by \$458,658.

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, Connecticut ("City") under a contract with the Town's WPCA. Capital assessments, user charges and interest comprise the WPCA's revenues. 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. The Town has no sewer debt outstanding as of June 30, 2011. However, approximately \$143k of assessment revenue was used to pay the debt service component of the fiscal 2011 City processing fee. User charges are established annually to pay for operating expenses, including the non-debt service component of the City fee. For fiscal 2011, the WPCA's operations resulted in a decrease of \$390,553 in net assets of business-type activities.

The Town's Transfer Station accepts and then transfers solid waste of the Town from both commercial haulers and citizens. This includes trash and recyclables. As of January 1, 2009 the Town entered into an agreement with City Carting and Recycling, Inc. for the disposing of municipal solid waste. The agreement runs through December 31, 2013. There is no minimum or maximum tonnage that the Town is required to deliver to City Carting and Recycling. As of July 1, 2009 the Town entered into agreement with City Carting and Recycling for recyclables. The agreement runs through June 30, 2014. The Town receives \$15 for each ton of recyclables delivered to City Carting. Transfer Station operations resulted in a net asset decrease of \$68,105.

Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with generally accepted accounting principles and emphasize accountability, segregating specific activities in accordance with laws, regulations or special restrictions.

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

The Town's governmental funds reported combined ending fund balances of \$22,398,592. For the General Fund, the unassigned balance was \$14,801,942 or 13.0% of revenues and other financing sources. This is an increase of \$2,579,318 from June 30, 2010. All other governmental funds reported ending fund balances of \$3,462,095.

The following table shows the fund types comprising governmental funds and compares their fund balances for fiscal years 2011 and 2010.

**TOWN OF WILTON, CONNECTICUT
GOVERNMENTAL FUNDS - SUMMARY OF REVENUES, EXPENDITURES (000'S OMITTED)
AND FUND BALANCES
YEARS ENDED JUNE 30, 2011 AND 2010**

Fund Types	General		Other Governmental Fund		Totals	
	2011	2010	2011	2010	2011	2010
Revenues and other financing sources	\$ 113,527	\$ 108,811	\$ 5,840	\$ 17,345	\$ 119,367	\$ 126,156
Expenditures and other financing uses	111,532	111,379	7,355	16,061	118,887	127,440
Net change	1,995	(2,568)	(1,515)	1,284	480	(1,284)
Beginning fund balance	16,941	19,509	4,977	3,694	21,918	23,203
Ending fund balance	<u>\$ 18,936</u>	<u>\$ 16,941</u>	<u>\$ 3,462</u>	<u>\$ 4,978</u>	<u>\$ 22,398</u>	<u>\$ 21,919</u>
Components of fund balance:						
Nonspendable:						
Prepaid expenditures	\$ 3	\$ 9	\$ 32	\$ 24	\$ 35	\$ 33
Inventories	-	-	15	30	15	30
Restricted:						
Capital projects	-	-	1,039	1,353	1,039	1,353
Debt service	-	-	327	312	327	312
Donor's intention	-	-	-	10	-	10
Assigned:						
Purchases on order:						
General government	4	417	-	4,776	4	5,193
Public safety	8	-	-	-	8	-
Public works	161	-	-	-	161	-
Education	428	-	-	-	428	-
Designation for continuing appropriations	1,184	1,025	-	-	1,184	1,025
Designation for assessment appeals	193	376	-	-	193	376
Designation for subsequent year	2,153	2,891	-	-	2,153	2,891
Ambulance	-	-	1,092	1,170	1,092	1,170
School lunch	-	-	9	34	9	34
Summer school	-	-	154	160	154	160
Continuing education	-	-	528	563	528	563
Forfeited property	-	-	12	11	12	11
Selectmen's benevolent	-	-	-	10	-	10
Recreation	-	-	215	235	215	235
Gift	-	-	83	146	83	146
Unassigned	14,802	12,223	(44)	(3,856)	14,758	8,367
Total fund balance	<u>\$ 18,936</u>	<u>\$ 16,941</u>	<u>\$ 3,462</u>	<u>\$ 4,978</u>	<u>\$ 22,398</u>	<u>\$ 21,919</u>

General Fund At June 30, 2011 the total General Fund - fund balance was \$18,936,497 of which \$14,801,942 was unassigned. This is 13.0% of expenditures and other financing uses and 13.0% of revenues and other financing sources. The total fund balance increased by \$1,995,492.

Expenditures were less than estimated Specific revenue and expenditure variances are detailed in the following section.

General Fund Budgetary Highlights (000's Omitted)

The difference between the original and final budget was \$1,633,823 and consisted entirely of unobligated capital appropriations continued from fiscal 2010 in accordance with the Town Charter. Continued appropriations constitute assigned fund balance. The following table summarizes the budget operating results:

	Fiscal 2011			Fiscal 2010		
	Final Budget	Budget Basis Actual	Positive (Negative) Variance	Final Budget	Budget Basis Actual	Positive (Negative) Variance
Revenues and other financing sources	\$ 106,412	\$ 107,015	\$ (603)	\$ 102,629	\$ 102,307	\$ (322)
Expenditures and other financing sources	110,329	105,204	5,125	109,043	104,826	4,217
Subtotal	<u>\$ (3,917)</u>	<u>\$ 1,811</u>	<u>\$ 5,728</u>	<u>\$ (6,414)</u>	<u>\$ (2,519)</u>	<u>\$ 4,539</u>

\$1,183,611 in unexpended capital appropriations have been carried forward to fiscal 2012.

The detail of budget variances is shown on pages 62 through 65 of this report. The revenue variances for the year are shown in the following table (000's omitted):

	Fiscal 2011			Fiscal 2010		
	Final Budget	Budget Basis Actual	Positive (Negative) Variance	Final Budget	Budget Basis Actual	Positive (Negative) Variance
Property taxes, interest and lien fees	\$ 101,106	\$ 101,460	\$ 354	\$ 97,092	\$ 98,037	\$ 945
Intergovernmental	3,291	2,674	(617)	3,201	2,547	(654)
Charges for services	1,054	1,508	454	1,324	1,288	(36)
Use of money and property	100	163	63	750	113	(637)
Other	251	525	274	262	322	60
Total	<u>\$ 105,802</u>	<u>\$ 106,330</u>	<u>\$ 528</u>	<u>\$ 102,629</u>	<u>\$ 102,307</u>	<u>\$ (322)</u>

Of the property tax variance, \$129k is due to current tax revenue. Back taxes varied positively by \$78k and interest and lien fees by \$172k. Once again, the Town achieved very strong results in all areas of tax collections. The combined current levy collection rate was 99.28%. This favorable result was enabled by a continued strong and diverse tax base. Increase in use of money and property occurred due to the investment of a portion of the unassigned fund balance midway through the year in longer term, safe

higher yielding securities. Charges for services consisting of licenses, permits and fees varied positively because of higher real estate conveyance taxes \$60k, higher building permit revenue \$261k and higher recording fees \$45k. The positive variance in Other Revenue was largely due to sale of Town assets and an unbudgeted distribution from the State for cable fees.

The expenditure variances for the year are shown in the following table:

General Fund Expenditures Fiscal Years 2011 and 2010 (000's Omitted)

	Fiscal 2011			Fiscal 2010		
	Final Budget	Actual	Positive (Negative) Variance	Final Budget	Actual	Positive (Negative) Variance
General government	\$ 5,504	\$ 5,371	\$ 133	\$ 4,261	\$ 3,949	\$ 312
Public Safety	11,705	11,648	57	11,881	11,518	363
Public Works	2,852	2,733	119	2,541	2,219	322
Public Health & Welfare	1,856	1,800	56	1,598	1,502	96
Other	3,880	3,410	470	6,037	5,548	489
Recreation and Park Commission	1,652	1,654	(2)	1,244	1,190	54
Board of Education	70,251	67,887	2,364	69,254	68,942	312
Capital Outlay	2,673	1,436	1,237	2,122	1,065	1,057
Debt service	9,082	9,072	10	9,035	8,893	142
Additional appropriations	573	-	573	1,070	-	1,070
Total	\$ 110,028	\$ 105,011	\$ 5,017	\$ 109,043	\$ 104,826	\$ 4,217

Additional appropriations during the year from the Board of Finance and Board of Selectmen contingencies were \$502,891.

The BOE ended fiscal 2011 with a final positive variance to budget of \$2,363,929 after expenditures were reduced by applying the Excess Cost Grant of approximately \$447,000. The BOE was credited to the extent of the Special Education deficit an additional \$447,000. The deficit was primarily offset by approximately \$1.9 million in savings in the BOE self funded health benefit plan. This was the result of lower than anticipated claims. Additionally there were small surpluses in the salary and utilities appropriations offset by small deficits in the equipment and facilities appropriations.

The BOE's Health Insurance Internal Service Fund ended the year with an increase in net assets of \$680,354 and a resulting fund balance of \$3,789,357.

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, 2011, is \$157,234,150 (net of accumulated depreciation). This investment includes land, buildings and improvements, machinery and equipment and infrastructure.

Major capital asset events during the current fiscal year included sewer mains, athletic fields, vehicles, rolling stock, fire apparatus and school improvements.

Town of Wilton, Connecticut
Capital Asset Balance at Year-end (000's Omitted)
(Net of Accumulated Depreciation)

	Fiscal 2011			Fiscal 2010		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Land	\$ 22,417	\$ 82	\$ 22,499	\$ 22,417	\$ 82	\$ 22,499
Buildings and improvement	99,971	-	99,971	80,952	-	80,952
Machinery and equipment	4,076	91	4,167	4,794	117	4,911
Infrastructure	26,672	1,984	28,656	27,183	2,172	29,355
Construction in Progress	1,941	-	1,941	22,423	-	22,423
Total	\$ 155,077	\$ 2,157	\$ 157,234	\$ 157,769	\$ 2,371	\$ 160,140

Additional information on the Town's capital assets can be found on pages 43 and 44 of this report.

Long-term Debt At the end of the fiscal year, the Town had total bonded debt outstanding of \$65,790,000 all of which is backed by the full faith and credit of the government. Although all of the Town's bonded debt is secured by the Town's full taxing power, \$225,287 will be paid from water capital assessments.

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

	2011	2010	2009	2008	2007
Governmental Activities	\$ 65,778	\$ 71,967	\$ 66,266	\$ 67,000	\$ 69,293
Business-Type Activities	12	18	24	30	37
Total	\$ 65,790	\$ 71,985	\$ 66,290	\$ 67,030	\$ 69,330

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, 2011, the Town's statutory debt limitation was \$695,368,219.

Additional information on the Town's long-term debt can be found on pages ____ of this report.

Pension and Other Post Employment Benefits

The Town maintains a defined benefit, contributory pension plan for eligible employees of the Town, the Board of Education and the Wilton Library Association. According to an actuarial valuation dated July 1, 2010, the plan's funded ratio is 85.1%. The Board of Finance adopted the following policy of making additional contributions, depending upon the Plan's funded ratio.

Funded Ratio	Employer's Contribution
Less than 85%	120% of actuary's recommendation
85% to 89.9%	115% of actuary's recommendation
90% to 99.9%	110% of actuary's recommendation
>99%	100% of actuary's recommendation

The actuary's recommended contribution for the Pension Trust Fund for fiscal 2011 was \$3,130,679. In accordance with the policy above, the actual contribution was \$3,600,281.

In order to comply with GASB Statement No. 45, the Town created an Other Post-Employment Benefits Trust on July 1, 2007. The purpose of the trust is to account for the financing on post-employment health insurance for eligible employees of the Town and the BOE. Based on a July 1, 2008 actuarial valuation (applicable for fiscal years 2010 and 2011), the present value of projected benefits was \$8,281,000 and of the benefits earned to date, \$5,435,000. The Annual Required Contribution (ARC) for Fiscal 2011, using a 5% discount rate, was \$566,713 which the Town made in July 2010.

The summarized operating results of the OPEB Trust's first year are (000's omitted):

	Board of Education	Town	Total
Revenues:			
Employer's Contribution	\$ 246	\$ 320	\$ 566
Employee Contributions	371	76	447
State Reimbursement for BOE	65	-	65
Net Change in Fair Value of Investments	108	137	245
Interest and dividends	25	39	64
	<u>815</u>	<u>572</u>	<u>1,387</u>
Expenses			
Insurance Premiums, Benefits and Administration	<u>423</u>	<u>100</u>	<u>523</u>
Change in Net Assets	392	472	864
Beginning Net Assets	<u>761</u>	<u>692</u>	<u>1453</u>
Ending Net Assets	<u>\$ 1,153</u>	<u>\$ 1,164</u>	<u>\$ 2,317</u>

Economic Factors and Next Year's Budgets and Rates

- ◆ Despite the continuing adverse effects of the weak global economy, the Wilton economy, although impacted, held up comparatively well during fiscal 2011, primarily reflecting the strength and resilience of the Town's diverse commercial and retail business mix and the community's high household income level.
- ◆ According to the 2010 Census, the Town's median family income was \$188,958.
- ◆ As of August 2011, the Town's unemployment rate was 6.0%, comparing favorably to the State's average unemployment rate of 9.0% and the Bridgeport/Stamford Labor Market of 8.3% (Source: Connecticut Department of Labor).
- ◆ The Net Taxable Grand List of October 1, 2010 on which the fiscal 2012 mill rate was based was \$5,081,605,300.
- ◆ For Fiscal 2011, the collection rate (for revenue recognition purposes) of current property taxes was 99.23% of the adjusted taxes to be 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's Fiscal Year 2012 General Fund budget. Equally important was the need to maintain a General Fund balance at a level consistent with a Moody's AAA credit rating. The fiscal 2012 budget, as recommended by the Board of Finance and adopted by the Annual Town Meeting, calls for revenues of \$109,980,796 and appropriations of \$112,134,479. The budget was balanced by the use of \$2,153,683 of the June 30, 2011 ending fund balance. The mill rate is 20.85.

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. Sandra L. Dennies, C.F.O., Town of Wilton, 238 Danbury Rd., Wilton, CT 06897. The email address is sandy.dennies@wiltonct.org

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**BASIC FINANCIAL
STATEMENTS**

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TOWN OF WILTON, CONNECTICUT

STATEMENT OF NET ASSETS

JUNE 30, 2011

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and equivalents	\$ 31,857,862	\$ 7,701,913	\$ 39,559,775
Receivables:			
Taxes, net	1,966,346	-	1,966,346
Usage, net	-	13,367	13,367
Accounts	186,700	-	186,700
Intergovernmental	1,095,758	-	1,095,758
Special assessments, net	130,751	652,954	783,705
Other	105,420	-	105,420
Internal balances	47,492	(47,492)	-
Prepaid expenses	12,022	-	12,022
Inventories	37,177	-	37,177
Pension assets	2,538,015	-	2,538,015
Capital assets (net of accumulated depreciation):			
Land	22,416,393	82,290	22,498,683
Buildings and improvements	99,971,386	-	99,971,386
Machinery and equipment	4,076,189	90,782	4,166,971
Infrastructure	26,671,887	1,984,179	28,656,066
Construction-in-progress	1,941,044	-	1,941,044
Total Assets	<u>193,054,442</u>	<u>10,477,993</u>	<u>203,532,435</u>
LIABILITIES			
Accounts payable	2,068,563	90,445	2,159,008
Intergovernmental payables	27,117	-	27,117
Property taxes collected in advance	775,227	-	775,227
Performance bonds	1,437,536	-	1,437,536
Retainage payable	5,000	-	5,000
Unearned revenues	696,688	-	696,688
Accrued interest	1,081,078	-	1,081,078
Non-current liabilities:			
Due within one year	8,010,606	7,052	8,017,658
Due in more than one year	63,761,045	14,937	63,775,982
Total Liabilities	<u>77,862,860</u>	<u>112,434</u>	<u>77,975,294</u>
NET ASSETS			
Invested in capital assets, net of related debt	89,574,104	2,145,148	91,719,252
Restricted for -			
Debt service	327,134	-	327,134
Unrestricted	25,290,344	8,220,411	33,510,755
Total Net Assets	<u>\$ 115,191,582</u>	<u>\$ 10,365,559</u>	<u>\$ 125,557,141</u>

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

TOWN OF WILTON, CONNECTICUT
 STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2011

Functions/ Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 5,998,278	\$ 1,353,823	\$ 271,574	\$ 203,122
Public safety	12,895,413	38,690	32,512	-
Public works	2,950,471	5,500	108,517	267,980
Public health and welfare	1,899,789	372,059	3,005	-
Other	3,413,076	-	1,530	-
Recreation and parks commission	2,998,260	929,571	174,792	-
Education	80,150,532	2,267,726	9,373,502	264,740
Interest	2,768,861	-	-	53,882
Total Governmental Activities	113,074,680	4,967,369	9,965,432	789,724
Business-type activities:				
Water Pollution Control Authority	793,472	381,246	1,721	-
Transfer station	819,034	549,861	7,864	-
Total Business-type Activities	1,612,506	931,107	9,585	-
Total	\$ 114,687,186	\$ 5,898,476	\$ 9,975,017	\$ 789,724

General Revenues:

Real property taxes
 Grants and contributions not restricted to specific programs
 Unrestricted investment earnings
 Sale of real property
 Miscellaneous
 Transfers

Total General Revenues

Change in Net Assets

Net Assets - Beginning of Year

Net Assets - End of Year

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

Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (4,169,759)	\$ -	\$ (4,169,759)
(12,824,211)	-	(12,824,211)
(2,568,474)	-	(2,568,474)
(1,524,725)	-	(1,524,725)
(3,411,546)	-	(3,411,546)
(1,893,897)	-	(1,893,897)
(68,244,564)	-	(68,244,564)
(2,714,979)	-	(2,714,979)
<u>(97,352,155)</u>	<u>-</u>	<u>(97,352,155)</u>
-	(410,505)	(410,505)
-	(261,309)	(261,309)
-	(671,814)	(671,814)
<u>(97,352,155)</u>	<u>(671,814)</u>	<u>(98,023,969)</u>
101,239,138	-	101,239,138
516,618	-	516,618
171,873	20,000	191,873
57,200	-	57,200
267,875	-	267,875
(193,156)	193,156	-
<u>102,059,548</u>	<u>213,156</u>	<u>102,272,704</u>
4,707,393	(458,658)	4,248,735
<u>110,484,189</u>	<u>10,824,217</u>	<u>121,308,406</u>
<u>\$ 115,191,582</u>	<u>\$ 10,365,559</u>	<u>\$ 125,557,141</u>

TOWN OF WILTON, CONNECTICUT

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011

	General	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Equivalents	\$ 23,105,394	\$ 3,865,766	\$ 26,971,160
Taxes Receivable, net of allowance for uncollectible amounts	1,966,346	-	1,966,346
Other Receivables:			
Accounts, net	-	186,700	186,700
Intergovernmental	1,029,260	66,498	1,095,758
Special assessments	-	130,751	130,751
Other	105,420	-	105,420
Due from other funds	198,108	58,134	256,242
	1,332,788	442,083	1,774,871
Prepaid Expenditures	2,572	31,434	34,006
Inventories	-	15,193	15,193
Total Assets	<u>\$ 26,407,100</u>	<u>\$ 4,354,476</u>	<u>\$ 30,761,576</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,859,852	\$ 173,636	\$ 2,033,488
Intergovernmental payables	27,117	-	27,117
Property taxes collected in advance	775,227	-	775,227
Performance bonds	1,437,536	-	1,437,536
Retainage payable	-	5,000	5,000
Due to other funds	394,402	156,725	551,127
Unearned revenues	270,419	426,269	696,688
Deferred revenues	2,706,050	130,751	2,836,801
Total Liabilities	7,470,603	892,381	8,362,984
Fund Balances:			
Nonspendable	2,572	46,627	49,199
Restricted	-	1,366,257	1,366,257
Assigned	4,131,983	2,093,732	6,225,715
Unassigned	14,801,942	(44,521)	14,757,421
Total Fund Balances	18,936,497	3,462,095	22,398,592
Total Liabilities and Fund Balances	<u>\$ 26,407,100</u>	<u>\$ 4,354,476</u>	<u>\$ 30,761,576</u>

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

TOWN OF WILTON, CONNECTICUT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
 THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES
 JUNE 30, 2011

Fund Balances - Total Governmental Funds	<u>\$ 22,398,592</u>
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>155,076,899</u>
Internal service funds are used by management to charge the costs of medical insurance and workers' compensation benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	<u>3,789,357</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Real property taxes	1,711,667
Intergovernmental income	994,383
Charges for services	130,751
Pension assets	<u>2,538,015</u>
	<u>5,374,816</u>
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(1,081,078)
Bonds payable	(66,240,488)
Capital leases	(301,430)
Claims payable	(711,500)
Compensated absences	<u>(3,113,586)</u>
	<u>(71,448,082)</u>
Net Assets of Governmental Activities	<u>\$ 115,191,582</u>

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

TOWN OF WILTON, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	General	Non-Major Governmental Funds	Total Governmental Funds
REVENUES			
Property taxes	\$ 101,459,644	\$ -	\$ 101,459,644
Intergovernmental	8,951,916	1,933,516	10,885,432
Charges for services	1,507,574	1,355,031	2,862,605
Use of money and property	163,110	3,670	166,780
Tuition	-	1,069,632	1,069,632
School lunch sales	-	1,292,107	1,292,107
Contributions	-	174,792	174,792
Other	525,270	1,530	526,800
Total Revenues	<u>112,607,514</u>	<u>5,830,278</u>	<u>118,437,792</u>
EXPENDITURES			
Current:			
General government	5,415,472	9,196	5,424,668
Public safety	11,687,726	540,965	12,228,691
Public works	2,749,142	-	2,749,142
Public Health and welfare	1,799,997	108,517	1,908,514
Other	3,410,177	-	3,410,177
Recreation and parks commission	1,662,135	1,101,101	2,763,236
Education	74,243,675	4,000,948	78,244,623
Debt service:			
Principal	6,163,937	25,011	6,188,948
Interest	2,908,010	13,997	2,922,007
Capital outlay	1,298,866	917,007	2,215,873
Total Expenditures	<u>111,339,137</u>	<u>6,716,742</u>	<u>118,055,879</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,268,377</u>	<u>(886,464)</u>	<u>381,913</u>
OTHER FINANCING SOURCES (USES)			
Capital leases issued	233,888	-	233,888
Sale of real property	57,350	-	57,350
Transfers in	629,033	9,545	638,578
Transfers out	(193,156)	(638,578)	(831,734)
Total Other Financing Sources (Uses)	<u>727,115</u>	<u>(629,033)</u>	<u>98,082</u>
Net Change in Fund Balances	1,995,492	(1,515,497)	479,995
Fund Balances - Beginning of Year	<u>16,941,005</u>	<u>4,977,592</u>	<u>21,918,597</u>
Fund Balances - End of Year	<u>\$ 18,936,497</u>	<u>\$ 3,462,095</u>	<u>\$ 22,398,592</u>

The notes to 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
YEAR ENDED JUNE 30, 2011

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 479,995</u>
<p>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 depreciation expense exceeded capital outlay in the current period.</p>	
Capital outlay expenditures	1,998,071
Depreciation expense	<u>(4,689,770)</u>
	<u>(2,691,699)</u>
<p>The net effect of various miscellaneous transactions involving capital assets is to decrease net assets</p>	
	<u>(150)</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	(220,506)
Intergovernmental income	(206,508)
Charges for services	<u>(101,512)</u>
	<u>(528,526)</u>
Change in pension assets	<u>463,059</u>
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of 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.</p>	
Capital leases issued	(233,888)
Principal paid on bonds	6,188,948
Principal paid on capital leases	398,740
Amortization of issuance costs, loss on refunding and issuance premium	<u>51,399</u>
	<u>6,405,199</u>
<p>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.</p>	
Accrued interest	101,747
Claims	(289,000)
Compensated absences	<u>86,414</u>
	<u>(100,839)</u>
<p>Internal service funds are used by management to charge the costs of medical, and workers' compensation claims to individuals funds. The net revenue of certain activities of internal service funds is reported with governmental activities.</p>	
	<u>680,354</u>
Change in Net Assets of Governmental Activities	<u>\$ 4,707,393</u>

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

TOWN OF WILTON, CONNECTICUT

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCE - BUDGETARY BASIS - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes, interest and lien fees	\$ 101,105,725	\$ 101,105,725	\$ 101,459,644	\$ 353,919
Intergovernmental	3,290,866	3,290,866	2,673,538	(617,328)
Charges for services	1,054,090	1,054,090	1,507,574	453,484
Use of money and property	100,000	100,000	163,110	63,110
Other	251,030	251,030	525,270	274,240
Total Revenues	105,801,711	105,801,711	106,329,136	527,425
EXPENDITURES				
Current:				
General government	5,516,414	5,504,374	5,370,733	133,641
Public safety	11,696,812	11,704,556	11,647,843	56,713
Public works	2,605,094	2,852,094	2,732,839	119,255
Public health and welfare	1,856,189	1,856,189	1,799,997	56,192
Other	3,895,571	3,879,867	3,410,177	469,690
Recreation and parks commission	1,652,516	1,652,516	1,654,187	(1,671)
Board of Education	70,291,250	70,251,250	67,887,321	2,363,929
Capital Outlay	1,331,805	2,673,133	1,435,974	1,237,159
Debt service	8,473,182	9,081,568	9,071,947	9,621
Additional appropriations	1,076,188	573,297	-	573,297
Total Expenditures	108,395,021	110,028,844	105,011,018	5,017,826
Revenues Over Expenditures	(2,593,310)	(4,227,133)	1,318,118	5,545,251
OTHER FINANCING SOURCES (USES)				
Sale of real property	2,000	2,000	57,350	55,350
Transfers in	-	608,386	629,033	20,647
Transfers out	(300,000)	(300,000)	(193,156)	106,844
Total Other Financing Sources (Uses)	(298,000)	310,386	493,227	182,841
Revenues Over Expenditures, Encum- brances and Other Financing Sources (Uses)	(2,891,310)	(3,916,747)	1,811,345	5,728,092
Use of Fund Balance	2,891,310	3,916,747	-	(3,916,747)
Change in Fund Balance	\$ -	\$ -	1,811,345	\$ 1,811,345
Budgetary Fund Balance - Beginning of Year			16,523,899	
Budgetary Fund Balance - End of Year			\$ 18,335,244	

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

TOWN OF WILTON, CONNECTICUT

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

JUNE 30, 2011

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Major Fund - Water Pollution Control Authority	Non-Major Fund - Transfer Station	Totals	
ASSETS				
Current Assets:				
Cash and equivalents	\$ 7,655,518	\$ 46,395	\$ 7,701,913	\$ 4,886,702
Receivables:				
Usage, net	6,558	6,809	13,367	-
Due from other funds	7,957	3,638	11,595	342,377
Total Current Assets	7,670,033	56,842	7,726,875	5,229,079
Noncurrent Assets:				
Receivables - Special assessments and connection charges - noncurrent, net	652,954	-	652,954	-
Capital assets:				
Land	787	81,503	82,290	-
Buildings and improvements	-	193,282	193,282	-
Machinery and equipment	71,253	430,397	501,650	-
Infrastructure	7,945,065	-	7,945,065	-
	8,017,105	705,182	8,722,287	-
Less - Accumulated depreciation	(6,023,115)	(541,921)	(6,565,036)	-
Total Capital Assets, net of accumulated depreciation	1,993,990	163,261	2,157,251	-
Total Noncurrent Assets	2,646,944	163,261	2,810,205	-
Total Assets	10,316,977	220,103	10,537,080	5,229,079
LIABILITIES				
Current Liabilities:				
Accounts payable	18,612	71,833	90,445	35,075
Due to other funds	10,121	48,966	59,087	-
Current portion of compensated absences	-	1,000	1,000	-
Current portion of claims payable	-	-	-	1,130,770
Current maturities of bonds payable	-	6,052	6,052	-
Total Current Liabilities	28,733	127,851	156,584	1,165,845
Noncurrent Liabilities:				
Compensated absences, less current portion	-	8,886	8,886	-
Claims payable, less current portion	-	-	-	273,877
Bonds payable, less current maturities	-	6,051	6,051	-
Total Noncurrent Liabilities	-	14,937	14,937	273,877
Total Liabilities	28,733	142,788	171,521	1,439,722
NET ASSETS				
Invested in capital assets, net of related debt	1,993,990	151,158	2,145,148	-
Unrestricted	8,294,254	(73,843)	8,220,411	3,789,357
Total Net Assets	\$ 10,288,244	\$ 77,315	\$ 10,365,559	\$ 3,789,357

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

TOWN OF WILTON, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2011

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Major Fund - Water Pollution Control Authority	Non-Major Fund - Transfer Station	Totals	
Operating Revenues:				
Charges for services	\$ 381,246	\$ 549,861	\$ 931,107	\$ 10,446,557
Miscellaneous	1,721	7,864	9,585	-
Total Operating Revenue	382,967	557,725	940,692	10,446,557
Operating Expenses:				
Salaries	48,099	205,580	253,679	-
Employee benefits	40,213	44,655	84,868	9,297,129
Operations and supplies	515,048	543,818	1,058,866	-
Insurance	-	-	-	242,325
Judgments and claims	-	-	-	235,512
Depreciation and amortization	190,112	23,852	213,964	-
Total Operating Expenses	793,472	817,905	1,611,377	9,774,966
Income (Loss) from Operations	(410,505)	(260,180)	(670,685)	671,591
Non-Operating Revenues (Expenses):				
Interest income	19,952	48	20,000	8,763
Interest expense	-	(1,129)	(1,129)	-
Total Non-Operating Revenues (Expenses)	19,952	(1,081)	18,871	8,763
Income (Loss) Before Transfers	(390,553)	(261,261)	(651,814)	680,354
Transfers In	-	193,156	193,156	-
Change in Net Assets	(390,553)	(68,105)	(458,658)	680,354
Net Assets - Beginning of Year	10,678,797	145,420	10,824,217	3,109,003
Net Assets - End of Year	\$ 10,288,244	\$ 77,315	\$ 10,365,559	\$ 3,789,357

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

TOWN OF WILTON, CONNECTICUT

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

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Major Fund - Water Pollution Control Authority	Non-Major Fund - Transfer Station	Totals	
Cash-Flows From Operating Activities:				
Cash received from customers and users	\$ 410,583	\$ 621,152	\$ 1,031,735	\$ 11,256,861
Cash payments to suppliers and employees	(597,270)	(783,599)	(1,380,869)	-
Cash payments for benefits and claims	-	(34,769)	(34,769)	(10,535,318)
Net Cash Provided by (Used In) Operating Activities	(186,687)	(197,216)	(383,903)	721,543
Cash Flows From Noncapital Financing Activities -				
Transfers in	-	193,156	193,156	-
Cash Flows From Capital and Related Financing Activities:				
Principal paid on debt	-	(6,052)	(6,052)	-
Interest paid on debt	-	(1,129)	(1,129)	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	-	(7,181)	(7,181)	-
Cash Flows From Investing Activities -				
Interest income	19,952	48	20,000	8,763
Net Increase (Decrease) in Cash and Equivalents	(166,735)	(11,193)	(177,928)	730,306
Cash and Equivalents - Beginning of Year	7,822,253	57,588	7,879,841	4,156,396
Cash and Equivalents - End of Year	\$ 7,655,518	\$ 46,395	\$ 7,701,913	\$ 4,886,702
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:				
Income (loss) from operations	\$ (410,505)	\$ (260,180)	\$ (670,685)	\$ 671,591
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:				
Depreciation	190,112	23,852	213,964	-
Changes in operating assets and liabilities:				
Accounts receivable	(984)	65,337	64,353	-
Due from other funds	(1,919)	(1,911)	(3,830)	467,927
Special assessments	142,203	-	142,203	-
Accounts payable	1,816	(36,264)	(34,448)	35,075
Due to other funds	4,274	2,064	6,338	(821,697)
Compensated absences payable	-	9,886	9,886	-
Claims payable	-	-	-	368,647
Unearned revenues	(111,684)	-	(111,684)	-
Net Cash Provided by (Used In) Operating Activities	\$ (186,687)	\$ (197,216)	\$ (383,903)	\$ 721,543

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

TOWN OF WILTON, CONNECTICUT

STATEMENT OF NET ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2011

	Agency Fund	Trust Funds
ASSETS		
Cash and Equivalents	\$ 468,149	\$ 436,667
Investments, at fair value - Mutual funds	-	70,264,585
Accounts Receivable	-	145,103
Total Assets	<u>468,149</u>	<u>70,846,355</u>
LIABILITIES		
Accounts payable	-	294,359
Student activity funds	468,149	-
Total Liabilities	<u>468,149</u>	<u>294,359</u>
NET ASSETS		
Held in Trust for Pension Benefits (Schedules of funding progress for the plans are presented in the Required Supplementary Information)	<u>\$ -</u>	<u>\$ 70,551,996</u>

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

TOWN OF WILTON, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
TRUST FUNDS
JUNE 30, 2011

ADDITIONS

Contributions:

Employer	\$ 4,166,994
Plan members	<u>1,590,543</u>
Total Contributions	<u>5,757,537</u>

Investment Income:

Net change in fair value of investments	9,953,061
Interest and dividends	<u>2,149,466</u>
	12,102,527

Less - Investment management fees	<u>64,737</u>
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Net Investment Income	<u>12,037,790</u>
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Total Additions	<u>17,795,327</u>
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DEDUCTIONS

Pension benefits	2,953,439
Administration	<u>11,676</u>

Total Deductions	<u>2,965,115</u>
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Change in Net Assets	14,830,212
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Net Assets - Beginning of Year	<u>55,721,784</u>
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Net Assets - End of Year	<u><u>\$ 70,551,996</u></u>
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The notes to financial statements are an integral part of this statement.

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Note 1 - Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

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

In evaluating how to define the Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all non-fiduciary activities of the Town as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Assets presents the financial position of the Town at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or 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 or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town does not allocate indirect expenses to functions in the Statement of Activities.

Note 2 - Stewardship, Compliance and Accountability (Continued)

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

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

C. Fund Financial Statements

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

Fund Categories

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

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

The Town also reports the following non-major governmental funds.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to

Note 2 - Stewardship, Compliance and Accountability (Continued)

expenditures for specified purposes other than debt service or capital projects. The non-major special revenue funds of the Town are as follows:

Ambulance Fund - The Ambulance Fund is used to account for the revenues and expenditures of operating the Town's ambulance service.

Educational Entitlement Grants Fund - The Educational Entitlement Grants Fund is used to account for the expenditure of State and Federal grants received for a variety of school programs.

School Lunch Fund - The School Lunch Fund is used to account for the revenues and expenditures for the operation of the school cafeterias.

Summer School Fund - The Summer School Fund is used to account for the revenues and expenditures for the summer school programs.

Continuing Education Fund - The Continuing Education Fund was established to account for the revenues and expenditures for the adult continuing education programs.

Forfeited Property Fund - The Forfeited Property Fund is used to account for the cash receipts and disbursements of Federal and State drug asset forfeiture funds.

Other Grants Fund - The Other Grants Fund is used to account for funds related to grant programs not accounted for in another fund.

Selectman's Benevolent Fund - The Selectman's Benevolent Fund is used at the discretion of the Board of Selectman.

Recreation Fund - The Recreation Fund is used to account for the revenues and expenditures of the Town's park and recreation self-sustaining programs.

Gift Fund - The Gift Fund is used to account for the revenues and expenditures of gifts to the Town for a variety of uses.

Capital Projects Funds - The Capital Projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The following are the Town's non-major capital projects funds:

Debt Issuance 1997 through 2009 funds - The Debt Issuance 1997 through 2009 funds were established to account for the receipt of bond proceeds and the expenditures for Town projects including but not limited to: school renovation and expansion projects, open space purchases, purchases of fire trucks, Ambler Farm, high school athletic fields renovation and other Town capital projects.

Note 2 - Stewardship, Compliance and Accountability (Continued)

Debt Service Fund - The Debt Service Fund is used to account for and report the financial resources that are restricted, committed or assigned to expenditure for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years in connection with special assessments for water connections to homes and businesses.

- b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal Service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Water Pollution Control Authority are recorded as a major enterprise fund. The operation of the Transfer Station is recorded as a non-major Enterprise fund. The Town has established the Board of Education Medical Fund and the Workers' Compensation Fund as Internal Service funds. The Town applies all applicable Financial Accounting Standards Board ("FASB") guidance issued prior to November 30, 1989 in accounting and reporting for its enterprise operations that do not conflict with or contradict GASB guidance. The Town has elected not to follow subsequent private sector guidance.
- c. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the Town in an agency capacity on behalf of others. These include Pension Trust and Agency funds. The Pension Trust Funds are provided to account for the activities of the Town's defined benefit pension plans and the Other Post Employment Benefit Trust Fund, which accumulate resources for pension and health benefit payments to qualified employees upon retirement. The Pension Trust Funds and the Other Post Employment Benefit Trust Fund are 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. Administrative costs are financed through investment earnings. Benefits and refunds of the Pension Trust Funds and other postemployment defined benefit plans are recognized when due and payable in accordance with the terms of the plans. The Agency Fund is primarily utilized to account for monies held as custodian for outside student groups.

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

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes and certain other revenues are considered to be available if collected within sixty days of the fiscal year end. Property taxes associated with the current fiscal period, as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, capital leases, other post employment benefit obligations, pension obligations and certain claims payable are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

E. Assets, Liabilities and Net Assets or Fund Balances

Deposits, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts, certificates of deposit, money market funds, State of Connecticut Treasurer's Short-Term Investment Fund, Cooperative Liquid Assets Securities System Fund, Tax Exempt Proceeds Funds and treasury bills with original maturities of less than three months.

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 investment policies of the Town conform to the policies as set forth by the State of Connecticut. The Town policy allows investments in the following: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with

Note 2 - Stewardship, Compliance and Accountability (Continued)

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.

Investments are stated at fair value, based on quoted market prices.

The pension funds allow for investments 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-U.S. investments.

Interest Rate Risk - The Town does not have a policy that limits maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Town's policy is to limit its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, 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.

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

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

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Inventories - Inventories in the governmental funds are valued at cost on a first-in, first-out basis, and consist of certain expendable supplies held for consumption. The cost is recorded as inventory at the time individual items are purchased. The Town uses the consumption method to relieve inventory. In the fund financial statements, reported amounts are equally offset by nonspendable fund balance in governmental funds, which indicates that they do not constitute "available spendable resources" even though they are a component of current assets. Purchases of other inventoriable items are recorded as expenditures/expenses at the time of purchase and year-end balances are not material.

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the

Note 2 - Stewardship, Compliance and Accountability (Continued)

extent that certain transactions between funds had not been paid or received as of June 30, 2011, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements 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. Purchased and constructed assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Town chose to include all such items regardless of their acquisition date or amount. The Town was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and used an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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, net of interest earned on specific project related debt, during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the assets constructed.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure 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

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

Unearned/Deferred Revenues - Unearned/deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the government-wide financial statements, unearned revenues consist of revenue received in advance and/or amounts from grants received before the eligibility requirements have been met. Deferred revenues in the

Note 2 - Stewardship, Compliance and Accountability (Continued)

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

At the end of the current fiscal year, the various components of unearned revenues and deferred revenues were as follows:

	Unearned Revenues	Deferred Revenues
General Fund:		
Real property taxes	\$ -	\$ 1,711,667
School construction	-	994,383
Grant drawdowns prior to meeting all eligibility requirements	270,419	-
	<u>270,419</u>	<u>2,706,050</u>
Non-Major Governmental Funds:		
Educational entitlement grants	212,224	-
Other grants programs	87,293	-
Recreation	119,437	-
Gift	7,315	-
Debt service	-	130,751
	<u>426,269</u>	<u>130,751</u>
Total Governmental Funds	<u>\$ 696,688</u>	<u>\$ 2,836,801</u>

Long-Term Liabilities - In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. 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 is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, and debt payments, are reported as debt service expenditures.

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 the governmental funds only if the liability has matured through employee resignation or retirement.

Note 2 - Stewardship, Compliance and Accountability (Continued)

Net Assets - Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets on the Statement of Net Assets include, invested in capital assets, net of related debt, restricted for debt service and special revenue funds. The balance is classified as unrestricted.

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

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

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

Committed fund balance will be reported for amounts that can only be used for specific purposes pursuant to formal action of the Town's highest level of decision making authority. These funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain designations established and approved by the entity's governing board.

Assigned fund balance, in the General Fund, will represent amounts constrained either by the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. This classification will include amounts designated for balancing the subsequent year's budget and encumbrances. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, the Town considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded is generally employed as an extension of formal budgetary integration and encumbrances outstanding at fiscal year end in the General Fund are reported as a commitment or assignment of fund balance.

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 assigned fund balance.

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 12, 2011.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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 Funds require appropriation through a Town Meeting.

The Board of Selectmen and the Board of Finance has established legal control of the budget at the department level of expenditures. 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 appropriations, from the budgeted Charter authority, must be approved

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 2 - Stewardship, Compliance and Accountability (Continued)

by the Board of Finance. 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 \$1.6 million during the year ended June 30, 2011.

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 \$1,183,611 appropriations continued in force as of June 30, 2011.

Classifications of certain revenues and expenditures under accounting principles generally accepted in the United States of America ("GAAP") differ from classifications utilized for budgetary purposes. A reconciliation of revenues and other financing sources of the General Fund, as presented in accordance with GAAP, and revenues and other financing sources presented on the budgetary basis, is as follows:

Revenues and other financing sources, budgetary basis	\$ 107,015,519
Education excess cost grant revenue presented as a reduction of education expenditures for budgetary purposes	1,029,378
On-behalf payments, paid directly by the State of Connecticut to the Teachers' Retirement System, not recognized for budgetary purposes	5,249,000
Capital Lease Proceeds	<u>233,888</u>
Revenues and other financing sources, GAAP basis	<u>\$ 113,527,785</u>

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

Expenditures, encumbrances and other financing uses, budgetary basis	\$ 105,204,174
Education excess cost grant revenue presented as a reduction of education expenditures for budgetary purposes	1,029,378
On-behalf payments, paid directly by the State of Connecticut to the Teachers' Retirement System not recognized for budgetary purposes	5,249,000
Purchased equipment under capital leases	233,888
Encumbrances and continued appropriations:	
June 30, 2011	(601,253)
June 30, 2010	<u>417,106</u>
Expenditures and other financing uses, GAAP basis	<u>\$ 111,716,440</u>

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 2 - Stewardship, Compliance and Accountability (Continued)

B. Fund Deficits

As of June 30, 2011, the following non-major Capital Projects funds had deficits:

Debt Issuance 1998	\$	10,841
Debt Issuance 2005	\$	33,680

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

C. Expenditures in Excess of Budget

The following expenditure categories within the General Fund exceeded their budgetary provision by the amounts indicated:

General Government:		
Human Resources	\$	24,083
Town Counsel		52,395
Other Town Properties		10,714
Dial-A-Ride		1,056
Comstock Community Center		41,940
Public Safety:		
Community Emergency Response Team		423
Emergency Medical Service		3,509
Recreation and Parks Commission -		
Parks and Recreation		46,205

Note 3 - Detailed Notes on All Funds

A. Deposits and Investments

Cash and investments of the Town consist of the following at June 30, 2011:

Cash and Equivalents:		
Deposits with financial institutions	\$	38,915,679
State of Connecticut Short-Term Investment Fund		821,457
Tax Exempt Proceeds Fund		353,992
Cooperative Liquid Assets Securities System		373,463
Total Cash and Equivalents	\$	<u>40,464,591</u>
Investments -		
Pension Trust Funds:		
Equity Mutual Funds		43,266,380
Money Market Mutual Funds		46,882
Bond Mutual Funds		26,951,323
Total Pension Investments		<u>70,264,585</u>
Total Cash and Equivalents and Investments	\$	<u>110,729,176</u>

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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

Statement of Net Assets

Cash and equivalents \$ 39,559,775

Fiduciary Funds

Cash and equivalents	904,816
Investments	<u>70,264,585</u>
Total Agency and Pension Investments	<u>71,169,401</u>
Total Cash and Equivalents and Investments	<u><u>\$ 110,729,176</u></u>

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. As of June 30, 2011, \$3,200,195 of the Town's bank balance of \$36,096,135 was exposed to custodial credit risk as follows -

Uninsured and uncollateralized \$ 3,200,195

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:

Type of Investment	Fair Value	Investment Maturities (in Years)		
		Less Than 1 Year	1-5 Years	6-10 Years
Pooled Fixed Income	\$ 1,548,912	\$ 1,548,912	\$ -	\$ -
Bond Mutual Funds	<u>26,951,323</u>	<u>-</u>	<u>6,016,663</u>	<u>20,934,660</u>
Total	<u><u>\$ 28,500,235</u></u>	<u><u>\$ 1,548,912</u></u>	<u><u>\$ 6,016,663</u></u>	<u><u>\$ 20,934,660</u></u>

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 obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Presented below is the range of ratings as required for each debt type investment.

Average Rating	Bond Mutual Funds	Pooled Income Fund
AAA - Below B	<u><u>\$ 26,951,323</u></u>	<u><u>\$ 1,548,912</u></u>

Note 3 - Detailed Notes on All Funds (Continued)

Concentration of Credit Risk - The Town does not have a policy that limits the amounts invested in any one issuer. However, the Town's practice is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific issuer.

B. Taxes Receivable

Taxes receivable at June 30, 2011 consisted of the following:

Property taxes - Current	\$	893,964
Property taxes - Delinquent		1,031,858
Property taxes - Interest, liens and suspense		<u>381,066</u>
		2,306,888
Allowance for uncollectible amounts		<u>(340,542)</u>
	\$	<u><u>1,966,346</u></u>

Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$1,711,667, which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

C. Due From/To Other Funds

The balances reflected as due from/to other funds at June 30, 2011 were as follows:

Fund	Due From	Due To
General	\$ 198,108	\$ 394,402
Non-Major Governmental	58,134	156,725
Water Pollution Control Authority	7,957	10,121
Transfer Station	3,638	48,966
Internal Service Fund - Workers' Compensation	<u>342,377</u>	<u>-</u>
	<u>\$ 610,214</u>	<u>\$ 610,214</u>

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made.

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

D. Capital Assets

Changes in the Town's capital assets are as follows:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	\$ 22,416,543	\$ -	\$ 150	\$ 22,416,393
Construction-in-progress	22,423,422	743,207	21,225,585	1,941,044
Total Capital Assets, not being depreciated	<u>\$ 44,839,965</u>	<u>\$ 743,207</u>	<u>\$ 21,225,735</u>	<u>\$ 24,357,437</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 125,923,593	\$ 21,803,525	\$ -	\$ 147,727,118
Machinery and equipment	11,857,763	676,924	348,393	12,186,294
Infrastructure	37,813,153	-	-	37,813,153
Total Capital Assets, being depreciated	<u>175,594,509</u>	<u>22,480,449</u>	<u>348,393</u>	<u>197,726,565</u>
Less Accumulated Depreciation for:				
Buildings and improvements	44,971,678	2,784,054	-	47,755,732
Machinery and equipment	7,063,609	1,394,889	348,393	8,110,105
Infrastructure	10,630,439	510,827	-	11,141,266
Total Accumulated Depreciation	<u>62,665,726</u>	<u>4,689,770</u>	<u>348,393</u>	<u>67,007,103</u>
Total Capital Assets, being depreciated, net	<u>112,928,783</u>	<u>17,790,679</u>	<u>-</u>	<u>130,719,462</u>
Governmental Activities Capital Assets, net	<u>\$ 157,768,748</u>	<u>\$ 18,533,886</u>	<u>\$ 21,225,735</u>	<u>\$ 155,076,899</u>
	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Business-type Activities:				
Capital Assets, not being depreciated -				
Land	\$ 82,290	\$ -	\$ -	\$ 82,290
Capital Assets, being depreciated:				
Buildings and improvements	\$ 193,282	\$ -	\$ -	\$ 193,282
Machinery and equipment	501,650	-	-	501,650
Infrastructure and collection systems, mains and extensions	7,945,065	-	-	7,945,065
Total Capital Assets, being depreciated	<u>8,639,997</u>	<u>-</u>	<u>-</u>	<u>8,639,997</u>
Less Accumulated Depreciated for:				
Buildings and improvements	193,282	-	-	193,282
Machinery and equipment	384,374	26,494	-	410,868
Infrastructure	5,773,416	187,470	-	5,960,886
Total Accumulated Depreciation	<u>6,351,072</u>	<u>213,964</u>	<u>-</u>	<u>6,565,036</u>
Total Capital Assets, being depreciated, net	<u>2,288,925</u>	<u>(213,964)</u>	<u>-</u>	<u>2,074,961</u>
Business-type Activities Capital Assets, net	<u>\$ 2,371,215</u>	<u>\$ (213,964)</u>	<u>\$ -</u>	<u>\$ 2,157,251</u>

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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

Governmental Activities:	
General Government	\$ 795,001
Public Safety	563,996
Public Works	223,971
Other	3,629
Recreation and Parks Commission	244,795
Education	<u>2,858,378</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,689,770</u>
Business-type Activities:	
Water Pollution Control Authority	\$ 190,112
Transfer Station	<u>23,852</u>
Total Depreciation Expense - Business-type Activities	<u>\$ 213,964</u>

E. Single Employer Defined Benefit Pension Plan

The Town 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 members of the Teamsters Union, 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 and Deputy Fire Chief 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"> • are members of the Police and Fire Plan Parts or are members of the Teamsters Union. • are customarily employed by the Town for less than 20 hours in any one week. • are customarily employed by the Town for less than five months in any calendar year. • are covered by any other non-governmental retirement plan to which the Town has contributed. • are covered by any retirement plan maintained wholly or partially by State funds. • AFSCME Local 1303-160 and non-union employees hired after June 30, 2007.

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Provisions	Police	Firefighters	Other Employees
			<ul style="list-style-type: none"> hold an elective office, unless they were members of the Plan immediately prior to holding elective office, and, for the period on and after January 1, 2006, unless they were persons whose paid employment results from holding an elective office other than First Selectman (regardless of whether the elected official had been a Member of Part III of the Plan prior to becoming an elected official).
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.
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 73% of average annual salary or maximum 29.2 years of credited services.</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 three (3) years average base contributable compensation within the last ten (10) years preceding retirement. Effective July 1, 2002, base contributable compensation includes holiday pay. Effective July 1, 2003, base contributable compensation includes holiday and longevity pay. Effective July 1, 2008, base contributable compensation includes holiday and longevity pay and EMT stipend.</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 Town and library members. Effective July 1, 2006, calculated as 2.25% of average annual salary for each year of credited service for Board of Education discretionary employees and WAEFCA members.</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 Town and library members, and effective July 1, 2006, the maximum benefit is 67.5% for Board of Education employees and WAEFCA members.</p>
Employee Contribution Obligations	<p>7.75% of compensation.</p> <p>Periodic contributions at actuarially determined rates using the "projected unit credit method".</p>	<p>9% of compensation.</p> <p>Periodic contributions at actuarially determined rates using the "projected unit credit method".</p>	<p>6.0% of compensation for all but Board of Education custodians, who contribute 3.5% of compensation.</p> <p>Board of Education custodians hired after July 1, 2010 are no longer eligible to participate.</p> <p>Periodic contributions at actuarially determined rates using the "projected unit credit method" for all but Board of Education custodians.</p>

Note 3 - Detailed Notes on All Funds (Continued)

Provisions	Police	Firefighters	Other Employees
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 and those entities to which the Board of Selectmen may affirmatively delegate their amendment authority.

Annual Pension Cost and Net Pension Asset

Annual Required Contribution	\$ 3,130,679
Interest on Net Pension Obligation	(159,772)
Adjustment to Annual Required Contribution	<u>166,315</u>
Annual Pension Cost	3,137,222
Contributions Made	<u>(3,600,281)</u>
Increase in Net Pension Asset	463,059
Net Pension Asset, Beginning of Year	<u>2,074,956</u>
Net Pension Asset, End of Year	<u><u>\$ 2,538,015</u></u>

The annual required contribution for the current year was determined as part of the July 1, 2010 actuarial valuation using the projected unit credit method. The amortization method is the level dollar basis with an open amortization approach with 30 years remaining in the amortization period. The actuarial assumptions include a 7.7% investment rate of return, projected salary increases of 4% per year, inflation increases of 3.5%, cost of living adjustments of 2.5% and the utilization of the UP94 projected to 2020 annuity mortality tables. The actuarial value of assets was determined using a 5 year smoothed market value method.

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

The Board of Trustees of each plan establishes and may amend the contribution requirements of plan members and the Town. The Town funds the contributions to its pension plans based on the actuarial required contribution.

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Current membership in the program is comprised of the following at June 30, 2011:

Retirees and beneficiaries	
currently receiving benefits	137
Active plan members	380
Terminated plan members entitled to, but not yet receiving benefits	<u>51</u>
Total	<u>568</u>

The Town's annual pension cost, the percentage of annual pension costs contributed to the plan and the net pension asset for the current and the two preceding years is as follows:

	<u>Annual Pension Cost</u>	<u>Percentage of Pension Cost Contributed</u>	<u>Net Pension Asset</u>
2011	\$ 3,130,679	115.0 %	\$ (2,538,015)
2010	2,758,402	133.0	(2,074,956)
2009	3,010,312	119.9	(1,165,015)

The schedule of funding progress for the plans is as follows at June 30, 2011:

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
July 1, 2010	\$ 62,749,422	\$ 74,982,330	\$ (12,232,908)	83.7 %	\$ 19,074,084	64.1 %
July 1, 2009	59,617,503	69,666,174	(10,048,671)	85.6	18,868,063	53.3
July 1, 2008	56,408,328	63,924,453	(7,516,125)	88.2	17,785,135	42.3

The schedule of funding progress for the defined benefit pension plan immediately following the notes to financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

The following schedule presents the net assets held in trust for pension benefits and OPEB at June 30, 2011 and the changes in net assets for the year then ended.

	Trust Funds		
	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
ASSETS			
Cash and equivalents	\$ -	\$ 436,667	\$ 436,667
Investments, at fair value - Mutual funds	68,386,049	1,878,536	70,264,585
Receivables	95,508	49,595	145,103
Total Assets	68,481,557	2,364,798	70,846,355
LIABILITIES			
Accounts payable	246,542	47,817	294,359
NET ASSETS			
Held in Trust for Pension Benefits	\$ 68,235,015	\$ 2,316,981	\$ 70,551,996
ADDITIONS			
Contributions:			
Employer contribution	\$ 3,600,281	\$ 566,713	\$ 4,166,994
Employee/retiree contributions	1,078,340	512,203	1,590,543
Total Contributions	4,678,621	1,078,916	5,757,537
Investment Income:			
Net change in fair value of investments	9,708,262	244,799	9,953,061
Interest and dividends	2,086,063	63,403	2,149,466
	11,794,325	308,202	12,102,527
Less investment expenses - Investment management fees			
	64,737	-	64,737
Net Investment Income	11,729,588	308,202	12,037,790
Total Additions	16,408,209	1,387,118	17,795,327
DEDUCTIONS			
Benefits			
Administration	\$ 2,441,643	\$ 511,796	\$ 2,953,439
		11,676	11,676
Total Deductions	2,441,643	523,472	2,965,115
Change in Net Assets	13,966,566	863,646	14,830,212
Net Assets Held in Trust for Pension Benefits - Beginning of Year			
	54,268,449	1,453,335	55,721,784
Net Assets Held in Trust for Pension Benefits - End of Year			
	\$ 68,235,015	\$ 2,316,981	\$ 70,551,996

Note 3 - Detailed Notes on All Funds (Continued)

F. Pension Plan - 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 167-a of the General Statutes of Connecticut, 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 Teachers' 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 required to, contribute to the plan.

The State of Connecticut contributes based on actuarially determined amounts. The funding level is 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 \$5,249,000 for the year ended June 30, 2011.

G. Defined Contribution Pension Plan

Beginning in 2008, the Town provides pension benefits for all full-time Town employees hired after July 1, 2007, except members of the Police Department and Fire Department, through a single employer, contributory, defined contribution pension plan ("Plan"). In a defined contribution pension plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees are eligible to participate in the Plan upon employment. Any participant who has attained his normal retirement date and required years of credited service is eligible for a normal retirement benefit. The normal retirement date for participating employees is attained at age 65.

The Plan requires the Town to contribute an amount equal to 9% of the employee's annual salary. Employees are required to contribute 5% of their annual salary. The Town's contributions for each employee (and interest allocated to the employee's account) are vested as follows:

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

The Town elects to pick up the required participant.

<u>Years of Credited Service</u>	<u>Vesting Percentage</u>
Under 5	0%
5	100%

Loans are not permitted under the Plan.

The Town's total current year-end covered payroll for the 2011 fiscal year was approximately \$643,000. Town contributions amounted to \$57,867. Employees contributed \$32,148 to the Plan. Contributions made by the Town and its employees represent 9% and 5%, respectively, of covered payroll for the year.

The assets for the plan are held by ICMA Retirement Corporation. The balance held by the plan amounted to approximately \$239,000 at June 30, 2011 and is not reflected in the accompanying financial statements of the Town, as the Town's role in the administration of the Plan is limited.

H. Long-Term Liabilities

The following table summarizes changes in the Town's long-term indebtedness for the year ended June 30, 2011:

	<u>Balance, July 1, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2011</u>	<u>Due Within One Year</u>
Governmental Activities:					
General obligation bonds	\$ 71,966,845	\$ -	\$ 6,188,948	\$ 65,777,897	\$ 6,633,948
Plus - Deferred amounts on refunding bonds	513,990	-	51,399	462,591	-
	<u>72,480,835</u>	<u>-</u>	<u>6,240,347</u>	<u>66,240,488</u>	<u>6,633,948</u>
Capital leases	466,282	233,888	398,740	301,430	214,888
Other Non-Current Liabilities:					
Compensated absences	\$ 3,200,000	\$ 553,586	\$ 640,000	\$ 3,113,586	\$ 31,000
Other post employment benefit obligations payable	-	566,713	566,713	-	-
Claims payable	1,809,745	9,821,641	9,515,239	2,116,147	1,130,770
Total Other Non-Current Liabilities	<u>5,009,745</u>	<u>10,941,940</u>	<u>10,721,952</u>	<u>5,229,733</u>	<u>1,161,770</u>
Governmental Activities Long- Term Liabilities	<u>\$ 77,956,862</u>	<u>\$ 11,175,828</u>	<u>\$ 17,361,039</u>	<u>\$ 71,771,651</u>	<u>\$ 8,010,606</u>
Business-Type Activities:					
General obligation bonds	\$ 18,155	\$ -	\$ 6,052	\$ 12,103	\$ 6,052
Compensated absences	41,452	4,100	35,666	9,886	1,000
Business-Type Activities Long-Term Liabilities	<u>\$ 59,607</u>	<u>\$ 4,100</u>	<u>\$ 41,718</u>	<u>\$ 21,989</u>	<u>\$ 7,052</u>

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Governmental fund liabilities for bonds are liquidated by the General Fund. Each governmental funds liability for capital leases, compensated absences, other post employment benefit obligations and claims are liquidated by the respective fund, primarily the General Fund.

General Obligation Bonds

General obligation bonds outstanding as of June 30, 2011 consisted of the following:

Governmental Activities:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2011
Public Improvements	1994	\$ 3,050,000	2012	6.200 - 6.250 %	\$ 180,000
Public Improvements	1995	3,470,000	2013	5.500 - 5.650	387,897
Public Improvements	1997	3,060,000	2014	4.800	600,000
Public Improvements	1998	26,690,000	2018	4.500 - 4.700	10,410,000
Public Improvements	1999	15,645,000	2019	4.850 - 5.000	7,200,000
Public Improvements	2000	9,600,000	2020	5.000 - 5.250	4,815,000
Public Improvements	2002	3,240,000	2019	3.600 - 4.375	1,505,000
Public Improvements	2004	5,500,000	2025	3.300 - 4.250	3,820,000
Public Improvements	2005	4,130,000	2024	3.650 - 4.050	2,850,000
Public Improvements	2006	4,055,000	2025	3.625 - 4.000	3,030,000
Public Improvements	2007	3,740,000	2023	3.750 - 4.000	2,990,000
Public Improvements	2009	6,000,000	2025	2.000 - 4.000	5,250,000
Refunding Bonds	2009	12,495,000	2022	4.000 - 5.000	10,490,000
Public Improvements	2010	12,250,000	2030	2.000 - 4.000	12,250,000
					<u>\$ 65,777,897</u>

Business-Type Activities:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2011
Allocated portion of \$3,470,000					
Public improvement bonds	1995	\$ 3,470,000	2013	5.500 - 5.650 %	<u>\$ 12,103</u>

School Bond Reimbursements

The State of Connecticut reimburses the Town for eligible school bond principal and interest costs. The amount of reimbursement for the year ended June 30, 2011 was \$264,632. Additional reimbursements of principal and interest aggregating approximately \$1,146,000 are expected to be received through the bonds' maturity dates.

Capital Leases Payable

Property and equipment carried at approximately \$1,757,000 with approximately \$1,194,000 in accumulated depreciation, in the governmental and business-type activities, is being acquired under capital lease arrangements.

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

The Town's capital lease obligation at June 30, 2011 is as follows:

	<u>Capital</u>
2012	\$ 221,608
2013	81,202
2014	6,767
Less - Interest	<u>(8,147)</u>
Present Value of Minimum Payments	<u><u>\$ 301,430</u></u>

Payments to Maturity

The annual requirements to amortize all general obligation bonds and capital leases outstanding as of June 30, 2011, including interest payments of \$16,239,128 as follows:

Year Ending June 30,	Governmental Activities - General Obligation Bonds		Business-Type Activities - General Obligation Bonds		Governmental Activities - Capital Leases		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 6,633,948	\$ 2,658,430	\$ 6,052	\$ 693	\$ 214,888	\$ 6,719	\$ 6,854,888	\$ 2,665,842
2013	6,568,949	2,369,625	6,051	363	79,790	1,412	6,654,790	2,371,400
2014	6,420,000	2,096,230	-	-	6,752	16	6,426,752	2,096,246
2015	6,265,000	1,829,877	-	-	-	-	6,265,000	1,829,877
2016	6,255,000	1,565,734	-	-	-	-	6,255,000	1,565,734
2017-2021	22,875,000	4,219,522	-	-	-	-	22,875,000	4,219,522
2022-2026	8,100,000	1,230,495	-	-	-	-	8,100,000	1,230,495
2027-2030	2,660,000	260,012	-	-	-	-	2,660,000	260,012
	<u>\$ 65,777,897</u>	<u>\$ 16,229,925</u>	<u>\$ 12,103</u>	<u>\$ 1,056</u>	<u>\$ 301,430</u>	<u>\$ 8,147</u>	<u>\$ 66,091,430</u>	<u>\$ 16,239,128</u>

The above general obligation bonds and capital leases are direct obligations of the Town, for which its full faith and credit are pledged and are payable from taxes levied on all taxable property located within the Town.

Upon completion or cancellation of a bonded capital project, any unexpended funds will be used for any other authorized capital project after approval by the Town's Board of Finance.

Debt Limitation

The Town's statement of debt limitation under Connecticut General Statutes, Section 7-434(b) as of June 30, 2011 is as follows:

Total tax collections (including interest and lien fees) for the year ended June 30, 2011	\$ 99,281,793
Reimbursement for revenue loss - Tax relief for elderly	<u>56,524</u>
Base	<u><u>\$ 99,338,317</u></u>

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Debt Limitation:	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension Obligation	Total
2-1/4 times BASE	\$ 223,511,213	\$ -	\$ -	\$ -	\$ -	\$ 223,511,213
4-1/2 times BASE	-	447,022,427	-	-	-	447,022,427
3-3/4 times BASE	-	-	372,518,689	-	-	372,518,689
3-1/4 times BASE	-	-	-	322,849,530	-	322,849,530
3 times BASE	-	-	-	-	298,014,951	298,014,951
Total Debt Limitation	223,511,213	447,022,427	372,518,689	322,849,530	298,014,951	1,663,916,810
Indebtedness:						
Bonds Payable (1)	21,624,331	43,940,382	-	-	-	65,564,713
Construction grants	-	(994,383)	-	-	-	(994,383)
Total Indebtedness	21,624,331	42,945,999	-	-	-	64,570,330
Debt Limitation in excess of outstanding and authorized debt	\$201,886,882	\$404,076,428	\$372,518,689	\$322,849,530	\$ 298,014,951	\$1,301,331,529

(1) Water bonds of \$225,287 are excluded from this calculation in accordance with Connecticut General Statutes

The Connecticut General Statutes provide the total authorized debt of the Town shall not exceed seven times the above base cash receipts, or \$695,368,219 nor shall the total authorized particular purpose debt exceed the individual debt limitations reflected in the table above.

Compensated Absences

Vacation time earned during the fiscal year can be carried over to the succeeding year, subject to limitations as provided in the respective collective bargaining agreements. Employees are entitled to accumulate sick leave up to a maximum amount stipulated in each contract. Payment for accumulated sick leave is dependent upon the length of service and accumulated days. This amount is typically paid out of the General Fund. The value of all compensated absences has been reflected in the government-wide financial statements.

Other Post Employment Benefit Obligations Payable

In addition to providing pension benefits, the Town provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees' covered and the percentage of contribution, if any, to the cost of healthcare benefits. Contributions by the Town may vary according to length of service. The cost of providing post-employment health care benefits is shared between the Town and the retired employee. Substantially all of the Town's employees may become eligible for these benefits if they reach normal retirement age while working for the Town. The cost of retiree health care benefits is recognized as an expenditure as claims are paid.

The Town's annual other post employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution, ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita

Note 3 - Detailed Notes on All Funds (Continued)

claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The Town is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. The contribution requirements of plan members and the Town are established and may be amended by the Town. The assumed health care cost trend rates, representative of the future expected increases in net medical premiums are as follows:

<u>Year Ended June 30,</u>	<u>Assumed Decrease</u>
2012	8.00 %
2013	7.00
2014	6.00
2015+	5.00

The amortization basis is the level percentage of payroll method with a closed amortization approach with 27 years remaining in the amortization period. The actuarial assumptions included a 7.7% investment rate of return. The actuarial cost method utilized was the projected unit credit method.

The number of participants as of June 30, 2011 was as follows:

Retirees and beneficiaries receiving benefits	49
Active plan members	<u>775</u>
Total	<u><u>824</u></u>

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Amortization Component:	
Actuarial Accrued Liability as of July 1, 2010	\$ 7,836,743
Assets at Market Value	<u>1,454,122</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 6,382,621</u>
Funded Ratio	<u>18.56%</u>
Covered Payroll (Active plan members)	<u>\$ 51,760,000</u>
UAAL as a Percentage of Covered Payroll	<u>12.33%</u>
Annual Required Contribution	\$ 566,713
Interest on Net OPEB Obligation	-
Adjustment to Annual Required Contribution	<u>-</u>
Annual OPEB Cost	566,713
Contributions Made	<u>(566,713)</u>
Increase in Net OPEB Obligation	-
Net OPEB Obligation - Beginning of Year	<u>-</u>
Net OPEB Obligation - End of Year	<u>\$ -</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and two preceding years is as follows:

Fiscal Year Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 566,713	100.00 %	\$ -
2010	566,000	100.00	-
2009	555,000	100.00	-

The schedule of funding progress immediately following the notes to the financial statements present multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over-time.

Claims Payable

The Internal Service fund reflects medical benefits for Board of Education employees, workers' compensation benefits for Town employees and heart and hypertension claims which are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities is as follows:

	Year Ended June 30, 2011		
	Medical Benefits-BOE	Workers' Compensation	Heart and Hypertension
Balance - Beginning of Year	\$ 996,000	\$ 391,245	\$ 422,500
Provision for Claims and Claims Adjustment Expenses	9,297,129	235,512	289,000
Claims and Claims Adjustment Expenses Paid	(9,230,859)	(284,380)	-
Balance - End of Year	<u>\$ 1,062,270</u>	<u>\$ 342,377</u>	<u>\$ 711,500</u>
Current Portion	<u>\$ 1,062,270</u>	<u>\$ 68,500</u>	<u>\$ -</u>
	Year Ended June 30, 2010		
	Medical Benefits-BOE	Workers' Compensation	Heart and Hypertension
Balance - Beginning of Year	\$ 909,389	\$ 264,398	\$ 422,500
Provision for Claims and Claims Adjustment Expenses	9,937,697	273,963	-
Claims and Claims Adjustment Expenses Paid	(9,851,086)	(147,116)	-
Balance - End of Year	<u>\$ 996,000</u>	<u>\$ 391,245</u>	<u>\$ 422,500</u>
Current Portion	<u>\$ 996,000</u>	<u>\$ 78,000</u>	<u>\$ -</u>

Note 3 - Detailed Notes on All Funds (Continued)**I. Revenues, Expenditures and Transfers****Interfund Transfers**

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return. The interfund transfers reflected below have been reported as transfers.

Transfers Out	Transfers In			Total
	General Fund	Non-Major Governmental Funds	Enterprise Fund - Transfer Station	
General Fund	\$ -	\$ -	\$ 193,156	\$ 193,156
Non-Major Governmental Funds	629,033	9,545	-	638,578
	<u>\$ 629,033</u>	<u>\$ 9,545</u>	<u>\$ 193,156</u>	<u>\$ 831,734</u>

Transfers are used to move funds from the General Fund to the non-major governmental and Internal Service funds in accordance with budget authorizations.

J. Net Assets

The components of net assets are detailed below:

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

Restricted for Debt Service - the component of net assets that reflects funds set aside in accordance with indenture agreements with bondholders.

Restricted for Special Revenue Funds - the component of net assets that reports the difference between assets and liabilities of the various special revenue funds with constraints placed on their use by federal, state or local requirements.

Unrestricted - all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

TOWN OF WILTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

K. Fund Balances

	General Fund	Non-Major Governmental	Total
Nonspendable:			
Prepaid expenditures	\$ 2,572	\$ 31,434	\$ 34,006
Inventories	-	15,193	15,193
	<u>2,572</u>	<u>46,627</u>	<u>49,199</u>
Restricted:			
Capital projects	-	1,039,123	1,039,123
Debt service	-	327,134	327,134
	<u>-</u>	<u>1,366,257</u>	<u>1,366,257</u>
Assigned:			
Purchases on order:			
General government	3,983	-	3,983
Public safety	7,503	-	7,503
Public works	161,182	-	161,182
Education	428,585	-	428,585
	<u>601,253</u>	<u>-</u>	<u>601,253</u>
Designation for continuing appropriations	1,183,611	-	1,183,611
Designation for assessment appeals	193,436	-	193,436
Designation for subsequent year	2,153,683	-	2,153,683
Ambulance	-	1,092,159	1,092,159
School lunch	-	9,251	9,251
Summer school	-	154,005	154,005
Continuing education	-	528,280	528,280
Forfeited property	-	11,774	11,774
Selectmen's benevolent	-	199	199
Recreation	-	215,042	215,042
Gift	-	83,022	83,022
	<u>4,131,983</u>	<u>2,093,732</u>	<u>6,225,715</u>
Unassigned	<u>14,801,942</u>	<u>(44,521)</u>	<u>14,757,421</u>
Total Fund Balances	<u>\$ 18,936,497</u>	<u>\$ 3,462,095</u>	<u>\$ 22,398,592</u>

Certain elements of fund balance are described above. Those additional elements which are not reflected in the statement of net assets but are reported in the governmental funds balance sheet are described below.

Prepaid expenditures has been provided to account for certain payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Note 3 - Detailed Notes on All Funds (Continued)

Inventories in the school lunch program and the recreation fund have been classified as nonspendable to indicate that a portion of fund balance is not "available" for expenditure because the asset is in the form of commodities and the Town anticipates utilizing them in the normal course of operations.

Purchases on order are assigned and represent the Town's intention to honor the contracts in process at year-end. The subsequent year's appropriation will be amended to provide authority to complete the transactions.

Designations of fund balance are not legally required segregations but represent intended use for a specific purpose. At June 30, 2011, the Town has assigned the above amounts to be appropriated for the ensuing year's budget.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed or assigned.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Town is a defendant in numerous pending disputed tax assessment proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year in which the payments are made.

The Town is a defendant in a claim by a property owner over access to land-locked property over an alleged Town road that appears only on older maps and does not otherwise exist. The lower court has ruled in favor of the plaintiffs claim and the Town has appealed. The Town is in the process of vigorously defending against these claims. It is too early to evaluate the likelihood of success or potential exposure to the Town. The range of any loss cannot be estimated and no provision for loss has been reflected in the financial statements.

B. Contingencies

The Town participates in various Federal and State grant programs. These programs are subject to program compliance audits pursuant to the Federal and State Single Audit Acts. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

C. Risk Management

The Town is exposed to various risks of loss related to employee health, torts, theft or impairment to assets, errors and omissions, injury to employees, natural disasters, and tax appeals.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The Board of Education ("BOE") currently reports its self-insured employee health insurance activities in the BOE Medical 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 \$225,000 per person per year with a maximum aggregate for all claims of approximately \$13,726,500 for fiscal year 2011.

The Town and BOE self-insures for workers' compensation. The Town records expenses for its self-insurance claims in the Workers' Compensation 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. The Town's stop loss limits under this Plan are \$650,000 per occurrence, per year, and \$250,000 aggregate per incident for fiscal year 2011.

Heart and hypertension claims for police officers and firefighters are covered, as required by State Statute. The Town records expenditures for heart and hypertension claims in the government-wide financial statements.

Liabilities for unpaid claims are based on recommendations by third-party administrators. There have been no significant reductions in insurance coverage from coverage in prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 5 - Subsequent Events

The Town, on November 3, 2011, issued \$9,845,000 in refunding serial bonds to advance refund \$9,795,000 of outstanding serial bonds. The refunding bonds mature annually through July, 2024 with interest at rates ranging from 2.0% to 4.0%, depending on maturity.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

TOWN OF WILTON, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULE OF FUNDING PROGRESS
 TRUST FUNDS
 LAST SIX FISCAL YEARS

Valuation Date	Actuarial		Excess (Unfunded) Actuarial Liability	Funded Ratio	Covered Payroll	Excess (Unfunded) Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
Pension Trust						
July 1, 2010	\$ 62,749,422	\$ 74,982,330	\$ (12,232,908)	83.7 %	\$ 19,074,084	(64.1) %
July 1, 2009	59,617,503	69,666,174	(10,048,671)	85.6	18,868,063	(53.3)
July 1, 2008	56,408,328	63,924,453	(7,516,125)	88.2	17,785,135	(42.3)
July 1, 2007	50,467,055	61,011,744	(10,544,689)	82.7	17,677,903	(59.6)
July 1, 2006	44,576,272	54,532,889	(9,956,617)	81.7	16,745,475	(59.5)
July 1, 2005	40,603,549	46,891,424	(6,287,875)	86.6	15,827,681	(39.7)
OPEB						
July 1, 2010	\$ 1,454,122	\$ 7,836,743	\$ (6,382,621)	18.6 %	51,760,000	(12.3) %
July 1, 2008	389,000	5,435,000	(5,046,000)	7.2	47,744,000	(10.6)
July 1, 2006	-	5,003,000	(5,003,000)	-	43,477,000	(11.5)

Appendix B

Form of Opinion of Bond Counsel

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FORM OF OPINION OF BOND COUNSEL

September __, 2012

Town of Wilton,
 Wilton, Connecticut

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Town of Wilton, Connecticut (the "Town"), a Tax Regulatory Agreement of the Town, dated September 28, 2012 (the "Tax Regulatory Agreement"), and other proofs submitted to us relative to the issuance and sale of \$7,910,000 Town of Wilton, Connecticut General Obligation Bonds, Issue of 2012, dated September 28, 2012 (the "Bonds"), maturing on September 15 in each of the years, in the principal amounts and bearing interest payable on March 15, 2013 and semiannually thereafter on September 15 and March 15 in each year until maturity or earlier redemption, at the rates per annum as follows:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
2013	\$400,000	%	2023	\$400,000	%
2014	400,000		2024	400,000	
2015	400,000		2025	400,000	
2016	400,000		2026	400,000	
2017	400,000		2027	400,000	
2018	400,000		2028	400,000	
2019	400,000		2029	385,000	
2020	400,000		2030	375,000	
2021	400,000		2031	375,000	
2022	400,000		2032	375,000	

with principal payable at the principal office of U.S. Bank National Association, in Hartford, Connecticut, and with interest payable to the registered owner as of the close of business on the last business day of February and August in each year, by check mailed to such registered owner at his address as shown on the registration books of the Town kept for such purpose. The Bonds are subject to redemption prior to maturity as therein provided.

The Bonds are originally registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), to effect a book-entry system for the ownership and transfer of the Bonds. So long as DTC or its nominee is the registered owner, principal and interest payments on the Bonds will be made to DTC.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds, and we express no opinion relating thereto, excepting only the matters set forth as our opinion in the Official Statement.

We are of the opinion that such proceedings and proofs show lawful authority for the issuance and sale of the Bonds under authority of the Constitution and General Statutes of Connecticut and that the Bonds are a valid general obligation of the Town the principal of and interest on which is payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to

classified property, such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. We are further of the opinion that the Tax Regulatory Agreement is a valid and binding agreement of the Town.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income for federal income tax purposes. The Town has covenanted in the Tax Regulatory Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In our opinion, under existing statutes and court decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax. Interest on the Bonds is, however, includable in adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations. We express no opinion regarding any other federal income tax consequences caused by ownership or disposition of, or receipt of interest on, the Bonds.

In rendering the foregoing opinions regarding the federal tax treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and expectations, and certifications of fact contained in the Tax Regulatory Agreement, and (ii) the compliance by the Town with the covenants and procedures set forth in the Tax Regulatory Agreement as to such tax matters.

We are further of the opinion that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding any other State or local tax consequences caused by the ownership or disposition of the Bonds.

The rights of owners of the Bonds and the enforceability of the Bonds and the Tax Regulatory Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by application of equitable principles, whether considered at law or in equity.

Very truly yours,

ROBINSON & COLE LLP

Appendix C

Form of Continuing Disclosure Agreement

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FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

Town of Wilton, Connecticut
\$7,910,000 General Obligation Bonds, Issue of 2012
dated September 28, 2012

September __, 2012

WHEREAS, the Town of Wilton, Connecticut (the "Town") has heretofore authorized the issuance of \$7,910,000 in aggregate principal amount of its General Obligation Bonds, Issue of 2012, dated September 28, 2012 (the "Bonds"), and to mature on the dates and in the amounts and set forth in the Town's Official Statement dated September __, 2012, describing the Bonds (the "Official Statement"); and

WHEREAS, the Bonds have been sold by a competitive bid pursuant to a Notice of Sale, dated September 11, 2012, (the "Notice of Sale"); and

WHEREAS, in the Notice of Sale, the Town has heretofore acknowledged that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the Town has undertaken in a written agreement for the benefit of the beneficial owners of the Bonds to provide certain continuing disclosure information as required by Securities and Exchange Commission Rule 15c2-12(b)(5), as amended from time to time (the "Rule"), and the Town desires to assist the underwriter of the Bonds in complying with the Rule; and

WHEREAS, the Town is authorized pursuant to Section 3-20e of the General Statutes of Connecticut to make such representations and agreements for the benefit of the beneficial owners of the Bonds to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriter of the Bonds in complying with the Rule, this Continuing Disclosure Agreement (this "Agreement") is to be made, executed and delivered by the Town in connection with the issuance of the Bonds and to be described in the Official Statement, all for the benefit of the beneficial owners of the Bonds, as they may be from time to time;

NOW, THEREFORE, the Town hereby represents, covenants and agrees as follows:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

"Annual Report" shall mean any Annual Report provided by the Town pursuant to, and as described in, Sections 2 and 3 of this Agreement.

"Fiscal Year End" shall mean the last day of the Town's fiscal year, currently June 30.

"Listed Events" shall mean any of the events listed in Section 4 of this Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor thereto.

"Repository" shall mean the Electronic Municipal Market Access system as described in 1934 Act Release No. 57577 for purposes of the Rule, the MSRB or any other nationally recognized municipal securities information repository or organization recognized by the SEC from time to time for purposes of the Rule.

"SEC" shall mean the Securities and Exchange Commission of the United States or any successor thereto.

Section 2. Annual Reports.

(a) The Town shall provide or cause to be provided to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, the following annual financial information and operating data regarding the Town:

(i) Audited financial statements as of and for the year ending on its Fiscal Year End prepared in accordance with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time; and

(ii) Financial information and operating data as of and for the year ending on its Fiscal Year End of the following type to the extent not included in the audited financial statements described in (i) above:

(A) the amounts of the gross and net taxable grand list;

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

(C) the percentage and amount of the annual property tax levy collected and uncollected;

(D) a schedule of the annual debt service on outstanding long-term bonded indebtedness;

(E) a calculation of the net direct debt, total direct debt, and total overall net debt (reflecting overlapping and underlying debt);

(F) the total direct debt, total net direct debt and total overall net debt of the Town per capita;

(G) the ratios of total direct debt and total overall net debt of the Town to the Town's net taxable grand list;

(H) a statement of statutory debt limitations and debt margins; and

(I) the funding status of the Town's pension benefit obligations.

(b) The above-referenced information is expected to be provided by the filing of and cross reference to the Town's audited financial statements. The information may be provided in whole or in part by cross-reference to other documents previously provided to the Repository, including official statements of the Town which will be available from the MSRB.

(c) Subject to the requirements of Section 8 hereof, the Town reserves the right to modify from time to time the type of financial information and operating data provided or the format of the presentation of such financial information and operating data, to the extent necessary or appropriate; provided that the Town agrees that any such modification will be done in a manner consistent with the Rule. The Town also reserves the right to modify the preparation and presentation of financial statements described herein as may be required to conform with changes in Connecticut law applicable to municipalities or any changes in generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time.

Section 3. Timing. The Town shall provide the financial information and operating data referenced in Section 2(a) not later than eight months after each Fiscal Year End subsequent to the date of issuance of the Bonds, provided, however, that if such financial information and operating data for the Fiscal Year End preceding the date of issuance of the Bonds is not contained in the Official Statement for the Bonds or has not otherwise been previously provided, the Town shall provide such financial information and operating data no later than eight months after the close of such preceding Fiscal Year End. The Town agrees that if audited financial statements are

not available eight months after the close of any Fiscal Year End, it shall submit unaudited financial statements by such time and will submit audited financial statements information when and if available.

Section 4. Event Notices. The Town agrees to provide, or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, of the occurrence of any of the following events:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership, or similar event of any obligated person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving any obligated person or the sale of all or substantially all of the assets of any obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake any such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material; and
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if any, if material.

Section 5. Notice of Failure. The Town agrees to provide, or cause to be provided, in a timely manner to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, notice of any failure by the Town to provide the annual financial information described in Section 2(a) of this Agreement on or before the date described in Section 3 of this Agreement.

Section 6. Termination of Reporting Obligation. The Town's obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Agent. The Town may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the Town may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Town, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) this Agreement, as so amended, would have complied with the requirements of the Rule as of the date of this Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the Repository in electronic format. The Annual Report provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of financial information or operating data provided.

Section 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the Town from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or providing notice of the occurrence of any other event, in addition to that which is required by this Agreement. If the Town chooses to include any other information in any Annual Report or provide notice of the occurrence of any other event in addition to that which is specifically required by this Agreement, the Town shall have no obligation under this Agreement to update such information or include or provide such information or notice of the occurrence of such event in the future.

Section 10. Indemnification. The Town agrees, pursuant to applicable law, to indemnify and save its officials, officers and employees harmless against any loss, expense or liability which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any loss, expense or liability due to any such person's malicious, wanton, or willful act. The obligations of the Town under this Section shall survive termination of this Agreement.

Section 11. Enforceability. The Town agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the Town shall fail to perform its duties hereunder, the Town shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. In the event the Town does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the Town's obligations hereunder. No monetary damages shall arise or be payable hereunder, nor shall any failure to comply with this Agreement constitute a default of the Town with respect to the Bonds.

IN WITNESS WHEREOF, the Town has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

TOWN OF WILTON, CONNECTICUT

By: _____
William F. Brennan
First Selectman

By: _____
Sandra L. Dennies
Chief Financial Officer & Town Treasurer

Appendix D

Notice of Sale

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NOTICE OF SALE
\$7,910,000
TOWN OF WILTON, CONNECTICUT
GENERAL OBLIGATION BONDS, ISSUE OF 2012
(BANK QUALIFIED)

Electronic bids (as described herein) will be received by the **TOWN OF WILTON**, Connecticut (the "Town"), until 11:30 A.M. (E.D.T.) Wednesday,

SEPTEMBER 19, 2012

for the purchase of all, but not less than all, of the \$7,910,000 Town of Wilton, Connecticut General Obligation Bonds, Issue of 2012 (the "Bonds"). Electronic bids must be submitted via **PARITY**[®]. (See "Electronic Bidding Procedures").

The Town reserves the right to make changes to the provisions of this Notice of Sale, including the date and time of the sale, prior to the date and time of sale set forth above. Any such changes will be posted through **PARITY**[®]. Prospective bidders are advised to check for such **PARITY**[®] postings prior to the above stated sale time.

The Bonds

The Bonds will be dated September 28, 2012, mature in the principal amounts of \$400,000 on September 15 in each of the years 2013-2028, both inclusive, \$385,000 on September 15, 2029 and \$375,000 in each of the years 2030-2032, both inclusive, bear interest payable on March 15, 2013 and semiannually thereafter on September 15 and March 15 in each year until maturity, or earlier redemption, as further described in the Preliminary Official Statement for the Bonds dated September 11, 2012 (the "Preliminary Official Statement").

Redemption

The Bonds maturing on or before September 15, 2021 are not subject to redemption prior to maturity. The Bonds maturing on September 15, 2022 and thereafter are subject to redemption prior to maturity, at the election of the Town, on and after September 15, 2021, at any time, in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine, at the respective prices (expressed as percentages of the principal amounts of Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
September 15, 2021 and thereafter	100%

Nature of Obligation

The full faith and credit of the Town will be pledged for the prompt payment of the principal of and interest on the Bonds when due. The Bonds will be general obligations of the Town payable, unless paid from other sources, from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts.

Bank Qualification

The Bonds shall be designated by the Town as qualified tax exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Registration

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York (“DTC”), registered in the name of its nominee, Cede & Co., and immobilized in their custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, or its custodian, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable by the Town or its agent in Federal funds to DTC or its nominee as registered owner of the Bonds. Principal and interest payments to participants of DTC will be the responsibility of DTC. Principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Electronic Bidding Procedures

Any prospective bidder intending to submit an electronic bid must submit its electronic bid through the facilities of **PARITY**®. Subscription to i-Deal LLC’s BiDCOMP Competitive Bidding System is required in order to submit an electronic bid and the Town will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of **PARITY**® shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Town. The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, **PARITY**®, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Notice of Sale shall conflict with information provided by **PARITY**® as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about **PARITY**®, including any fee charged, may be obtained from **PARITY**®, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Service Department (telephone: (212) 849-5021 - email notice: parity@i-deal.com).

For purposes of the electronic bidding process, the time as maintained by **PARITY**® shall constitute the official time. For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the Town, computed and rounded to six decimal places, as described under “Bid Specifications/Basis of Award” below. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale.

Bid Specifications/Basis of Award

Each bid must be for the entire \$7,910,000 of Bonds and must specify the rate or rates of interest therefor in a multiple of 1/20 or 1/8 of 1% per annum. Bids shall not state more than one interest rate for any Bonds having the same maturity date. The highest interest rate bid for a maturity and the lowest rate bid for any other maturity may not differ by more than two (2%) percentage points. Interest shall be computed on

the basis of twelve 30 day months and a 360 day year. No bid for less than all of the Bonds or for less than par and accrued interest, if any, will be considered.

For the purpose of determining the successful bidder, the true interest cost to the Town will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds to September 28, 2012, the date of the Bonds, results in an amount equal to the purchase price for the Bonds, not including interest accrued to September 28, 2012, the delivery date of the Bonds. It is requested that each bid be accompanied by a statement of the percentage of true interest cost computed and rounded to six decimal places. Such statement shall not be considered as a part of the proposal. The Bonds will be awarded or all bids will be rejected promptly after the bid opening, but not later than 4:00 P.M. (E.D.T.) on September 19, 2012. The purchase price must be paid in Federal funds.

The Town reserves the right to reject any and all bids and to waive any irregularity or informality with respect to any proposal. The Town further reserves the right to postpone the sale to another time and date in its sole and absolute discretion for any reason, including, without limitation, internet difficulties. The Town will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Unless all bids are rejected or the bid is postponed, the Bonds will be awarded to the bidder offering to purchase them at the lowest true interest cost.

Closing Documents and Legal Opinion

The Bonds will be certified by U.S. Bank National Association, Hartford, Connecticut. The legality of the Bonds will be passed upon by Robinson & Cole LLP, Bond Counsel, Hartford, Connecticut, and the winning bidder will be furnished with their opinion without charge. The winning bidder will also be furnished with a signature and no litigation certificate, a receipt of payment satisfactory in form to Bond Counsel, a signed copy of the final Official Statement prepared for the Bonds, a certificate signed by the appropriate officials of the Town relating to the accuracy and completeness of information contained in the final Official Statement, and an executed continuing disclosure agreement.

The legal opinion will further state that, (i) under existing statutes and court decisions, interest on the Bonds is excluded from gross income for federal income tax purposes, (ii) such interest is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax, but is, however, includable in adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations, (iii) under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and (iv) such interest is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay federal alternative minimum tax. In rendering the legal opinion, Robinson & Cole LLP will rely upon and assume the material accuracy of the representations and statements of expectation contained in the Tax Regulatory Agreement entered into by the Town for the benefit of the owners of the Bonds, and further, will assume compliance by the Town with the covenants and procedures set forth in such Tax Regulatory Agreement. A copy of the opinion will be printed upon each of the Bonds, and a signed opinion and transcript of proceedings will be filed with U.S. Bank National Association, in Hartford, Connecticut, and will be available for examination upon request.

Settlement of the Bonds

It shall be the responsibility of the winning bidder to certify to the Town before delivery of the Bonds the prices at which a substantial amount of the Bonds of each maturity were initially offered and sold to the public.

The Bonds will be available for delivery on or about September 28, 2012. The deposit of the Bonds with DTC or its custodian under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the winning bidder to obtain CUSIP numbers for the Bonds prior to delivery, and the Town will not be responsible for any delay occasioned by the failure of the winning bidder

to obtain such numbers and to supply them to the Town in a timely manner. The Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the winning bidder.

The Preliminary Official Statement is in a form “deemed final” by the Town for purposes of SEC Rule 15c2-12(b)(1). The winning bidder will be furnished 100 copies of the final Official Statement prepared for the Bonds at the Town’s expense. Additional copies may be obtained by the winning bidder at its own expense by arrangement with the printer. The copies of the final Official Statement will be made available to the winning bidder no later than seven business days after the bid opening at the office of the Town’s financial advisor. If the Town’s financial advisor is provided with the necessary information from the winning bidder by 12:00 p.m. (noon) on the day after the bid opening, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, ratings, yields or reoffering prices, the name of the managing underwriter, and the name of the insurer, if any, of the Bonds.

Continuing Disclosure

The Town will undertake in a Continuing Disclosure Agreement entered into in accordance with the requirements of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission, to provide (i) certain annual financial information and operating data, including audited financial statements; (ii) timely notice of the occurrence of certain events within 10 business days of the occurrence of such events with respect to the Bonds; and (iii) timely notice of its failure to provide such annual financial information. The winning bidder’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement for the Bonds.

Related Information

For more information regarding the Bonds and the Town, reference is made to the Preliminary Official Statement. Copies of the Preliminary Official Statement may be obtained from the undersigned, or from the Town’s financial advisor, Matthew Spoerndle, Managing Director, Phoenix Advisors, LLC, 53 River Street, Suite 1, Milford, CT 06460, Telephone No. (203) 878-4945.

WILLIAM F. BRENNAN
First Selectman

SANDRA L. DENNIES
Chief Financial Officer & Town Treasurer

September 11, 2012