

# **TOWN OF RIDGEFIELD, CONNECTICUT**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2006**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**of the**

**TOWN OF RIDGEFIELD,  
CONNECTICUT**

**FOR THE YEAR ENDED  
JUNE 30, 2006**

**PREPARED BY:**

**THE FINANCE DEPARTMENT  
*JAY E. WAHLBERG*, TOWN CONTROLLER**

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2006**  
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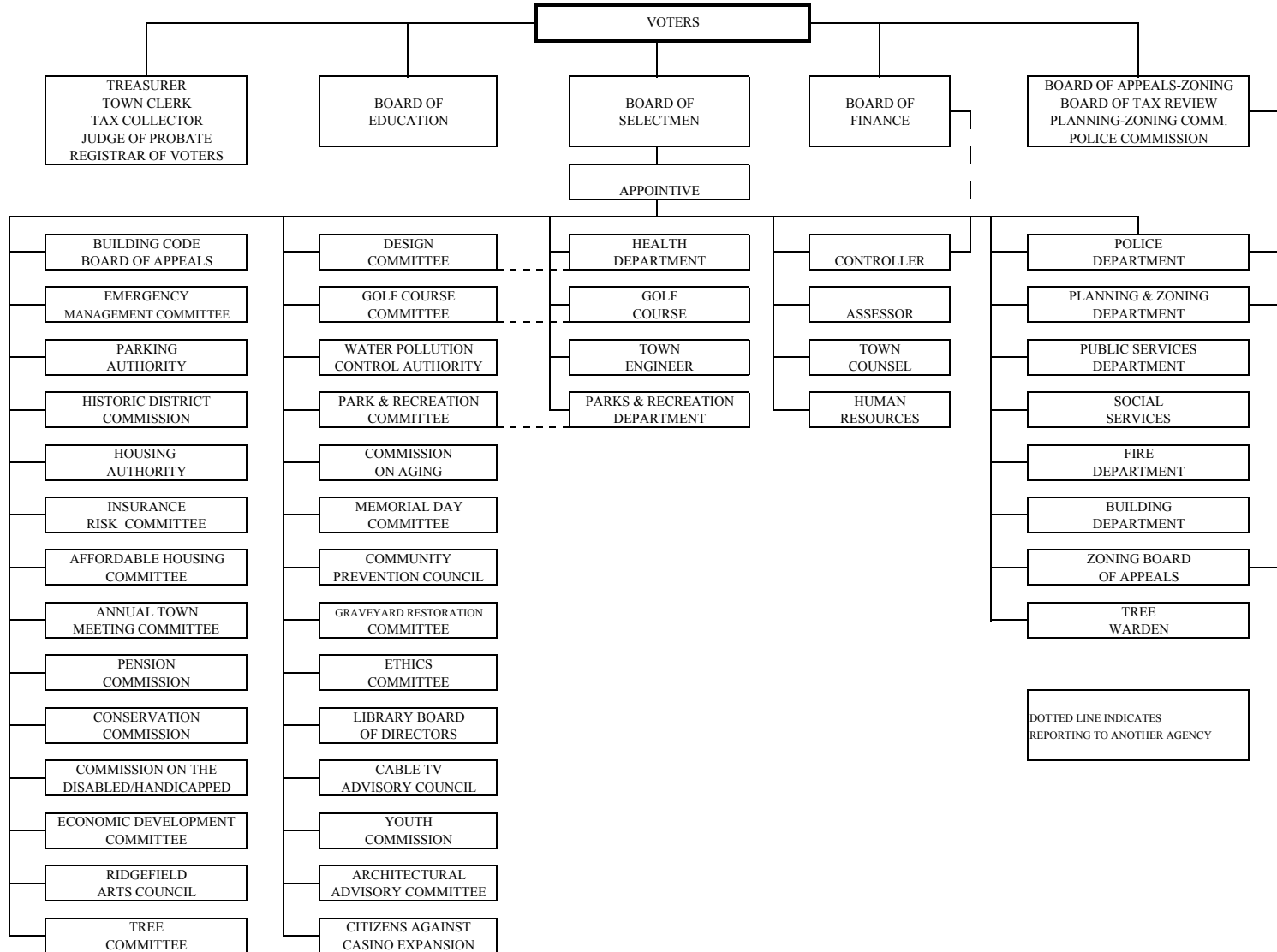
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## **Introductory Section**

# TOWN OF RIDGEFIELD, CONNECTICUT

## ORGANIZATIONAL CHART





# TOWN OF RIDGEFIELD

## Finance Department

November 1, 2006

Board of Finance  
Town of Ridgefield  
Ridgefield, Connecticut 06877

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Town of Ridgefield, Connecticut, for the fiscal year ended June 30, 2006.

This report consists of management's representations concerning the finances of the Town of Ridgefield. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Ridgefield has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town of Ridgefield's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefit, the Town of Ridgefield's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Ridgefield's financial statements have been audited by Blum, Shapiro & Company, P.C. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Ridgefield for the fiscal year ended June 30, 2006 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Ridgefield's financial statements for the fiscal year ended June 30, 2006 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.



The independent audit of the financial statements of the Town of Ridgefield was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies and a similar State Single Audit. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of major federal and state awards. These reports are available in the Town of Ridgefield’s separately issued Federal and State Single Audit Reports. GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Ridgefield’s MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Government**

The Town of Ridgefield was settled in 1708 by settlers from Norwalk and was incorporated as Connecticut’s forty-third town in October 1709. It covers an area of 35 square miles in western Fairfield County on the New York State border and serves a population of 24,080. The Town of Ridgefield is empowered to levy a property tax on both real and personal properties located within its boundaries. U.S. Route 7 and State Route Numbers 33, 35, 102 and 116 traverse the Town. The interchange of Interstate Routes 84 and 684 is conveniently located and accessible to Ridgefield. MetroNorth and intrastate buses provide passenger transportation. Daily bus schedules provide transportation to LaGuardia and Kennedy Airports in New York.

The Town of Ridgefield, pursuant to its home-rule charter, has a Town Meeting form of government with a five-member Board of Selectmen and an elected Board of Finance. Elections are held biennially in every odd-numbered year. Minority representation is guaranteed on all boards and commissions. The inhabitants also have the powers and privileges conferred and granted to Towns and Cities under the Constitution and the General Statutes of the State of Connecticut.

The First Selectman is the full-time chief executive and administrative officer of the Town and oversees the execution of all laws and ordinances governing the Town. He presides over the Board of Selectmen and has full voting privileges on the Board. He or his designee is also an ex-officio member of all Town boards, commissions and agencies, but without power to vote.

The responsibility for performing the day-to-day financial operations is shared by the Town Treasurer and a full-time Controller. The chief duties of the Treasurer are the custody of all funds, receipts and deposits of all monies due the Town, disbursement of the Town funds on order from authorized officials and execution of long and short-term investments for all funds. The Controller is responsible for the coordination and the administration of the financial affairs of the Town. He is responsible for the keeping of the accounts and financial records, the control over expenditures, payroll, preparing financial reports for proper budget control and administering the centralized data processing function. He also works closely with the First Selectman and the Board of Finance in preparing the budget and financial planning.

## **Profile of the Government (continued)**

The Town of Ridgefield provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, public works, health and welfare, education and recreational activities. In addition to general Town activities, the governing body is financially accountable for the Ridgefield Library and Historical Association, Inc., a discretely presented component unit. Information regarding the activity of the Ridgefield Library and Historical Association, Inc., has been included as an integral part of the Town of Ridgefield's financial statements. Additional information about each entity can be found in Note 1.A. of the notes to the basic financial statements.

The annual budget serves as the foundation for the Town of Ridgefield's financial planning and control. The general fund is the only fund for which a legal budget is adopted. The budget policy and procedures are described in Exhibit M, 2.A. on page 33 of the notes to the financial statements. Budget to actual comparisons are provided in this report on Exhibit G on page 21.

## **Factors Affecting Financial Condition**

The Town of Ridgefield, located in one of the highest per capita income areas of the United States, is a growing suburban residential community with expanding commercial and industrial resources. Residents are predominantly scientists, professional, technical and managerial people employed in New York City, Westchester County and Fairfield County.

**Local Economy.** Boehringer-Ingelheim, Ltd., a German drug research, development and manufacturing firm, owns 250 acres in the Town of Ridgefield. Facilities include an administrative office building, a research and development center, and an assessment and administrative support facility, for an approximate aggregate square footage of 875,000 square feet. The Boehringer facilities currently employ 1,881 people.

Despite its proximity to the larger retail centers of New York, Danbury and Stamford, Ridgefield's retail sales continue to grow. Ridgefield has experienced an influx of new commercial and retail condominium development consisting of both new construction and conversions of existing dwellings. Part of this trend is the development of mixed-use (commercial/residential) construction. There are five relatively new shopping centers, the more recent being Copps Hill covering 30 acres and the Yankee Ridge Center. New retail and commercial development continue to expand along Route 35.

**Long-Term Financial Planning.** The cooperative relationship between Boehringer-Ingelheim and the Town is the model of future relationships envisioned by the Ridgefield Economic Development Commission. Boehringer-Ingelheim has initiated a five-year multi-million dollar plan to expand its facilities in Ridgefield with upgrades to its manufacturing, research and development plant. To foster a favorable investment environment, the Town granted a seven-year tax incentive plan to Boehringer-Ingelheim upon obtaining its certificate of occupancy. The eventual tax benefit to Ridgefield will represent a significant increase to its commercial tax base.

Residential construction in the form of adult communities is also on the rise. These high-end units are attractive to many senior citizens from Ridgefield and other nearby communities. These individuals enjoy the social amenities that Ridgefield offers with minimal strain on the educational services of the school system.

## **Factors Affecting Financial Condition (continued)**

**General Fund Balance.** The undesignated fund balance of the General Fund increased by 18.50% in 2006. The current undesignated fund balance provides the Town with the equivalence of approximately 16 working days of expenditures. This significantly reduces the likelihood of the Town entering the short-term debt market to pay for current operating expenditures.

**Pension Trust Fund Operations.** The operations of the Pension Trust Fund remained relatively stable in 2006, based on economic conditions of the investment markets. The net assets held in trust increased \$5,176,716 to \$47,800,918 at June 30, 2006 as a result of current year activity. Additional information on the Town of Ridgefield's pension arrangements can be found in Exhibit M, 4.A. beginning on page 46.

**Cash Management.** Cash temporarily idle during the year was invested in demand deposits, certificates of deposit and repurchase agreements. The Pension Trust Fund's investment portfolio also includes equities, commercial paper and mutual funds. The average yield on investments, except for the Pension Trust Fund, was 3.75%. The Pension Trust Fund achieved a trust yield of 9% on a time weighted market value basis for this same period. This rate of return on pension fund investments is attributable to the market conditions, types and long-term nature of most holdings in its portfolio. The Town is limited, except for the Pension Trust Fund, by existing State of Connecticut Statutes as to the investment instruments it can purchase. Therefore, the Town investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio within the State's guidelines.

**Risk Management.** The Town has a limited risk management program for health, property and casualty claims. As part of this comprehensive plan, resources are being accumulated in an internal service fund to meet potential losses. In addition, various risk control techniques, including employee accident prevention training, have been implemented to minimize related losses. All third-party coverage is currently maintained for claims greater than the established risk assumption policy. However, future plans include the assumption of additional risk of loss by the Town.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Ridgefield for its Comprehensive Annual Financial Report for the year ended June 30, 2005. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. I would like to express my sincere appreciation to all members of the Finance Department who contributed greatly to its preparation.

In closing, without the leadership and support of the First Selectman, Rudolph Marconi, the Board of Selectmen and Board of Finance of the Town of Ridgefield, preparation of this report would not have been possible.

Sincerely yours,

A handwritten signature in black ink, appearing to read "J. Wahlberg", enclosed within a large, loopy oval flourish.

Jay E. Wahlberg  
Town Controller

**TOWN OF RIDGEFIELD, CONNECTICUT**

**LIST OF PRINCIPAL OFFICIALS  
JUNE 30, 2006**

**BOARD OF SELECTMEN**

Rudolph Marconi, First Selectman  
Di Masters, Selectman  
Barbara Manners, Selectman  
Joan Plock, Selectman  
Andrew Bodner, Selectman

**BOARD OF FINANCE**

Marty Heiser, Chairman  
Peter Gomez, Member  
Dave Ulmer, Member  
Glenn Cordelli, Member  
Kevin Walsh, Member

**TOWN DEPARTMENTS**

Maureen Kiernan, Treasurer  
Jay E. Wahlberg, Controller  
Alfred Garzi, Tax Assessor  
Jane Berendsen-Hill, Tax Collector  
Dr. Kenneth Freeston, Superintendent of Schools  
Dan Carlin, Business Manager of Schools  
Peter Hill, Superintendent of Highways  
Charles Fisher, Town Engineer  
Joseph Egan, Judge of Probate  
Barbara Serfilippi, Town Clerk  
Richard Ligi, Chief of Police  
Heather Burford, Fire Chief  
William Reynolds, Building Official  
Betty Brosius, Planning & Zoning  
Edward Briggs, Health Department  
Paul Roche, Parks & Recreation Director  
Mary Ann Baldwin, Social Services Director

**AUDITORS**

Blum, Shapiro & Company, P.C.

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Ridgefield,  
Connecticut

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2005

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



President

Executive Director

## **Financial Section**



## **Report of Independent Accountants**

To the Members of the Board of Finance  
Town of Ridgefield, Connecticut

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of Ridgefield, Connecticut, as of and for the year ended June 30, 2006, which collectively comprise the Town of Ridgefield, Connecticut'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 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 discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of Ridgefield, Connecticut, as of June 30, 2006 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.

Management's discussion and analysis on pages 3 through 14 and the schedule of funding progress - Pension Trust Funds on pages 51 and 52 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and



presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2006 on our consideration of the Town of Ridgefield, Connecticut's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

*Blum, Shapiro & Company, P.C.*

November 1, 2006

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2006**

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**Introduction**

This Comprehensive Annual Financial Report (CAFR) incorporates the financial reporting requirements of the Government Accounting Standards Board (GASB) Statement 34. Fund statements measure and report the “operating results” of many funds by presenting the short-term performance of individual funds using the same measures governments use when financing current operations. Showing budgetary compliance is an important part of governmental accountability, therefore we include the original budget as well as the final amended budget in this report.

Our objective is to provide a readable analysis of our financial performance for the year. Taken together, the following statements should enable you to assess whether the Town of Ridgefield’s financial position has improved or deteriorated as a result of the year’s operations. The CAFR includes government-wide financial statements prepared on the accrual basis for all of the Town’s activities. Accrual accounting measures not just current assets and current liabilities, but long-term assets and liabilities as well. It also reports all revenues and all costs of providing services each year, not just those received or paid in the current fiscal year.

In summary, the government-wide financial statements will allow:

- The assessment of the finances of the Town in its entirety, including the year’s operating results
- Determination of whether the overall financial position improved or deteriorated
- Evaluation of whether current year revenues were sufficient to pay for current year services
- Presentation of the costs of providing the services the Town provides
- Presentation of how each service is financed - through user fees and other program revenues versus general tax revenues
- Understanding the extent to which your government has invested in capital assets, including roads, bridges, sewers, schools, parks and other infrastructure assets

**Overview of the Financial Statements**

**Management Discussion and Analysis (MD&A)**

The MD&A is an introduction to the basic financial statements and an analytical overview of the Town’s financial activities. The MD&A provides an objective and easily readable analysis of the Town’s financial activities based on currently known facts, decisions or conditions.

**Basic Financial Statements**

***Government-Wide Financial Statements*** are designed to provide readers with a broad overview of Ridgefield’s finances in a manner similar to private-sector businesses. They include a statement of net assets which presents information on all of the Town’s assets and liabilities with the difference

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

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between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year.

All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. The government-wide financial statements include not only the Town itself (known as the primary government), but also the legally separate Ridgefield Library Association, Inc., for which the Town is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

Fiduciary activities whose resources are not available to finance our governmental programs are excluded from these statements.

Capital assets, including infrastructure, are reported along with depreciation expense in the statement of activities. Net assets are reported as capital assets net of related debt, restricted, and unrestricted. Permanent endowments or permanent fund principal amounts included in restricted net assets are shown as either expendable or nonexpendable.

Expenses are presented reduced by program revenues, resulting in a measurement of "net (expense) revenue" for each of the government's functions. Program expenses include all direct expenses. General revenues such as taxes, unrestricted grants and contributions, and investment income are reported separately, ultimately arriving at the change in net assets for the period.

***Fund Financial Statements*** are a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Ridgefield, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental fund financial statements include financial data for the General Fund, Special Revenue Funds, Capital Projects and Permanent Fund. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements with similar information presented for governmental funds in the long-term impact of the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

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The Town maintains twenty individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Bonded Projects Fund, the Capital and Nonrecurring Fund and the Sewer Bond Repayment Fund, all of which are considered to be major funds. Data from the other sixteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The Town of Ridgefield adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary fund financial statements include the financial data for the Internal Service Fund, which is the only type of proprietary fund maintained by the Town. Internal service funds are an accounting device used to calculate and allocate costs internally among the Town's various functions. The Town uses internal service funds to charge costs for the limited risk management program for property and casualty claims and employee health claims. Because these services predominantly benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

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 statements because the resources of those funds are not available to support the Town of Ridgefield's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

#### **Notes to Basic Financial Statements**

Notes to the basic financial statements provide information essential to your understanding of the data provided in the government-wide and fund financial statements.

#### **Required Supplementary Information (RSI)**

RSI consists of MD&A and the Town of Ridgefield's Retirement System progress in funding its obligation to provide pension benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions.

#### **Financial Highlights**

- ❖ The assets of the Town of Ridgefield exceeded its liabilities at the close of the most recent year by \$66,413,995 (net assets). Of this amount, \$14,309,845 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- ❖ The government's total net assets increased by \$6,731,967. The most significant reasons for the increase were an increase of governmental fund balances of \$4,954,913 and a net reduction in indebtedness of \$1,151,979.

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

- ❖ As of the close of the current fiscal year, the Town's governmental funds reported combining ending fund balances of \$12,478,455, an increase of \$4,954,913 in comparison with the prior year. Of this amount, \$11,305,874 is available for spending at the government's discretion (unreserved fund balance).
- ❖ At the end of the current fiscal year, unreserved undesignated fund balance for the General Fund was \$7,696,456 or 7.14% of total general fund expenditures of \$107,834,966.
- ❖ Ridgefield issued no new long-term debt in fiscal year 2006. However, we reduced our outstanding bonds by \$8,435,000 and our outstanding long-term notes by \$600,792 through scheduled principal payments. Total bonded debt at the end of the fiscal year amounted to \$127,790,000 and long-term notes amounted to \$4,067,554. During the year, we issued \$7,180,000 of bond anticipation notes to temporarily fund over two years \$3 million of school projects, \$1.42 million of remaining Bennett's Pond costs, and the balance for a variety of Town-wide capital projects.

**Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. About three-quarters (75.86%) of Ridgefield's net assets reflect its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

**Table 1. Net Assets (Net of Accumulated Depreciation)**

	<b>Total Primary Government 2006</b>	<b>Total Primary Government 2005</b>
Current and other assets	\$ 22,779,625	\$ 17,932,133
Capital assets	<u>193,690,678</u>	<u>194,071,630</u>
Total Assets	<u>216,470,303</u>	<u>212,003,763</u>
Long-term debt outstanding	144,799,261	146,498,417
Other liabilities	<u>5,257,047</u>	<u>5,823,318</u>
Total Liabilities	<u>150,056,308</u>	<u>152,321,735</u>
Net assets:		
Invested in capital assets, net of related debt	50,382,144	47,573,213
Restricted	1,722,006	3,372,688
Unrestricted	<u>14,309,845</u>	<u>8,736,127</u>
Total Net Assets	<u>\$ 66,413,995</u>	<u>\$ 59,682,028</u>

The balance of unrestricted net assets, \$14,309,845, may be used to meet the Town's ongoing obligations to citizens and creditors.

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net assets, both for the Town as a whole, as well as for its separate governmental activities.

The government's net assets increased by \$6,731,967 during the current fiscal year. The Town brought in net general revenues of \$97,784,562 which exceeded its net operating expenses of \$91,052,595 by the amount of the net asset increase. Gross expenses of \$111,366,163 were offset by \$12,369,005 in charges for services, \$141,008 in capital grants and contributions, and \$7,803,555 in operating grants and contributions. Of the net expenses, \$65,011,635 was accounted for by the Board of Education. Public safety net expenses of \$8,415,756, interest expense of \$4,928,113, and public works net expenses of \$5,434,783 accounted for almost all expenses. The majority of the Town's revenue was \$95,793,280 in property tax collections, \$848,591 in investment income, and \$1,142,691 of unrestricted grants, contributions and miscellaneous revenues.

**Governmental Activities.** Governmental activities accounted for all of Ridgefield's increase in net assets. Key elements contributing to this increase are as follows:

**Table 2. Changes in Net Assets**

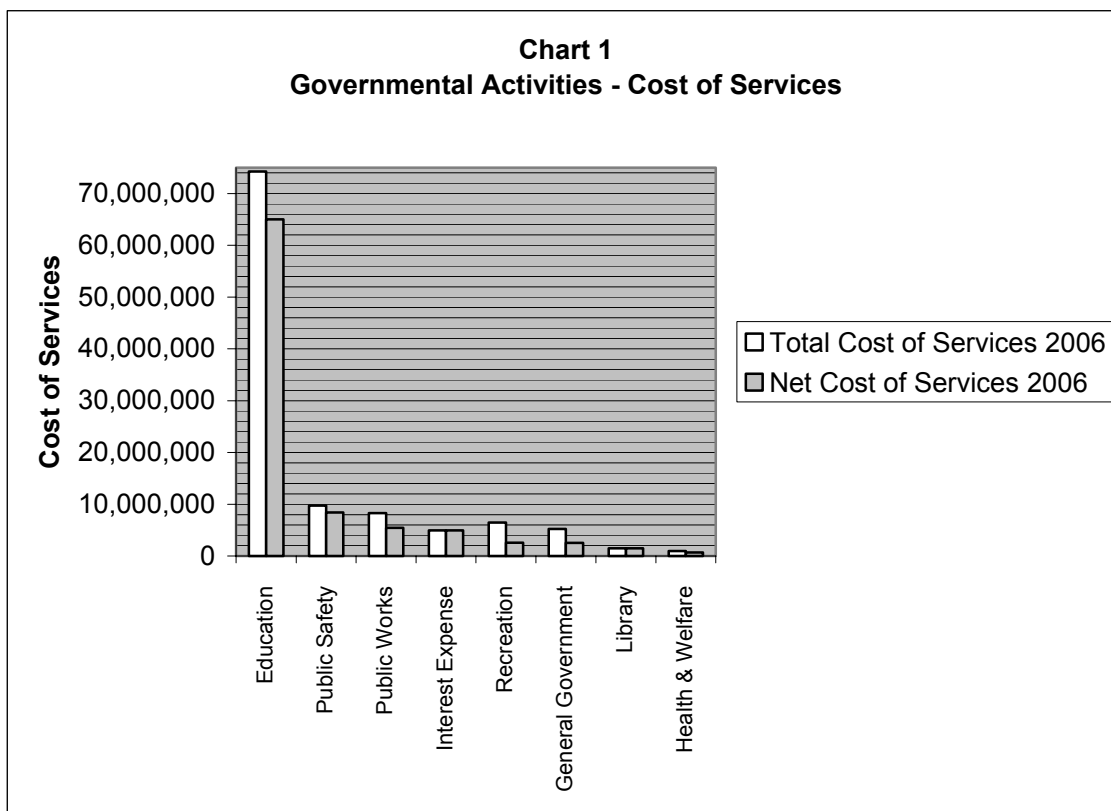
	<b>Total Primary Government 2006</b>	<b>Total Primary Government 2005</b>
Revenues:		
Program revenues:		
Charges for services	\$ 12,369,005	\$ 11,592,237
Operating grants and contributions	7,803,555	4,684,942
Capital grants and contributions	141,008	255,143
General revenues:		
Property taxes	95,793,280	88,777,534
Grants and contributions not restricted to specific programs	106,291	756,132
Unrestricted investment earnings	848,591	450,439
Donations of capital assets	414,820	29,140
Miscellaneous	621,580	756,558
Total Revenues	<u>118,098,130</u>	<u>107,302,125</u>
Program Expenses:		
General government	5,226,056	4,541,033
Health and welfare	964,674	836,882
Recreation	6,456,843	6,069,623
Public safety	9,747,366	9,294,400
Public works	8,306,575	8,649,358
Education	74,257,956	70,525,966
Library	1,478,580	1,549,143
Interest	4,928,113	6,118,255
Total Program Expenses	<u>111,366,163</u>	<u>107,584,660</u>
Increase (decrease) in net assets	6,731,967	(282,535)
Net Assets - July 1	<u>59,682,028</u>	<u>59,964,563</u>
Net Assets - June 30	<u>\$ 66,413,995</u>	<u>\$ 59,682,028</u>

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

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- Property taxes collected increased by \$7,015,746 (7.9%) between fiscal year 2005 and 2006. Operating grants and contributions rose \$3.1 million due to increased education funding.
- Program expenses rose \$4.78 million over the previous year driven in part by the \$4.14 million Board of Education budget increase. Our interest expense has decreased approximately \$1.2 million as a result of reduction of bond principal.

Chart 1 presents the costs of each of the Town's eight major governmental activities as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

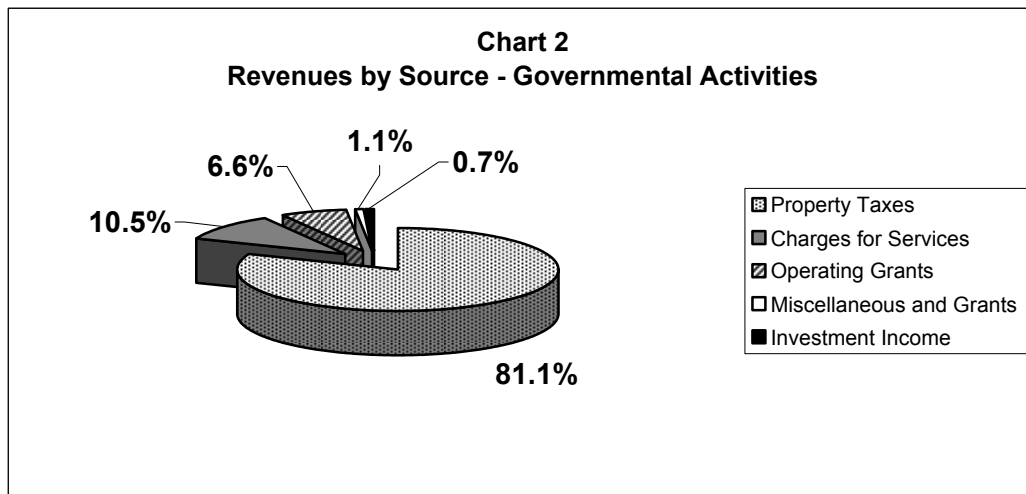


For the most part, the rise in expenses reflects the higher cost of education, the spiraling price of energy, and increased benefit (health care, pension) expense for Town employees.

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

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Chart 2 presents in five categories the most significant sources of revenues Ridgefield drew upon to fund its operations during the year.



### **Financial Analysis of the Government's Funds**

As noted earlier, Ridgefield uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$12,478,455, an increase of \$4,954,913 from the prior year's amount. The rise in governmental funds fund balance arose in part due favorable General Fund operations of \$2.2 million and an unexpended balance of \$3.3 million in the Bonded Projects Fund. Approximately \$11.3 million of the governmental funds fund balance constitutes unreserved fund balance that is available for spending at the government's discretion. The remainder of the fund balance, \$1,172,581, is reserved to indicate that it is not available for new spending because it has already been committed 1) to liquidate encumbrances of the prior period in the amount of \$440,412; 2) \$25,000 for permanently restricted endowments; and 3) \$707,169 for debt service payments (sewer).

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the unreserved General Fund balance was \$7,696,456, while total General Fund balance amounted to \$8,136,868. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved General Fund balance and total General Fund balance to total General Fund expenditures of \$107,834,966. Unreserved General Fund balance represents 7.14% of total General Fund expenditures, while total General Fund balance represents 7.55% of that same amount.



**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

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The Town of Ridgefield's governmental funds fund balance increased by \$4,954,913 during the current fiscal year. Key factors in this increase are as follows:

- The General Fund realized revenues of \$110,914,321 and expenditures of \$107,834,966 for a positive operating result of \$2,156,757. Transfers in of \$189,140 and transfers out of \$1,111,738 generated a net other financing use of \$(922,598). The net change in fund balance for the General Fund was an increase of \$2,156,757 to \$8,136,868.
- The Bonded Projects Fund reflects bond anticipation note (BAN) proceeds of \$7,180,000 and new capital lease assets of \$871,635. Capital outlay and debt service expenditures of \$4,756,633 produced a net excess of revenues over expenditures of \$3,295,002. We use this fund to account for our various construction projects, and the results of FY 2006 operations leave a positive fund balance of \$2,873,717.
- The Town does not maintain a debt service fund for its general obligation debt, but it does use the Sewer Bond Repayment Fund to account for sewer bond debt service. The Sewer Bond Repayment Fund has a total fund balance reserved for debt service of \$707,169. The net increase in fund balance during the current year in the Sewer Bond Repayment Fund was \$120,518. The increase in fund balance came about as a result of charges for services and other income of \$290,342 less transfers out of \$169,824. There were no expenditures from the fund during the fiscal year.
- Nonmajor Governmental Funds reflect total revenues of \$5,854,419 and total expenditures of \$6,568,812 for an operating deficit \$714,393. Coupled with a net other financing sources and uses balance of \$1,092,422, the nonmajor governmental funds balance increased a total of \$378,029. Most of this increase was the result of transfers in from the general fund totaling \$1,115,362 to several special revenue nonmajor funds, of which a transfer of \$620,836 to school miscellaneous and \$242,574 to the Sewer Operating I, II, and III Fund constituted the most significant.

**General Fund Budgetary Highlights**

During the year, there were a number of minor adjustments, transfers and additional appropriations totaling a net \$368,500, representing .35% of the original budget and .348% of the final budget. All appropriations were funded from the revenue budget as opposed to fund balance. The meaningful affected line items can be briefly summarized as follows:

- Revenue increases were added to the Town Clerk (\$150,000), the Police Department (\$175,000), and the Fire Department (\$43,500);
- General government was reduced \$229,500 with \$163,000 taken from insurance and benefits and \$51,000 from the Building Department;
- Public Safety grew an additional \$211,500 with \$180,500 going to the Fire Department for special duty and overtime and \$57,000 to the Police Department for special duty traffic control during Route 7 reconstruction. The transfers were partially offset by a \$26,000 reduction to the Parking Authority;

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

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- Public Works realized a \$195,000 increase in the Highway Department for snow related expenses and the utilities account for increased gasoline and diesel costs.

Operational results generated a favorable revenue variance from budget of \$1,375,131 arising from an additional \$735,696 in charges for services, \$363,075 more investment income, \$113,528 in additional taxes collected and miscellaneous other items. Expenditures also produced a favorable budget variance of \$727,451 arising from \$621,418 of reduced education expenditures and \$106,033 across numerous line items. The total favorable variance of \$2,310,217 was responsible for our increased fund balance.

**Capital Asset and Debt Administration**

**Capital Assets.** The Town of Ridgefield's investment in capital assets for its governmental assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges. Note C. of Notes to the Financial Statements details our capital project expenditures of \$4,115,454 during the fiscal year. The total net increase (before depreciation) in the Town's investment in capital assets for the current fiscal year was \$3,442,495, a 1.67% increase for governmental activities.

Major capital asset acquisitions during the current fiscal year included the following:

- \$414,820 - Two parcels of land were donated to the Town, one 14-acre piece on Neds Mountain Road and another 7-acre lot on Copps Hill Road;
- \$870,058 - Construction in progress reflects work on a sewer pumping station on Copps Hill Road;
- \$1,805,336 - Machinery and equipment consisted of numerous items, among them a new fire engine (\$350,000), a major data processing upgrade for the Town (\$180,000), a \$200,000 Mack truck plus another smaller truck for the Highway Department, Police vehicle replacements of about \$150,000, with the balance being Parks and Recreation vehicles and park maintenance equipment;
- \$1,025,240 - Infrastructure was road drainage work in the amount of \$250,000 and our ongoing road overlay program at \$750,000 covering approximately ten miles of road each year.

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

**Table 3. Capital Assets at Year End  
(Net of Depreciation)**

	<b>Total Primary Government</b>	
	<b>2006</b>	<b>2005</b>
Land	\$ 28,475,891	\$ 28,061,071
Land improvements	2,350,226	2,500,901
Buildings and improvements	126,124,887	127,968,339
Machinery and equipment	7,114,427	7,228,957
Infrastructure	28,755,189	28,312,362
Construction in progress	870,058	
Total	<u>\$ 193,690,678</u>	<u>\$ 194,071,630</u>

Additional information on the Town of Ridgefield's capital assets can be found in Exhibit M, Notes to Financial Statements, Note C., Capital Assets, of this report.

**Long-Term and Short-Term Debt.** At the end of the current fiscal year, the Town of Ridgefield had outstanding \$127,790,000 of long-term bonded debt and \$4,067,554 of long-term notes. During the year, we retired \$8,435,000 of maturing bond principal and \$600,792 of maturing long-term note principal.

In fiscal 2006, we issued \$7.180 million of bond anticipation notes (BANs) for schools, Bennett's Pond and various general purposes. All outstanding debt of the Town is general obligation debt, and the Town has pledged its full faith and credit to the payment of interest and principal on both long-term and short-term indebtedness.

**Table 4. Long-Term Debt**

	<b>Total Primary Government</b>	
	<b>2006</b>	<b>2005</b>
General obligation bonds	\$ 127,790,000	\$ 136,225,000
Notes payable*	<u>4,067,554</u>	<u>4,668,346</u>
Total	<u>\$ 131,857,554</u>	<u>\$ 140,893,346</u>

Note: Excludes \$3,642,202 of bond premium to be amortized over the life of the bonds

\* Includes \$3,844,187 State of Connecticut clean water loans and \$223,367 Danbury Note, each at 2.00%

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

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The Town of Ridgefield maintains an “Aaa” rating from Moody’s Investors Service, Inc., an “AAA” rating from Standard & Poor’s, and an “AAA” from Fitch Ratings for general obligation debt.

Connecticut General Statutes Section 7-374(b) limits the amount of general obligation debt a governmental entity may issue to 7 times its tax collections plus interest and lien fees. For June 30, 2006, the maximum amount of borrowing permitted under the formula would be \$668,830,162. With net borrowings of \$126,716,305, the Town of Ridgefield’s outstanding general obligation debt is \$542,113,857 below the maximum debt limitation (see Note F. Long-Term Debt, Statutory Debt Limitation in Exhibit M, Notes to Financial Statements of this report).

The Town of Ridgefield has no overlapping debt.

**Economic Factors and Next Year’s Budget and Rates**

- The unemployment rate for the Town of Ridgefield at June 30, 2006 was 3.2%, which is a decrease from a rate of 3.7% a year ago. This compares favorably to the state’s average unemployment rate of 4.4% and the national average rate of 4.8% (not seasonally adjusted).
- The occupancy rate of the government’s central business district has remained at 96% for the past three years.
- Inflationary trends in the region compare favorably to the national indices.

The FY 2006-07 budget rose \$5,318,142 to \$110,909,355, or 5.04%, from the prior year’s final budget of \$105,591,213. Property taxes increased \$4,332,403, or 4.54%, to \$99,758,393. We continue to enjoy new housing growth, and thus we have anticipated an additional \$200,000 in fees from the Building Department and an additional \$450,000 in conveyance fees from the Town Clerk’s office. To fund the new budget, the mill rate went from 23.42 mills to 24.23 mills, a 3.46% increase.

On the expenditure side, Town operations were budgeted at \$27,410,424, a \$1,044,551, or 3.96% increase, and school operations increased \$4,302,396 to \$68,653,285, a 6.69% rise over the prior fiscal year. There were no significant new programs added, but notable increases (or decreases) in existing functions are detailed below:

- ❖ Town liability insurance dropped over \$140,000, or 26%, to \$401,250;
- ❖ Capital project expenditures for the new year were trimmed by more than \$370,000 to \$294,300;
- ❖ Employee benefits increased over \$200,000, mostly in the cost of health insurance premiums;
- ❖ Recreation Department operations rose over \$211,000 with a significant contribution from the Recreation Center for additional staffing at an added cost of \$93,510;
- ❖ The Police and Fire Departments realized significant increases over last year’s budget, \$155,279 (4.52%) and \$150,007 (5.76%), primarily in the areas of heat and fuel costs. The Fire Department also takes on a new Fire Medic;
- ❖ Public Works expenses expanded by \$244,840 reflecting higher fuel and material costs and the hiring of additional help;

**TOWN OF RIDGEFIELD, CONNECTICUT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2006**

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- ❖ Debt service rose \$370,000 despite a drop in bond principal payments due on account of a budgeted paydown of \$710,000 of the new BAN at its next renewal.

All of these factors contributed to Ridgefield's budget for the 2007 fiscal year.

**Requests for Information**

This financial report is designed to provide a general overview of the Town of Ridgefield's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Controller, 400 Main Street, Ridgefield, CT 06877.

# **Basic Financial Statements**

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**STATEMENT OF NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Ridgefield Library</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ 11,033,309	\$ 133,749
Restricted cash	24,537	
Investments	2,284,300	5,206,044
Restricted investments	25,256	1,784,882
Receivables, net:		
Property taxes	937,573	
Assessment/use charges	211,625	
Intergovernmental	236,567	
Note receivable	15,190	
Other	181,278	434,570
Other assets	2,216,331	
Total current assets	<u>17,165,966</u>	<u>7,559,245</u>
Noncurrent assets:		
Capital assets, nondepreciable	29,345,949	604,128
Capital assets, net of accumulated depreciation	164,344,729	3,419,723
Pension assets		59,363
Deferred charges	2,951,609	
Receivables, net:		
Property taxes	1,472,030	
Assessment/use charges	783,616	
Note receivable	406,404	
Total assets	<u>216,470,303</u>	<u>11,642,459</u>
Liabilities:		
Current:		
Accounts payable and accrued items	2,442,881	354,320
Interest payable	2,091,464	
Unearned revenue	722,702	26,461
Total current liabilities	<u>5,257,047</u>	<u>380,781</u>
Noncurrent liabilities:		
Due within one year	16,273,033	50,875
Due in more than one year	128,526,228	604,056
Total liabilities	<u>150,056,308</u>	<u>1,035,712</u>
Net Assets:		
Invested in capital assets, net of related debt	50,382,144	
Restricted for:		
Capital projects	480,076	
Endowments		1,791,458
Permanent Fund:		
Expendable	24,793	
Nonexpendable	25,000	
Debt service	707,169	
Other purposes	484,968	
Unrestricted	<u>14,309,845</u>	<u>8,815,289</u>
Total Net Assets	<u>\$ 66,413,995</u>	<u>\$ 10,606,747</u>

The accompanying notes are an integral part of the financial statements

## TOWN OF RIDGEFIELD, CONNECTICUT

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2006

Functions/Program Activities	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Component Unit
Primary Government:						
Governmental Activities:						
General government	\$ 5,226,056	\$ 2,689,269	\$ 265,207	\$	\$ (2,536,787)	\$
Health and welfare	964,674	23,852			(675,615)	
Recreation	6,456,843	3,747,677	137,840		(2,571,326)	
Public safety	9,747,366	1,068,908	262,702		(8,415,756)	
Public works	8,306,575	2,730,784		141,008	(5,434,783)	
Education	74,257,956	2,108,515	7,137,806		(65,011,635)	
Library	1,478,580				(1,478,580)	
Interest expense	4,928,113				(4,928,113)	
Total Primary Government	<u>\$ 111,366,163</u>	<u>\$ 12,369,005</u>	<u>\$ 7,803,555</u>	<u>\$ 141,008</u>	<u>(91,052,595)</u>	
Component Unit:						
Ridgefield Library Association, Inc.	<u>\$ 2,630,999</u>	<u>\$ 232,117</u>	<u>\$ 2,129,755</u>	<u>\$ 4,355</u>		<u>(264,772)</u>
General Revenues:						
Property taxes					95,793,280	
Grants and contributions not restricted to specific programs					106,291	
Investment income					848,591	415,368
Donations of capital assets					414,820	
Miscellaneous					621,580	7,173
Total General Revenues					<u>97,784,562</u>	<u>422,541</u>
Change in Net Assets					6,731,967	157,769
Net Assets - Beginning of Year					<u>59,682,028</u>	<u>10,448,978</u>
Net Assets - End of Year					<u>\$ 66,413,995</u>	<u>\$ 10,606,747</u>

The accompanying notes are an integral part of the financial statements



## TOWN OF RIDGEFIELD, CONNECTICUT

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2006**

	<u>General</u>	<u>Bonded Projects</u>	<u>Capital Nonrecurring</u>	<u>Sewer Bond Repayment</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>ASSETS</u></b>						
Cash and cash equivalents	\$ 5,520,473	\$ 427,713	\$	\$ 727,796	\$ 3,682,741	\$ 10,358,723
Investments	2,284,300				25,256	2,309,556
Receivables:						
Property taxes	1,961,758					1,961,758
Assessments/use charges				962,014	35,166	997,180
Intergovernmental	100,057				24,929	124,986
Notes receivable			198,227			198,227
Other	175,940				5,338	181,278
Due from other funds	596,686	2,446,004	180,000			3,222,690
Other assets	2,216,332					2,216,332
Total Assets	<u>\$ 12,855,546</u>	<u>\$ 2,873,717</u>	<u>\$ 378,227</u>	<u>\$ 1,689,810</u>	<u>\$ 3,773,430</u>	<u>\$ 21,570,730</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
Liabilities:						
Accounts payable	\$ 1,579,482	\$	\$ 127,637	\$ 20,627	\$ 250,815	\$ 1,978,561
Accrued payroll	461,157					461,157
Due to other funds			2,446,004		326,686	2,772,690
Deferred revenue	2,678,039		198,227	962,014	41,587	3,879,867
Total Liabilities	<u>4,718,678</u>	<u>-</u>	<u>2,771,868</u>	<u>982,641</u>	<u>619,088</u>	<u>9,092,275</u>
Fund balances:						
Reserved for:						
Encumbrances	440,412					440,412
Endowments					25,000	25,000
Debt service				707,169		707,169
Unreserved, reported in:						
General fund	7,696,456					7,696,456
Special revenue funds					3,104,549	3,104,549
Capital projects funds		2,873,717	(2,393,641)			480,076
Permanent funds					24,793	24,793
Total Fund Balances	<u>8,136,868</u>	<u>2,873,717</u>	<u>(2,393,641)</u>	<u>707,169</u>	<u>3,154,342</u>	<u>12,478,455</u>
Total Liabilities and Fund Balances	<u>\$ 12,855,546</u>	<u>\$ 2,873,717</u>	<u>\$ 378,227</u>	<u>\$ 1,689,810</u>	<u>\$ 3,773,430</u>	<u>\$ 21,570,730</u>

The accompanying notes are an integral part of the financial statements

## TOWN OF RIDGEFIELD, CONNECTICUT

RECONCILIATION OF BALANCE SHEET - GOVERNMENTAL ACTIVITIES  
TO STATEMENT OF NET ASSETS

JUNE 30, 2006

Amounts reported for governmental activities in the statement of net assets (page 15)  
are different because of the following:

Fund balances - total governmental funds (page 17)	\$ 12,478,455
--	---------------

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

Governmental capital assets	\$ 237,102,009	
Less accumulated depreciation	<u>(43,411,331)</u>	
		193,690,678

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

Property tax, sewer use and sewer assessment interest and lien accrual	1,253,721
Property tax, sewer use and sewer receivable - accrual basis change	3,157,165
Deferred bond issue costs	2,951,609
Allowance for doubtful accounts	(807,816)
Note receivable	223,367
Receivable from the State for school construction projects	111,581

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

245,960

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

Bonds and notes payable	(131,857,554)
Bond premium	(3,641,533)
Pension obligation	(916,731)
Claims and judgments payable	(5,336)
Interest payable on bonds	(2,091,464)
Compensated absences	(568,660)
Bond anticipation note	(7,180,000)
Capital financing leases	<u>(629,447)</u>

Net Assets of Governmental Activities (page 15)	\$ <u><u>66,413,995</u></u>
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The accompanying notes are an integral part of the financial statements

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

	<u>General</u>	<u>Bonded Projects</u>	<u>Capital Nonrecurring</u>	<u>Sewer Bond Repayment</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 95,539,518	\$	\$ 141,008	\$	\$ 1,156,207	\$ 95,539,518
Intergovernmental	6,176,504				7,473,719	7,473,719
Charges for services	8,218,603			238,149	4,035,041	12,491,793
Contributions					509,151	509,151
Income from investments	613,075		137,870	15,489	57,936	824,370
Other	366,621		151,234	36,704	96,084	650,643
Total revenues	<u>110,914,321</u>	<u>-</u>	<u>430,112</u>	<u>290,342</u>	<u>5,854,419</u>	<u>117,489,194</u>
Expenditures:						
Current:						
General government	8,428,425				80,195	8,508,620
Health and welfare	381,203				456,918	838,121
Community grants	243,604					243,604
Recreation	4,579,481				87,642	4,667,123
Public safety	6,937,466				190,876	7,128,342
Public works	4,588,554				1,396,441	5,984,995
Education	67,019,707				3,701,916	70,721,623
Library	1,478,580					1,478,580
Debt service	14,177,946	29,571			654,824	14,862,341
Capital outlay		4,727,062	1,425,505			6,152,567
Total expenditures	<u>107,834,966</u>	<u>4,756,633</u>	<u>1,425,505</u>	<u>-</u>	<u>6,568,812</u>	<u>120,585,916</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,079,355</u>	<u>(4,756,633)</u>	<u>(995,393)</u>	<u>290,342</u>	<u>(714,393)</u>	<u>(3,096,722)</u>
Other Financing Sources (Uses):						
Issuance of notes		7,180,000				7,180,000
Capital leases		871,635				871,635
Transfers in	189,140		166,200		1,115,362	1,470,702
Transfers out	(1,111,738)		(166,200)	(169,824)	(22,940)	(1,470,702)
Net other financing sources (uses)	<u>(922,598)</u>	<u>8,051,635</u>	<u>-</u>	<u>(169,824)</u>	<u>1,092,422</u>	<u>8,051,635</u>
Net Change in Fund Balances	2,156,757	3,295,002	(995,393)	120,518	378,029	4,954,913
Fund Balances - Beginning of Year	<u>5,980,111</u>	<u>(421,285)</u>	<u>(1,398,248)</u>	<u>586,651</u>	<u>2,776,313</u>	<u>7,523,542</u>
Fund Balances - End of Year	<u>\$ 8,136,868</u>	<u>\$ 2,873,717</u>	<u>\$ (2,393,641)</u>	<u>\$ 707,169</u>	<u>\$ 3,154,342</u>	<u>\$ 12,478,455</u>

The accompanying notes are an integral part of the financial statements

## TOWN OF RIDGEFIELD, CONNECTICUT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2006

Amounts reported for governmental activities in the statement of activities (page 16) are different because of the following:

Net change in fund balances - total governmental funds (page 19)	\$ 4,954,913
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Donation of capital asset	414,820
Expenditures for capital assets	3,700,634
Less current year depreciation	(4,242,973)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase net assets. In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold. (253,433)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Note receivable receipts	(29,063)
Intergovernmental revenue on school bonds	(8,165)
Decrease in property tax, sewer use and sewer assessment receivable - accrual basis change	(32,342)
Increase in property tax, sewer use and sewer assessment interest and lien revenue	265,899
Increase in property tax and sewer use allowance for doubtful accounts	(122,915)

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

Debt issued or incurred:	
Issuance of bond anticipation notes	(7,180,000)
Issuance of capital leases	(871,635)
Principal repayments:	
General obligations bonds	8,435,000
Notes payable	600,792
Capital leases	242,188
Accrued interest	619,180
Deferred charges	(207,630)
Bond premium	244,698

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.

Pension obligation	16,206
Claims and judgments	4,269
Change in long-term compensated absences	207,638

The net revenue of the activities of the Internal Service Fund is reported with governmental activities	<u>(26,114)</u>
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Change in Net Assets of Governmental Activities (page 16)	<u>\$ 6,731,967</u>
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The accompanying notes are an integral part of the financial statements

## TOWN OF RIDGEFIELD, CONNECTICUT

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2006**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Property taxes	\$ 95,425,990	\$ 95,425,990	\$ 95,539,518	\$ 113,528
Intergovernmental	2,217,316	2,217,316	2,228,527	11,211
Charges for services	7,114,407	7,482,907	8,218,603	735,696
Investment income	250,000	250,000	613,075	363,075
Miscellaneous	215,000	215,000	366,621	151,621
Total revenues	<u>105,222,713</u>	<u>105,591,213</u>	<u>106,966,344</u>	<u>1,375,131</u>
Expenditures:				
Current:				
General government	8,689,414	8,459,914	8,427,755	32,159
Health and welfare	409,817	382,817	381,203	1,614
Community grants	243,604	243,604	243,604	-
Parks and recreation	4,573,257	4,616,257	4,579,481	36,776
Public safety	6,729,423	6,940,923	6,939,466	1,457
Public works	4,212,076	4,622,576	4,588,554	34,022
Contingency	40,000			-
Education	64,350,889	63,730,053	63,108,635	621,418
Library	1,478,580	1,478,580	1,478,580	-
Debt service	14,177,951	14,177,951	14,177,946	5
Total expenditures	<u>104,905,011</u>	<u>104,652,675</u>	<u>103,925,224</u>	<u>727,451</u>
Excess of Revenues over Expenditures	<u>317,702</u>	<u>938,538</u>	<u>3,041,120</u>	<u>2,102,582</u>
Other Financing Sources (Uses):				
Cancellation of prior year's encumbrances			191,695	191,695
Transfers in	188,200	188,200	189,140	940
Transfers out	(505,902)	(1,126,738)	(1,111,738)	15,000
Net other financing uses	<u>(317,702)</u>	<u>(938,538)</u>	<u>(730,903)</u>	<u>207,635</u>
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>2,310,217</u>	<u>\$ 2,310,217</u>
Fund Balance - Beginning of Year			<u>5,386,239</u>	
Fund Balance - End of Year			<u>\$ 7,696,456</u>	

The accompanying notes are an integral part of the financial statements

## TOWN OF RIDGEFIELD, CONNECTICUT

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS

JUNE 30, 2006

	<b>Governmental Activities</b> <hr/> <b>Internal Service Fund</b> <hr/>
Assets:	
Cash	\$ <u>699,123</u>
Liabilities:	
Accounts payable	3,163
Due to other funds	<u>450,000</u>
Total Liabilities	<u>453,163</u>
Net Assets:	
Restricted	5,360
Unrestricted	<u>240,600</u>
Total Net Assets	\$ <u><u>245,960</u></u>

The accompanying notes are an integral part of the financial statements

## TOWN OF RIDGEFIELD, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2006

	<u>Governmental Activities</u> <u>Internal Service Fund</u>
Operating Revenues:	
Insurance proceeds	\$ 11,749
Premiums	<u>23,942</u>
Total operating revenues	35,691
Operating Expenses:	
Claims incurred	<u>86,026</u>
Operating Loss	(50,335)
Nonoperating Revenues:	
Investment income	<u>24,221</u>
Changes in Net Assets	(26,114)
Net Assets - Beginning of Year	<u>272,074</u>
Net Assets - End of Year	\$ <u><u>245,960</u></u>

The accompanying notes are an integral part of the financial statements

## TOWN OF RIDGEFIELD, CONNECTICUT

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2006

	<b>Governmental Activities</b>
	<b>Internal Service Fund</b>
Cash Flows from Operating Activities:	
Cash received as insurance proceeds	\$ 11,749
Cash received as premiums	473,942
Cash paid for benefits, claims and administration	(82,863)
Net cash provided by operating activities	<u>402,828</u>
Cash Flows Provided by Investing Activities:	
Investment income	<u>24,221</u>
Net Increase in Cash and Cash Equivalents	427,049
Cash - Beginning of Year	<u>272,074</u>
Cash - End of Year	<u><u>\$ 699,123</u></u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:	
Operating loss	\$ (50,335)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Increase in accounts payable	3,163
Increase in due to other funds	<u>450,000</u>
Net Cash Provided by Operating Activities	<u><u>\$ 402,828</u></u>

The accompanying notes are an integral part of the financial statements



## TOWN OF RIDGEFIELD, CONNECTICUT

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS

JUNE 30, 2006

	<b>Pension Trust Fund</b>	<b>Agency Funds</b>
	<u>                    </u>	<u>                    </u>
Assets:		
Cash and cash equivalents	\$ <u>50,142</u>	\$ <u>1,376,616</u>
Investments - at fair value:		
Mutual funds:		
Equity	14,489,638	186,241
Corporate bonds	3,311,226	
Pooled fixed income	2,370	
Pooled collective trusts	<u>29,817,188</u>	<u>368,512</u>
Total investments	<u>47,620,422</u>	<u>554,753</u>
Prepaid benefits	<u>130,354</u>	<u>                    </u>
Total assets	47,800,918	1,931,369
Liabilities:		
Accounts payable	<u>                    </u>	<u>1,931,369</u>
Net Assets:		
Net Assets Held in Trust for Pension Benefits	\$ <u><u>47,800,918</u></u>	\$ <u><u>-</u></u>

The accompanying notes are an integral part of the financial statements

## TOWN OF RIDGEFIELD, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2006

	<b>Pension Trust Fund</b>
	<u>                    </u>
Additions:	
Contributions:	
Employer	\$ 2,058,618
Plan members	460,279
Total contributions	<u>2,518,897</u>
Investment income:	
Net appreciation in fair value of investments	1,903,548
Realized gains on sale of investments	1,824,452
Interest and dividends	411,193
	<u>4,139,193</u>
Less investment expense	56,468
Net investment income	<u>4,082,725</u>
Total additions	<u>6,601,622</u>
Deductions:	
Benefits	1,371,124
Administration	53,782
Total deductions	<u>1,424,906</u>
Change in Net Assets	5,176,716
Net Assets - Beginning of Year	<u>42,624,202</u>
Net Assets - End of Year	<u><u>\$ 47,800,918</u></u>

The accompanying notes are an integral part of the financial statements

## TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****A. Financial Reporting Entity**

The Town of Ridgefield (the Town) was incorporated in 1709 and covers an area of 35 square miles. The Town operates under a Selectmen-Town Meeting form of government as prescribed by the Connecticut General Statutes and its charter, which was adopted in November 1978. The Town provides the following services as authorized by its charter: public safety (police and fire), public works (streets and highways), public health and social services, and education encompassing grades K-12.

The Town has considered all agencies, departments, commissions, boards (including the Board of Education), authorities and funds to determine the “financial reporting entity” of the Town. The “financial reporting entity” includes all funds of the Town (primary government) and its component unit. Component units are legally separate entities for which the elected officials of the Town are financially accountable. Financially accountable means (1) that the Town appoints the majority of the entity’s governing body and can impose its will on the entity or the entity provides financial benefits to or imposes financial burdens on the Town, (2) that the entity is fiscally dependent on the Town, or (3) that the financial statements would be misleading if the entity were not included.

**Discretely Presented Component Unit**

The Ridgefield Library Association, Inc., included in the Town’s reporting entity as a component unit because the Town appoints a voting majority of the Library’s board and provides significant operating subsidies, operates a free public library for the Town residents. The Town appoints 9 of the 12 board members and subsidizes 70% of operations.

The Ridgefield Library Association, Inc.’s audit report is on file at the Library, 472 Main Street, Ridgefield, CT 06877.

**B. Basis of Presentation**

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

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues. The primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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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, claims and judgments, are recorded when payment is due.

Agency funds have no measurement focus.

The Town reports the following major governmental funds:

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

The *Bonded Projects Fund* accounts for the financial revenues to be used for major capital asset construction and/or purchases.

The *Capital Nonrecurring Fund* accounts for the major capital improvements and acquisition of equipment for nonfinancial sources.

The *Sewer Bond Repayment Fund* accounts for assessments for new sewer connections.

Additionally, the government reports the following fund types:

The *Internal Service Fund* accounts for risk financing activities for property insurance deductibles as allowed by GASB Statement No. 10.

The *Pension Trust Fund*, a fiduciary fund, accounts for the activities of the Ridgefield Retirement System, which accumulates resources for pension benefit payments to qualified employees.

*Agency Funds* account for monies held as a custodian for outside groups and agencies.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**Component Unit**

The financial statements of the Ridgefield Library Association, Inc., have been prepared on the accrual basis.

**C. Cash Equivalents**

The Town's cash and cash equivalents consist of cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less.

**D. Investments**

Investments are stated at fair value.

**E. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

All trade, property tax, sewer use and sewer assessment receivables, including those of its component unit, are shown net of an allowance for uncollectibles. Allowance percentages range from 2% to 42% of outstanding receivable balances at June 30, 2006 and are calculated based upon prior collections history.

**F. Restricted Assets**

The restricted assets for the Town are restricted for endowment purposes. The Ridgefield Library Association, Inc., has several bequests that are restricted to expenditure of the investment income only for the donor designated purpose.

**G. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment, \$20,000 for improvements and \$100,000 for infrastructure, and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Land improvements	25
Buildings	25 - 75
Machinery and equipment	5 - 25
Infrastructure	50 - 100

### **Component Unit**

Inexhaustible Collections and Books - The values of inexhaustible collections and research books are not readily determinable and are not capitalized. Books purchased and used in circulation are determined to have useful lives of less than one year and are not capitalized.

### **H. Compensated Absences**

All employees are granted vacation and sick time based upon contractual provisions. At anniversary year-end, unused vacation and sick time do not accumulate or vest; therefore, in the event of termination or retirement, employees are not compensated for unused vacation and sick time.

The Board of Education employees are paid vacation on a fiscal year basis and, therefore, unused vacation lapses at June 30. The Town employees are paid vacation on an anniversary date basis and, therefore, a liability for unused vacation has been recorded in the government-wide financial statement. Only if these amounts have matured, unused reimbursable leave still outstanding following and employee's resignation or retirement, the liability is then recorded in the General Fund.

Certified employees at the Board of Education may accumulate up to 180 days of unused sick time. There is no vesting for these amounts.

### **I. Long-Term Obligations**

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

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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

**J. Equity**

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

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

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

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

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

Reserved Fund Balance - A portion of fund balance that is not available for appropriation or is legally restricted by outside parties for use for a specific purpose.

Designated Fund Balance - Represents tentative management plans that are subject to change.

Unreserved Fund Balance - Serves as a measure of current available financial resources.

**K. Property Taxes**

Property taxes are assessed on property as of October 1. Taxes are billed the following July and are due in four installments, July 1, October 1, January 1 and April 1. Personal property and motor vehicle taxes are billed in July and are due in one installment on July 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date. For fund financial statements, all property taxes receivable at June 30 have been recorded as deferred revenue, since they are not considered to be available to finance expenditures of the current fiscal year.



## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**L. Accounting Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year.

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY****A. Budgets and Budgetary Accounting**

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements. The General Fund is the only fund for which a legal budget is adopted.

- In April, the Board of Finance submits to a public hearing, at which taxpayer comments are obtained, the proposed operating budget for the year commencing July 1. The budget includes proposed expenditures and the means of financing them.
- The Board of Finance submits their final proposed budget to the annual Town Meeting, which is held on the first Monday in May. Those in attendance at the annual Town Meeting may comment on the proposed budget before it is forwarded to a referendum vote. Appropriations may not be increased. The date of the machine vote is also established by the annual Town Meeting, which must be held not less than seven nor more than fourteen days from the date of the annual Town Meeting. The Board of Selectmen is responsible for establishing the hours of voting. This process is repeated, if necessary, until a budget is approved.
- The Board of Finance, in accordance with the provisions of the Charter and the Connecticut General Statutes, is authorized to transfer unexpended balances from one department's appropriation to another. Management may not authorize any additional appropriations. The Board of Finance may provide any single requesting agency with a special appropriation from general fund unreserved-undesignated fund balance a sum not to exceed \$20,000 cumulative and/or \$100,000 in the aggregate to all requesting agencies in any fiscal year. Special appropriations in excess of \$3,000,000 must be taken to referendum.

Additional appropriations of \$368,500 were made during the year.

- Formal budgetary integration is employed as a management control device during the year.
- Except for encumbrance accounting, the budget is prepared on the modified accrual basis of accounting.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

- The legal level of control, the level at which expenditures may not exceed appropriations, is at the department level.
- The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under state law to make any transfers required within its budget at its discretion. Any additional appropriations must have Board of Education and Board of Finance approval and, if over \$20,000, Town Meeting approval.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in budgetary reports (Exhibit G) as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the capital projects funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

A reconciliation of revenues, expenditures and fund balance between the accounting treatment required by GAAP (Exhibit E) and budgetary requirements (Exhibit G) is as follows:

	<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>
Budgetary basis, Exhibit G	\$ 106,966,344	\$ 103,925,224	\$ 7,696,456
Encumbrances outstanding at June 30, 2005 liquidated during the year ended June 30, 2006		402,177	
Encumbrances outstanding at June 30, 2006 charged to budgetary expenditures		(440,412)	440,412
State contribution to teachers' retirement system	<u>3,947,977</u>	<u>3,947,977</u>	
GAAP Basis, Exhibit E	<u>\$ 110,914,321</u>	<u>\$ 107,834,966</u>	<u>\$ 8,136,868</u>

**B. Deficit Fund Equity**

The following individual funds had deficit fund balances at June 30, 2006:

Special revenue funds:	
Cafeteria Fund	\$ 2,921
Capital projects funds:	
Capital Nonrecurring	2,393,641

The deficit in the Cafeteria Fund will be funded by future charges for services. Capital projects funds will be funded by future bond issues.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**C. Donor Restricted Endowments**

The Town has received an endowment for the maintenance of Ballard Park. The amounts are reflected in net assets as restricted for permanent funds. Investment income (including appreciation, if any) is approved for expenditure by the Board of Finance.

**D. Capital Projects Authorizations**

The following is a summary of bonded projects and capital nonrecurring projects at June 30, 2006:

<u>Project</u>	<u>Authorization</u>	<u>Current Year Expenditures</u>	<u>Cumulative Expenditures</u>	<u>Balance June 30, 2006</u>
Sewer improvements	\$ 1,156,500	\$ 870,058	\$ 870,058	\$ 286,442
School buildings	112,216,236	1,922,811	110,277,275	1,938,961
Infrastructure	16,849,900	1,655,453	12,125,135	4,724,765
Municipal buildings	1,680,500	489,492	797,945	882,555
Motor vehicles	446,650	351,115	351,115	95,535
Machinery and equipment	1,050,098	893,209	904,657	145,441
Total	<u>\$ 133,399,884</u>	<u>\$ 6,182,138</u>	<u>\$ 125,326,185</u>	<u>\$ 8,073,699</u>

**3. DETAILED NOTES ON ALL FUNDS****A. Deposits and Investments**

Deposit Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the State of Connecticut.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$8,802,755 of the Town's bank balance of \$9,465,087 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 7,872,559
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>930,196</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 8,802,755</u>

At June 30, 2006, the entire balance of the component unit's deposits was covered by federal depository insurance.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Investments**

As of June 30, 2006, the Town had the following investments:

<b>Investment Type</b>	<b>Credit Rating</b>	<b>Fair Value</b>	<b>Investment Maturities (Years)</b>		
			<b>Less Than 1</b>	<b>1 - 10</b>	<b>More Than 10</b>
U.S. Treasury bonds	Aaa	\$ 155,034	\$	\$	\$ 155,034
Money market funds	n/a	394,618	394,618		
Pooled collective trust funds	n/a	29,817,188	29,817,188		
Mutual funds	n/a	17,803,234	17,803,234		
Certificates of deposit	n/a	75,901	30,356	45,545	
State of CT STIF	AAAm	1,958,820	1,958,820		
MBIA Class Plus	AAA	279,934	279,934		
Total Investments		\$ 50,484,729	\$ 50,284,150	\$ 45,545	\$ 155,034

At June 30, 2006, the component unit's investments include mutual funds of \$6,925,669 with no rating and a maturity of less than one year and certificates of deposit of \$65,257 with no rating, which mature in one to ten years.

**Investment Custodial Credit Risk** - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value if its investment or collateral securities that are in the possession of an outside party. The State of Connecticut STIF, the pooled collective trust funds and the MBIA Class Plus investments are 2a-7 like pools.

**Credit Risk** - The Town has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations of any State or political subdivision or in obligations of the State of Connecticut or political subdivision.

**Concentration of Credit Risk** - The Town places no limit on the amount invested in any one issuer. No more than 5% of the Town's investments were invested in any one issuer in which credit risk is applicable.

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

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The Town's investment policy, in conformity with applicable Connecticut General Statutes, authorizes investment in the State Treasurer's Short-Term Investment Fund (STIF) and MBIA Class Plus Investment. The value of the position in the pools is the same as the value of the pool shares. Regulatory oversight for the State Treasurer's Short-Term Investment Fund is provided quarterly by the Investment Advisory Council and the Treasurer's Cash Management Board. Regulatory oversight for MBIA Class Plus Investment is provided by an investment advisory council consisting of members appointed by the municipalities. Other authorized investments include pooled and joint investments meeting the requirements of the policy, excluding those pools investing in "derivative" securities, certificates of deposit, repurchase agreements, and obligations of the United States and agencies of the federal government.

The Pension Trust Fund is also authorized to invest in corporate bonds, domestic common stocks, domestic equity real estate and international equities. The investments of this fund are held in trust by a trustee bank, which executes investment transactions under the direction of the pension plan's investment manager.

**B. Receivables**

Receivables by type at year end for the Town's government-wide financial statements, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Taxes/Use</u>	<u>Assessment</u>	<u>Interest And Lien Fees</u>	<u>Total</u>
Property Taxes:				
Current portion	\$ <u>731,165</u>	\$ <u>-</u>	\$ <u>206,408</u>	\$ <u>937,573</u>
Long-term portion	\$ 1,230,593	\$	\$ 1,031,360	\$ 2,261,953
Less allowance for uncollectible accounts	<u>(208,339)</u>	<u></u>	<u>(581,584)</u>	<u>(789,923)</u>
Net Long-Term Portion	\$ <u>1,022,254</u>	\$ <u>-</u>	\$ <u>449,776</u>	\$ <u>1,472,030</u>
Sewer Use and Assessments:				
Current portion	\$ <u>31,290</u>	\$ <u>166,139</u>	\$ <u>14,196</u>	\$ <u>211,625</u>
Long-term portion	\$ 3,876	\$ 795,875	\$ 1,758	\$ 801,509
Less allowance for uncollectible accounts	<u>(155)</u>	<u>(17,668)</u>	<u>(70)</u>	<u>(17,893)</u>
Net Long-Term Portion	\$ <u>3,721</u>	\$ <u>778,207</u>	\$ <u>1,688</u>	\$ <u>783,616</u>

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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

	<u>Unavailable</u>	<u>Unearned</u>
General Fund:		
Delinquent property taxes receivable	\$ 1,961,758	\$
Recreation revenue		716,281
Special Revenue Funds:		
Special assessments	962,014	
Delinquent sewer use receivable	35,166	
Loan receivable	198,227	
Special education grants		6,421
Total Deferred Revenue for Governmental Funds	\$ <u>3,157,165</u>	\$ <u>722,702</u>

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2006 was as follows:

**Primary Government**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 28,061,071	\$ 414,820	\$	\$ 28,475,891
Construction in progress		870,058		870,058
Total capital assets not being depreciated	<u>28,061,071</u>	<u>1,284,878</u>		<u>29,345,949</u>
Capital assets being depreciated:				
Land improvements	6,035,355			6,035,355
Buildings	139,627,014			139,627,014
Machinery and equipment	21,379,218	1,805,336	672,959	22,511,595
Infrastructure	38,556,856	1,025,240		39,582,096
Total capital assets being depreciated	<u>205,598,443</u>	<u>2,830,576</u>	<u>672,959</u>	<u>207,756,060</u>
Less accumulated depreciation for:				
Land improvements	3,534,454	150,675		3,685,129
Buildings	11,658,675	1,843,452		13,502,127
Machinery and equipment	14,150,261	1,666,433	419,526	15,397,168
Infrastructure	10,244,494	582,413		10,826,907
Total accumulated depreciation	<u>39,587,884</u>	<u>4,242,973</u>	<u>419,526</u>	<u>43,411,331</u>
Total capital assets being depreciated, net	<u>166,010,559</u>	<u>(1,412,397)</u>	<u>253,433</u>	<u>164,344,729</u>
Governmental Activities Capital Assets, Net	\$ <u>194,071,630</u>	\$ <u>(127,519)</u>	\$ <u>253,433</u>	\$ <u>193,690,678</u>

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

Governmental activities:	
General administration	\$ 164,930
Public safety	297,476
Public works	902,540
Health and welfare	4,994
Recreation	520,130
Education	<u>2,352,903</u>
Total Depreciation Expense - Governmental Activities	\$ <u>4,242,973</u>

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Component Unit**

Activity for the Ridgefield Library Association, Inc., for the year ended June 30, 2006 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 602,941	\$	\$	\$ 602,941
Collections	1,187			1,187
Total capital assets not being depreciated	<u>604,128</u>	<u>-</u>	<u>-</u>	<u>604,128</u>
Capital assets being depreciated:				
Buildings	4,633,441	7,719		4,641,160
Improvements other than buildings	114,035			114,035
Furnishings and equipment	454,645	4,846	1,698	457,793
Total capital assets being depreciated	<u>5,202,121</u>	<u>12,565</u>	<u>1,698</u>	<u>5,212,988</u>
Less accumulated depreciation for:				
Buildings	1,261,861	105,445		1,367,306
Improvements other than buildings	15,314	7,602		22,916
Furnishings and equipment	386,392	18,329	1,678	403,043
Total accumulated depreciation	<u>1,663,567</u>	<u>131,376</u>	<u>1,678</u>	<u>1,793,265</u>
Total capital assets being depreciated, net	<u>3,538,554</u>	<u>(118,811)</u>	<u>20</u>	<u>3,419,723</u>
Ridgefield Library Association, Inc. Capital Assets, Net	<u>\$ 4,142,682</u>	<u>\$ (118,811)</u>	<u>\$ 20</u>	<u>\$ 4,023,851</u>

**D. Interfund Receivables, Payables and Transfers**

Interfund balances are a result of timing differences between the date payments occurred for various activities. The composition of interfund balances as of June 30, 2006 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 146,686
	Internal Service	450,000
		<u>596,686</u>
Bonded Projects Fund	Capital Nonrecurring Fund	<u>2,446,004</u>
Capital Nonrecurring Fund	Nonmajor governmental funds	<u>180,000</u>
Total		<u>\$ 3,222,690</u>



## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Transfers are used to account for the financing by the General Fund of various programs and activities in other funds. The transfers that occurred during the year are as follows:

	<b>Transfers In</b>			
	<b>General Fund</b>	<b>Capital Nonrecurring</b>	<b>Nonmajor Govern- mental Funds</b>	<b>Total Transfers Out</b>
Transfers out:				
General Fund	\$	\$	\$ 1,111,738	\$ 1,111,738
Capital Nonrecurring	166,200			166,200
Sewer Bond Repayment		166,200	3,624	169,824
Nonmajor governmental	<u>22,940</u>			<u>22,940</u>
Total Transfers In	<u>\$ 189,140</u>	<u>\$ 166,200</u>	<u>\$ 1,115,362</u>	<u>\$ 1,470,702</u>

In addition, the primary government transferred \$1,482,935 to its discretely-presented component unit, the Ridgefield Library Association, Inc., for general operating expenses.

**E. Short-Term Obligations - Bond Anticipation Notes**

The Town uses bond anticipation notes during the construction period of various public projects prior to the issuance of the bonds at the completion of the project.

Bond anticipation note transactions for the year ended June 30, 2006 were as follows:

Outstanding, June 30, 2005	\$
New borrowings	7,180,000
Repayments	<u>                    </u>
Outstanding, June 30, 2006	<u>\$ 7,180,000</u>

It is the Town's intent that these notes be refinanced as long-term debt upon maturity.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**F. Long-Term Debt****Changes in Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2006 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 136,225,000	\$	\$ 8,435,000	\$ 127,790,000	\$ 8,095,000
Plus deferred amounts:					
Issuance premium					
on refunding	3,886,231		244,698	3,641,533	
Total bonds payable	140,111,231		8,679,698	131,431,533	8,095,000
Notes payable	4,668,346		600,792	4,067,554	612,918
Compensated absences	776,298	568,660	776,298	568,660	113,732
Claims and judgments	9,605		4,269	5,336	4,269
Pension obligation	932,937		16,206	916,731	
Lease obligations		871,635	242,188	629,447	267,114
Total Governmental Activities					
Long-Term Liabilities	\$ <u>146,498,417</u>	\$ <u>1,440,295</u>	\$ <u>10,319,451</u>	\$ <u>137,619,261</u>	\$ <u>9,093,033</u>

Claims and judgments represent heart and hypertension and workers' compensation judgments. All long-term liabilities are generally liquidated by the General Fund.

**General Obligation Bonds**

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. School building grants of \$111,581 will be used to repay a portion of the respective debt; however, the Town is liable for all outstanding bonds. General obligation bonds currently outstanding are as follows:

<u>Description</u>	<u>Interest Rate (%)</u>	<u>Amount</u>
General purpose:		
General obligation - improvement	3-6.2%	\$ 45,667,200
General obligation - refunding	2-5%	10,967,300
Total general purpose		<u>56,634,500</u>
School:		
School - improvement	3-6.2%	50,167,800
School - refunding	2-5%	20,987,700
Total school		<u>71,155,500</u>
Total Outstanding		<u>\$ 127,790,000</u>

**General Obligation Bonds - Current Refunding**

During 2004, the Town issued \$31,480,000 of general obligation refunding bonds to currently refund various bond issues totaling \$31,450,000. As a result, the refunded bonds are considered partially defeased, and all future interest and principal on the partially defeased bonds will be paid from the proceeds of the refunding issue which were placed into an irrevocable escrow account until all the partially defeased bonds have been called. The balance in escrow was \$29,809,057 at June 30, 2006. The balance of the defeased bonds was \$28,600,000 at June 30, 2006.

**Notes Payable**

Sewer Notes Payable - The State of Connecticut sewer notes, bearing interest at 2%, will be paid through a combination of user fees and hookup fees and will mature in the year 2014.

Danbury Note Payable - The Town entered into an Interlocal Sewer Agreement with the City of Danbury for a portion of sewer plant capacity. The Danbury sewer plant has been completed and the share applicable to the Town at June 30, 2006 is \$223,367, bearing interest at 2%. This amount is to be funded by contributions from a local company.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Annual debt service requirements to maturity for general obligation bonds and notes payable are as follows:

	<b>General Obligation Bonds</b>		<b>Notes Payable</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2007	\$ 8,095,000	\$ 5,442,042	\$ 612,918	\$ 75,753
2008	7,905,000	5,143,521	625,290	63,382
2009	8,800,000	4,814,265	637,911	50,760
2010	8,840,000	4,459,248	650,786	37,885
2011	9,100,000	4,085,109	663,123	24,753
2012-2016	42,110,000	14,177,457	877,526	12,313
2017-2021	34,040,000	5,929,521		
2022-2025	8,900,000	515,011		
Total	<u>\$ 127,790,000</u>	<u>\$ 44,566,174</u>	<u>\$ 4,067,554</u>	<u>\$ 264,846</u>

**Capital Lease**

The Town has entered into a lease agreement as lessee for financing the acquisition of computer equipment. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date.

The asset acquired through the capital lease is as follows:

	<b>Governmental Activities</b>
Asset:	
Equipment	\$ 871,635
Less accumulated depreciation	<u>67,038</u>
Total	<u>\$ 804,597</u>

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The future minimum lease obligation and the net present value of the minimum lease payments as of June 30, 2006 were as follows:

<u>Year Ending June 30:</u>	<u>Governmental Activities</u>
2007	\$ 291,522
2008	290,462
2009	31,211
2010	31,211
2011	31,211
Total minimum lease payments	675,617
Less amount representing interest	46,170
Present Value of Minimum Lease Payments	<u>\$ 629,447</u>

**Authorized But Unissued Bonds**

The total of authorized but unissued bonds at June 30, 2006 is \$19,791,126. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

**Statutory Debt Limitation**

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 214,981,124	\$ 52,643,100	\$ 162,338,024
Schools	429,962,247	68,172,319	361,789,928
Sewers	358,301,873	1,400,986	356,900,887
Urban renewal	310,528,290		310,528,290
Pension deficit	286,641,498		286,641,498

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$668,830,162.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding. School building grants receivable of \$111,581 for bond principal are reflected as deductions in the computation of net indebtedness.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note Payable - Component Unit**

The Association has a mortgage note payable in monthly installments of \$7,000 including interest at a fixed rate of 5.25% through January 2017.

Balance at June 30, 2006	\$ 654,931
Less current portion	<u>50,875</u>
Long-Term Portion	<u>\$ 604,056</u>

Aggregate principal maturities for the next five years and thereafter are as follows:

**Year Ending June 30**

2007	\$ 50,875
2008	53,611
2009	56,494
2010	59,533
2011	62,734
2012-2017	<u>371,684</u>
Total	<u>\$ 654,931</u>

**4. EMPLOYEE RETIREMENT PLANS****A. Pension Plan****Summary**

The Town administers three single employer, defined benefit pension plans (Town of Ridgefield Pension Plan, Town of Ridgefield Police Union Pension Plan and Town of Ridgefield Firefighters Union Pension Plan). The plans were established through an ordinance adopted May 7, 1964 and amended July 1, 1984. The Pension Commission makes recommendations for plan provisions which are approved by the Board of Finance. The pension plans are included in the financial statements as a single pension trust fund since the assets may be used to pay benefits or refunds of any plan member or beneficiary. Separate, stand-alone reports are not issued.

**Summary of Significant Accounting Policies and Plan Asset Matters**

Basis of Accounting - The Town's pension trust fund's financial statements are prepared on the accrual basis of accounting. Contributions are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Investment income is recognized when earned, and expenses (benefits and administration) are recognized when they are incurred.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Valuation of Investments - Investments are valued at fair value. Securities traded on a national exchange are valued at June 30, 2006 reported sales price. There are no investments of 5% or greater in any one organization.

### Plan Description

Benefit Provisions - The plans' membership is open to substantially all Town employees with the exception of certified teachers and administrative personnel at the Board of Education. Administrative costs are financed from investment earnings.

Employer Contributions - Recommended contributions to each of the three plans are determined each year as part of the actuarial valuation using the frozen entry age method. The contributions for the year ended June 30, 2006 represent 12.72% of covered payroll.

Employee Contributions - General employees of the Town have no required contribution. The contribution requirements of other departments are as follows (expressed as a percentage of annual compensation): Police 6%, Fire 5.5%, Highway 4% and Board of Education Secretaries 2%.

At July 1, 2006, plan membership consisted of the following:

	<b>Town Pension Plan</b>	<b>Police Union Pension Plan</b>	<b>Firefighters Union Pension Plan</b>
Retirees and beneficiaries currently receiving benefits	128	23	13
Vested terminated employees	32	3	3
Active plan members	354	42	29
Total Participants	514 *	68	45

\* The participants in the Town Pension Plan are comprised of 330 employees from the Board of Education and 184 employees from the Town.

The annual required contribution for the current year was determined as part of the July 1, 2006 actuarial valuation using the frozen entry-age actuarial cost method. The actuarial assumptions included (a) a 7% investment rate of return and (b) 4% projected salary increases. The assumptions did not include inflation or post-retirement benefit increases. The actuarial value of assets was determined using a market related method with five year recognition of gains and losses. The unfunded actuarial accrued liability is being amortized as a level dollar amount. The remaining amortization period is 30 years for the Town and firefighters retirement plans and 18 years for the police plan.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Annual Pension Cost and Net Pension Obligation**

The Town's annual pension cost and net pension obligation to the Town of Ridgefield's pension plans for the year ended June 30, 2006 were as follows:

	<b>Town Pension Plan</b>	<b>Police Union Pension Plan</b>	<b>Firefighters Union Pension Plan</b>
Annual required contribution (ARC)	\$ 1,148,279	\$ 621,352	\$ 314,349
Interest on net pension obligation	31,654	23,682	9,969
Adjustment to annual required contribution	(47,461)	(41,359)	(18,053)
Annual pension cost	1,132,472	603,675	306,265
Contributions made	1,152,628	587,848	318,142
(Increase) decrease in net pension obligation	20,156	(15,827)	11,877
Net pension obligation, beginning of year	(452,204)	(338,318)	(142,415)
Net Pension Obligation, End of Year	<u>\$ (432,048)</u>	<u>\$ (354,145)</u>	<u>\$ (130,538)</u>

**Three-Year Trend Information**

<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Actual Contribution</b>	<b>Percentage Of APC Contributed</b>	<b>Net Pension Obligation</b>
Town Plan:				
6/30/04	\$ 868,641	\$ 904,100	104 %	\$ 208,490
6/30/05	928,966	685,252	74	452,204
6/30/06	1,132,472	1,152,628	102	432,048
Police Plan:				
6/30/04	\$ 424,057	\$ 405,795	96 %	\$ 228,996
6/30/05	587,457	478,136	81	338,318
6/30/06	603,675	587,848	97	354,145
Firefighters Plan:				
6/30/04	\$ 163,345	\$ 161,571	99 %	\$ 104,086
6/30/05	307,959	269,630	88	142,415
6/30/06	306,265	318,142	104	130,538



## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**B. Elected Officials****Plan Description**

The Town administers a single employer, defined contribution plan, which is included in the Town's financial statements in the pension trust fund. The plan, established in July 1983, requires the employer to contribute 6% of each participant's compensation. The Pension Commission makes recommendations for plan provisions which are approved by the Board of Finance. The Town contributed \$13,436 during the year ended June 30, 2006. Officials are not required to contribute, but can make voluntary contributions up to 10% of annual compensation. At June 30, 2006, the net assets available for benefits include \$104,815 of assets designated for this plan.

The Town Clerk, Tax Collector and First Selectman are the only plan members.

Significant accounting policies are the same as those discussed under defined benefit plans.

Other than the pension payment, there are no other post-employment benefits furnished to elected officials by the Town.

**C. On-Behalf Payments - Teachers' Retirement**

Teachers participate in a contributory defined-benefit plan established under Chapter 167a of the Connecticut General Statutes and administered by the Connecticut State Teachers' Retirement Board. Full-time certified teachers are vested in the system after ten years of service in this state.

The State's contribution to the plan on behalf of the Town of Ridgefield was \$3,947,977 and is recognized in the General Fund intergovernmental revenues and education expenditures.

**5. OTHER INFORMATION****A. Risk Management**

The Town is exposed to various risks of loss related to public official liability, police liability, Board of Education legal liability, theft or impairment of assets, errors and omissions, injury to employees and natural disasters.

The Town has established a limited risk management program for property and casualty claims and began accumulating resources to fund potential losses. The Town maintains commercial insurance coverage for claims in excess of the established risk assumption. Settled claims have not exceeded commercial coverage in any of the past three years, and there have not been any significant reductions in insurance coverage from amounts held in prior years.

## TOWN OF RIDGEFIELD, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

On June 30, 2005, the Town established as an internal service fund the self-insurance fund to account for and finance the retained risk of loss for certain medical benefits coverage for Board of Education employees that are not insured with the current provider, CIGNA Health Care. Payments to the fund are based upon estimates by number of employees and type of coverage and trends in the insurance claims. There is no claims liability reported in the fund at June 30, 2006 as based upon the requirements of GASB No. 10, which requires that a liability for estimated claims incurred but not reported be recorded.

A schedule of changes in the claims liability for the years ended June 30, 2006 and 2005, is presented below:

	<b>Accrued Liability Beginning of Fiscal Year</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Accrued Liability Claim Payments</b>	<b>Accrued Liability End of Fiscal Year</b>
2004-05	\$ 3,713,874	\$ -	\$ 3,704,269	\$ 9,605
2005-06	9,605	-	4,269	5,336

**B. Commitments and Litigation**

At June 30, 2006, the Town had outstanding construction commitments for a sewer project in the amount of \$1,200,000. To date, \$870,058 has been spent on this project.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

The Town is a defendant in various lawsuits, the outcome of which is not presently determinable. In the opinion of the Town attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

The Town may be subject to rebate penalties to the federal government relating to various bond and note issues. The Town expects such amounts, if any, to be immaterial.

## **Required Supplementary Information**

# TOWN OF RIDGEFIELD, CONNECTICUT

## REQUIRED SUPPLEMENTARY INFORMATION - PENSION TRUST FUNDS

### Analysis of Funding Progress

<b>Plan Year</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll</b>
<i>Town Pension Plan</i>						
2006	\$ 23,680,169	\$ 24,153,151	\$ (472,982)	98.04%	\$ 12,053,109	(3.92)%
2005	20,393,318	22,351,161	(1,957,843)	91.24%	11,703,879	(16.73)%
2004	18,898,954	19,630,973	(732,019)	96.27%	10,964,162	(6.68)%
2003	17,272,846	16,950,805	322,041	101.90%	10,273,135	3.13%
2002	16,099,526	15,783,567	315,959	102.00%	9,956,142	3.17%
2001	15,079,374	14,680,780	398,594	102.72%	8,950,765	4.45%
<i>Firefighters Union Pension Plan</i>						
2006	\$ 8,882,355	\$ 10,197,125	\$ (1,314,770)	87.11%	\$ 1,353,731	(97.12)%
2005	8,069,795	9,386,167	(1,316,372)	85.98%	1,511,924	(87.07)%
2004	7,334,779	8,491,732	(1,156,953)	86.38%	1,559,394	(74.19)%
2003	6,776,711	6,743,421	33,290	100.49%	1,506,954	2.21%
2002	6,446,177	6,308,750	137,427	102.18%	1,533,991	8.96%
2001	6,116,123	5,833,952	282,171	104.84%	1,491,615	18.92%
<i>Police Union Pension Plan</i>						
2006	\$ 13,943,583	\$ 16,129,825	\$ (2,186,242)	86.45%	\$ 2,777,493	(78.71)%
2005	12,671,512	15,142,739	(2,471,227)	83.68%	2,733,744	(90.40)%
2004	11,583,396	13,994,158	(2,410,762)	82.77%	2,584,611	(93.27)%
2003	10,641,809	11,931,966	(1,290,157)	89.19%	2,292,224	(56.28)%
2002	10,069,174	11,176,290	(1,107,116)	90.09%	2,094,609	(52.86)%
2001	9,610,070	10,126,325	(516,255)	94.90%	1,926,529	(26.80)%

(Continued on next page)

**TOWN OF RIDGEFIELD, CONNECTICUT**

**REQUIRED SUPPLEMENTARY INFORMATION - PENSION TRUST FUNDS (CONTINUED)**

Schedule of Employer Contributions

<b>Year Ended</b>	<b>Town Plan</b>		<b>Police Plan</b>		<b>Firefighters Plan</b>	
	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>
6/30/2006	\$ 1,148,279	100.40%	\$ 621,352	94.60%	\$ 314,349	101.20%
6/30/2005	936,243	73.19%	598,211	79.93%	313,832	85.92%
6/30/2004	877,037	103.09%	433,308	93.65%	168,898	95.66%
6/30/2003	904,932	93.90%	426,164	86.17%	164,658	86.26%
6/30/2002	796,895	92.92%	376,957	78.50%	143,851	81.61%
6/30/2001	755,765	98.14%	190,774	89.03%	120,355	65.21%

## **General Fund**

The General Fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The General Fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health, social services, recreation, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

## TOWN OF RIDGEFIELD, CONNECTICUT

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**  
**BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2006**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Property Taxes:					
Property taxes	\$ 94,886,297	\$	\$ 94,886,297	\$ 95,031,049	\$ 144,752
Interest and lien fees	325,000		325,000	347,313	22,313
Telephone tax	214,693		214,693	161,156	(53,537)
Total property taxes	<u>95,425,990</u>	<u>-</u>	<u>95,425,990</u>	<u>95,539,518</u>	<u>113,528</u>
Intergovernmental:					
Education cost sharing	1,364,642		1,364,642	1,401,884	37,242
School building grants	22,791		22,791	22,791	-
School interest subsidy	2,822		2,822	3,585	763
School transportation grants	3,177		3,177	3,309	132
Visually handicapped	3,200		3,200	5,873	2,673
Veteran exemption	16,500		16,500	2,819	(13,681)
Elderly circuit freeze	88,000		88,000	75,127	(12,873)
Mashantucket/Mohegan fund grant	41,928		41,928	34,298	(7,630)
Paid in lieu of taxes	164,456		164,456	176,595	12,139
Machinery and equipment	445,000		445,000	443,967	(1,033)
Miscellaneous	64,800		64,800	58,279	(6,521)
Total intergovernmental	<u>2,217,316</u>	<u>-</u>	<u>2,217,316</u>	<u>2,228,527</u>	<u>11,211</u>
Charges for Services:					
Town Clerk's fees including conveyance taxes	900,000	150,000	1,050,000	1,702,099	652,099
Building, plumbing and electrical permits	478,000		478,000	472,803	(5,197)
Planning and zoning commission	78,000		78,000	112,891	34,891
Water and septic permits and fees	74,600		74,600	58,374	(16,226)
Solid waste facility	90,000		90,000	74,290	(15,710)
Parking Authority	30,000		30,000	28,088	(1,912)
Police Department	78,500	175,000	253,500	307,923	54,423
Fire Department	611,500	43,500	655,000	718,960	63,960
Golf course	1,200,000		1,200,000	1,124,331	(75,669)
Parks and recreation	2,589,007		2,589,007	2,552,163	(36,844)
Out of town tuition	93,000		93,000	81,510	(11,490)
Utilities and fuel	158,000		158,000	246,927	88,927
Rental of Town property	733,800		733,800	738,244	4,444
Total charges for services	<u>7,114,407</u>	<u>368,500</u>	<u>7,482,907</u>	<u>8,218,603</u>	<u>735,696</u>
Investment Income	<u>250,000</u>		<u>250,000</u>	<u>613,075</u>	<u>363,075</u>
Miscellaneous	<u>215,000</u>		<u>215,000</u>	<u>366,621</u>	<u>151,621</u>
Total revenues	<u>105,222,713</u>	<u>368,500</u>	<u>105,591,213</u>	<u>106,966,344</u>	<u>1,375,131</u>
Other Financing Sources:					
Cancellation of prior year's encumbrances				191,695	191,695
Transfers in:					
Capital reserve fund	166,200		166,200	166,200	-
Sewer operating fund	22,000		22,000	22,940	940
Total other financing sources	<u>188,200</u>	<u>-</u>	<u>188,200</u>	<u>380,835</u>	<u>192,635</u>
Total Revenues and Other Financing Sources	<u>\$ 105,410,913</u>	<u>\$ 368,500</u>	<u>\$ 105,779,413</u>	<u>\$ 107,347,179</u>	<u>\$ 1,567,766</u>

## TOWN OF RIDGEFIELD, CONNECTICUT

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2006**

	<b>Original Budget</b>	<b>Transfers and Additional Appropriations</b>	<b>Final Budget</b>	<b>Actual</b>			<b>Variance with Final Budget</b>
				<b>Expenditures</b>	<b>Encumbrances</b>	<b>Total</b>	
General Government:							
Selectmen	\$ 297,993	\$	\$ 297,993	\$ 297,384	\$	\$ 297,384	\$ 609
Board of Finance	66,500		66,500	64,911		64,911	1,589
Legal counsel	214,800	18,500	233,300	232,828		232,828	472
Administrative support services	257,840		257,840	257,733		257,733	107
Department of Finance	358,643		358,643	357,270		357,270	1,373
Data processing	249,911		249,911	249,816		249,816	95
Registrars	121,310		121,310	108,600		108,600	12,710
Assessor	315,404		315,404	310,433		310,433	4,971
Tax Collector	236,553	(26,000)	210,553	210,305		210,305	248
Town Treasurer	23,085		23,085	22,484		22,484	601
Town Clerk	226,985		226,985	223,063		223,063	3,922
Planning and zoning	253,748	(8,000)	245,748	245,197		245,197	551
Zoning board of appeals	67,260		67,260	66,059		66,059	1,201
Building Department	230,180	(51,000)	179,180	178,316		178,316	864
Probate court	4,400		4,400	4,316		4,316	84
Conservation Commission	28,513		28,513	27,141		27,141	1,372
Miscellaneous	39,625		39,625	38,919		38,919	706
Insurance and benefits	5,696,664	(163,000)	5,533,664	5,532,980		5,532,980	684
Total general government	8,689,414	(229,500)	8,459,914	8,427,755	-	8,427,755	32,159
Health and Welfare:							
Health Department	257,941	(27,000)	230,941	230,255		230,255	686
Social services	151,876		151,876	150,948		150,948	928
Total health and welfare	409,817	(27,000)	382,817	381,203	-	381,203	1,614
Community Grants	243,604		243,604	243,604		243,604	-
Parks and Recreation:							
Parks and recreation	2,823,005		2,823,005	2,820,794		2,820,794	2,211
Tree care	215,579	18,000	233,579	230,655		230,655	2,924
Golf course	829,212	25,000	854,212	824,793		824,793	29,419
Athletic fields	365,124		365,124	363,047		363,047	2,077
School grounds	340,337		340,337	340,192		340,192	145
Total parks and recreation	4,573,257	43,000	4,616,257	4,579,481	-	4,579,481	36,776
Public Safety:							
Police Department	3,929,631	57,000	3,986,631	3,982,930	3,000	3,985,930	701
Fire Department	2,751,440	180,500	2,931,940	2,931,826		2,931,826	114
Parking Authority	48,352	(26,000)	22,352	21,710		21,710	642
Total public safety	6,729,423	211,500	6,940,923	6,936,466	3,000	6,939,466	1,457
Public Works:							
Highway Department	2,877,025	195,000	3,072,025	3,052,697		3,052,697	19,328
Town buildings	425,452	6,000	431,452	431,012		431,012	440
Utilities	749,642	195,000	944,642	944,225		944,225	417
Solid waste	79,750		79,750	66,337		66,337	13,413
School buildings	80,207	14,500	94,707	94,283		94,283	424
Total public works	4,212,076	410,500	4,622,576	4,588,554	-	4,588,554	34,022

(Continued on next page)



## TOWN OF RIDGEFIELD, CONNECTICUT

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (CONTINUED)**  
**BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2006**

	<b>Original Budget</b>	<b>Transfers and Additional Appropriations</b>	<b>Final Budget</b>	<b>Actual</b>			<b>Variance with Final Budget</b>
				<b>Expenditures</b>	<b>Encumbrances</b>	<b>Total</b>	
Contingency	\$ 40,000	\$ (40,000)	\$ -	\$	\$	\$ -	\$ -
Education:							
Certified salaries	33,296,753	(835,989)	32,460,764	32,474,379	384	32,474,763	(13,999)
Noncertified salaries	7,214,102	(97,069)	7,117,033	7,114,023		7,114,023	3,010
Fringe benefits	10,242,877	578,351	10,821,228	10,261,228		10,261,228	560,000
Professional services	1,365,763	45,073	1,410,836	1,397,254	8,781	1,406,035	4,801
Utility services - sewer and water	229,498	(2,500)	226,998	214,736	14	214,750	12,248
Equipment repair and maintenance	370,342	(97,410)	272,932	276,976	3,750	280,726	(7,794)
Building repairs	755,778	222,505	978,283	801,483	123,917	925,400	52,883
Transportation services	4,155,483	57,191	4,212,674	4,168,503	15,262	4,183,765	28,909
Insurance - property and liability	269,087	(29,043)	240,044	238,043		238,043	2,001
Communications - telephone	175,748	(29,461)	146,287	140,670	1,435	142,105	4,182
Advertising services	12,500	(560)	11,940	7,243	4,697	11,940	-
Printing services	55,071	(1,055)	54,016	50,665	3,265	53,930	86
Food management services	3,500	2,511	6,011	6,011		6,011	-
Travel, mileage and training	92,854	(16,878)	75,976	74,535	962	75,497	479
Other purchased services	23,261	19,226	42,487	30,706	4,858	35,564	6,923
Tuition - out of district facilities	1,548,158	(354,980)	1,193,178	1,067,078	124,265	1,191,343	1,835
Supplies and materials	1,092,118	9,089	1,101,207	1,043,248	50,401	1,093,649	7,558
Plant supplies and materials							
Energy - electricity, gas and fuel	2,136,047	379,761	2,515,808	2,503,471		2,503,471	12,337
Books	526,419	98,070	624,489	554,469	69,680	624,149	340
Equipment	35,224	166,804	202,028	168,454	24,821	193,275	8,753
Dues and fees - memberships	94,466	(10,679)	83,787	81,831	615	82,446	1,341
Miscellaneous	655,840	(102,959)	552,881	617,051	305	617,356	(64,475)
Athletics program		(620,834)	(620,834)	(620,834)		(620,834)	-
Total education	<u>64,350,889</u>	<u>(620,836)</u>	<u>63,730,053</u>	<u>62,671,223</u>	<u>437,412</u>	<u>63,108,635</u>	<u>621,418</u>
Library	<u>1,478,580</u>		<u>1,478,580</u>	<u>1,478,580</u>		<u>1,478,580</u>	<u>-</u>
Debt Service	<u>14,177,951</u>		<u>14,177,951</u>	<u>14,177,946</u>		<u>14,177,946</u>	<u>5</u>
Total expenditures	<u>104,905,011</u>	<u>(252,336)</u>	<u>104,652,675</u>	<u>103,484,812</u>	<u>440,412</u>	<u>103,925,224</u>	<u>727,451</u>
Other Financing Uses:							
Transfers out:							
Tiger Hollow Fund	43,000		43,000	43,000		43,000	-
Sewer Operating Fund	72,750		72,750	72,750		72,750	-
Heart and Hypertension Fund	25,000		25,000	25,000		25,000	-
Canine Control Fund	52,558		52,558	52,558		52,558	-
Youth Barn	54,000		54,000	44,000		44,000	10,000
Solid Waste Fund	55,000		55,000	55,000		55,000	-
Capital Reserve Fund	166,200		166,200	166,200		166,200	-
School Miscellaneous		620,836	620,836	620,836		620,836	-
Revaluation Fund	37,394		37,394	32,394		32,394	5,000
Total other financing uses	<u>505,902</u>	<u>620,836</u>	<u>1,126,738</u>	<u>1,111,738</u>	<u>-</u>	<u>1,111,738</u>	<u>15,000</u>
Total Expenditures and Other Financing Uses	<u>\$ 105,410,913</u>	<u>\$ 368,500</u>	<u>\$ 105,779,413</u>	<u>\$ 104,596,550</u>	<u>\$ 440,412</u>	<u>\$ 105,036,962</u>	<u>\$ 742,451</u>

## TOWN OF RIDGEFIELD, CONNECTICUT

REPORT OF TAX COLLECTOR  
FOR THE YEAR ENDED JUNE 30, 2006

Grand List Year	Uncollected Taxes July 1, 2005	Current Year Levy	Lawful Corrections		Transfer to Suspense	Adjusted Amount Collectible	Total Taxes Collected	Over- Payments and Suspense	Net Taxes Collected	Collections		Uncollected Taxes June 30, 2006
			Additions	Deductions						Interest and Lien Fees	Total	
1989	\$ 20,593	\$	\$	\$ 20,541	\$	\$ 52	\$ 52	\$	\$ 52	\$ 135	\$ 187	\$ -
1990	21,014					21,014			-	280	280	21,014
1991	25,679					25,679			-			25,679
1992	28,551				54	28,497			-		-	28,497
1993	28,699					28,699			-		-	28,699
1994	29,037					29,037			-		-	29,037
1995	30,069					30,069			-		-	30,069
1996	39,154				465	38,689	355		355	29	384	38,334
1997	47,361					47,361	3,475		3,475	5,224	8,699	43,886
1998	50,756		49			50,805	4,444		4,444	2,202	6,646	46,361
1999	45,223					45,223	4,767		4,767	1,216	5,983	40,456
2000	110,412			787	291	109,334	6,378		6,378	2,513	8,891	102,956
2001	222,511		6,538	8,421	66,897	153,731	31,898		31,898	7,729	39,627	121,833
2002	296,284		9,975	14,573		291,686	36,532		36,532	37,142	73,674	255,154
2003	966,410		29,950	70,850		925,510	506,892		506,892	75,545	582,437	418,618
Suspense						-	8,202	8,202	-	11,407	19,609	-
Total Prior Year	1,961,753	-	46,512	115,172	67,707	1,825,386	602,995	8,202	594,793	143,422	746,417	1,230,593
2004		95,519,556	389,175	749,511		95,159,220	94,428,055		94,428,055	203,891	94,631,945	731,165
Grand Total	\$ 1,961,753	\$ 95,519,556	\$ 435,687	\$ 864,683	\$ 67,707	\$ 96,984,606	\$ 95,031,050	\$ 8,202	\$ 95,022,848	\$ 347,313	\$ 95,378,362	\$ 1,961,758

# Nonmajor Governmental Funds

## **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**Canine Control** - is used to account for revenue and expenditures associated with the control of Town animals.

**Town Aid Road** - is used to account for Connecticut Department of Transportation grants relating to improvements to local roads.

**Revaluation Fund** - is used to fund the Town's revaluation of the grand list as required by Connecticut General Statutes.

**Heart and Hypertension** - is used to account for claims involving heart and hypertension compensation under Connecticut General Statutes.

**Sewer Operating I, II and III** - is used to account for sewer use charges and related expenditures relating to the sewer operating facility in the three sewer districts.

**Public Safety Donations** - is used to account for public donations for Fire and Police Departments and expenditures relating to departmental public safety equipment.

**Cafeteria** - is used to account for operations of the school lunch program, including the receipt and expenditure of related federal and state funding.

**Education Grants** - is used to account for U.S. Department of Education and Connecticut Department of Education grants as well as local grants relating to education.

**School Miscellaneous** - is used to account for rent receipts associated with the rental of school property, participant fees and expenditures relating to summer and adult educational programs for Ridgefield school students and imprest cash disbursements relating to Ridgefield's school system.

## **Nonmajor Governmental Funds (Continued)**

**Tiger Hollow** - is used to account for the revenues and expenditures relating to the Ridgefield High School Football Field renovation and perpetual maintenance.

**Youth Barn** - is used to account for the revenues and expenditures relating to a youth facility and activity.

**Miscellaneous Grants** - are used to account for small nonrecurring grant funds and related expenditures for those specific purposes.

**Social Services** - is used to account for local grants and expenditures relating to the Town's social services.

**Solid Waste** - is used to account for the solid waste collection expenditures relating to all Town facilities.

**Town Land Grant** - is used to account for the contributions and community grant funds and related open space procurements.

## **Permanent Fund**

The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, maybe used for purposes that support the reporting government's programs.

**Ballard Park Fund** - is used to account for an endowment pursuant to a trust agreement that restricts the use of that endowment's investment earnings to the preservation of Ballard Park.

## TOWN OF RIDGEFIELD, CONNECTICUT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2006

	Special Revenue Funds					
	Canine Control	Town Aid Road	Revaluation Fund	Heart and Hypertension	Sewer Operating I, II, and III	Public Safety Donations
<b><u>ASSETS</u></b>						
Cash	\$ 3,590	\$ 61,699	\$ 122,871	\$ 146,075	\$ 1,799,526	\$ 35,637
Investments						
Receivables:						
Assessments/use charges					35,166	
Intergovernmental						
Other						
Total Assets	\$ <u>3,590</u>	\$ <u>61,699</u>	\$ <u>122,871</u>	\$ <u>146,075</u>	\$ <u>1,834,692</u>	\$ <u>35,637</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
Liabilities:						
Accounts payable	\$ 976	\$	\$	\$ 654	\$ 68,574	\$
Due to other funds						
Deferred revenue					35,166	
Total liabilities	<u>976</u>	<u>-</u>	<u>-</u>	<u>654</u>	<u>103,740</u>	<u>-</u>
Fund Balances:						
Reserved:						
Endowments						
Unreserved and undesignated	<u>2,614</u>	<u>61,699</u>	<u>122,871</u>	<u>145,421</u>	<u>1,730,952</u>	<u>35,637</u>
Total fund balances	<u>2,614</u>	<u>61,699</u>	<u>122,871</u>	<u>145,421</u>	<u>1,730,952</u>	<u>35,637</u>
Total Liabilities and Fund Balances	\$ <u>3,590</u>	\$ <u>61,699</u>	\$ <u>122,871</u>	\$ <u>146,075</u>	\$ <u>1,834,692</u>	\$ <u>35,637</u>

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**TOWN OF RIDGEFIELD, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2006**

	Special Revenue Funds					
	<u>Cafeteria</u>	<u>Education Grants</u>	<u>School Miscellaneous</u>	<u>Tiger Hollow</u>	<u>Youth Barn</u>	<u>Miscellaneous Grants</u>
<b><u>ASSETS</u></b>						
Cash	\$ 288,451	\$ 6,584	\$ 503,021	\$ 297,694	\$ 134,776	\$ 116,161
Investments						
Receivables:						
Assessments/use charges						
Intergovernmental	13,217	11,712				
Other	5,338					
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	\$ <u>307,006</u>	\$ <u>18,296</u>	\$ <u>503,021</u>	\$ <u>297,694</u>	\$ <u>134,776</u>	\$ <u>116,161</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
Liabilities:						
Accounts payable	\$ 163,241	\$ 11,875	\$	\$ 130	\$ 114	\$ 3,535
Due to other funds	146,686			180,000		
Deferred revenue		6,421				
Total liabilities	<u>309,927</u>	<u>18,296</u>	<u>-</u>	<u>180,130</u>	<u>114</u>	<u>3,535</u>
Fund Balances:						
Reserved:						
Endowments						
Unreserved and undesignated	(2,921)		503,021	117,564	134,662	112,626
Total fund balances	<u>(2,921)</u>	<u>-</u>	<u>503,021</u>	<u>117,564</u>	<u>134,662</u>	<u>112,626</u>
Total Liabilities and Fund Balances	\$ <u>307,006</u>	\$ <u>18,296</u>	\$ <u>503,021</u>	\$ <u>297,694</u>	\$ <u>134,776</u>	\$ <u>116,161</u>

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**TOWN OF RIDGEFIELD, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2006**

	<b>Special Revenue Funds</b>				<b>Permanent Fund Ballard Park Fund</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>Social Services</b>	<b>Solid Waste</b>	<b>Town Land Grant</b>	<b>Total</b>		
<b><u>ASSETS</u></b>						
Cash	\$ 114,687	\$ 27,347	\$ 85	\$ 3,658,204	\$ 24,537	\$ 3,682,741
Investments				-	25,256	25,256
Receivables:						
Assessments/use charges				35,166		35,166
Intergovernmental				24,929		24,929
Other				5,338		5,338
Total Assets	\$ <u>114,687</u>	\$ <u>27,347</u>	\$ <u>85</u>	\$ <u>3,723,637</u>	\$ <u>49,793</u>	\$ <u>3,773,430</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
Liabilities:						
Accounts payable	\$ 1,485	\$ 231	\$	\$ 250,815	\$	\$ 250,815
Due to other funds				326,686		326,686
Deferred revenue				41,587		41,587
Total liabilities	<u>1,485</u>	<u>231</u>	<u>-</u>	<u>619,088</u>	<u>-</u>	<u>619,088</u>
Fund Balances:						
Reserved:						
Endowments				-	25,000	25,000
Unreserved and undesignated	113,202	27,116	85	3,104,549	24,793	3,129,342
Total fund balances	<u>113,202</u>	<u>27,116</u>	<u>85</u>	<u>3,104,549</u>	<u>49,793</u>	<u>3,154,342</u>
Total Liabilities and Fund Balances	\$ <u>114,687</u>	\$ <u>27,347</u>	\$ <u>85</u>	\$ <u>3,723,637</u>	\$ <u>49,793</u>	\$ <u>3,773,430</u>

## TOWN OF RIDGEFIELD, CONNECTICUT

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2006**

	Special Revenue Funds					
	Canine Control	Town Aid Road	Revaluation Fund	Heart and Hypertension	Sewer Operating I, II, and III	Public Safety Donations
Revenues:						
Intergovernmental	\$	\$ 174,510	\$	\$	\$	\$
Charges for services	13,937				1,577,101	
Contributions	2,000					29,733
Income from investments	3,786	3,231	3,772	4,666	21,946	1,243
Other					40,999	
Total revenues	<u>19,723</u>	<u>177,741</u>	<u>3,772</u>	<u>4,666</u>	<u>1,640,046</u>	<u>30,976</u>
Expenditures:						
Current:						
General government				20,691		
Health and welfare						
Parks and recreation						
Public safety	95,568					32,475
Public works		173,505			1,050,572	
Education					654,824	
Debt service					1,705,396	
Total expenditures	<u>95,568</u>	<u>173,505</u>	<u>-</u>	<u>20,691</u>	<u>1,705,396</u>	<u>32,475</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(75,845)</u>	<u>4,236</u>	<u>3,772</u>	<u>(16,025)</u>	<u>(65,350)</u>	<u>(1,499)</u>
Other Financing Sources (Uses):						
Transfers in	52,558		32,394	25,000	242,574	
Transfers out					(22,940)	
Net other financing sources	<u>52,558</u>	<u>-</u>	<u>32,394</u>	<u>25,000</u>	<u>219,634</u>	<u>-</u>
Net Change in Fund Balances	(23,287)	4,236	36,166	8,975	154,284	(1,499)
Fund Balances, Beginning of Year	<u>25,901</u>	<u>57,463</u>	<u>86,705</u>	<u>136,446</u>	<u>1,576,668</u>	<u>37,136</u>
Fund Balances, End of Year	<u>\$ 2,614</u>	<u>\$ 61,699</u>	<u>\$ 122,871</u>	<u>\$ 145,421</u>	<u>\$ 1,730,952</u>	<u>\$ 35,637</u>

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## TOWN OF RIDGEFIELD, CONNECTICUT

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2006**

	Special Revenue Funds					
	Cafeteria	Education Grants	School Miscellaneous	Tiger Hollow	Youth Barn	Miscellaneous Grants
Revenues:						
Intergovernmental	\$ 130,174	\$ 755,853	\$	\$	\$	\$ 95,670
Charges for services	1,660,405		489,388	14,597	56,586	96,175
Contributions			113,582	98,340	1,231	39,500
Income from investments	2,024			3,967	1,796	3,831
Other			55,085			
Total revenues	<u>1,792,603</u>	<u>755,853</u>	<u>658,055</u>	<u>116,904</u>	<u>59,613</u>	<u>235,176</u>
Expenditures:						
Current:						
General government						59,504
Health and welfare					108,435	100,465
Parks and recreation				63,315		
Public safety						62,833
Public works						
Education	1,762,984	755,853	1,183,079			
Debt service						
Total expenditures	<u>1,762,984</u>	<u>755,853</u>	<u>1,183,079</u>	<u>63,315</u>	<u>108,435</u>	<u>222,802</u>
Excess (Deficiency) of Revenues over Expenditures	<u>29,619</u>	<u>-</u>	<u>(525,024)</u>	<u>53,589</u>	<u>(48,822)</u>	<u>12,374</u>
Other Financing Sources (Uses):						
Transfers in			620,836	43,000	44,000	
Transfers out						
Net other financing sources	<u>-</u>	<u>-</u>	<u>620,836</u>	<u>43,000</u>	<u>44,000</u>	<u>-</u>
Net Change in Fund Balances	29,619	-	95,812	96,589	(4,822)	12,374
Fund Balances, Beginning of Year	<u>(32,540)</u>	<u>-</u>	<u>407,209</u>	<u>20,975</u>	<u>139,484</u>	<u>100,252</u>
Fund Balances, End of Year	<u>\$ (2,921)</u>	<u>\$ -</u>	<u>\$ 503,021</u>	<u>\$ 117,564</u>	<u>\$ 134,662</u>	<u>\$ 112,626</u>

(Continued on next page)

## TOWN OF RIDGEFIELD, CONNECTICUT

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2006**

	<b>Special Revenue Funds</b>				<b>Permanent Fund</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>Social Services</b>	<b>Solid Waste</b>	<b>Town Land Grant</b>	<b>Total</b>	<b>Ballard Park Fund</b>	
Revenues:						
Intergovernmental	\$	\$	\$	\$ 1,156,207	\$	\$ 1,156,207
Charges for services	23,852	103,000		4,035,041		4,035,041
Contributions	224,765			509,151		509,151
Income from investments	4,154	1,934	3	56,353	1,583	57,936
Other				96,084		96,084
Total revenues	<u>252,771</u>	<u>104,934</u>	<u>3</u>	<u>5,852,836</u>	<u>1,583</u>	<u>5,854,419</u>
Expenditures:						
Current:						
General government				80,195		80,195
Health and welfare	248,018			456,918		456,918
Parks and recreation	24,327			87,642		87,642
Public safety				190,876		190,876
Public works		172,364		1,396,441		1,396,441
Education				3,701,916		3,701,916
Debt service				654,824		654,824
Total expenditures	<u>272,345</u>	<u>172,364</u>	<u>-</u>	<u>6,568,812</u>	<u>-</u>	<u>6,568,812</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(19,574)</u>	<u>(67,430)</u>	<u>3</u>	<u>(715,976)</u>	<u>1,583</u>	<u>(714,393)</u>
Other Financing Sources (Uses):						
Transfers in		55,000		1,115,362		1,115,362
Transfers out				(22,940)		(22,940)
Net other financing sources	<u>-</u>	<u>55,000</u>	<u>-</u>	<u>1,092,422</u>	<u>-</u>	<u>1,092,422</u>
Net Change in Fund Balances	(19,574)	(12,430)	3	376,446	1,583	378,029
Fund Balances, Beginning of Year	<u>132,776</u>	<u>39,546</u>	<u>82</u>	<u>2,728,103</u>	<u>48,210</u>	<u>2,776,313</u>
Fund Balances, End of Year	<u>\$ 113,202</u>	<u>\$ 27,116</u>	<u>\$ 85</u>	<u>\$ 3,104,549</u>	<u>\$ 49,793</u>	<u>\$ 3,154,342</u>

## TOWN OF RIDGEFIELD, CONNECTICUT

**SCHEDULE OF SEWER USE CHARGES  
DISTRICT I  
FOR THE YEAR ENDED JUNE 30, 2006**

<u>Year</u>	<u>Uncollected Sewer Use Charges July 1, 2005</u>	<u>Current Year Charges</u>	<u>Adjustments</u>	<u>Adjusted Amount Collectible</u>	<u>Collections</u>	<u>Uncollected Sewer Use Charges June 30, 2006</u>
2003	\$	\$	\$ 1,363	\$ 1,363	\$ 1,363	\$
2004	415		4,169	4,584	4,322	262
2005	23,732		6,797	30,529	26,915	3,614
2006		1,228,207	1,795	1,230,002	1,199,355	30,647
Total	\$ 24,147	\$ 1,228,207	\$ 14,124	\$ 1,266,478	\$ 1,231,955	\$ 34,523

**SCHEDULE OF SEWER USE CHARGES  
DISTRICT II  
FOR THE YEAR ENDED JUNE 30, 2006**

<u>Year</u>	<u>Uncollected Sewer Use Charges July 1, 2005</u>	<u>Current Year Charges</u>	<u>Adjustments</u>	<u>Adjusted Amount Collectible</u>	<u>Collections</u>	<u>Uncollected Sewer Use Charges June 30, 2006</u>
2005	\$ 9,223	\$		\$ 9,223	\$ 9,223	\$
2006		233,070		233,070	233,067	3
Total	\$ 9,223	\$ 233,070		\$ 242,293	\$ 242,290	\$ 3

**SCHEDULE OF SEWER USE CHARGES  
DISTRICT III  
FOR THE YEAR ENDED JUNE 30, 2006**

<u>Year</u>	<u>Uncollected Sewer Use Charges July 1, 2005</u>	<u>Current Year Charges</u>	<u>Adjustments</u>	<u>Adjusted Amount Collectible</u>	<u>Collections</u>	<u>Uncollected Sewer Use Charges June 30, 2006</u>
2005	\$ 10	\$		\$ 10	\$ 10	\$
2006		22,720		22,720	22,080	640
Total	\$ 10	\$ 22,720		\$ 22,730	\$ 22,090	\$ 640

## **Nonmajor Proprietary Funds**

Internal service funds are used to account for risk financing activities as allowed by Governmental Accounting Standards Board Statement No. 10.

**Health Insurance Fund** - is used to account for the funding of and the claims attributable to the medical benefit program for the Town and Board of Education.

**Property & Casualty Fund** - is used to account for the limited risk management program for property and casualty claims for the Town.

## TOWN OF RIDGEFIELD, CONNECTICUT

COMBINING STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS

JUNE 30, 2006

	Self Funding		Governmental Activities
	Health Insurance	Property & Casualty	Internal Service Fund
Assets:			
Cash	\$ 545,426	\$ 153,697	\$ 699,123
Liabilities:			
Accounts payable		3,163	3,163
Due to other funds	450,000		450,000
Total Liabilities	450,000	3,163	453,163
Net Assets:			
Restricted		5,360	5,360
Unrestricted	95,426	145,174	240,600
Total Net Assets	\$ 95,426	\$ 150,534	\$ 245,960

## TOWN OF RIDGEFIELD, CONNECTICUT

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

**FOR THE YEAR ENDED JUNE 30, 2006**

	<b>Self Funding</b>		<b>Governmental</b>
	<b>Health</b>	<b>Property</b>	<b>Activities</b>
	<b>Insurance</b>	<b>&amp; Casualty</b>	<b>Internal Service Fund</b>
Operating Revenues:			
Insurance proceeds	\$	\$ 11,749	\$ 11,749
Premiums	23,942		23,942
Total operating revenues	23,942	11,749	35,691
Operating Expenses:			
Claims incurred		86,026	86,026
Operating Gain (Loss)	23,942	(74,277)	(50,335)
Nonoperating Revenues:			
Investment income	18,634	5,587	24,221
Changes in Net Assets	42,576	(68,690)	(26,114)
Net Assets - Beginning of Year	52,850	219,224	272,074
Net Assets - End of Year	\$ 95,426	\$ 150,534	\$ 245,960

## TOWN OF RIDGEFIELD, CONNECTICUT

COMBINING STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2006

	Self Funding		Governmental
	Health	Property	Activities
	Insurance	& Casualty	Internal Service Fund
Cash Flows from Operating Activities:			
Cash received as insurance proceeds	\$	\$ 11,749	\$ 11,749
Cash received as premiums	473,942		473,942
Cash paid for benefits, claims and administration		(82,863)	(82,863)
Net cash provided by (used in) operating activities	473,942	(71,114)	402,828
Cash Flows Provided By Investing Activities:			
Income from investments	18,634	5,587	24,221
Net Increase (Decrease) in Cash and Cash Equivalents	492,576	(65,527)	427,049
Cash - Beginning of Year	52,850	219,224	272,074
Cash - End of Year	\$ 545,426	\$ 153,697	\$ 699,123
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities:			
Operating gain (loss)	\$ 23,942	\$ (74,277)	\$ (50,335)
Adjustments to reconcile operating gain (loss) to net cash provided by (used in) operating activities:			
Increase in accounts payable		3,163	3,163
Increase in due to other funds	450,000		450,000
Net Cash Provided by (Used in) Operating Activities	\$ 473,942	\$ (71,114)	\$ 402,828

# Fiduciary Funds

Fiduciary funds are used to account for assets held by the Town in a trustee capacity for individuals, private organizations or other governments.

## **Pension Trust Fund**

The Pension Trust Fund is used to account for the accumulation of resources for pension benefit payments to qualified public employees.

## **Agency Fund**

Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

**Student Activities** - is used to account for the public school students' extracurricular activities.

**Performance Bonds** - is used to account for the full performance of contractual obligation bonds.

**Contractor's Driveway Bonds** - is used to account for the full performance of contractual obligations for approved driveway plan bonds.

**Ridgebury Cemetery** - is used to account for the Ridgebury Cemetery organizational funds.

**Ridgebury Congregational Church** - is used to account for the Ridgefield First Congregational Church organizational funds.

**Open Space Conservation Commission** - is used to account for the Ridgefield Conservation Commission organizational funds.

**Historic Commission** - is used to account for the Ridgefield Historic Commission organizational funds.

**Holiday Trust** - is used to account for contributions to support annual holiday events.

**Welcome to Ridgefield Fund** - is used to account for contributions to support the beautification of Main Street landscape.

**Senior Center** - is used to account for the senior citizen center's extracurricular activities.

**McKeon Farm Preservation Trust** - is used to account for contributions to support the effort to preserve McKeon Farm as open space.

**Miscellaneous** - is used to account for various Town organizations with minor activities and account balances.



## TOWN OF RIDGEFIELD, CONNECTICUT

**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2006**

	<u>Balance</u> <u>July 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2006</u>
<b>ASSETS</b>				
Cash:				
Student Activities	\$ 357,466	\$ 1,682,112	\$ 1,720,289	\$ 319,289
Performance Bonds	360,395	317,153	6,800	670,748
Contractor's Driveway Bonds	82,450	60,650	30,350	112,750
Ridgebury Cemetery	3,036	14,879		17,915
Open Space Conservation Commission	398,662	116,570	458,210	57,022
Historic Commission	12,306	14,000	13,389	12,917
Holiday Trust Fund	39,980	21,384	23,499	37,865
Welcome to Ridgefield Fund	17,584	20,469	29,162	8,891
Senior Center	317	10		327
McKeon Farm Preservation Trust	11,069	10,579	2,678	18,970
Miscellaneous	118,696	204,498	203,272	119,922
Total cash	<u>1,401,961</u>	<u>2,462,304</u>	<u>2,487,649</u>	<u>1,376,616</u>
Investments:				
Ridgebury Congregational Church	5,040	60		5,100
Open Space Conservation Commission	373,675	20,943		394,618
Ridgebury Cemetery	164,861		9,826	155,035
	<u>543,576</u>	<u>21,003</u>	<u>9,826</u>	<u>554,753</u>
Total Assets	<u>\$ 1,945,537</u>	<u>\$ 2,483,307</u>	<u>\$ 2,497,475</u>	<u>\$ 1,931,369</u>
<b>LIABILITIES</b>				
Accounts Payable:				
Student Activities	\$ 357,466	\$ 1,682,112	\$ 1,720,289	\$ 319,289
Performance Bonds	360,395	317,153	6,800	670,748
Contractor's Driveway Bonds	82,450	60,650	30,350	112,750
Ridgebury Cemetery	167,897	14,879	9,826	172,950
Open Space Conservation Commission	772,337	137,513	458,210	451,640
Historic Commission	12,306	14,000	13,389	12,917
Holiday Trust Fund	39,980	21,384	23,499	37,865
Welcome to Ridgefield Fund	17,584	20,469	29,162	8,891
Senior Center	317	10		327
Ridgebury Congregational Church	5,040	60		5,100
McKeon Farm Preservation Trust	11,069	10,579	2,678	18,970
Miscellaneous	118,696	204,498	203,272	119,922
Total Liabilities	<u>\$ 1,945,537</u>	<u>\$ 2,483,307</u>	<u>\$ 2,497,475</u>	<u>\$ 1,931,369</u>

## Statistical Section

This part of the Town of Ridgefield, Connecticut's comprehensive annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

<b>Table</b>	<b>Contents</b>	<b>Page</b>
1-4	Financial Trends	68-71
	These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	
5-7	Revenue Capacity	72-74
	These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.	
8-10	Debt Capacity	75-77
	These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	
11-13	Demographic and Economic Information	78-80
	These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.	
14-15	Operating Information	81-82
	These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.	

TABLE 1

## TOWN OF RIDGEFIELD, CONNECTICUT

## NET ASSETS BY COMPONENT

## SINCE INCEPTION OF GASB 34

(Accrual Basis of Accounting)

	FISCAL YEAR			
	2003	2004	2005	2006
Governmental Activities:				
Invested in capital assets, net of related debt	\$ 22,609,527	\$ 56,415,672	\$ 47,573,213	\$ 50,382,144
Restricted for:				
Capital projects	23,695,214	1,570,643	1,570,643	480,076
Endowments	25,000	25,000	25,000	49,793
Debt service	1,143,243	403,683	990,334	707,169
Other purposes	180,355	126,433	763,501	484,968
Unrestricted	8,528,990	1,466,438	8,759,337	14,309,845
Total Governmental Activities Net Assets	<u>\$ 56,182,329</u>	<u>\$ 60,007,869</u>	<u>\$ 59,682,028</u>	<u>\$ 66,413,995</u>
Primary Government:				
Invested in capital assets, net of related debt	\$ 22,609,527	\$ 56,415,672	\$ 47,573,213	\$ 50,382,144
Restricted	25,043,812	2,125,759	3,349,478	1,722,006
Unrestricted	8,528,990	1,466,438	8,759,337	14,309,845
Total Primary Government Net Assets	<u>\$ 56,182,329</u>	<u>\$ 60,007,869</u>	<u>\$ 59,682,028</u>	<u>\$ 66,413,995</u>

NOTE: The Town began to report accrual information when it implemented GASB Statement No. 34 during fiscal year June 30, 2003.

TABLE 2

## TOWN OF RIDGEFIELD, CONNECTICUT

## CHANGES IN NET ASSETS

## SINCE INCEPTION OF GASB 34

(Accrual Basis of Accounting)

	FISCAL YEAR			
	2003	2004	2005	2006
Expenses:				
Governmental activities:				
General government	\$ 8,987,526	\$ 8,408,774	\$ 4,541,033	\$ 5,226,056
Health and welfare	1,057,566	777,621	836,882	964,674
Recreation	5,496,998	5,457,571	6,069,623	6,456,843
Public safety	8,671,668	8,312,310	9,294,400	9,747,366
Public works	7,652,337	8,229,816	8,649,358	8,306,575
Education	56,982,838	63,390,436	70,525,966	74,257,956
Library	1,300,000	1,365,000	1,549,143	1,478,580
Interest expense	6,145,506	5,467,690	6,118,255	4,928,113
Total Primary Government Expenses	96,294,439	101,409,218	107,584,660	111,366,163
Program Revenues:				
Governmental activities:				
Charges for services:				
General government	1,834,360	2,502,690	2,102,472	2,689,269
Health and welfare	185,928	61,608	23,123	23,852
Recreation	3,466,307	3,558,972	3,735,524	3,747,677
Public safety	1,099,874	683,347	835,520	1,068,908
Public works	3,458,041	2,972,512	2,811,698	2,730,784
Education	1,521,398	1,944,022	2,083,900	2,108,515
Operating grants and contributions	4,531,579	4,772,053	4,684,942	7,803,555
Capital grants and contributions	9,145,586	5,491,797	255,143	141,008
Total Primary Government Program Revenues	25,243,073	21,987,001	16,532,322	20,313,568
Net Expenses:				
Governmental activities	(71,051,366)	(79,422,217)	(91,052,338)	(91,052,595)
General Revenues and Other				
Changes in Net Assets:				
Governmental activities:				
Property taxes	74,978,010	82,487,533	88,777,534	95,793,280
Grants and contributions not restricted to specific programs	1,018,635	542,314	756,132	106,291
Investment income	987,047	438,412	450,439	848,591
Donations of capital assets			29,140	414,820
Miscellaneous	164,525	365,306	756,558	621,580
Total governmental activities	77,148,217	83,833,565	90,769,803	97,784,562
Change in Net Assets	\$ 6,096,851	\$ 4,411,348	\$ (282,535)	\$ 6,731,967

NOTE 1: The Town began to report accrual information when it implemented GASB Statement No. 34 during fiscal year June 30, 2003.

TABLE 3

## TOWN OF RIDGEFIELD, CONNECTICUT

## FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)

	FISCAL YEAR									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General fund:										
Reserved	\$ 504,769	\$ 237,494	\$ 459,702	\$ 153,990	\$ 449,875	\$ 359,510	\$ 180,355	\$ 126,433	\$ 593,872	\$ 440,412
Unreserved and unsigned	5,300,182	4,985,720	4,540,953	3,392,478	4,959,411	7,200,249	6,583,207	7,164,646	5,386,239	7,696,456
Designated for subsequent year's budget	3,082,751	1,850,222	1,250,000	1,075,000			600,000	930,000		
Total General Fund	\$ <u>8,887,702</u>	\$ <u>7,073,436</u>	\$ <u>6,250,655</u>	\$ <u>4,621,468</u>	\$ <u>5,409,286</u>	\$ <u>7,559,759</u>	\$ <u>7,363,562</u>	\$ <u>8,221,079</u>	\$ <u>5,980,111</u>	\$ <u>8,136,868</u>
All other governmental funds:										
Reserved	\$ 1,350,043	\$ 2,470,609	\$ 815,790	\$ 1,509,291	\$ 2,835,341	\$ 61,674,162	\$ 24,863,457	\$ 1,999,326	\$ 649,487	\$ 732,169
Unreserved, reported in:										
Special revenue funds	1,581,935	1,965,230	2,336,387	2,673,570	2,661,244	1,973,736	2,700,648	2,396,112	2,690,267	3,104,549
Capital projects funds	(173,854)	(7,953,020)	(10,994,454)	(10,073,322)	4,004,719	(36,930,005)	(3,721,904)	(699,336)	(1,819,533)	480,076
Permanent funds							21,714	22,271	23,210	24,793
Total All Other Governmental Funds	\$ <u>2,758,124</u>	\$ <u>(3,517,181)</u>	\$ <u>(7,842,277)</u>	\$ <u>(5,890,461)</u>	\$ <u>9,501,304</u>	\$ <u>26,717,893</u>	\$ <u>23,863,915</u>	\$ <u>3,718,373</u>	\$ <u>1,543,431</u>	\$ <u>4,341,587</u>

TABLE 4

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - GOVERNMENTAL FUNDS**

**LAST TEN YEARS**  
**(Modified Accrual Basis of Accounting)**

	FISCAL YEAR									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues:										
Property taxes	\$ 48,424,501	\$ 49,568,809	\$ 52,440,123	\$ 55,639,941	\$ 60,909,459	\$ 68,434,552	\$ 74,533,875	\$ 83,182,130	\$ 88,583,323	\$ 95,539,518
Intergovernmental	2,969,514	3,418,845	5,938,443	5,324,112	6,239,461	10,158,639	14,523,085	10,139,958	5,370,261	7,473,719
Charges for services	6,768,522	6,703,373	7,374,330	7,414,314	7,705,456	8,474,917	10,871,304	11,590,479	11,645,239	12,491,793
Contributions	150,198	142,983	70,095	188,981	1,949,956	1,895,977	253,055	430,808	362,930	509,151
Interest and investment income	1,136,246	1,108,363	978,404	1,006,419	3,211,173	1,318,661	984,098	433,861	445,222	824,370
Other	276,542	303,764	360,083	434,777	505,573	511,853	164,525	365,306	785,047	650,643
Total revenues	<u>59,725,523</u>	<u>61,246,137</u>	<u>67,161,478</u>	<u>70,008,544</u>	<u>80,521,078</u>	<u>90,794,599</u>	<u>101,329,942</u>	<u>106,142,542</u>	<u>107,192,022</u>	<u>117,489,194</u>
Expenditures:										
Current:										
General government	5,929,893	5,415,744	5,209,090	5,529,257	5,658,104	6,604,353	8,954,752	7,919,638	8,310,995	8,508,620
Health and welfare	341,526	409,665	384,355	373,970	522,412	486,804	679,172	624,182	697,515	838,121
Community grants	169,885	172,272	192,273	199,329	197,990	214,090	223,038	228,788	239,467	243,604
Public recreation	2,640,321	2,807,629	3,353,118	3,490,472	3,632,546	5,071,906	4,076,741	4,278,411	4,435,728	4,667,123
Public safety	4,347,749	4,512,555	4,785,370	5,153,032	5,182,003	5,510,723	5,763,000	6,029,891	6,691,279	7,128,342
Public works	3,432,444	3,531,990	4,139,864	4,516,546	4,940,635	6,331,605	5,547,933	6,007,704	5,635,669	5,984,995
Education	37,872,794	40,008,372	42,496,627	45,560,671	48,564,431	51,770,652	55,762,119	60,968,581	64,049,766	70,721,623
Library	864,996	915,000	1,004,000	1,100,000	1,155,000	1,222,780	1,365,000	1,365,000	1,419,600	1,478,580
Debt service	3,014,034	3,993,756	3,263,465	3,515,080	4,243,692	5,459,510	10,732,626	13,910,528	18,923,784	14,862,341
Bennett's pond settlement									2,300,000	
Capital outlay	7,544,814	12,588,725	7,481,193	11,957,471	17,111,549	46,965,114	56,516,262	28,501,680	9,300,823	6,152,567
Total expenditures	<u>66,158,456</u>	<u>74,355,708</u>	<u>72,309,355</u>	<u>81,395,828</u>	<u>91,208,362</u>	<u>129,637,537</u>	<u>149,620,643</u>	<u>129,834,403</u>	<u>122,004,626</u>	<u>120,585,916</u>
Deficiency of Revenues over Expenditures	<u>(6,432,933)</u>	<u>(13,109,571)</u>	<u>(5,147,877)</u>	<u>(11,387,284)</u>	<u>(10,687,284)</u>	<u>(38,842,938)</u>	<u>(48,290,701)</u>	<u>(23,691,861)</u>	<u>(14,812,604)</u>	<u>(3,096,722)</u>
Other Financing Sources (Uses):										
Issuance of debt	6,020,000	5,020,000		11,535,000	25,640,000	58,210,000	38,600,000	4,450,000	10,440,000	7,180,000
Capital lease proceeds				174,913	1,226,867					871,635
Issuance of refunding bonds							2,705,000		31,480,000	
Payment to refunded bond escrow agent							(2,736,471)		(34,612,628)	
Premium on refunding bonds							982,892		3,132,628	
Proceeds from sale of assets							4,250,000	100,398		
Operating transfers in	2,458,146	2,185,764	2,863,411	1,781,207	6,460,010	1,124,075	1,217,495	1,788,889	1,209,479	1,470,702
Operating transfers out	(2,458,146)	(2,185,764)	(2,863,411)	(1,781,207)	(6,460,010)	(1,124,075)	(1,217,495)	(2,321,628)	(1,209,479)	(1,470,702)
Total other financing sources	<u>6,020,000</u>	<u>5,020,000</u>	<u>-</u>	<u>11,709,913</u>	<u>26,866,867</u>	<u>58,210,000</u>	<u>43,801,421</u>	<u>4,017,659</u>	<u>10,440,000</u>	<u>8,051,635</u>
Net Change in Fund Balances	<u>(412,933)</u>	<u>(8,089,571)</u>	<u>(5,147,877)</u>	<u>322,629</u>	<u>16,179,583</u>	<u>19,367,062</u>	<u>(4,489,280)</u>	<u>(19,674,202)</u>	<u>(4,372,604)</u>	<u>4,954,913</u>
Fund Balance at Beginning of Year or as Restated	<u>12,058,759</u>	<u>11,645,826</u>	<u>3,556,255</u>	<u>(1,591,622)</u>	<u>(1,268,993)</u>	<u>14,910,590</u>	<u>35,716,757</u>	<u>31,613,654</u>	<u>11,896,146</u>	<u>7,523,542</u>
Fund Balance at End of Year	<u>\$ 11,645,826</u>	<u>\$ 3,556,255</u>	<u>\$ (1,591,622)</u>	<u>\$ (1,268,993)</u>	<u>\$ 14,910,590</u>	<u>\$ 34,277,652</u>	<u>\$ 31,227,477</u>	<u>\$ 11,939,452</u>	<u>\$ 7,523,542</u>	<u>\$ 12,478,455</u>
Debt Service as a Percentage of Noncapital Expenditures	5.14%	6.47%	5.03%	5.06%	5.73%	6.60%	11.53%	13.73%	16.79%	12.99%

TABLE 5

## TOWN OF RIDGEFIELD, CONNECTICUT

## ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

## LAST TEN FISCAL YEARS

Fiscal Year	Assessed Property Values			Total Taxable Assessed Value	Mill Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Real	Personal	Tax Exempt				
1997	\$ 2,138,178	\$ 237,282	\$ 20,617	\$ 2,354,843	21.38	\$ 3,628,479	64.90%
1998	2,185,594	256,494	24,457	2,417,631	20.91	3,891,571	62.12%
1999	2,245,282	285,409	24,101	2,506,590	21.52	4,278,902	58.58%
2000	2,301,586	319,505	23,862	2,597,229	22.24	5,059,608	51.33%
2001	2,361,388	335,598	34,710	2,662,276	23.25	5,612,874	47.43%
2002	2,407,472	351,829	43,401	2,715,900	25.49	5,852,551	46.41%
2003	3,669,721	363,120	22,037	4,010,804	27.58	6,167,261	65.03%
2004	3,739,353	340,669	27,648	4,052,374	20.77	6,959,445	58.23%
2005	3,773,194	359,589	28,511	4,104,272	22.02	7,401,087	55.45%
2006	3,818,831	362,902	27,332	4,154,401	23.42	8,711,940	47.69%

Source: Town Assessor's office

Note: By state law property is assessed at 70% of actual value with periodic revaluation of real property.

The estimated actual amount is the equalized grand list which is estimated by the State of Connecticut, Office of Policy and Management.

TABLE 6

## TOWN OF RIDGEFIELD, CONNECTICUT

## PRINCIPAL TAXPAYERS

## CURRENT YEAR AND NINE YEARS AGO

	2006			1997		
	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List
Boehringer Ingelheim Pharmaceuticals, Inc.	\$ 182,120,774	1	4.38%	\$ 141,283,661	1	6.00%
Schlumberger Technical Corporation	21,473,030	2	0.52%	21,457,179	2	0.91%
Copps Hill Shopping Association	18,504,470	3	0.45%	8,111,020	3	0.34%
Connecticut Light & Power	13,390,200	4	0.32%	6,183,481	4	0.26%
CCC of Ridgefield, CT	8,641,600	5	0.21%	6,011,431	5	0.26%
Joseph & Ellen Ann Donnelly Trust	8,392,530	6	0.20%	4,935,180	7	0.21%
Aquarion Water Company of CT	8,101,368	7	0.20%			
Ridgefield Bank	7,844,550	8	0.19%	4,648,389	9	0.20%
Athena Holdings, LLC	7,623,000	9	0.18%			
Flat Rock Corporation	6,527,460	10	0.16%			
John Morganti & Sons, LLC				5,197,980	6	0.22%
Stephen J. Zemo				4,798,830	8	0.20%
John Girolametti				4,553,340	10	0.19%
	<u>\$ 282,618,982</u>		<u>6.81%</u>	<u>\$ 207,180,491</u>		<u>8.79%</u>

Source: Town Assessor's office



TABLE 7

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

(In Thousands)

Fiscal Year	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collection of Prior Years Taxes	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
1997	\$	47,911,540	\$ 47,310,726	98.75 %	\$ 912,382	\$ 48,223,108	100.65 %
1998		48,814,654	48,215,946	98.77	1,137,076	49,353,022	101.10
1999		51,769,624	51,108,103	98.72	1,105,625	52,213,728	100.86
2000		55,523,305	54,656,367	98.44	751,317	55,407,684	99.79
2001		59,975,066	59,178,821	98.67	1,471,834	60,650,655	101.13
2002		67,173,727	66,627,237	99.19	1,503,430	68,130,667	101.42
2003		74,223,842	73,532,314	99.07	722,202	74,254,516	100.04
2004		81,936,586	81,389,173	99.33	1,570,382	82,959,555	101.25
2005		88,483,571	87,757,803	99.18	610,827	88,368,630	99.87
2006		95,159,220	94,631,945	99.45	746,417	95,378,362	100.23

Source: Tax Collector's office and Finance office

TABLE 8

## TOWN OF RIDGEFIELD, CONNECTICUT

**RATIO OF NET GENERAL BONDED DEBT TO  
ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA**

**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>General Long-Term Debt (3)(4)</b>	<b>Assessed Value (1)(4)</b>	<b>Ratio of Long-Term Debt to Assessed Value</b>	<b>Population (2)</b>	<b>Per Capita Income (2)</b>	<b>Percentage of Personal Income (2)</b>	<b>Long-Term Debt Per Capita</b>
1997	\$ 23,836	\$ 2,354,843	1.01%	22,190	\$ 46,486	2.31%	\$ 1,074
1998	27,194	2,417,631	1.12%	22,310	48,255	2.53%	1,219
1999	25,297	2,506,590	1.01%	22,450	50,024	2.25%	1,127
2000	34,624	2,597,229	1.33%	23,643	51,795	2.83%	1,464
2001	51,210	2,662,276	1.92%	23,750	54,126	3.98%	2,156
2002	113,260	2,715,900	4.17%	23,920	56,616	8.36%	4,735
2003	148,705	4,010,804	3.71%	24,080	59,503	10.38%	6,175
2004	140,339	4,052,374	3.46%	24,154	62,776	9.26%	5,810
2005	144,780	4,104,272	3.53%	24,588	66,480	8.86%	5,888
2006	134,500	4,154,401	3.24%	24,612	70,136	7.79%	5,465

(1) See Table 5 for taxable property value data.

(2) See Table 11 for income and population data. These ratios are calculated using personal income and population for the calendar year.

(3) Bonds, notes payable and premiums.

(4) Amounts expressed in thousands.

TABLE 9

## TOWN OF RIDGEFIELD, CONNECTICUT

**SCHEDULE OF DEBT LIMITATION**  
**CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)**  
**FOR THE YEAR ENDED JUNE 30, 2006**

Tax Base:	
Total tax collections	\$ 95,539,518
Reimbursement of Revenue Loss on:	
Elderly tax freeze grant	<u>7,648</u>
Total Base	<u>\$ 95,547,166</u>

	<u>Public Improvement</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt Limitation:					
2 1/4 times base	\$ 214,981,124	\$	\$	\$	\$
4 1/2 times base		429,962,247			
3 3/4 times base			358,301,873		
3 1/4 times base				310,528,290	
3 times base					286,641,498
	<u>214,981,124</u>	<u>429,962,247</u>	<u>358,301,873</u>	<u>310,528,290</u>	<u>286,641,498</u>
Total limitations					
	<u>214,981,124</u>	<u>429,962,247</u>	<u>358,301,873</u>	<u>310,528,290</u>	<u>286,641,498</u>
Indebtedness:					
Bonds outstanding	52,643,100	68,283,900	2,363,000		
Less school building grants		(111,581)			
Less sewer assessments			(962,014)		
	<u>52,643,100</u>	<u>68,172,319</u>	<u>1,400,986</u>		
Total indebtedness (1)					
	<u>52,643,100</u>	<u>68,172,319</u>	<u>1,400,986</u>		
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 162,338,024</u>	<u>\$ 361,789,928</u>	<u>\$ 356,900,887</u>	<u>\$ 310,528,290</u>	<u>\$ 286,641,498</u>

NOTES: (1) The total of the above indebtedness amounts to:	<u>\$ 122,216,405</u>
In no event shall total indebtedness exceed seven times the base for debt limitation computation	<u>\$ 668,830,162</u>
(2) There is no overlapping debt for the Town of Ridgefield	

TABLE 10

## TOWN OF RIDGEFIELD, CONECTICUT

## LEGAL DEBT MARGIN INFORMATION

## LAST TEN FISCAL YEARS

	FISCAL YEAR									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Debt limit	\$ 338,104,515	\$ 345,962,813	\$ 365,974,455	\$ 388,004,429	\$ 420,169,680	\$ 477,010,324	\$ 519,879,123	\$ 580,786,885	\$ 618,650,410	\$ 668,830,162
Total net debt applicable to limit	<u>32,444,000</u>	<u>29,190,000</u>	<u>27,815,000</u>	<u>34,675,000</u>	<u>51,153,031</u>	<u>118,253,299</u>	<u>150,442,486</u>	<u>137,360,933</u>	<u>135,106,335</u>	<u>122,216,405</u>
Legal Debt Margin	<u>\$ 305,660,515</u>	<u>\$ 316,772,813</u>	<u>\$ 338,159,455</u>	<u>\$ 353,329,429</u>	<u>\$ 369,016,649</u>	<u>\$ 358,757,025</u>	<u>\$ 369,436,637</u>	<u>\$ 443,425,952</u>	<u>\$ 483,544,075</u>	<u>\$ 546,613,757</u>
Total net debt applicable to the limit as a percentage of debt limit	9.60%	8.44%	7.60%	8.94%	12.17%	24.79%	28.94%	23.65%	21.84%	18.27%

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. The calculation of the 2006 debt limit can be found on page 76 of this report.

**TABLE 11**

**TOWN OF RIDGEFIELD, CONNECTICUT**

**DEMOGRAPHIC AND ECONOMIC STATISTICS**

**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Population</b>	<b>Per Capita Income</b>	<b>Median Age</b>	<b>School Enrollment (1)</b>	<b>Unemployment Rate (2)</b>
1997	22,190	\$ 46,486	37	4,333	2.00%
1998	22,310	48,255	37	4,524	1.80%
1999	22,450	50,024	37	4,664	1.74%
2000	23,643	51,795	39	4,831	1.30%
2001	23,750	54,126	39	4,982	1.80%
2002	23,920	56,616	39	5,138	2.50%
2003	24,080	59,503	39	5,429	2.50%
2004	24,154	62,776	39	5,522	3.20%
2005	24,588	66,480	39	5,597	3.70%
2006	24,612	70,136	38	5,641	2.50%

Sources: Population, per capita income and median age, U.S. Bureau of the Census and  
Connecticut Department of Health

- (1) Town of Ridgefield, Board of Education.  
(2) State of Connecticut, Department of Labor.

TABLE 12

## TOWN OF RIDGEFIELD, CONNECTICUT

## PRINCIPAL EMPLOYERS

## CURRENT YEAR AND NINE YEARS AGO

	2006			1997		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Boehringer-Ingelheim, Inc.	2,200	1	19.71%	1,200	1	9.79%
Ridgefield Bank	147	2	1.32%	95	6	0.78%
Laurel Ridge Health Care Center	136	3	1.22%			
Schlumberger Technical Corp.	125	4	1.12%	140	3	1.14%
Adam Broderick Salon & Spa	125	5	1.12%			
Stop & Shop	105	6	0.94%			
Kohl's Department Store	95	7	0.85%			
Ridgefield Crossings	90	8	0.81%	50	10	0.41%
Pamby Motors, Inc.	60	9	0.54%	61	9	0.50%
Ullman Devices, Corp	60	10	0.54%	76	8	0.62%
Silicone Valley Corporation				500	2	4.08%
Norco Company				128	4	1.04%
Village Bank				100	5	0.82%
Duty Free International, Inc.				80	7	0.65%
	<u>3,143</u>		<u>28.17%</u>	<u>\$ 2,430</u>		<u>19.83%</u>

Source: Telephone survey and Department of Labor, State of Connecticut.

TABLE 13

## TOWN OF RIDGEFIELD, CONNECTICUT

## FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

## LAST TEN FISCAL YEARS

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
<u>General government</u>										
Management services	26.5	26.5	26.5	24.5	24.0	24.0	23.6	23.6	23.6	23.9
Finance	7.0	7.0	6.7	6.7	6.7	6.7	7.5	7.0	7.0	7.0
Planning	4.5	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Building	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0
<u>Public Health</u>										
Health	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0
Social Services	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.0	2.0	1.7
<u>Public safety</u>										
Police	48.5	48.5	48.5	43.6	43.6	43.6	43.6	43.6	43.6	43.6
Fire	35.2	35.2	35.2	33.0	33.0	32.0	28.0	28.0	28.0	28.0
Parking	0.5	0.5	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
<u>Public works</u>	30.0	29.0	28.0	31.8	30.8	30.8	30.0	29.8	29.3	29.3
<u>Public Recreation</u>										
Recreation	50.0	50.0	50.0	49.0	48.2	47.3	47.3	39.5	38.0	37.5
Golf Course	14.0	14.0	16.0	17.3	17.3	17.3	17.3	15.5	15.5	15.0
Tree Warden	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.3	0.3	0.3
<u>Public Education</u>										
Certified	445.9	435.3	438.8	427.8	404.1	390.7	374.2	362.7	346.4	331.9
Non-certified	214.5	210.6	202.6	194.2	174.7	172.7	160.7	168.1	151.2	145.1
Total	<u>887.6</u>	<u>871.7</u>	<u>868.5</u>	<u>845.0</u>	<u>799.5</u>	<u>782.2</u>	<u>749.2</u>	<u>732.3</u>	<u>697.1</u>	<u>675.6</u>

Source: Town of Ridgefield, Human Resources Department and Board of Education, Personnel Department

Notes: A full-time employees are scheduled to work 1,820 or 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calaculated by dividing total labor hours by 1,820 or 2,080 based on the employment classification.

TABLE 14

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**

**LAST TEN FISCAL YEARS**

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
<u>General Government</u>										
<u>Town Clerk's Office:</u>										
Licenses issued	3,046	2,982	3,116	3,228	3,137	3,248	3,410	3,330	3,168	3,095
Record vital statistics	460	509	523	580	571	583	613	638	624	659
Document recordings	7,872	8,322	9,438	12,415	10,654	6,579	7,332	8,568	7,120	7,220
<u>Registrar of Voters:</u>										
Registered voters	15,194	15,853	15,382	15,495	15,519	15,923	15,049	15,111	14,971	14,986
Elections and referenda	3	5	4	3	5	3	5	6	6	3
<u>Planning and Development</u>										
Building permits issued	2,264	2,198	2,554	2,415	2,860	3,028	2,871	2,864	2,262	2,232
Value of building permits	\$ 83,580,683	\$ 65,921,952	\$ 75,710,078	\$ 101,733,974	\$ 78,567,392	\$ 52,099,328	\$ 61,792,388	\$ 51,781,332	\$ 45,177,707	\$ 46,016,691
Zoning permits issued	337	341	358	424	394	380	475	463	455	487
<u>Public Safety</u>										
<u>Police Department:</u>										
Motor vehicle citations	4,718	4,131	5,031	4,600	4,573	4,170	3,874	3,645	3,136	1,957
General citations	599	501	496	706	697	1,537	1,410	1,294	1,371	626
<u>Fire Department:</u>										
Fire related calls	1,022	940	1,058	960	898	980	1,023	848	867	913
Medical related calls	1,905	1,986	1,827	1,792	1,714	1,562	1,404	1,258	1,304	1,291
<u>Parking Authority:</u>										
Parking violations	1,235	2,594	2,610	2,560	1,966	2,240	2,110	1,830	2,040	1,510
<u>Public Works</u>										
Miles of street resurfacing	12.8	13.0	12.4	13.0	12.5	16.0	14.0	12.0	8.0	16.8
Work orders completed	572	748	625	680	910	985	1,010	968	1,153	1,109
<u>Public Recreation</u>										
Rounds of golf	36,196	36,796	32,722	35,125	39,683	37,500	39,982	38,755	36,552	37,591
Recreation center members	7,002	7,098	7,161	6,170	4,140	4,151	4,209	4,437	3,650	3,909
Summer camp participants	1,300	1,232	1,202	1,175	1,050	924	927	879	875	825
Martin park beach passes	452	474	604	714	604	550	575	557	624	807
<u>Public Education</u>										
Student enrollment	5,641	5,597	5,522	5,429	5,138	4,982	4,831	4,664	4,524	4,333

Source(s): Various Town Departments



TABLE 15

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
<u>General Government</u>										
Vehicles	8	8	8	8	9	9	9	9	9	9
<u>Public Safety</u>										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire stations	2	2	2	2	2	2	2	2	2	2
Police vehicles	18	18	18	17	17	16	16	15	15	15
Fire vehicles	16	17	17	17	18	17	17	16	16	16
<u>Public Works</u>										
Town roads (miles)	193.2	193.2	189.5	189.5	180.9	180.77	178.2	176.4	175.9	175.9
Town sidewalks (miles)	13.1	13.1	11.6	11.6	11.6	8.5	8.0	7.4	7.4	7.4
Sanitary sewers (miles)	20.3	20.3	20.3	20.3	14.6	14.6	13.0	11.7	11.7	11.7
Storm sewers (miles)	85.7	85.7	85.0	84.0	84.0	84.0	54.0	30.0	29.9	29.9
Treatment plants	2	2	2	2	2	2	2	2	2	2
Highway vehicles	37	37	36	35	35	34	34	34	34	34
<u>Public Recreation</u>										
Acreage	2,156	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114
<u>Athletic facilities:</u>										
Baseball diamonds	19	19	19	19	19	19	16	12	12	12
Basketball courts - Outside	2	3	3	3	3	3	3	3	3	3
Soccer fields	15	15	15	16	15	15	21	21	21	21
Football fields	3	3	3	3	3	3	3	3	3	3
Playgrounds	9	9	9	9	9	9	9	9	9	9
Tennis courts	9	9	9	9	7	7	7	7	7	7
Skate board park	1	1	1	1	1	1	1	1	1	1
Nature areas	39	39	39	39	38	38	38	38	38	38
Picnic areas	3	2	2	2	2	2	2	2	2	2
Swimming pools	2	2	2	2	1	1	1	1	1	1
Vehicles	17	17	17	16	16	16	16	16	16	16
<u>Public Education</u>										
Elementary schools	6	6	5	5	5	5	5	5	5	5
Middle schools	2	2	2	2	1	1	1	1	1	1
High schools	1	1	1	1	1	1	1	1	1	1