

TOWN OF RIDGEFIELD, CONNECTICUT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2010

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

of the

**TOWN OF RIDGEFIELD,
CONNECTICUT**

**FOR THE YEAR ENDED
JUNE 30, 2010**

PREPARED BY:

**THE FINANCE DEPARTMENT
KEVIN F. REDMOND, TOWN CONTROLLER**

TOWN OF RIDGEFIELD, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

TABLE OF CONTENTS

	<u>Page</u>
Introductory Section	
Organizational Chart	i
Letter of Transmittal	ii-vi
List of Principal Officials	vii
Certificate of Achievement for Excellence in Financial Reporting for the Year Ended June 30, 2009	viii
Financial Section	
Independent Auditors' Report	1-2
Management Discussion and Analysis	3-12
<u>Exhibit</u>	
Basic Financial Statements:	
Government-Wide Financial Statements:	
I Statement of Net Assets	13
II Statement of Activities	14
Fund Financial Statements:	
Governmental Funds:	
III Balance Sheet	15-16
IV Statement of Revenues, Expenditures and Changes in Fund Balances	17-18
Proprietary Funds:	
V Statement of Net Assets	19
VI Statement of Revenues, Expenses and Changes in Fund Net Assets	20
VII Statement of Cash Flows	21
Fiduciary Funds:	
VIII Statement of Fiduciary Net Assets	22
IX Statement of Changes in Fiduciary Net Assets	23
Notes to Financial Statements	24-54
Required Supplementary Information:	
General Fund:	
RSI-1 Schedule of Revenues and Other Financing Sources - Budget and Actual	55
RSI-2 Schedule of Expenditures and Other Financing Uses - Budget and Actual	56-57

Combining and Individual Fund Statements and Schedules:

General Fund:

A-1	Report of Tax Collector	58
	Nonmajor Governmental Funds:	
B-1	Combining Balance Sheet	59-61
B-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	62-64
B-3	Schedules of Sewer Use Charges	65
	Fiduciary Funds:	
C-1	Agency Funds - Combining Statement of Changes in Assets and Liabilities	66

Statistical Section

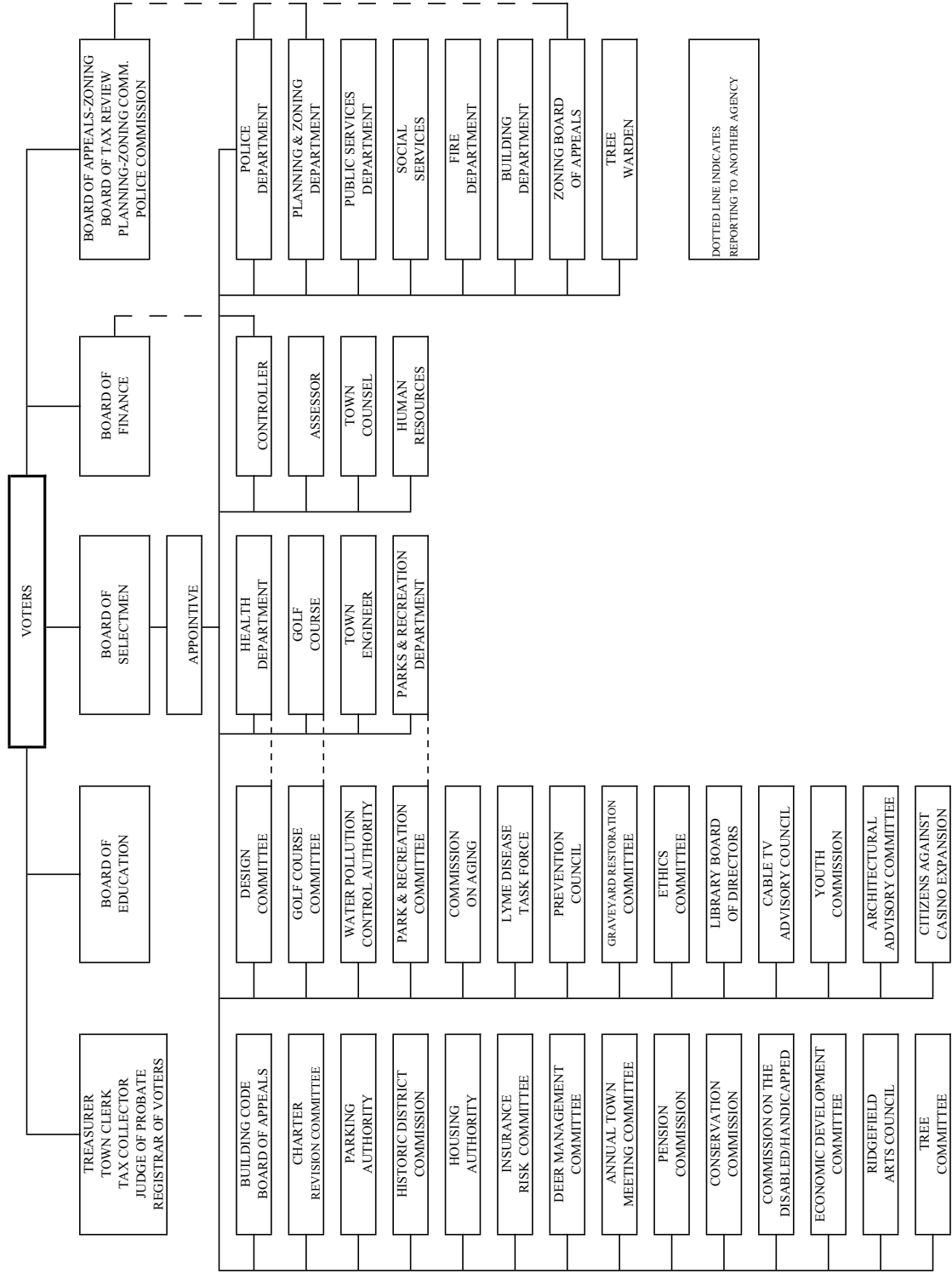
Table

	Financial Trends:	
1	Net Assets by Component	67
2	Changes in Net Assets	68
3	Fund Balances of Governmental Funds	69
4	Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	70
	Revenue Capacity:	
5	Assessed and Estimated Actual Value of Taxable Property	71
6	Direct Property Tax Rates	72
7	Principal Taxpayers	73
8	Property Tax Levies and Collections	74
	Debt Capacity:	
9	Ratio of Net General Bonded Debt to Assessed Value and Net General Bonded Debt Per Capita	75
10	Schedule of Debt Limitation	76
11	Legal Debt Margin Information	77
	Demographic and Economic Statistics:	
12	Demographic and Economic Statistics	78
13	Principal Employers	79
	Operating Information:	
14	Full-Time Equivalent Government Employees by Function/Program	80
15	Operating Indicators by Functional/Program	81
16	Capital Asset Statistics by Function/Program	82

Introductory Section

TOWN OF RIDGEFIELD, CONNECTICUT

ORGANIZATIONAL CHART





TOWN OF RIDGEFIELD

Finance Department

December 21, 2010

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, 2010.

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, 2010 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, 2010 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 independent auditors’ report.

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 approximately 25,000. 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.

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, and members of both the Board of Selectmen and Board of Finance serve for four-year terms. 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 and preparing financial reports for proper budget control. 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 Association, Inc., a discretely presented component unit. Information regarding the activity of the Ridgefield Library 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 Note 2. A. of the notes to the basic financial statements. Budget to actual comparisons are provided in this report on Exhibit A-1 and A-2.

Factors Affecting Financial Condition

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

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, totaling approximately 875,000 square feet.

Ridgefield has continued to see new commercial and retail development consisting of both new construction and conversions of existing dwellings. Part of this trend is the development of mixed-use (commercial/residential) construction. In addition, new commercial development continues 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 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 has increased over the past couple of years. 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 8% in 2010. The current undesignated fund balance provides the Town with the equivalence of approximately 25.6 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 were positively impacted by the market improvement in 2010. The net assets held in trust increased \$9,238,144 to \$54,434,536 at June 30, 2010 as a result of current year activity. The Pension Trust Fund experienced a trust yield of 17% on a time weighted market value basis for this same period. Additional information on the Town of Ridgefield's pension arrangements can be found in Note 4.A. of the notes to the basic financial statements.

Relevant Financial Policies

Cash and Investment 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 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 risk management program for property, casualty, worker's compensation and other claims. As part of this program, resources have been accumulated in an internal service fund to pay deductibles and losses. In addition, various risk control techniques, including employee accident prevention training, have been implemented to minimize related losses. Third-party coverage is maintained for claims greater than the established risk assumption policy.

Other Post Employment Benefits. The Town implemented GASB Statement 45 in fiscal year ended 2009. A trust was formally established in December 2009. The Town is using a four year phase-in funding approach. For fiscal 2010, the Town and Board of Education a total of \$168,240 to the trust.

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, 2009. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such Comprehensive Annual Financial Report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the entire Finance Department staff. In addition, without the leadership and support of the First Selectman, Rudolph Marconi, the Board of Selectmen and Board of Finance of the Town of Ridgefield, this report would not have been possible.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "K. F. Redmond".

Kevin F. Redmond
Town Controller

TOWN OF RIDGEFIELD, CONNECTICUT

**LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2010**

BOARD OF SELECTMEN

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

BOARD OF FINANCE

Peter Gomez, Chairman
Jill Bornstein, Vice Chairman
Margaret Price Sims, Member
Marty Heiser, Member
Dave Ulmer, Member

TOWN DEPARTMENTS

Maureen Kiernan, Treasurer
Kevin F. Redmond, Controller
Alfred Garzi, Tax Assessor
Jane Berendsen-Hill, Tax Collector
Dr. Deborah Low, Superintendent of Schools
Paul Hendrickson, Business Manager of Schools
Peter Hill, Superintendent of Highways
Charles Fisher, Town Engineer
Joseph Egan, Judge of Probate
Barbara Serfilippi, Town Clerk
John Roche, Chief of Police
Heather Burford, Fire Chief
William Reynolds, Building Official
Betty Brosius, Planning & Zoning
Edward Briggs, Health Department
Paul Roche, Parks & Recreation Director
Carole Konner, 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, 2009

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



Accounting | Tax | Business Consulting

Independent Auditors' Report

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, 2010, 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 financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of Ridgefield, Connecticut, as of June 30, 2010 and the respective changes in financial position and cash flows, where applicable, thereof, and the respective required supplementary information for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2010 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis on pages 3 through 12, and the respective required supplementary information on pages 55 through 57 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.

Blum, Shapiro & Company, P.C.

December 21, 2010

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2010

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 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 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) - 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 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.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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 and Historical 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 net assets, and unrestricted net assets. 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*.

The Town maintains nineteen 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 capital nonrecurring fund, the bonded projects fund, and the sewer bond repayment fund, all of which are considered to be major funds. Data from the other fourteen special revenue governmental funds are combined into a single, aggregated presentation. Information for the permanent Ballard Park fund is presented separately. 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.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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 the risk management program for property, casualty, worker's compensation and other 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

Consist of notes that provide information essential to your understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information (RSI)

Consists of MD&A and the Town of Ridgefield's schedule of revenues and other sources and schedule of expenditures and other uses - budget and actual.

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

Financial Highlights

- ❖ The assets of the Town of Ridgefield exceeded its liabilities at the close of the most recent year by \$89,127,590 (net assets). Of this amount, \$13,383,925 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- ❖ The government's total net assets grew by \$5,372,812. This increase resulted in part from the payment of bond principal in the amount of \$9,250,000 and capital outlays of \$2,627,650 offset, in part, by current year depreciation charges of \$4,102,073.
- ❖ As of the close of the current fiscal year, the Town's governmental funds reported combining ending fund balances of \$6,628,182, a decrease of \$2,638,676 in comparison with the prior year. Of this amount, \$4,292,368 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 \$8,417,747, or 6.65% of total general fund revenues of \$126,600,605. Total general fund balance of \$9,287,168 represented 7.34% of total general fund revenues.
- ❖ Ridgefield issued no new long-term debt in 2010, but we did issue \$1,575,000 of short-term bond anticipation notes (BANs). We retired \$9,250,000 of bond principal reducing our bonded debt to \$102,390,000 and paid down \$650,787 of long-term notes to \$1,540,649.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Slightly over half (51.09%) 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)

	Total Primary Government 2010	Total Primary Government 2009
Current and other assets	\$ 21,494,001	\$ 14,946,658
Capital assets	187,091,665	197,018,482
Total Assets	<u>208,585,666</u>	<u>211,965,140</u>
Long-term liabilities	113,543,477	112,549,151
Other liabilities	5,914,599	15,661,211
Total Liabilities	<u>119,458,076</u>	<u>128,210,362</u>
Net assets:		
Invested in capital assets, net of debt	75,686,053	68,136,764
Restricted	57,612	58,237
Unrestricted	<u>13,383,925</u>	<u>15,559,777</u>
Total Net Assets	<u>\$ 89,127,590</u>	<u>\$ 83,754,778</u>

The balance of *unrestricted net assets*, \$13,383,925, may be used to meet the Town's ongoing obligations to citizens and creditors.

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 \$5,372,812 during the current fiscal year as previously indicated. The Town brought in net general revenues of \$110,518,150 which exceeded its net operating expenses of \$105,145,338 by the amount of the net asset increase. Gross expenses of \$129,609,611 were offset by \$11,619,019 in charges for services, \$12,724,035 in operating grants and contributions, and \$121,219 in capital grants and contributions. Of the net expenses, \$78,026,863 was accounted for by the Board of Education. Public safety net expenses of \$9,471,592, general government net expenses of \$5,777,507, public works net expenditures of \$3,433,361, and interest expense of \$3,914,351 accounted for most of the expenses. The majority of the Town's revenue was \$109,369,264 in property tax collections. Other revenue sources were \$744,776 in unrestricted grants and contributions, \$90,470 in investment income and \$313,640 of miscellaneous revenues.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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

	Total Primary Government 2010	Total Primary Government 2009
Revenues:		
Program revenues:		
Charges for services	\$ 11,619,019	\$ 11,745,186
Operating grants and contributions	12,724,035	11,075,194
Capital grants and contributions	121,219	445,243
General revenues:		
Property taxes	109,369,264	107,950,909
Grants and contributions not restricted to specific purpose	744,776	690,850
Unrestricted investment earnings	90,470	295,397
Gain on disposal of capital assets		42,734
Miscellaneous	313,640	65,864
Total Revenues	<u>134,982,423</u>	<u>132,311,377</u>
Program Expenses:		
General government	7,558,307	7,001,880
Health and welfare	814,918	946,811
Recreation	6,299,705	6,742,497
Public safety	10,891,047	10,781,037
Public works	7,346,310	8,824,842
Education	91,142,573	87,303,629
Library	1,642,400	1,642,400
Interest	3,914,351	4,810,322
Total Program Expenses	<u>129,609,611</u>	<u>128,053,418</u>
Change in net assets before transfers	5,372,812	4,257,959
Net Assets - July 1	<u>83,754,778</u>	<u>79,496,819</u>
Net Assets - June 30	\$ <u><u>89,127,590</u></u>	\$ <u><u>83,754,778</u></u>

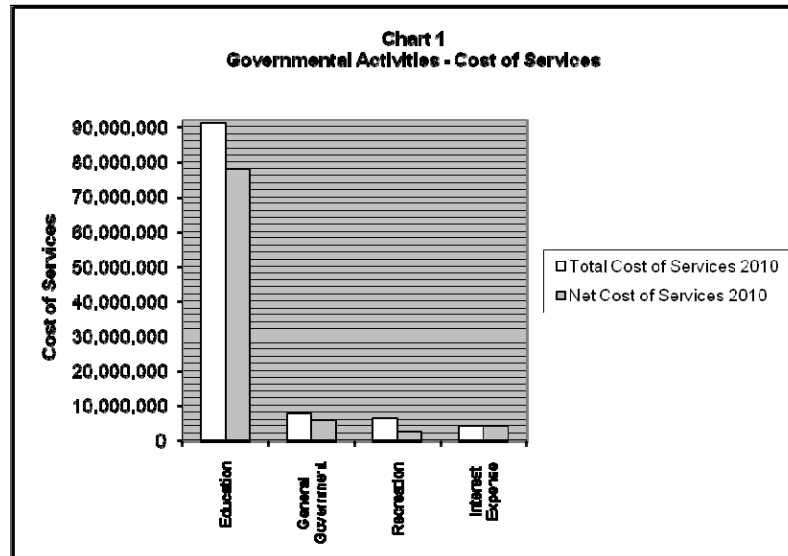
Property taxes collected rose by \$1.418 million (1.31%) between fiscal year 2009 and 2010. Operating grants and contributions were \$1.649 million over last year due in large part to federal stimulus funds (American Recovery and Reinvestment Act - ARRA) which benefitted our general government activities by \$363,892 and our recreation activities by \$272,340. We also benefitted by \$811,109 due to a state clean water grant for the Barlow line project.

Overall, program expenses rose \$1,556,193 from last year with increases in general government (\$556,427) and education (\$3,838,944). These higher costs were offset somewhat by declines in other activities such as health and welfare (\$131,893), recreation (\$442,792), public works (\$1,478,532), and interest expense (\$895,971).

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

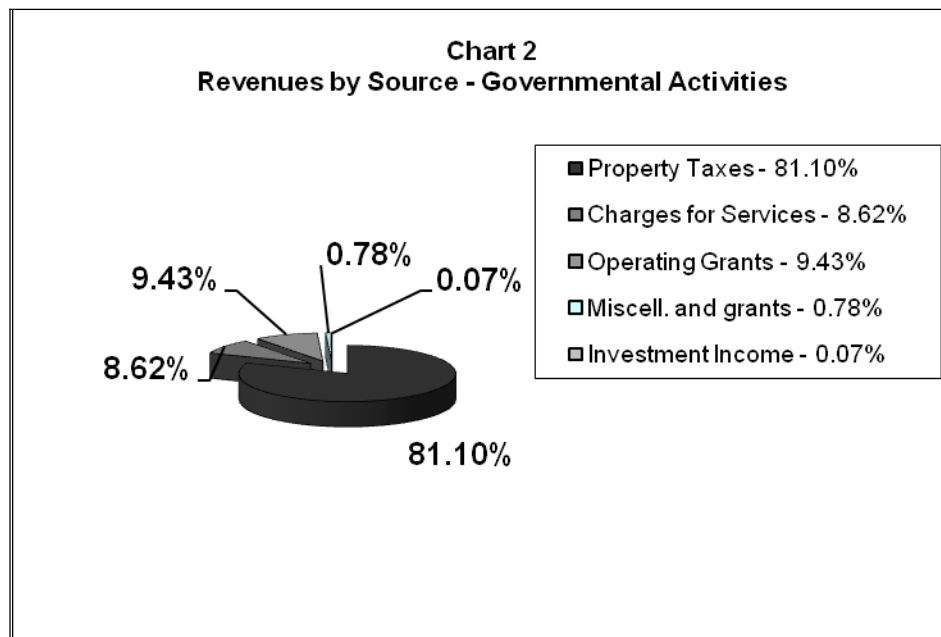
Chart 1 presents the costs of educational services, interest expense, and all other government services as well as each group's net cost (total cost less revenues generated by the activities).

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 and increased benefit (health care, pension) expense for Town employees.

Chart 2 presents in five categories the most significant sources of revenues Ridgefield drew upon to fund its operations during the year and the percentage of total revenues represented by each.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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 \$6,628,182, a decrease of \$2,638,676 from the prior year's \$9,266,858. At June 30, 2010, \$4,292,368 of the governmental funds fund balance constitutes *unreserved fund balance* that is available for spending at the government's discretion. Included in the unreserved fund balances is a negative \$5,967,946 that represents negative balances in the capital nonrecurring fund (\$879,774) and the bonded projects fund (\$5,088,172), a condition that arises in such accounts when outlays have been made for capital expenditures that will later be repaid through the issuance of debt, reimbursements from the State of Connecticut for school building projects or transfers from other accounts. The remainder of the fund balance, \$2,335,814, 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 \$419,421; 2) for permanently restricted endowments of \$41,674; and 3) for sewer debt service payments of \$1,874,719.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, the total general fund balance amounted to \$9,287,168, and the unreserved general fund balance was \$8,867,747. However, \$450,000 of the unreserved general fund balance is designated for use in the subsequent year's budget as a source of funds. 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, net of the State on-behalf-of charges related to the teacher's retirement plan. Unreserved undesignated general fund balance represents 7.0% of such net general fund expenditures, while total general fund balance represents 7.7%.

The Town of Ridgefield's governmental funds fund balance decreased by \$2,638,676 during the current fiscal year. Key factors in this decrease are as follows:

- The General Fund realized revenues of \$126,600,605 and expenditures of \$125,870,767 for a positive operating result of \$729,838. Transfers in of \$209,940 and transfers out of \$1,241,036 to other nonmajor funds generated a net other financing use of (\$1,031,096). The net change in fund balance for the general fund was a decrease of \$301,258 to \$9,287,168. This decrease was driven primarily by the transfers out to other nonmajor governmental funds such as \$827,786 to the school miscellaneous special revenue fund for athletic and other programs and \$160,000 to the canine control; fund for operational funding and fund balance deficit reduction.
- The capital nonrecurring fund reflects revenues of \$465,219 and expenditures of \$1,631,204 producing a net excess of expenditures over revenues of \$1,165,985. Despite the inclusion of \$479,130 of capital lease proceeds, the fund balance went from a negative \$192,919 to a negative \$879,774. We use this fund to account for our various projects and large fluctuations in fund balance are common due to the timing of cash flows in and out of the fund.
- The bonded projects fund accounts for our debt transactions and capital outlays not paid for from the operating budget. This fund generated \$944,557 of revenues and \$2,681,470 of expenditures for capital projects to be long-term funded. As a result, like

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

the capital nonrecurring fund above, fund balance fluctuations are expected. We show an operating loss of \$1,736,913 and that, when combined with the negative \$3,351,259 fund balance at the beginning of the year, generated a finishing negative fund balance of \$5,088,172. Note that in August 2010, we bonded \$6,385,000 of such capital projects.

- The sewer bond repayment fund realized \$297,137 of revenues, mostly from service charges, experienced no disbursements, and thus increased its fund balance from \$1,577,582 to \$1,874,719.
- Other nonmajor governmental funds reflect total revenues of \$6,774,037 and total expenditures of \$8,015,920 for a combined operating deficit \$1,241,883. Coupled with a net other financing sources and uses input of \$1,031,096, the nonmajor governmental funds fund balance decreased a total of \$210,787 to \$1,434,241.

General Fund Budgetary Highlights

During the year, there was \$537,000 of transfers and additional appropriations increasing the original budget of \$120,791,731 to \$121,328,731. The largest component, police private duty revenue, was increased \$350,000 from \$53,500 to \$403,500, and the town aid road fund was raised from zero to \$187,000. On the expenditure side, as a result of the increase in police private duty, the budget was increased \$250,000 and the highway department budget was increased \$287,000 to cover snow related costs. There were no adjustments in the education budget. Combined budget increases represented .44% of the original budget and the final budget.

Operational results generated an unfavorable revenue variance from budget of \$1,229,102, primarily as a result of not using the \$1,000,000 of budgeted fund balance. In addition, we collected \$566,614 more in taxes than anticipated. We were short \$264,383 in intergovernmental grants due primarily to \$103,665 less in education cost sharing (ECS) grants from the state and \$88,994 less in the machinery and equipment reimbursement. The economic slowdown adversely affected our local charges for services by \$518,501 with parks and recreation user fees down by \$426,226, our fire department (ambulance fees) off by \$93,102, and our building, plumbing and electrical permit fees reduced by \$78,259.

In light of the declining revenue environment, we took steps to control expenditures in a variety of ways that ultimately generated a net positive expenditure budget variance of \$1,269,942. Every major department contributed to this favorable variance with parks and recreation favorable by \$366,977, general government favorable by \$280,451 (largely in insurance and benefits), and public works favorable by \$203,813 as a result of lower utilities costs.

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 3.C. of Notes to the Financial Statements for June 30, 2010 details our capital asset increase of \$2,627,650 during the fiscal year before dispositions of \$121,936. The total net increase (before depreciation) in the Town's investment in capital assets for the current fiscal year was \$2,505,714, a 0.58% increase for governmental activities.

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

- We began construction on North Street Water Main Extension for \$772,190 and Sunset Lane sidewalks for \$43,338 which added \$815,528 to our non-depreciable assets;
- We did \$60,553 of work on the Playhouse ceiling, the Fire Headquarters foundation, and the American Legion roof;
- We did \$485,694 worth of work on the Town sewer system infiltration system;

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

- We added new machinery and equipment to our inventory in the amount of \$914,323 that consisted, in part, of:
 - \$93,660 for four new police cars;
 - \$28,798 of vehicles for the highway department;
 - \$241,726 for park and recreation vehicles, an EMS cardiac monitor, and a port pump for the WPCA;
- We added \$38,902 of new road parcels.

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

	Total Primary Government	
	2010	2009
Land	\$ 29,334,731	\$ 29,334,731
Land improvements	2,104,869	2,266,282
Buildings	119,350,174	121,157,373
Machinery and equipment	5,821,048	6,356,424
Infrastructure	29,665,315	29,491,431
Construction in progress	815,528	-
Total	<u>\$ 187,091,665</u>	<u>\$ 188,606,241</u>

Additional information on the Town of Ridgefield's capital assets can be found in the Notes to Financial Statements, June 30, 2010, Note 3. 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 \$102,390,000 of long-term bonded debt and \$1,540,649 of long-term notes. During the year, we retired \$9,790,000 of maturing bond principal and \$637,910 of maturing long-term note principal, and we issued \$1,575,000 of short-term bond anticipation notes (BANs) to fund, in part, FY 2009 capital expenditures. All our debt is a general obligation of the Town for which we pledge our full faith and credit for the payment of principal of and interest on our obligations.

Table 4. Long-Term Debt

	Total Primary Government	
	2010	2009
General obligation bonds	\$ 102,390,000	\$ 111,640,000
Notes payable	<u>1,540,649</u>	<u>2,191,436</u>
Total	<u>\$ 103,930,649</u>	<u>\$ 113,831,436</u>

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 FitchRatings 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, 2010, the maximum amount of borrowing permitted under the formula would be \$766,281,747. With net borrowings of \$106,508,712, the Town of Ridgefield's outstanding general obligation debt is \$659,773,035 below the maximum debt limitation (see Table 10. Schedule of Debt Limitation, in Notes to Financial Statements, June 30, 2010 of this report).

The Town of Ridgefield has no overlapping debt.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for the Town of Ridgefield at June 30, 2010 was 5.8% compared to 6.0% a year ago. This compares favorably to the state's average unemployment rate of 8.9% and the national average rate of 9.6% (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 2010 - 11 budget rose \$1,868,672 to \$122,660,403, or 1.55%, from the prior year's final adopted budget of \$120,791,731. Property taxes increased \$2,526,144, or 2.36%, to \$109,732,987. We considered the historically low level of interest rates by reducing estimated investment income by \$150,000. The new budget contemplates \$450,000 of general fund balance to be used, down from the budgeted \$1,000,000 in the prior year. To fund the new budget, the mill rate went from 20.0 mills to 20.4 mills, a 1.97% increase.

On the expenditure side, Town operations were budgeted at \$30,941,427 (before capital outlays and debt service), a \$312,200, or 3.00%, increase from the prior year. School operations increased \$1,035,239 to \$77,807,680, a 1.35% rise over last fiscal year. Debt service decreased \$67,828, or 0.49%. Capital project expenditures remained unchanged from the prior year at \$100,000. Notable increases (or decreases) in existing Town functions are detailed below:

- ❖ Public Safety expenditures rose \$456,340 (5.93%) to \$8,152,593;
- ❖ Insurance, employee benefits, and pension costs rose \$234,636 (3.47%) driven largely by increases in employee medical insurance premiums;

All of these factors contributed to Ridgefield's budget for the 2011 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
JUNE 30, 2010

	Primary Government Governmental Activities	Component Unit Ridgefield Library
Assets:		
Cash and cash equivalents	\$ 9,754,384	\$ 279,714
Restricted cash	11,409	
Investments	307,120	4,809,403
Restricted investments	29,529	1,609,606
Receivables, net	6,836,534	127,112
Other assets	298,828	26,438
Deferred charges	4,256,197	
Capital assets:		
Assets not being depreciated	30,150,259	749,101
Assets being depreciated, net	156,941,406	2,926,976
Total assets	<u>208,585,666</u>	<u>10,528,350</u>
Liabilities:		
Accounts payable and accrued items	2,239,405	99,496
Due to other governments	9,257	
Interest payable	1,273,918	
Unearned revenue	744,849	
Other liabilities	72,170	
Bond anticipation note payable	1,575,000	
Noncurrent liabilities:		
Due within one year	10,807,413	
Due in more than one year	102,736,064	506,654
Total liabilities	<u>119,458,076</u>	<u>606,150</u>
Net Assets:		
Invested in capital assets, net of related debt	75,686,053	3,676,077
Restricted for:		
Endowments	16,674	94,798
Perpetual trust held by third party		1,539,160
Permanent Fund:		
Expendable	15,938	
Nonexpendable	25,000	
Unrestricted	<u>13,383,925</u>	<u>4,612,165</u>
Total Net Assets	<u>\$ 89,127,590</u>	<u>\$ 9,922,200</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, 2010

Functions/Program Activities	Program Revenues				Net Revenues (Expenses) and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
General government	\$ 7,558,307	\$ 1,346,634	\$ 434,166	\$	\$ (5,777,507)
Health and welfare	814,918	158,125	234,217		(422,576)
Recreation	6,299,705	3,826,202	16,815		(2,456,688)
Public safety	10,891,047	1,213,883	205,572		(9,471,592)
Public works	7,346,310	2,912,354	1,000,595		(3,433,361)
Education	91,142,573	2,161,821	10,832,670	121,219	(78,026,863)
Library	1,642,400				(1,642,400)
Interest on long-term debt	3,914,351				(3,914,351)
Total Primary Government	\$ 129,609,611	\$ 11,619,019	\$ 12,724,035	\$ 121,219	(105,145,338)
Component Unit:					
Ridgefield Library Association, Inc.	\$ 2,466,529	\$ 64,120	\$ 2,120,879	\$ -	(281,530)
General Revenues:					
Property taxes					109,369,264
Grants and contributions not restricted to specific programs					744,776
Investment income					90,470
Miscellaneous					313,640
Net General Revenues					110,518,150
Change in Net Assets					5,372,812
Net Assets - Beginning of Year					83,754,778
Net Assets - End of Year					\$ 89,127,590
					\$ 9,922,200

The accompanying notes are an integral part of the financial statements

TOWN OF RIDGEFIELD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2010

	<u>General</u>	<u>Capital Nonrecurring</u>	<u>Bonded Projects</u>	<u>Sewer Bond Repayment</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 5,575,018	\$	\$	\$ 1,912,563	\$ 2,004,565	\$ 9,492,146
Investments	307,120				29,529	336,649
Receivables, net	3,106,391	910,046	812,391	700,110	148,194	5,677,132
Due from other funds	5,936,094	160,000				6,096,094
Other assets	267,500				31,328	298,828
Total Assets	<u>\$ 15,192,123</u>	<u>\$ 1,070,046</u>	<u>\$ 812,391</u>	<u>\$ 2,612,673</u>	<u>\$ 2,213,616</u>	<u>\$ 21,900,849</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 675,275	\$ 139,614	\$	\$ 29,984	\$ 124,273	\$ 969,146
Accrued payroll	1,090,234					1,090,234
Due to other governments					9,257	9,257
Due to other funds		1,349,393	4,325,563		421,138	6,096,094
Deferred revenue	4,067,276	460,813		707,970	224,707	5,460,766
Other	72,170					72,170
Bond anticipation note payable			1,575,000			1,575,000
Total Liabilities	<u>5,904,955</u>	<u>1,949,820</u>	<u>5,900,563</u>	<u>737,954</u>	<u>779,375</u>	<u>15,272,667</u>
Fund balances:						
Reserved for:						
Encumbrances	419,421					419,421
Endowments					41,674	41,674
Debt service				1,874,719		1,874,719
Unreserved, reported in:						
General fund	8,417,747					8,417,747
Special revenue funds					1,376,629	1,376,629
Capital projects funds		(879,774)	(5,088,172)			(5,967,946)
Permanent funds					15,938	15,938
Designated for subsequent year's budget	450,000					450,000
Total Fund Balances	<u>9,287,168</u>	<u>(879,774)</u>	<u>(5,088,172)</u>	<u>1,874,719</u>	<u>1,434,241</u>	<u>6,628,182</u>
Total Liabilities and Fund Balances	<u>\$ 15,192,123</u>	<u>\$ 1,070,046</u>	<u>\$ 812,391</u>	<u>\$ 2,612,673</u>	<u>\$ 2,213,616</u>	<u>\$ 21,900,849</u>

(Continued on next page)

TOWN OF RIDGEFIELD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2010

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

Fund balances - total governmental funds (Exhibit III)	\$	6,628,182
--	----	-----------

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

Governmental capital assets	\$	246,427,184	
Less accumulated depreciation		(59,335,519)	187,091,665

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	1,120,459
Property tax, sewer use, sewer assessment and loan receivable - accrual basis change	4,715,917
Interest and lien allowance for doubtful accounts	(140,136)
Note receivable	164,092
Receivable from the State for school construction projects	14,987

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.

93,622

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

Bonds payable	(102,390,000)
Notes payable	(1,540,649)
Bond premium	(5,357,869)
Deferred bond issue costs	4,256,197
Pension obligation	(1,192,702)
OPEB obligation	(591,025)
Interest payable on bonds	(1,273,918)
Compensated absences	(1,058,248)
Claims and judgments	(870,890)
Capital financing leases	(542,094)

Net Assets of Governmental Activities (Exhibit I)	\$	89,127,590
---	----	------------

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, 2010

	<u>General</u>	<u>Capital Nonrecurring</u>	<u>Bonded Projects</u>	<u>Sewer Bond Repayment</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 109,378,457	\$	\$	\$	\$	\$ 109,378,457
Intergovernmental	9,482,874	399,146	933,610		2,332,952	13,148,582
Charges for services	7,512,187			294,272	3,941,299	11,747,758
Contributions					459,673	459,673
Income from investments	68,565	12,461		2,865	5,811	89,702
Other	158,522	53,612	10,947		34,302	257,383
Total revenues	<u>126,600,605</u>	<u>465,219</u>	<u>944,557</u>	<u>297,137</u>	<u>6,774,037</u>	<u>135,081,555</u>
Expenditures:						
Current:						
General government	9,938,957				103,228	10,042,185
Health and welfare	405,272				297,835	703,107
Community grants	178,775					178,775
Recreation	4,676,295				94,797	4,771,092
Public safety	7,799,253				408,383	8,207,636
Public works	4,411,219				1,396,148	5,807,367
Education	82,939,471				5,055,868	87,995,339
Library	1,642,400					1,642,400
Debt service	13,879,125				659,661	14,538,786
Capital outlay		1,631,204	2,681,470			4,312,674
Total expenditures	<u>125,870,767</u>	<u>1,631,204</u>	<u>2,681,470</u>	<u>-</u>	<u>8,015,920</u>	<u>138,199,361</u>
Excess (Deficiency) of Revenues over Expenditures	<u>729,838</u>	<u>(1,165,985)</u>	<u>(1,736,913)</u>	<u>297,137</u>	<u>(1,241,883)</u>	<u>(3,117,806)</u>
Other Financing Sources (Uses):						
Issuance of capital lease		479,130				479,130
Transfers in	209,940				1,241,036	1,450,976
Transfers out	(1,241,036)				(209,940)	(1,450,976)
Net other financing sources (uses)	<u>(1,031,096)</u>	<u>479,130</u>	<u>-</u>	<u>-</u>	<u>1,031,096</u>	<u>479,130</u>
Net Change in Fund Balances	(301,258)	(686,855)	(1,736,913)	297,137	(210,787)	(2,638,676)
Fund Balances - Beginning of Year	<u>9,588,426</u>	<u>(192,919)</u>	<u>(3,351,259)</u>	<u>1,577,582</u>	<u>1,645,028</u>	<u>9,266,858</u>
Fund Balances - End of Year	<u>\$ 9,287,168</u>	<u>\$ (879,774)</u>	<u>\$ (5,088,172)</u>	<u>\$ 1,874,719</u>	<u>\$ 1,434,241</u>	<u>\$ 6,628,182</u>

(Continued on next page)

TOWN OF RIDGEFIELD, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2010

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

Net change in fund balances - total governmental funds (Exhibit IV) \$ (2,638,676)

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:

Capital outlay	2,627,650
Less current year depreciation	(4,102,073)

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.

(40,153)

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

Note receivable receipts	31,483
Intergovernmental revenue on school bonds	(18,225)
Increase in property tax, sewer use, sewer assessment and loan receivable - accrual basis change	20,162
Increase in property tax, sewer use and sewer assessment interest and lien revenue	(131,259)
Decrease in property tax and sewer use allowance for doubtful accounts	42,477

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:

Issuance of capital leases	(479,130)
Payments on general obligations bonds	9,250,000
Payments on notes payable	650,787
Payments on capital leases	743,137

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	2,243
OPEB obligation	(254,545)
Change in long-term compensated absences	41,598
Accrued interest	457,208
Deferred charges	(207,631)
Bond premium	474,071
Claims and judgments	(870,890)

The net revenue of the activities of the Internal Service Fund is reported with governmental activities. (225,422)

Change in Net Assets of Governmental Activities (Exhibit II) \$ 5,372,812

The accompanying notes are an integral part of the financial statements

TOWN OF RIDGEFIELD, CONNECTICUT

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS

JUNE 30, 2010

	Governmental Activities <hr/> Internal Service Fund <hr/>
Assets:	
Cash	\$ <u>273,647</u>
Liabilities:	
Accounts payable	<u>180,025</u>
Net Assets:	
Restricted	1,195
Unrestricted	<u>92,427</u>
Total Net Assets	\$ <u><u>93,622</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, 2010

	Governmental Activities
	Internal Service Fund
Operating Revenues:	
Insurance proceeds	\$ 19,647
Operating Expenses:	
Claims incurred	<u>245,840</u>
Operating Loss	(226,193)
Nonoperating Revenues:	
Investment income	<u>771</u>
Change in Net Assets	(225,422)
Net Assets - Beginning of Year	<u>319,044</u>
Net Assets - End of Year	\$ <u><u>93,622</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, 2010

	Governmental Activities
	Internal Service Fund
Cash Flows from Operating Activities:	
Cash received as insurance proceeds	\$ 19,647
Cash paid for benefits, claims and administration	(71,650)
Net cash used in operating activities	<u>(52,003)</u>
Cash Flows Provided by Investing Activities:	
Investment income	<u>771</u>
Net Decrease in Cash	(51,232)
Cash - Beginning of Year	<u>324,879</u>
Cash - End of Year	<u><u>\$ 273,647</u></u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:	
Operating loss	\$ (226,193)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Increase in accounts payable	<u>174,190</u>
Net Cash Used in Operating Activities	<u><u>\$ (52,003)</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, 2010

	Pension Trust Funds	OPEB Trust Fund	Agency Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Cash and cash equivalents	\$ 103,244	\$ 14	\$ 2,152,882
	<u> </u>	<u> </u>	<u> </u>
Investments - at fair value:			
Mutual funds:			
Equity	30,188,328	101,442	
Corporate bonds	10,352,842	167,045	
Common stock	2,615		
Pooled collective trusts	13,637,185		
U.S. Treasury bonds			209,110
Certificates of deposit			5,016
Total investments	<u>54,180,970</u>	<u>268,487</u>	<u>214,126</u>
Other Assets:			
Accounts receivable			3,741
Prepaid benefits	150,322		
Total other assets	<u>150,322</u>	<u>-</u>	<u>3,741</u>
Total assets	54,434,536	268,501	<u>\$ 2,370,749</u>
Liabilities:			
Due to others	<u>6,250</u>		<u>\$ 2,370,749</u>
Net Assets:			
Net Assets Held in Trust for Pension and OPEB Benefits	<u>\$ 54,428,286</u>	<u>\$ 268,501</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, 2010

	Pension Trust Funds	OPEB Trust Fund
Additions:		
Contributions:		
Employer	\$ 2,545,683	\$ 252,410
Plan members	580,238	
Total contributions	<u>3,125,921</u>	<u>252,410</u>
Net investment income:		
Net appreciation in fair value of investments	5,817,564	7,473
Interest and dividends	1,409,048	8,618
	<u>7,226,612</u>	<u>16,091</u>
Less investment expense	25,000	
Net investment income	<u>7,201,612</u>	<u>16,091</u>
Other income	<u>741,524</u>	
Net additions	<u>11,069,057</u>	<u>268,501</u>
Deductions:		
Benefits	1,771,743	
Administration	52,910	
Total deductions	<u>1,824,653</u>	<u>-</u>
Change in Net Assets	9,244,404	268,501
Net Assets - Beginning of Year	<u>45,183,882</u>	
Net Assets - End of Year	<u>\$ 54,428,286</u>	<u>\$ 268,501</u>

The accompanying notes are an integral part of the financial statements

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

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., a nonprofit, is 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. The Ridgefield Library Association, Inc., operates a free public library for the Town residents. The Town appoints 9 of the 12 board members and subsidizes approximately 60% 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)

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. Agency funds use the accrual basis of accounting, but have no measurement focus since they report only assets and liabilities.

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)

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.

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

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

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 insurance claims and deductibles as allowed by GASB Statement No. 10.

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

The *OPEB Trust Fund* accounts for the activities of the Ridgefield Retiree Health Plan, which accumulates resources for health benefit payments to qualified retired employees.

Agency Funds account for monies held as custodian for outside student and municipal groups and agencies.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the internal service fund and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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

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

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).

All trade, property tax, sewer use and sewer assessment receivables, including those of its component unit, are shown net of an allowance for uncollectibles. The allowance for uncollectibles is based on an analysis of amounts that are not expected to be collected at June 30, 2010.

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.

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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.

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 (other than Board of Education employees, firefighters and municipal union workers); 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 a calendar date basis and, therefore, a liability for unused vacation has been recorded in the government-wide financial statements. Compensated absences are reported in the governmental funds, primarily the General Fund, only if the amount has matured. Matured amounts are defined as unused reimbursable leave still outstanding following an employee's resignation or retirement.

TOWN OF RIDGEFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Certified employees at the Board of Education may accumulate up to 180 days of unused sick time. Firefighters and municipal union workers may accumulate unlimited 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.

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.

TOWN OF RIDGEFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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.

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.

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

- 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. During the year ended June 30, 2010, there were no additional appropriations.
- 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.
- 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 (RSI-2) 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.

B. Deficit Fund Equity

The following individual funds had deficit fund balances at June 30, 2010:

Special revenue funds:		
Canine Control	\$	35,766
Revaluation Fund		41,432
Heart and Hypertension Fund		26,863
Capital projects funds:		
Capital Nonrecurring		879,774
Bonded Capital Projects		5,088,172

The deficit in the Canine Control, Revaluation and Heart and Hypertension funds will be funded by future operating transfers from the General Fund. The Capital Nonrecurring Fund and Bonded Projects Fund will be funded by future state grant reimbursements and 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 individual Board of Finance.

D. Capital Projects Authorizations

The following is a summary of bonded projects and capital nonrecurring projects at June 30, 2010:

Project	Authorization	Current	Cumulative	Balance
		Year Expenditures		
			Expenditures	June 30, 2010
Sewer	\$ 2,230,000	\$ 485,694	\$ 1,909,782	\$ 320,218
School buildings	114,818,156	1,790,191	113,031,815	1,786,341
Infrastructure	16,960,500	1,159,158	14,125,285	2,835,215
Municipal buildings	2,083,450	465,170	1,833,947	249,503
Motor vehicles	375,000	126,319	303,326	71,674
Machinery and equipment	616,785	286,142	564,889	51,896
Total	\$ 137,083,891	\$ 4,312,674	\$ 131,769,044	\$ 5,314,847

3. DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents and Investments

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in:

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

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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

Deposits

Deposit Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposit will not be returned. The 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. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository's risk based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$11,848,689 of the Town's bank balance of \$13,204,351 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 10,695,502
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>1,153,187</u>
Total Amount Subject to Custodial Credit Risk	\$ <u><u>11,848,689</u></u>

At June 30, 2010, the entire balance of the component unit's deposits was covered by federal depository insurance.

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Cash Equivalents

At June 30, 2010 the Town's cash equivalents amounted to \$536,206. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard and Poor's</u>
Money Market Funds*	
State Short-Term Investment Fund (STIF)	AAAm
Cutwater Asset Management - Connecticut CLASS Plus	AAAm

*Not rated

At June 30, 2010, the component unit's cash equivalents include money market funds of \$221,143 with no rating.

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1 – 10</u>	<u>More Than 10</u>
Interest-bearing investments:					
U.S. Treasury bonds	N/A	\$ 209,110	\$ 209,110	\$	\$
Certificates of deposit	*	<u>341,665</u>	<u>341,665</u>		
Total		550,775	<u><u>\$ 550,775</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Other investments:					
Common stock		2,615			
Pooled collective trust		13,637,185			
Mutual funds		<u>40,809,657</u>			
Total Investments		\$ <u><u>55,000,232</u></u>			

*Subject to coverage by Federal Depository Insurance and collateralization.

N/A Not applicable

At June 30, 2010, the component unit's investments include mutual funds of \$6,348,561 with no rating or maturity, and certificates of deposit of \$70,446 with no rating and a maturity in one to ten years.

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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.

Credit Risk - Investments - As indicated above, State Statutes limit the investment options of cities and towns. 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 has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments. No more than 5% of the Town's investments were invested in any one issuer.

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2010, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

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 Cutwater Asset Management - Connecticut 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.

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

B. Receivables

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

	<u>General</u>	<u>Capital Non- Recurring</u>	<u>Bonded Projects</u>	<u>Sewer Bond Repayment</u>	<u>Nonmajor and Other</u>	<u>Total</u>
Receivables:						
Property taxes*	\$ 3,474,100	\$	\$	\$	\$	\$ 3,474,100
Assessments/use charges*				707,970	73,034	781,004
Intergovernmental	20,311	594	812,391		75,486	908,782
Notes receivable		460,813				460,813
Other	<u>21,980</u>	<u>448,639</u>			<u>3,840</u>	<u>474,459</u>
Gross receivables	3,516,391	910,046	812,391	707,970	152,360	6,099,158
Less allowance for uncollectibles**	<u>410,000</u>			<u>7,860</u>	<u>425</u>	<u>418,285</u>
Net Total Receivables	<u>\$ 3,106,391</u>	<u>\$ 910,046</u>	<u>\$ 812,391</u>	<u>\$ 700,110</u>	<u>\$ 151,935</u>	<u>\$ 5,680,873</u>

* Does not include accrued interest on property taxes of \$1,107,741 and use charges of \$12,718.

** Does not include allowance for uncollectibles on accrued interest on property taxes of \$139,500 and use charges of \$636.

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	\$ 3,474,100	\$
Recreation revenue		593,176
Special Revenue Funds:		
Special assessments	707,970	
Delinquent sewer use receivable	73,034	
Loan receivable	460,813	
Cafeteria		17,077
Miscellaneous grants		95,439
Education grants		<u>39,157</u>
Total Deferred Revenue for Governmental Funds	<u>\$ 4,715,917</u>	<u>\$ 744,849</u>

TOWN OF RIDGEFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

C. Capital Assets

Capital asset activity for the year ended June 30, 2010 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	\$ 29,334,731	\$	\$	\$ 29,334,731
Construction in progress	-	815,528		815,528
Total capital assets not being depreciated	<u>29,334,731</u>	<u>815,528</u>	<u>-</u>	<u>30,150,259</u>
Capital assets being depreciated:				
Land improvements	6,434,981			6,434,981
Buildings	140,241,469	60,553		140,302,022
Machinery and equipment	25,664,049	914,323	121,936	26,456,436
Infrastructure	42,246,240	837,246		43,083,486
Total capital assets being depreciated	<u>214,586,739</u>	<u>1,812,122</u>	<u>121,936</u>	<u>216,276,925</u>
Less accumulated depreciation for:				
Land improvements	4,168,699	161,413		4,330,112
Buildings	19,084,096	1,867,752		20,951,848
Machinery and equipment	19,307,625	1,409,546	81,783	20,635,388
Infrastructure	12,754,809	663,362		13,418,171
Total accumulated depreciation	<u>55,315,229</u>	<u>4,102,073</u>	<u>81,783</u>	<u>59,335,519</u>
Total capital assets being depreciated, net	<u>159,271,510</u>	<u>(2,289,951)</u>	<u>40,153</u>	<u>156,941,406</u>
Governmental Activities Capital Assets, Net	<u>\$ 188,606,241</u>	<u>\$ (1,474,423)</u>	<u>\$ 40,153</u>	<u>\$ 187,091,665</u>

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

Governmental activities:	
General administration	\$ 86,720
Health and welfare	7,840
Public safety	314,284
Public works	963,617
Recreation	595,727
Education	<u>2,133,885</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,102,073</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, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 602,941	\$	\$	\$ 602,941
Construction in progress	<u>146,160</u>			<u>146,160</u>
Total capital assets not being depreciated	<u>749,101</u>	<u>-</u>	<u>-</u>	<u>749,101</u>
Capital assets being depreciated:				
Buildings	4,647,423		30,963	4,616,460
Land improvements	115,817			115,817
Furnishings and equipment	<u>458,209</u>	<u>4,983</u>		<u>463,192</u>
Total capital assets being depreciated	<u>5,221,449</u>	<u>4,983</u>	<u>30,963</u>	<u>5,195,469</u>
Less accumulated depreciation for:				
Buildings	1,685,467	104,479	6,709	1,783,237
Land improvements	45,752	7,721		53,473
Furnishings and equipment	<u>421,802</u>	<u>9,981</u>		<u>431,783</u>
Total accumulated depreciation	<u>2,153,021</u>	<u>122,181</u>	<u>6,709</u>	<u>2,268,493</u>
Total capital assets being depreciated, net	<u>3,068,428</u>	<u>(117,198)</u>	<u>24,254</u>	<u>2,926,976</u>
Ridgefield Library Association, Inc., Capital Assets, Net	<u>\$ 3,817,529</u>	<u>\$ (117,198)</u>	<u>\$ 24,254</u>	<u>\$ 3,676,077</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, 2010 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Nonrecurring Fund	\$ 1,349,393
	Bonded Projects Fund	4,325,563
	Nonmajor governmental funds	<u>261,138</u>
		5,936,094
Capital Nonrecurring Fund	Nonmajor governmental funds	<u>160,000</u>
Total		<u>\$ 6,096,094</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:

	Transfers In		
	General	Nonmajor	Total
	Fund	Govern-	Transfers
		mental	Out
		Funds	
Transfers out:			
General Fund	\$	\$ 1,241,036	\$ 1,241,036
Nonmajor governmental	<u>209,940</u>	<u></u>	<u>209,940</u>
Total Transfers In	<u>\$ 209,940</u>	<u>\$ 1,241,036</u>	<u>\$ 1,450,976</u>

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, 2010 were as follows:

Outstanding, June 30, 2009	\$ -
New borrowings	1,575,000
Repayments	<u>-</u>
Outstanding, June 30, 2010	<u>\$ 1,575,000</u>

The bond anticipation note outstanding at June 30, 2010 matures on September 20, 2010 and bears interest of 1.5%.

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, 2010 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	\$ 111,640,000	\$	\$ 9,250,000	\$ 102,390,000	\$ 9,495,000
Plus deferred amounts:					
Issuance premium on refunding	5,831,940		474,071	5,357,869	
Total bonds payable	117,471,940	-	9,724,071	107,747,869	9,495,000
Notes payable	2,191,436		650,787	1,540,649	663,922
Compensated absences	1,099,846	6,501	48,099	1,058,248	68,000
Pension obligation	1,194,945	2,528,139	2,530,382	1,192,702	
OPEB obligation	336,480	1,636,985	1,382,440	591,025	
Lease obligations	806,101	479,130	743,137	542,094	363,238
Claims and judgments	-	1,045,068	174,178	870,890	217,253
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 123,100,748</u>	<u>\$ 5,695,823</u>	<u>\$ 15,253,094</u>	<u>\$ 113,543,477</u>	<u>\$ 10,807,413</u>

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.

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 \$14,987 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>Balance Outstanding June 30, 2010</u>
General purpose:		
General obligation - improvement	3-6.2%	\$ 28,324,900
General obligation - refunding	2-5%	12,043,490
Total general purpose		<u>40,368,390</u>
School:		
School improvement - improvement	3-6.2%	17,505,100
School improvement - refunding	2-5%	44,516,510
Total school		<u>62,021,610</u>
Total outstanding		<u>\$ 102,390,000</u>

TOWN OF RIDGEFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

General Obligation Bonds - Prior Years' Refundings

During fiscal year 2009, the Town issued \$28,635,000 of general obligation refunding bonds to currently refund various bond issues totaling \$29,625,000. 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 \$30,434,965 at June 30, 2010. The outstanding balance of the partially defeased bonds as of June 30, 2010 is \$29,625,000.

During fiscal year 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 \$11,458,692 at June 30, 2010. The balance of the partially defeased bonds was \$11,075,000 at June 30, 2010.

Subsequent Event

On August 30, 2010, the Town defeased \$38,610,000 in general obligation bonds with interest rates ranging from 1.75-5% by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds will not be included in the Town's financial statements.

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, 2010 is \$164,092, 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:

	General Obligation Bonds		Notes Payable	
	Principal	Interest	Principal	Interest
2011	\$ 9,495,000	\$ 4,292,671	\$ 663,922	\$ 23,020
2012	9,615,000	3,847,057	677,342	10,267
2013	9,160,000	3,390,804	199,385	544
2014	8,790,000	2,960,188		
2015	8,750,000	2,610,436		
2016-2020	37,115,000	8,511,905		
2021-2025	17,840,000	1,717,935		
2026-2028	<u>1,625,000</u>	<u>96,157</u>		
Total	<u>\$ 102,390,000</u>	<u>\$ 27,427,153</u>	<u>\$ 1,540,649</u>	<u>\$ 33,831</u>

Capital Lease

The Town has entered into lease agreements as lessee for financing the acquisition of computers. 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:

	Governmental Activities
Asset:	
Equipment	\$ 2,401,682
Less accumulated depreciation	<u>820,248</u>
Total	<u>\$ 1,581,434</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, 2010 were as follows:

<u>Year Ending June 30:</u>	<u>Governmental Activities</u>
2011	\$ 381,210
2012	185,359
Total minimum lease payments	<u>566,569</u>
Less amount representing interest	<u>24,475</u>
 Present Value of Minimum Lease Payments	 \$ <u><u>542,094</u></u>

Claims and Judgments

The Town of Ridgefield had previously engaged the Municipal Interlocal Risk Management Assoc. (MIRMA) for workers compensation coverage. During the year ended June 30, 2010, MIRMA levied an additional assessment on all member towns to fulfill the lookback requirements. The Town was assessed \$1,045,068 of which \$174,178 was accrued during fiscal year ending June 30, 2010. The remaining amount of \$870,890 has been recorded for this liability.

Authorized But Unissued Bonds

The total of authorized but unissued bonds at June 30, 2010 is \$4,919,749. 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	\$ 246,304,847	\$ 67,050,047	\$ 179,254,800
Schools	492,609,695	39,630,130	452,979,565
Sewers	410,508,079	2,944,184	407,563,895
Urban renewal	355,773,668		355,773,668
Pension deficit	328,406,463		328,406,463

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$766,281,747.

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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 \$14,987 for bond principal is reflected as deductions in the computation of net indebtedness.

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 plans are considered to be part of the Town's financial reporting entity and are included in the Town's financial reports as Pension Trust Funds. Separate, stand-alone reports are not issued.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting - The Town's pension trust funds financial statements are prepared on the accrual basis of accounting. Revenues (contributions and investment income) are recognized when they are earned and expenses (benefits and administration) are recognized when they are incurred. Contributions are recognized when due, pursuant to formal commitments (as well as statutory or contractual requirements, as appropriate). Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Valuation of Investments - Investments are valued at fair value. Securities traded on a national exchange are valued at June 30, 2010 quoted market 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, 2010 represent 13.76% of covered payroll.

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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 6.0%, Highway 4% and Board of Education Secretaries 2%.

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

	<u>Town Pension Plan</u>	<u>Police Union Pension Plan</u>	<u>Firefighters Union Pension Plan</u>
Retirees and beneficiaries currently receiving benefits	131	26	14
Vested terminated employees	71	1	4
Active plan members	<u>379</u>	<u>41</u>	<u>35</u>
Total Participants	<u><u>581</u></u> *	<u><u>68</u></u>	<u><u>53</u></u>

- * The participants in the Town Pension Plan are comprised of 382 employees from the Board of Education and 199 employees from the Town.

The annual required contribution for the current year was determined as part of the July 1, 2010 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 on a closed level dollar method. The remaining amortization period is 24 years overall for the Town retirement plan, assumed plus 20% excess earnings (five year average) for the firefighters' retirement plan, and 30 years for the police retirement 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, 2010 were as follows:

	Town Pension Plan	Police Union Pension Plan	Firefighters Union Pension Plan
Annual required contribution (ARC)	\$ 1,556,663	\$ 647,992	\$ 385,142
Interest on net pension obligation	39,318	33,870	10,458
Adjustment to annual required contribution	<u>(64,410)</u>	<u>(63,811)</u>	<u>(17,083)</u>
Annual pension cost	1,531,571	618,051	378,517
Contributions made	<u>1,543,653</u>	<u>618,886</u>	<u>367,843</u>
(Increase) decrease in net pension obligation	12,082	835	(10,674)
Net pension obligation, beginning of year	<u>561,684</u>	<u>483,859</u>	<u>149,402</u>
Net Pension Obligation, End of Year	<u>\$ 549,602</u>	<u>\$ 483,024</u>	<u>\$ 160,076</u>

Three-Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Actual Contribution	Percentage Of APC Contributed	Net Pension Obligation
Town Plan:				
6/30/2008	\$ 1,190,869	\$ 1,176,732	99 %	\$ 450,822
6/30/2009	1,381,078	1,270,216	92	561,684
6/30/2010	1,531,571	1,543,653	101	549,602
Police Plan:				
6/30/2008	\$ 514,180	\$ 482,959	94 %	\$ 427,725
6/30/2009	568,604	512,470	90	483,859
6/30/2010	618,051	618,886	100	483,024
Firefighters Plan:				
6/30/2008	\$ 249,255	\$ 250,194	100 %	\$ 133,667
6/30/2009	298,049	282,314	95	149,402
6/30/2010	378,517	367,843	97	160,076

TOWN OF RIDGEFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Pension Plan Required Supplementary Information

Schedule of Funding Progress

Plan Year	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
<i>Town Pension Plan</i>						
2010	\$ 29,632,882	\$ 33,917,740	\$ (4,284,858)	87.37 %	\$ 13,617,621	(31.47) %
2009	27,234,218	31,613,170	(4,378,952)	86.15	13,459,105	(32.54)
2008	27,495,328	29,607,483	(2,112,155)	92.87	13,317,463	(15.86)
2007	25,364,289	26,761,107	(1,396,818)	94.78	13,011,479	(10.74)
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)
<i>Police Union Pension Plan</i>						
2010	\$ 17,897,417	\$ 21,144,884	\$ (3,247,467)	84.64 %	\$ 2,950,860	(110.05) %
2009	16,619,136	19,601,239	(2,982,103)	84.79	3,068,170	(97.19)
2008	16,847,159	18,850,975	(2,003,816)	89.37	2,937,107	(68.22)
2007	15,623,819	17,343,036	(1,719,217)	90.09	2,773,362	(61.99)
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)
<i>Firefighters Union Pension Plan</i>						
2010	\$ 10,869,291	\$ 13,036,226	\$ (2,166,935)	83.38 %	\$ 1,820,999	(119.00) %
2009	10,191,124	12,341,937	(2,150,813)	82.57	1,689,935	(127.27)
2008	10,510,874	11,645,716	(1,134,842)	90.26	1,710,044	(66.36)
2007	9,857,516	10,840,318	(982,802)	90.93	1,447,147	(67.91)
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)

Schedule of Employer Contributions

Year Ended	Town Plan			Police Plan			Firefighters Plan	
	Annual Required Contribution	Percentage Contributed		Annual Required Contribution	Percentage Contributed		Annual Required Contribution	Percentage Contributed
6/30/2010	\$ 1,556,663	99.16 %	\$	647,992	95.51 %	\$	385,142	95.51 %
6/30/2009	1,399,891	97.40		591,988	90.50		303,518	97.70
6/30/2008	1,208,388	98.10		533,454	89.90		256,045	96.00
6/30/2007	1,136,878	100.40		592,737	94.60		276,088	101.20
6/30/2006	1,148,279	73.19		621,352	79.93		314,349	85.92
6/30/2005	936,243	103.09		598,211	93.65		313,832	95.66

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

TOWN OF RIDGEFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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 \$15,300 during the year ended June 30, 2010. Officials are not required to contribute, but can make voluntary contributions up to 10% of annual compensation. At June 30, 2010, the net assets available for benefits include \$175,241 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.

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

C. Plan Financial Statements - Financial statements for each individual pension plan as of and for the year ended June 30, 2010 are as follows:

	<u>Town Pension Plan</u>	<u>Firefighters Union Pension Plan</u>	<u>Police Union Pension Plan</u>	<u>Elected Officials Pension Plan</u>	<u>Total Pension Trust Funds</u>
Assets:					
Cash and cash equivalents	\$ 51,895	\$ 19,154	\$ 31,863	\$ 332	\$ 103,244
Investments - at fair value:					
Mutual funds:					
Equity	15,174,029	5,600,540	9,316,562	97,197	30,188,328
Corporate bonds	5,203,810	1,920,660	3,195,039	33,333	10,352,842
Pooled fixed income	1,314	485	808	8	2,615
Pooled collective trusts	6,854,671	2,529,971	4,208,635	43,908	13,637,185
Total investments	<u>27,233,824</u>	<u>10,051,656</u>	<u>16,721,044</u>	<u>174,446</u>	<u>54,180,970</u>
Other assets:					
Prepaid benefits	<u>75,559</u>	<u>27,888</u>	<u>46,391</u>	<u>484</u>	<u>150,322</u>
Total assets	<u>27,361,278</u>	<u>10,098,698</u>	<u>16,799,298</u>	<u>175,262</u>	<u>54,434,536</u>
Liabilities:					
Due to others	<u>3,142</u>	<u>1,160</u>	<u>1,928</u>	<u>20</u>	<u>6,250</u>
Net Assets:					
Net Assets Held in Trust for Pension Benefits	<u>\$ 27,358,136</u>	<u>\$ 10,097,538</u>	<u>\$ 16,797,370</u>	<u>\$ 175,242</u>	<u>\$ 54,428,286</u>
Additions:					
Contributions:					
Employer	\$ 1,543,653	\$ 367,843	\$ 618,886	\$ 15,301	\$ 2,545,683
Plan members	242,762	128,178	209,298		580,238
Total contributions	<u>1,786,415</u>	<u>496,021</u>	<u>828,184</u>	<u>15,301</u>	<u>3,125,921</u>
Net investment income:					
Net appreciation in fair value of investments	2,725,283	1,053,087	2,027,040	12,154	5,817,564
Interest and dividends	708,252	261,407	434,852	4,537	1,409,048
	<u>3,433,535</u>	<u>1,314,494</u>	<u>2,461,892</u>	<u>16,691</u>	<u>7,226,612</u>
Less investment expense	12,566	4,638	7,716	80	25,000
Net investment income	<u>3,420,969</u>	<u>1,309,856</u>	<u>2,454,176</u>	<u>16,611</u>	<u>7,201,612</u>
Other income	<u>372,724</u>	<u>137,568</u>	<u>228,844</u>	<u>2,388</u>	<u>741,524</u>
Net additions	<u>5,580,108</u>	<u>1,943,445</u>	<u>3,511,204</u>	<u>34,300</u>	<u>11,069,057</u>
Deductions:					
Benefits	890,559	328,694	546,785	5,705	1,771,743
Administration	26,595	9,816	16,329	170	52,910
Total deductions	<u>917,154</u>	<u>338,510</u>	<u>563,114</u>	<u>5,875</u>	<u>1,824,653</u>
Change in Net Assets	4,662,954	1,604,935	2,948,090	28,425	9,244,404
Net Assets - Beginning of Year	<u>22,695,182</u>	<u>8,492,603</u>	<u>13,849,280</u>	<u>146,817</u>	<u>45,183,882</u>
Net Assets - End of Year	<u>\$ 27,358,136</u>	<u>\$ 10,097,538</u>	<u>\$ 16,797,370</u>	<u>\$ 175,242</u>	<u>\$ 54,428,286</u>

TOWN OF RIDGEFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

D. On-Behalf Payments - Teachers' Retirement

All Town teachers participate in the State of Connecticut Teacher's Retirement System, a cost sharing plan with a special funding situation, under Section 10.183 of the General Statutes of the State of Connecticut. This is a multiple employer PERS. A teacher is eligible to receive a normal retirement benefit if he or she has:

- Attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or;
- Attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Teacher payroll subject to retirement amounted to \$37,100,972.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. For the year ended June 30, 2010 the Town has recorded in the General Fund (Exhibit IV) intergovernmental revenue schools and schools expenditures in the amount of \$5,739,317 as payments made by the State of Connecticut on behalf of the Town. The Town does not have any liability for teacher pensions.

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

E. Postemployment Healthcare Plan - Retiree Health Plan

Plan Description

The Retiree Health Plan (RHP) is a single-employer defined benefit healthcare plan administered by the Town of Ridgefield. The RHP provides medical and dental insurance benefits to eligible retirees and their spouses. All employees of the Town are eligible to participate in the plan. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

A trust was officially approved by the Board of Selectmen on December 14, 2009. The monies in the OPEB special revenue fund were transferred to the OPEB trust fund at that date. As in prior years, all expenses for postemployment benefits were paid out of the general fund during fiscal year ended June 30, 2010. The Town is using the phase-in funding approach. The OPEB trust fund should be fully funded after 4 years and at that point, all postemployment benefit payments will be paid out of the OPEB trust fund. The plan does not issue a stand-alone financial report.

TOWN OF RIDGEFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

At July 1, 2009, plan membership consisted of the following:

	Retiree Health Plan
Retired members	105
Spouses of retired members	42
Active plan members	<u>820</u>
Total Participants	<u><u>967</u></u>

Funding Policy

The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

Town Employees

The cost per month for Town employees receiving medical coverage is \$723 per month for retiree only coverage and \$1,315 per month for retiree and spouse coverage to age 65.

Board of Education Employees

The cost per month for Board of Education employees receiving medical coverage is \$730 per month for retiree only coverage and \$1,533 per month for retiree and spouse coverage to age 65, and \$449 and \$1,041 per month, respectively, thereafter. The cost per month for Board of Education employees receiving dental coverage is \$42 per month for retiree only coverage and \$109 per month for retiree and spouse coverage to age 65.

Employer contributions to the plan of \$1,382,440 were made in accordance with actuarially determined requirements. Of this amount \$1,214,200 represents premium payments and \$168,240 was contributed to prefund benefits.

Annual OPEB Cost and Net OPEB Obligations

The Town of Ridgefield's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation (asset):

	<u>Retiree Health Plan</u>
Annual required contribution (ARC)	\$ 1,630,300
Interest on net OPEB obligation	26,918
Adjustment to annual required contribution	<u>(20,233)</u>
Annual OPEB cost (expense)	1,636,985
Contributions made	<u>1,382,440</u>
Increase in net OPEB obligation	254,545
Net OPEB obligation, beginning of year	<u>336,480</u>
Net OPEB Obligation, End of Year	<u><u>\$ 591,025</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal years ended June 30, 2010 are presented below. Data is only presented starting with fiscal year ended June 30, 2009, due to this being the year of transition.

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2009	\$ 1,550,400	\$ 1,213,920	78.30 %	\$ 336,480
6/30/2010	1,636,985	1,382,440	84.45	591,025

Schedule of Funding Progress

<u>Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
7/1/2007	\$ -	\$ 17,181	\$ (17,181)	- %	\$ N/A	N/A %
7/1/2009	84	19,258	(19,174)	0.44	N/A	N/A

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the July 1, 2009 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4% investment rate of return, which is the rate of the expected long-term investment returns of plan assets calculated based on the funding policy of the plan at the valuation date. The annual healthcare cost trend rate is 6.6% initially, to an ultimate rate of 4.4% after 50 years. Projected salary increases were 4%. The actuarial value of assets was determined using the closed group method. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at July 1, 2009 was 28 years.

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 a risk management program for property, casualty, workers' compensation and other claims. As part of this program, resources have been accumulated in an internal service fund to pay deductibles and losses. Third-party coverage is maintained for claims greater than the established risk assumption policy.

TOWN OF RIDGEFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

A schedule of changes in the claims liability for heart and hypertension and workers' compensation judgments for the years ended June 30, 2010 and 2009 is presented below:

	Accrued Liability Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Accrued Liability Claim Payments	Accrued Liability End of Fiscal Year
2010-09	\$ -	\$ 245,840	\$ 245,840	\$ -
2009-08	-	77,899	77,899	-

B. Commitments and Litigation

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 attorneys, 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.

6. Prior Period Adjustment

Agency Funds - Open Space Conservation Commission

An adjustment was made to cash in error in the prior year, resulting in an increase to cash and due to others in the amount of \$60,300.

Required Supplementary Information

TOWN OF RIDGEFIELD, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Property Taxes:					
Property taxes	\$ 108,356,843	\$	\$ 108,356,843	\$ 108,560,747	\$ 203,904
Interest and lien fees	325,000		325,000	728,334	403,334
Telephone tax	130,000		130,000	89,376	(40,624)
Total property taxes	<u>108,811,843</u>	<u>-</u>	<u>108,811,843</u>	<u>109,378,457</u>	<u>566,614</u>
Intergovernmental:					
Education cost sharing	1,862,893		1,862,893	1,759,228	(103,665)
School building grants	21,000		21,000	4,030	(16,970)
School interest subsidy	2,000		2,000	560	(1,440)
School transportation grants	3,680		3,680		(3,680)
Civil defense	10,000		10,000		(10,000)
State renters	48,000		48,000	29,986	(18,014)
Elderly circuit freeze	75,000		75,000	61,044	(13,956)
Mashantucket/Mohegan fund grant	19,792		19,792	13,917	(5,875)
Paid in lieu of taxes	202,395		202,395	202,741	346
Machinery and equipment	550,000		550,000	461,006	(88,994)
Miscellaneous	23,500		23,500	21,365	(2,135)
Total intergovernmental	<u>2,818,260</u>	<u>-</u>	<u>2,818,260</u>	<u>2,553,877</u>	<u>(264,383)</u>
Charges for Services:					
Town Clerk's fees including conveyance taxes	815,000		815,000	912,088	97,088
Building, plumbing and electrical permits	398,000		398,000	319,741	(78,259)
Planning and zoning commission	77,000		77,000	66,268	(10,732)
Water and septic permits and fees	35,000		35,000	44,265	9,265
Highway permits	10,000		10,000	5,650	(4,350)
Solid waste facility	35,000		35,000	44,048	9,048
Parking Authority	60,000		60,000	52,261	(7,739)
Police Department	53,500	350,000	403,500	436,718	33,218
Fire Department	805,000		805,000	711,898	(93,102)
Golf course	1,320,000		1,320,000	1,275,773	(44,227)
Parks and recreation	2,975,625		2,975,625	2,549,399	(426,226)
Out of town tuition	100,000		100,000	70,211	(29,789)
Utilities and fuel	249,000		249,000	260,509	11,509
Rental of Town property	747,563		747,563	763,358	15,795
Total charges for services	<u>7,680,688</u>	<u>350,000</u>	<u>8,030,688</u>	<u>7,512,187</u>	<u>(518,501)</u>
Investment Income	<u>250,000</u>		<u>250,000</u>	<u>68,565</u>	<u>(181,435)</u>
Miscellaneous	<u>108,000</u>		<u>108,000</u>	<u>158,522</u>	<u>50,522</u>
Total revenues	<u>119,668,791</u>	<u>350,000</u>	<u>120,018,791</u>	<u>119,671,608</u>	<u>(347,183)</u>
Other Financing Sources:					
Utilization of fund balance	1,000,000		1,000,000		(1,000,000)
Cancellation of prior year's encumbrances				118,081	118,081
Transfers in:					
Capital reserve fund	100,000		100,000	100,000	-
Town aid road fund		187,000	187,000	187,000	-
Sewer operating fund	22,940		22,940	22,940	-
Total other financing sources	<u>1,122,940</u>	<u>187,000</u>	<u>1,309,940</u>	<u>428,021</u>	<u>(881,919)</u>
Total Revenues and Other Financing Sources	<u>\$ 120,791,731</u>	<u>\$ 537,000</u>	<u>\$ 121,328,731</u>	120,099,629	<u>\$ (1,229,102)</u>

Budgetary revenues are different than GAAP revenues because:

Capital reserve transfers are recorded for budget purposes only.

(100,000)

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

Retirement System for Town teachers are not budgeted.

5,739,317

Underliquidation of prior year encumbrances is recorded as miscellaneous revenue

for budgetary reporting. This amount is excluded for GAAP financial reporting purposes.

(118,081)

The Board of Education does not budget for a combination of intergovernmental grants, charges for services and other revenue amounts received which are credited against education expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial reporting purposes.

1,189,680

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

\$ 126,810,545

TOWN OF RIDGEFIELD, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2010

	Original Budget	Transfers and Additional Appropriations	Final Budget	Actual			Variance with Final Budget
				Expenditures	Encumbrances	Total	
General Government:							
Selectmen	\$ 318,818	\$	\$ 318,818	\$ 306,124	\$	\$ 306,124	\$ 12,694
Board of Finance	74,575		74,575	69,340		69,340	5,235
Legal counsel	254,800		254,800	184,767		184,767	70,033
Administrative support services	279,213		279,213	273,487	1,759	275,246	3,967
Department of Finance	408,904		408,904	405,867	3,000	408,867	37
Data processing	226,199		226,199	221,020		221,020	5,179
Registrars	108,960		108,960	98,893		98,893	10,067
Assessor	333,945		333,945	330,217		330,217	3,728
Tax Collector	199,256		199,256	198,648		198,648	608
Town Treasurer	26,132		26,132	25,905		25,905	227
Town Clerk	229,381		229,381	222,938		222,938	6,443
Planning and zoning	244,316		244,316	242,626		242,626	1,690
Zoning board of appeals	72,927		72,927	70,982		70,982	1,945
Building Department	199,929		199,929	195,892		195,892	4,037
Probate court	4,800		4,800	4,289		4,289	511
Conservation Commission	31,120		31,120	31,086		31,086	34
Commissions and Committees	43,910		43,910	41,627	800	42,427	1,483
Insurance and benefits	7,141,784		7,141,784	6,989,251		6,989,251	152,533
Miscellaneous	16,000		16,000	16,000		16,000	-
Total general government	10,214,969	-	10,214,969	9,928,959	5,559	9,934,518	280,451
Health and Welfare:							
Health Department	218,158		218,158	191,506		191,506	26,652
Social services	230,556		230,556	213,766		213,766	16,790
Total health and welfare	448,714	-	448,714	405,272	-	405,272	43,442
Community Grants	179,025		179,025	178,775		178,775	250
Parks and Recreation:							
Parks and recreation	3,169,001		3,169,001	2,918,575		2,918,575	250,426
Tree care	233,759		233,759	233,527		233,527	232
Golf course	916,843		916,843	866,517		866,517	50,326
Athletic fields	337,710		337,710	310,787		310,787	26,923
School grounds	385,959		385,959	346,889		346,889	39,070
Total parks and recreation	5,043,272	-	5,043,272	4,676,295	-	4,676,295	366,977
Public Safety:							
Police Department	4,393,339	250,000	4,643,339	4,504,836		4,504,836	138,503
Fire Department	3,264,064		3,264,064	3,259,986		3,259,986	4,078
Parking Authority	38,850		38,850	34,431		34,431	4,419
Total public safety	7,696,253	250,000	7,946,253	7,799,253	-	7,799,253	147,000
Public Works:							
Highway Department	2,669,846	287,000	2,956,846	2,890,862		2,890,862	65,984
Town buildings	516,909		516,909	498,995		498,995	17,914
Utilities	1,003,263		1,003,263	886,340		886,340	116,923
Solid waste	83,740		83,740	83,291		83,291	449
School buildings	54,275		54,275	51,732		51,732	2,543
Total public works	4,328,033	287,000	4,615,033	4,411,220	-	4,411,220	203,813

(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, 2010

	Original Budget	Transfers and Additional Appropriations	Final Budget	Actual			Variance with Final Budget
				Expenditures	Encumbrances	Total	
Contingency	\$ 74,250	\$	\$ 74,250	\$	\$	\$ -	\$ 74,250
Education:							
Certified salaries	38,697,874	(423,643)	38,274,231	38,266,035		38,266,035	8,196
Noncertified salaries	8,401,139	131,410	8,532,549	8,526,242		8,526,242	6,307
Fringe benefits	14,547,449	166,783	14,714,232	14,699,227		14,699,227	15,005
Professional services	2,291,992	(155,526)	2,136,466	2,065,078	69,312	2,134,390	2,076
Utility services - sewer and water	252,600	(4,567)	248,033	236,429	9,674	246,103	1,930
Equipment repair and maintenance	359,955	69,070	429,025	394,655	18,875	413,530	15,495
Building repairs	1,038,474	(213,521)	824,953	742,878	80,535	823,413	1,540
Transportation services	4,603,801	216,168	4,819,969	4,793,374	11,423	4,804,797	15,172
Insurance - property and liability	294,233	(15,216)	279,017	277,795		277,795	1,222
Communications - telephone	250,630	(59,890)	190,740	186,550	2,825	189,375	1,365
Advertising services	15,500	(10,636)	4,864	4,238		4,238	626
Printing services	56,625	1,843	58,468	49,095	4,562	53,657	4,811
Food management services	7,000	13,434	20,434	20,434		20,434	-
Travel, mileage and training	109,180	(38,744)	70,436	61,858	2,114	63,972	6,464
Other purchased services	479,077	(122,158)	356,919	324,323	18,706	343,029	13,890
Tuition - out of district facilities	800,245	308,536	1,108,781	1,108,781		1,108,781	-
Supplies and materials	1,363,011	66,557	1,429,568	1,336,203	32,400	1,368,603	60,965
Energy - electricity, gas and fuel	2,856,091	18,967	2,875,058	2,779,556	101,646	2,881,202	(6,144)
Books	414,652	7,039	421,691	362,613	38,872	401,485	20,206
Equipment	130,443	40,738	171,181	143,171	17,010	160,181	11,000
Dues and fees - memberships	107,950	(3,753)	104,197	88,832	656	89,488	14,709
Miscellaneous	70,515	(6,486)	64,029	55,460	5,252	60,712	3,317
Athletics program	(375,995)	13,595	(362,400)	(318,007)		(318,007)	(44,393)
Total education	76,772,441		76,772,441	76,204,820	413,862	76,618,682	153,759
Library	1,642,400		1,642,400	1,642,400		1,642,400	-
Debt Service	13,879,124		13,879,124	13,879,124		13,879,124	-
Total expenditures	120,278,481	537,000	120,815,481	119,126,118	419,421	119,545,539	1,269,942
Other Financing Uses:							
Transfers out:							
Capital Reserve Fund	100,000		100,000	100,000		100,000	-
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	27,000		27,000	27,000		27,000	-
Canine Control Fund	160,000		160,000	160,000		160,000	-
Youth Barn	24,000		24,000	24,000		24,000	-
Revaluation Fund	86,500		86,500	86,500		86,500	-
Total other financing uses	513,250	-	513,250	513,250	-	513,250	-
Total Expenditures and Other Financing Uses	\$ 120,791,731	\$ 537,000	\$ 121,328,731	\$ 119,639,368	\$ 419,421	120,058,789	\$ 1,269,942

Budgetary expenditures are different than GAAP expenditures because:

Capital reserve transfers are recorded for budget purposes only.	(100,000)
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.	5,739,317
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for GAAP financial reporting purposes.	(419,421)
Encumbrances for purchases and commitments ordered in the previous year that were received and liquidated in the current year are reported for GAAP financial statement reporting purposes.	643,438
The Board of Education does not budget for a combination of intergovernmental grants, charges for services and other revenue amounts received which are credited against education expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial reporting purposes.	1,189,680

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

\$ 127,111,803

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

REPORT OF TAX COLLECTOR

FOR THE YEAR ENDED JUNE 30, 2010

Grand List Year	Uncollected Taxes July 1, 2009	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, 2010
			Additions	Deductions						Interest and Lien Fees	Total	
1993	\$ 28,222	\$	\$	\$ 18,507	\$ -	\$ 9,715	\$ 9,715	\$	9,715	\$ 15,091	\$ 24,806	\$ -
1994	28,560	-	-	-	-	28,560	9,715	-	9,715	8,803	18,518	18,845
1995	28,228	-	-	-	-	28,228	9,415	-	9,415	8,174	17,589	18,813
1996	34,506	-	-	-	-	34,506	9,721	-	9,721	8,299	18,020	24,785
1997	35,608	-	111	-	-	35,719	9,709	-	9,709	7,820	17,529	26,010
1998	36,339	-	731	-	-	37,070	10,954	-	10,954	9,042	19,996	26,116
1999	29,873	-	2,100	265	-	31,708	12,511	-	12,511	17,792	30,303	19,197
2000	87,437	-	2,437	394	-	89,480	36,504	-	36,504	49,593	86,097	52,976
2001	101,411	-	2,444	394	719	102,742	37,549	-	37,549	42,766	80,315	65,193
2002	145,911	-	2,648	431	2,051	146,077	52,088	-	52,088	43,510	95,598	93,989
2003	198,902	-	3,464	450	2,175	199,741	67,373	-	67,373	46,981	114,354	132,368
2004	268,096	-	2,226	786	2,313	267,223	91,923	-	91,923	51,751	143,674	175,300
2005	453,218	-	19,459	4,240	95,747	372,690	133,925	-	133,925	53,972	187,897	238,765
2006	593,855	-	25,051	6,106	2,456	610,344	182,495	-	182,495	55,873	238,368	427,849
2007	1,277,224	-	96,165	17,591	3,263	1,352,535	592,529	-	592,529	94,334	686,863	760,006
Suspense	-	-	-	-	-	-	-	7,002	(7,002)	8,154	1,152	-
Total Prior Year	3,347,390	-	156,836	49,164	108,724	3,346,338	1,266,126	7,002	1,259,124	521,955	1,781,079	2,080,212
2008	-	108,719,491	607,491	509,496	3,278	108,814,208	107,420,320	-	107,420,320	206,378	107,626,698	1,393,888
Grand Total	\$ 3,347,390	\$ 108,719,491	\$ 764,327	\$ 558,660	\$ 112,002	\$ 112,160,546	\$ 108,686,446	\$ 7,002	\$ 108,679,444	\$ 728,333	\$ 109,407,777	\$ 3,474,100

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.

OPEB - is used to account for the Town's funding of its obligation for Other Post Employment Benefits.

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, 2010

	Special Revenue Funds					
	Canine Control	Town Aid Road	Revaluation Fund	Heart and Hypertension	Sewer Operating I, II, and III	Public Safety Donations
ASSETS						
Cash and cash equivalents	\$	\$ 11,013	\$	\$	\$ 97,071	\$ 100,881
Investments						
Receivables, net					72,609	
Other assets						
Total Assets	\$ -	\$ 11,013	\$ -	\$ -	\$ 169,680	\$ 100,881
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 735	\$	\$	\$ 416	\$ 75,934	\$ 2,003
Due to other governments						
Due to other funds	35,031		41,432	26,447		
Deferred revenue					73,034	
Total liabilities	35,766	-	41,432	26,863	148,968	2,003
Fund Balances:						
Reserved:						
Endowments	16,674					
Unreserved and undesignated	(52,440)	11,013	(41,432)	(26,863)	20,712	98,878
Total fund balances	(35,766)	11,013	(41,432)	(26,863)	20,712	98,878
Total Liabilities and Fund Balances	\$ -	\$ 11,013	\$ -	\$ -	\$ 169,680	\$ 100,881

(Continued on next page)

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

JUNE 30, 2010

	Special Revenue Funds					
	Cafeteria	Education Grants	School Miscellaneous	Tiger Hollow	Youth Barn	Miscellaneous Grants
ASSETS						
Cash and cash equivalents	\$ 216,267	\$ 81,617	\$ 534,045	\$ 406,734	\$ 99,922	\$ 201,577
Investments						
Receivables, net	19,955					55,630
Other assets	31,328					
Total Assets	<u>\$ 267,550</u>	<u>\$ 81,617</u>	<u>\$ 534,045</u>	<u>\$ 406,734</u>	<u>\$ 99,922</u>	<u>\$ 257,207</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$	\$ 33,203	\$	\$	\$ 145	\$ 6,971
Due to other governments		9,257				
Due to other funds	138,763		166	160,000	15,549	3,750
Deferred revenue	17,077	39,157				95,439
Total liabilities	<u>155,840</u>	<u>81,617</u>	<u>166</u>	<u>160,000</u>	<u>15,694</u>	<u>106,160</u>
Fund Balances:						
Reserved:						
Endowments						
Unreserved and undesignated	111,710		533,879	246,734	84,228	151,047
Total fund balances	<u>111,710</u>	<u>-</u>	<u>533,879</u>	<u>246,734</u>	<u>84,228</u>	<u>151,047</u>
Total Liabilities and Fund Balances	<u>\$ 267,550</u>	<u>\$ 81,617</u>	<u>\$ 534,045</u>	<u>\$ 406,734</u>	<u>\$ 99,922</u>	<u>\$ 257,207</u>

(Continued on next page)

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

JUNE 30, 2010

	Special Revenue Funds			Permanent	Total
	Social Services	Solid Waste	Total	Fund Ballard Park Fund	Nonmajor Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 210,328	\$ 33,701	\$ 1,993,156	\$ 11,409	\$ 2,004,565
Investments				29,529	29,529
Receivables, net			148,194		148,194
Other assets			31,328		31,328
Total Assets	\$ 210,328	\$ 33,701	\$ 2,172,678	\$ 40,938	\$ 2,213,616
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 197	\$ 4,669	\$ 124,273	\$	\$ 124,273
Due to other governments			9,257		9,257
Due to other funds			421,138		421,138
Deferred revenue			224,707		224,707
Total liabilities	197	4,669	779,375	-	779,375
Fund Balances:					
Reserved:					
Endowments			16,674	25,000	41,674
Unreserved and undesignated	210,131	29,032	1,376,629	15,938	1,392,567
Total fund balances	210,131	29,032	1,393,303	40,938	1,434,241
Total Liabilities and Fund Balances	\$ 210,328	\$ 33,701	\$ 2,172,678	\$ 40,938	\$ 2,213,616

TOWN OF RIDGEFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Special Revenue Funds					
	Canine Control	Town Aid Road	Revaluation Fund	Heart and Hypertension	Sewer Operating I, II, and III	Public Safety Donations
Revenues:						
Intergovernmental		\$ 188,204	\$	\$	\$ 1,602,704	\$
Charges for services	13,006					13,764
Contributions	65	25		80	1,522	329
Income from investments					17,218	
Other						
Total revenues	13,071	188,229	-	80	1,621,444	14,093
Expenditures:						
Current:						
General government						
Health and welfare						
Parks and recreation		768		85,779	1,240,358	60,544
Public safety	91,358					
Public works						
Education					659,661	
Debt service					1,900,019	60,544
Total expenditures	91,358	768	-	85,779		
Excess (Deficiency) of Revenues over Expenditures	(78,287)	187,461	-	(85,699)	(278,575)	(46,451)
Other Financing Sources (Uses):						
Transfers in	160,000		86,500	27,000	72,750	
Transfers out	(187,000)				(22,940)	
Net other financing sources (uses)	160,000	(187,000)	86,500	27,000	49,810	-
Net Change in Fund Balances	81,713	461	86,500	(58,699)	(228,765)	(46,451)
Fund Balances, Beginning of Year	(117,479)	10,552	(127,932)	31,836	249,477	145,329
Fund Balances, End of Year	(35,766)	11,013	(41,432)	(26,863)	20,712	98,878

(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, 2010

	Special Revenue Funds					
	Cafeteria	Education Grants	School Miscellaneous	Tiger Hollow	Youth Barn	Miscellaneous Grants
Revenues:						
Intergovernmental	\$ 121,637	\$ 1,778,779	\$	\$	\$	\$ 244,332
Charges for services	1,795,643		295,967		32,899	49,567
Contributions			189,111	64,230	1,000	6,690
Income from investments	550			893	288	823
Other			17,084			
Total revenues	<u>1,917,830</u>	<u>1,778,779</u>	<u>502,162</u>	<u>65,123</u>	<u>34,187</u>	<u>301,412</u>
Expenditures:						
Current:						
General government						19,058
Health and welfare					85,860	65,365
Parks and recreation				56,694		6,814
Public safety						170,702
Public works						
Education	2,017,506	1,778,779	1,259,583			
Debt service						
Total expenditures	<u>2,017,506</u>	<u>1,778,779</u>	<u>1,259,583</u>	<u>56,694</u>	<u>85,860</u>	<u>261,939</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(99,676)</u>	<u>-</u>	<u>(757,421)</u>	<u>8,429</u>	<u>(51,673)</u>	<u>39,473</u>
Other Financing Sources (Uses):						
Transfers in			827,786	43,000	24,000	
Transfers out						
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>827,786</u>	<u>43,000</u>	<u>24,000</u>	<u>-</u>
Net Change in Fund Balances	<u>(99,676)</u>	<u>-</u>	<u>70,365</u>	<u>51,429</u>	<u>(27,673)</u>	<u>39,473</u>
Fund Balances, Beginning of Year	<u>211,386</u>	<u>-</u>	<u>463,514</u>	<u>195,305</u>	<u>111,901</u>	<u>111,574</u>
Fund Balances, End of Year	<u>\$ 111,710</u>	<u>\$ -</u>	<u>\$ 533,879</u>	<u>\$ 246,734</u>	<u>\$ 84,228</u>	<u>\$ 151,047</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, 2010

	Special Revenue Funds			Permanent Fund Ballard Park Fund	Total Nonmajor Governmental Funds
	Social Services	Solid Waste	OPEB	Total	
Revenues:					
Intergovernmental					
Charges for services	\$ 22,153	\$ 129,360	\$	\$ 2,332,952	\$ 2,332,952
Contributions	184,813			3,941,299	3,941,299
Income from investments	482	249		459,673	459,673
Other				5,241	5,811
Total revenues	207,448	129,609	-	34,302	34,302
				570	6,774,037
Expenditures:					
Current:					
General government			84,170		103,228
Health and welfare	146,610				297,835
Parks and recreation	31,289				94,797
Public safety		155,022			408,383
Public works					1,396,148
Education					5,055,868
Debt service					659,661
Total expenditures	177,899	155,022	84,170	-	8,015,920
Excess (Deficiency) of Revenues over Expenditures	29,549	(25,413)	(84,170)	570	(1,241,883)
Other Financing Sources (Uses):					
Transfers in					1,241,036
Transfers out					(209,940)
Net other financing sources (uses)	-	-	-	-	1,031,096
Net Change in Fund Balances	29,549	(25,413)	(84,170)	570	(210,787)
Fund Balances, Beginning of Year	180,582	54,445	84,170	40,368	1,645,028
Fund Balances, End of Year	\$ 210,131	\$ 29,032	\$ -	\$ 40,938	\$ 1,434,241

TOWN OF RIDGEFIELD, CONNECTICUT

**SCHEDULE OF SEWER USE CHARGES
DISTRICT I
FOR THE YEAR ENDED JUNE 30, 2010**

Year	Uncollected Sewer Use Charges July 1, 2009	Current Year Charges	Adjustments	Adjusted Amount Collectible	Collections	Uncollected Sewer Use Charges June 30, 2010
2006	\$ 751	\$	\$	\$ 751	\$ 37	\$ 714
2007	3,088			3,088	1,584	1,504
2008	5,117			5,117	2,298	2,819
2009	37,113			37,113	24,149	12,964
2010		1,268,183	6,024	1,274,207	1,234,336	39,871
Total	\$ 46,069	\$ 1,268,183	\$ 6,024	\$ 1,320,276	\$ 1,262,404	\$ 57,872

**SCHEDULE OF SEWER USE CHARGES
DISTRICT II
FOR THE YEAR ENDED JUNE 30, 2010**

Year	Uncollected Sewer Use Charges July 1, 2009	Current Year Charges	Adjustments	Adjusted Amount Collectible	Collections	Uncollected Sewer Use Charges June 30, 2010
2008	\$ 317	\$	\$ 10	\$ 327	\$ 327	\$ -
2009	2,465		227	2,692	1,116	1,576
2010		253,130	4,451	257,581	244,635	12,946
Total	\$ 2,782	\$ 253,130	\$ 4,688	\$ 260,600	\$ 246,078	\$ 14,522

**SCHEDULE OF SEWER USE CHARGES
DISTRICT III
FOR THE YEAR ENDED JUNE 30, 2010**

Year	Uncollected Sewer Use Charges July 1, 2009	Current Year Charges	Adjustments	Adjusted Amount Collectible	Collections	Uncollected Sewer Use Charges June 30, 2010
2009	\$ 320	\$	\$	\$ 320	\$ 320	\$ -
2010		22,720		22,720	22,080	640
Total	\$ 320	\$ 22,720	\$ -	\$ 23,040	\$ 22,400	\$ 640

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.

OPEB Trust Fund - The OPEB Trust Fund is used to account for the accumulation of resources for other post-employment 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.

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.

Flexible Spending Account - is used to account for that portion of employees' earnings that are deducted and used to pay for qualified medical costs on a pre-tax basis.

Tiger Hollow Scholarship Fund - is used to account for funds related to college scholarships granted by Tiger Hollow.

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

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, 2010

	(Restated) Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
ASSETS				
Cash and cash equivalents:				
Student Activities	\$ 424,616	\$ 1,545,183	\$ 1,551,156	\$ 418,643
Performance Bonds	682,527	14,000	113,862	582,665
Contractor's Driveway Bonds	109,250	29,000	29,000	109,250
Ridgebury Cemetery	31,908	10,053	30,000	11,961
Open Space Conservation Commission	670,332	40,004	4,805	705,531
Historic Commission	16,434	20,507	20,517	16,424
Holiday Trust Fund	29,191	18,929	24,446	23,674
Welcome to Ridgefield Fund	1,163	24,582	25,596	149
Senior Center	319			319
McKeon Farm Preservation Trust	14,591	37	477	14,151
Flexible Spending Account	6,913	29,691	33,464	3,140
Tiger Hollow Scholarship Fund	21,076	533	5,000	16,609
Miscellaneous	184,901	233,495	168,030	250,366
Total cash and cash equivalents	<u>2,193,221</u>	<u>1,966,014</u>	<u>2,006,353</u>	<u>2,152,882</u>
Investments:				
Ridgebury Cemetery	174,321	43,742	8,953	209,110
Ridgebury Congregational Church	5,231	16	231	5,016
Total investments	<u>179,552</u>	<u>43,758</u>	<u>9,184</u>	<u>214,126</u>
Accounts receivable:				
Miscellaneous	<u>4,991</u>	<u>80</u>	<u>1,330</u>	<u>3,741</u>
Total Assets	<u>\$ 2,377,764</u>	<u>\$ 2,009,852</u>	<u>\$ 2,016,867</u>	<u>\$ 2,370,749</u>
LIABILITIES				
Due to others:				
Student Activities	\$ 424,616	\$ 1,545,183	\$ 1,551,156	\$ 418,643
Performance Bonds	682,527	14,000	113,862	582,665
Contractor's Driveway Bonds	109,250	29,000	29,000	109,250
Ridgebury Cemetery	206,229	53,795	38,953	221,071
Open Space Conservation Commission	670,332	40,004	4,805	705,531
Historic Commission	16,434	20,507	20,517	16,424
Holiday Trust Fund	29,191	18,929	24,446	23,674
Welcome to Ridgefield Fund	1,163	24,582	25,596	149
Senior Center	319			319
Ridgebury Congregational Church	5,231	16	231	5,016
McKeon Farm Preservation Trust	14,591	37	477	14,151
Flexible Spending Account	6,913	29,691	33,464	3,140
Tiger Hollow Scholarship Fund	21,076	533	5,000	16,609
Miscellaneous	<u>189,892</u>	<u>233,575</u>	<u>169,360</u>	<u>254,107</u>
Total Liabilities	<u>\$ 2,377,764</u>	<u>\$ 2,009,852</u>	<u>\$ 2,016,867</u>	<u>\$ 2,370,749</u>

Statistical Section

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

Statistical section information is presented in the following categories:

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

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

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

TOWN OF RIDGEFIELD, CONNECTICUT

NET ASSETS BY COMPONENT

SINCE INCEPTION OF GASB 34
(Accrual Basis of Accounting)

	FISCAL YEAR							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities:								
Invested in capital assets, net of related debt	\$ 22,609,527	\$ 56,415,672	\$ 47,573,213	\$ 50,382,144	\$ 60,639,192	\$ 62,909,126	\$ 68,136,764	\$ 75,686,053
Reserved for:								
Endowments	25,000	25,000	25,000	49,793	53,776	48,444	42,869	41,674
Debt service	1,143,243	403,683	990,334	707,169	922,418	1,122,242	1,577,582	1,874,719
Other purposes	180,355	126,433	763,501	484,968	841,150	799,156	762,120	419,421
Unreserved	32,224,204	3,037,081	10,329,980	14,789,921	11,220,792	14,617,851	13,235,443	11,105,723
Total Governmental Activities Net Assets	\$ 56,182,329	\$ 60,007,869	\$ 59,682,028	\$ 66,413,995	\$ 73,677,328	\$ 79,496,819	\$ 83,754,778	\$ 89,127,590
Primary Government:								
Invested in capital assets, net of related debt	\$ 22,609,527	\$ 56,415,672	\$ 47,573,213	\$ 50,382,144	\$ 60,639,192	\$ 62,909,126	\$ 68,136,764	\$ 75,686,053
Restricted	25,000	25,000	25,000	49,793	53,776	48,444	42,869	41,674
Unrestricted	33,547,802	3,567,197	12,083,815	15,982,058	12,984,360	16,539,249	15,575,145	13,399,863
Total Primary Government Net Assets	\$ 56,182,329	\$ 60,007,869	\$ 59,682,028	\$ 66,413,995	\$ 73,677,328	\$ 79,496,819	\$ 83,754,778	\$ 89,127,590

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

TOWN OF RIDGEFIELD, CONNECTICUT

CHANGES IN NET ASSETS

SINCE INCEPTION OF GASB 34

(Accrual Basis of Accounting)

	FISCAL YEAR							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses:								
Governmental activities:								
General government	\$ 8,987,526	\$ 8,408,774	\$ 4,541,033	\$ 5,226,056	\$ 5,578,405	\$ 4,980,763	\$ 7,001,880	\$ 7,558,307
Health and welfare	1,057,566	777,621	836,882	964,674	994,587	1,076,389	946,811	814,918
Recreation	5,496,998	5,457,571	6,069,623	6,456,843	6,928,229	6,973,383	6,742,497	6,299,705
Public safety	8,671,668	8,312,310	9,294,400	9,747,366	10,380,405	11,351,722	10,781,037	10,891,047
Public works	7,652,337	8,229,816	8,649,358	8,306,575	8,626,653	8,926,118	8,824,842	7,346,310
Education	56,982,838	63,390,436	70,525,966	74,257,956	78,943,085	104,833,414	87,303,629	91,142,573
Library	1,300,000	1,365,000	1,549,143	1,478,580	1,545,200	1,610,000	1,642,400	1,642,400
Interest Expense	6,145,506	5,467,690	6,118,255	4,928,113	5,797,800	5,361,558	4,810,322	3,914,351
Total Primary Government Expenses	96,294,439	101,409,218	107,584,660	111,366,163	118,794,364	145,113,347	128,053,418	129,609,611
Program Revenues:								
Governmental activities:								
Charges for services:								
General government	1,834,360	2,502,690	2,102,472	2,689,269	2,356,361	1,839,287	1,235,053	1,346,634
Health and welfare	185,928	61,608	23,123	23,852	119,123	129,035	151,158	158,125
Recreation	3,466,307	3,558,972	3,735,524	3,747,677	3,885,215	4,205,128	3,968,287	3,826,202
Public safety	1,099,874	683,347	835,520	1,068,908	929,183	1,153,373	1,272,191	1,213,883
Public works	3,458,041	2,972,512	2,811,698	2,730,784	2,815,363	3,299,671	2,769,637	2,912,354
Education	1,521,398	1,944,022	2,083,900	2,108,515	2,386,642	2,207,114	2,348,860	2,161,821
Operating grants and contributions	4,531,579	4,772,053	4,684,942	7,803,555	9,316,257	31,536,057	11,075,194	12,724,035
Capital grants and contributions	9,145,586	5,491,797	255,143	141,008	308,068	365,589	445,243	121,219
Total Primary Government Program Revenues	25,243,073	21,987,001	16,532,322	20,313,568	22,116,212	44,735,254	23,265,623	24,464,273
Net Expenses:								
Governmental activities	(71,051,366)	(79,422,217)	(91,052,338)	(91,052,595)	(96,678,152)	(100,378,093)	(104,787,795)	(105,145,338)
General Revenues and Other								
Changes in Net Assets:								
Governmental activities:								
Property taxes	74,978,010	82,487,533	88,777,534	95,793,280	100,455,882	104,397,451	107,950,909	109,369,264
Grants and contributions not restricted to specific programs	1,018,635	542,314	756,132	106,291	153,097	845,721	690,850	744,776
Gain/(loss) on sale of capital assets	987,047	438,412	450,439	848,591	19,037	42,734	42,734	90,470
Investment income			29,140	414,820	1,268,395	911,853	295,397	
Donations of capital assets				621,580	1,186,234	178,566	65,864	313,640
Miscellaneous	164,525	365,306	756,558					
Total governmental activities	77,148,217	83,833,565	90,769,803	97,784,562	103,941,485	106,333,591	109,045,754	110,518,150
Change in Net Assets	\$ 6,096,851	\$ 4,411,348	\$ (282,535)	\$ 6,731,967	\$ 7,263,333	\$ 5,955,498	\$ 4,257,959	\$ 5,372,812

NOTE: 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									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General fund:										
Reserved	\$ 449,875	\$ 359,510	\$ 180,355	\$ 126,433	\$ 593,872	\$ 440,412	\$ 841,150	\$ 799,156	\$ 762,120	\$ 419,421
Designated for subsequent year's budget	4,959,411		600,000	930,000			1,000,000	1,200,000	1,000,000	450,000
Unreserved and undesignated		7,200,249	6,583,207	7,164,646	5,386,239	7,696,456	7,641,661	7,904,484	7,826,306	8,417,747
Total General Fund	\$ 5,409,286	\$ 7,559,759	\$ 7,363,562	\$ 8,221,079	\$ 5,980,111	\$ 8,136,868	\$ 9,482,811	\$ 9,903,640	\$ 9,588,426	\$ 9,287,168
All other governmental funds:										
Reserved	\$ 2,835,341	\$ 61,674,162	\$ 24,863,457	\$ 1,999,326	\$ 649,487	\$ 732,169	\$ 947,418	\$ 1,147,242	\$ 1,620,451	\$ 1,916,393
Unreserved, reported in:										
Special revenue funds	2,661,244	1,973,736	2,700,648	2,396,112	2,690,267	3,104,549	2,347,284	1,870,865	1,586,791	1,376,629
Capital projects funds	4,004,719	(36,930,005)	(3,721,904)	(699,336)	(1,819,533)	480,076	(7,652,327)	(719,392)	(3,544,178)	(5,967,946)
Permanent funds	19,447	20,830	21,714	22,271	23,210	24,793	28,776	23,444	15,368	15,938
Total All Other Governmental Funds	\$ 9,520,751	\$ 26,738,723	\$ 23,863,915	\$ 3,718,373	\$ 1,543,431	\$ 4,341,587	\$ (4,328,849)	\$ 2,322,159	\$ (321,568)	\$ (2,658,986)

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

LAST TEN YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues:										
Property taxes	\$ 60,909,459	\$ 68,434,552	\$ 74,533,875	\$ 83,182,130	\$ 88,583,323	\$ 95,539,518	\$ 100,065,605	\$ 104,080,550	\$ 107,419,676	\$ 109,378,457
Intergovernmental	6,239,461	10,158,639	14,523,085	10,139,958	5,370,261	7,473,719	9,244,867	31,610,291	11,735,668	13,148,682
Charges for services	7,705,456	8,474,917	10,871,304	11,590,479	11,645,239	12,491,793	12,533,981	12,437,141	11,984,238	11,747,758
Contributions	1,949,956	1,895,977	253,055	430,808	362,930	509,151	415,675	1,158,152	496,696	459,573
Interest and investment income	3,211,173	1,318,661	984,098	433,861	445,222	824,370	1,231,797	869,627	288,985	89,702
Other	505,573	511,853	164,525	365,306	785,047	650,643	1,174,035	216,475	169,490	257,383
Total revenues	80,521,078	90,794,599	101,329,942	106,142,542	107,192,022	117,489,194	124,665,960	150,372,236	132,094,753	135,081,555
Expenditures:										
Current:										
General government	5,658,104	6,604,353	8,954,752	7,919,638	8,310,995	8,508,620	9,059,947	9,582,204	9,533,790	10,042,185
Health and welfare	522,412	486,804	679,172	624,182	697,515	838,121	810,197	927,711	830,407	703,107
Community grants	197,990	214,090	223,038	228,788	239,467	243,604	232,545	224,162	293,100	178,775
Recreation	3,632,546	5,071,906	4,076,741	4,278,411	4,435,728	4,667,123	4,947,335	5,145,899	5,252,263	4,771,092
Public safety	5,182,003	5,510,723	5,763,000	6,029,891	6,691,279	7,128,342	7,249,288	8,098,038	8,339,019	8,207,636
Public works	4,940,635	6,331,605	5,547,933	6,007,704	5,635,669	5,984,995	5,459,233	6,037,325	6,208,517	5,807,367
Education	48,564,431	51,770,652	55,762,119	60,968,581	64,049,766	70,721,623	75,526,940	102,647,607	84,980,715	87,995,339
Library	1,155,000	1,222,780	1,365,000	1,365,000	1,419,600	1,478,580	1,545,200	1,610,000	1,642,400	1,642,400
Debt service										
Principal	2,263,665	2,949,637	6,842,859	8,366,396	8,998,906	8,495,792	8,357,918	8,479,970	9,437,910	11,042,788
Interest	1,980,027	2,509,873	3,889,767	5,544,132	9,924,878	6,366,549	6,143,087	5,502,546	5,450,183	3,495,998
Bennett's pond settlement										
Capital outlay	17,111,549	46,965,114	56,516,262	28,501,680	9,300,823	6,152,567	5,815,293	5,018,365	3,837,148	4,312,674
Total expenditures	91,208,362	129,637,537	149,620,643	129,834,403	122,004,626	120,585,916	125,146,983	153,273,827	135,805,452	138,199,361
Excess (Deficiency) of Revenues over Expenditures	(10,687,284)	(38,842,938)	(48,290,701)	(23,691,861)	(14,812,604)	(3,096,722)	(481,023)	(2,901,591)	(3,710,699)	(3,117,806)
Other Financing Sources (Uses):										
Issuance of debt	25,640,000	58,210,000	38,600,000	4,450,000	10,440,000	7,180,000		9,640,000	512,963	479,130
Issuance of capital lease	1,226,867					871,635	559,254	713,700	28,635,000	
Payment to refunding bonds			2,705,000		31,480,000				(31,378,050)	
Payment to refund bond escrow agent			(2,736,471)		(34,612,628)				2,981,845	
Premium on refunding bonds			982,892		3,132,628					
Proceeds from sale of assets			4,250,000	100,398			41,850			
Fund balance restatement:										
Transfers in	6,460,010	1,439,105	1,217,495	1,788,889	1,209,479	1,470,702	3,964,852	2,648,233	1,421,842	1,450,976
Transfers out	(6,460,010)	(1,124,075)	(1,217,495)	(2,321,628)	(1,209,479)	(1,470,702)	(4,229,426)	(2,648,233)	(1,421,842)	(1,450,976)
Total other financing sources	26,866,867	59,649,105	43,801,421	4,017,659	10,440,000	8,051,635	336,530	10,353,700	751,758	479,130
Net Change in Fund Balances	16,179,583	20,806,167	(4,489,280)	(19,674,202)	(4,372,604)	4,954,913	(144,493)	7,452,109	(2,958,941)	(2,638,676)
Fund Balance at Beginning of Year, or as Restated	(1,268,993)	14,910,590	35,716,757	31,613,654	11,896,146	7,523,542	5,298,455	4,773,690	12,225,799	9,266,858
Fund Balance at End of Year	\$ 14,910,590	\$ 35,716,757	\$ 31,227,477	\$ 11,939,452	\$ 7,523,542	\$ 12,478,455	\$ 5,153,962	\$ 12,225,799	\$ 9,266,858	\$ 6,628,182
Debit Service as a Percentage to Noncapital Expenditures	5.73%	6.60%	11.53%	13.73%	16.79%	12.99%	12.15%	9.28%	11.09%	10.72%

TOWN OF RIDGEFIELD, CONNECTICUT

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

(Unaudited)

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				
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%
2007	3,873,447	373,305	34,076	4,212,676	24.23	8,030,910	52.46%
2008	5,098,296	373,702	33,258	5,438,740	24.87	8,031,355	67.72%
2009	5,167,975	363,214	38,220	5,492,969	19.91	7,409,510	74.13%
2010	5,516,832	371,707	72,982	5,815,557	20.00	7,601,307	76.51%

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

DIRECT PROPERTY TAX RATES

LAST TEN YEARS

(Rates per \$1,000 of Assessed Value)

Fiscal Year	Direct Rates			Overlapping Rates	
	Basic Rate	General Obligation	Total Direct	State	County
		Debt Service			
2001	21.94	1.31	23.25	N/A	N/A
2002	23.63	1.86	25.49	N/A	N/A
2003	24.30	3.28	27.58	N/A	N/A
2004	17.71	3.06	20.77	N/A	N/A
2005	18.96	3.06	22.02	N/A	N/A
2006	20.26	3.16	23.42	N/A	N/A
2007	21.05	3.18	24.23	N/A	N/A
2008	21.83	3.04	24.87	N/A	N/A
2009	17.53	2.38	19.91	N/A	N/A
2010	17.70	2.30	20.00	N/A	N/A

TOWN OF RIDGEFIELD, CONNECTICUT

PRINCIPAL TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

(Unaudited)

	2010			2001		
	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.	\$ 293,922,481	1	5.33%	\$ 150,903,120	1	5.67%
Ridgefield Properties, LLC	25,956,240	2	0.47%	8,957,280	5	0.34%
Connecticut Light & Power	16,748,430	3	0.30%	11,601,477	4	0.44%
Ridgefield Professional Building	14,632,689	4	0.27%			
Ridgefield Bank	13,768,670	5	0.25%	5,300,768	10	0.20%
Stephen J. Zemo	12,892,220	6	0.23%	8,843,370	6	0.33%
Harrison Hunter	12,414,430	7	0.23%			
Flat Rock Corp	12,074,460	8	0.22%			
Eureka V, LLC	11,291,780	9	0.20%	7,241,630	8	0.27%
Irief II (formally CCC of Ridgefield, CT)	10,506,190	10	0.19%			
Schlumberger Technical Corporation				24,778,114	2	0.93%
S.V.G. Lithography Systems, Inc.				22,824,284	3	0.86%
Chancellor of Ridgefield, LLC				8,151,870	7	0.31%
Chase Manhattan Bank - Finance Group				5,711,620	9	0.21%
	<u>\$ 424,207,590</u>		<u>7.69%</u>	<u>\$ 254,313,533</u>		<u>9.56%</u>

Source: Town Assessor's office

TABLE 8

TOWN OF RIDGEFIELD, CONNECTICUT

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$	59,975,066	\$ 59,039,526	98.44%	\$ 854,114	\$ 59,893,640	99.86%
2002		67,173,727	66,446,493	98.92%	605,791	67,052,284	99.82%
2003		74,493,968	73,366,527	98.49%	1,006,580	74,373,107	99.84%
2004		81,936,486	81,210,896	99.11%	584,020	81,794,916	99.83%
2005		88,483,571	87,517,161	98.91%	771,024	88,288,185	99.78%
2006		95,159,220	94,428,055	99.23%	473,506	94,901,561	99.73%
2007		99,974,730	99,045,063	99.07%	595,189	99,640,252	99.67%
2008		104,203,399	103,123,944	98.96%	649,150	103,773,094	99.59%
2009		107,467,697	106,190,473	98.81%	513,955	106,704,428	99.29%
2010		108,814,209	107,420,320	98.72%	-	107,420,320	98.72%

Source: Tax Collector's office and Finance office

TOWN OF RIDGEFIELD, CONNECTICUT

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

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	General Long-Term Debt (3)(4)	Assessed Value (1)(4)	Ratio of Long-Term Debt to Assessed Value	Population (2)	Per Capita Income (2)	Percentage of Personal Income (2)	Long-Term Debt Per Capita
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
2007	126,546	4,212,276	3.00%	24,710	72,941	7.02%	5,121
2008	127,411	5,438,740	2.34%	24,720	75,155	6.86%	5,154
2009	120,469	5,492,969	2.19%	24,595	70,366	6.96%	4,898
2010	109,831	5,815,557	1.89%	24,228	70,366	6.44%	4,533

(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, premiums and capital leases.

(4) Amounts expressed in thousands.

**TOWN OF RIDGEFIELD, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)
FOR THE YEAR ENDED JUNE 30, 2010**

Tax Base:	
Total tax collections	\$ 109,407,777
Reimbursement of Revenue Loss on:	
Elderly tax freeze and homeowners' grants	<u>61,044</u>
Total Base	<u>\$ 109,468,821</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	\$ 246,304,847	\$	\$	\$	\$
4 1/2 Times Base		492,609,695			
3 3/4 Times Base			410,508,079		
3 1/4 Times Base				355,773,668	
3 Times Base					328,406,463
	<u>246,304,847</u>	<u>492,609,695</u>	<u>410,508,079</u>	<u>355,773,668</u>	<u>328,406,463</u>
Total limitations					
Indebtedness:					
Bonds outstanding	60,650,298	39,550,117	2,189,585		
Bond anticipation notes outstanding	1,480,000	95,000			
Bonds authorized but unissued	4,919,749				
Sewer notes payable			1,540,649		
Less school building grants		(14,987)			
Less sewer assessments			(786,050)		
	<u>67,050,047</u>	<u>39,630,130</u>	<u>2,944,184</u>		
Total indebtedness (1)					
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 179,254,800</u>	<u>\$ 452,979,565</u>	<u>\$ 407,563,895</u>	<u>\$ 355,773,668</u>	<u>\$ 328,406,463</u>

Notes: (1) The total of the above indebtedness amounts to: \$ 106,508,712

In no event shall total indebtedness exceed seven times the base for debt limitation computation: \$ 766,281,747

(2) There is no overlapping debt for the Town of Ridgefield.

TOWN OF RIDGEFIELD, CONNECTICUT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$ 420,169,680	\$ 477,010,324	\$ 519,879,123	\$ 580,786,885	\$ 618,650,410	\$ 668,830,162	\$ 699,930,735	\$ 727,968,528	\$ 751,329,068	\$ 766,281,747
Total net debt applicable to limit	51,153,031	118,253,299	150,442,486	137,360,933	135,106,335	122,216,405	118,675,388	120,421,909	114,044,065	106,508,712
Legal Debt Margin	\$ 369,016,649	\$ 358,757,025	\$ 369,436,637	\$ 443,425,952	\$ 483,544,075	\$ 546,613,757	\$ 581,255,347	\$ 607,546,619	\$ 637,285,003	\$ 659,773,035
Total net debt applicable to the limit as a percentage of debt limit	12.17%	24.79%	28.94%	23.65%	21.84%	18.27%	16.96%	16.54%	15.18%	13.90%

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.

TOWN OF RIDGEFIELD, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	Population	Per Capita Income	Personal Income (1)	Median Age	School Enrollment (2)	Unemployment Rate (3)
2001	23,750	\$ 54,126	\$ 1,285,492,500	39	4,982	1.80%
2002	23,920	56,616	1,354,254,720	39	5,138	2.50%
2003	24,080	59,503	1,432,832,240	39	5,429	2.50%
2004	24,154	62,776	1,516,291,504	39	5,522	3.20%
2005	24,588	66,480	1,634,610,240	39	5,597	3.70%
2006	24,612	70,136	1,726,187,232	38	5,641	2.50%
2007	24,710	72,941	1,802,372,110	38	5,498	3.10%
2008	24,720	75,155	1,857,831,600	39	5,591	2.80%
2009	24,595	70,366	1,730,651,770	41	5,480	6.10%
2010	24,228	70,366	1,704,827,448	41	5,400	5.80%

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

- (1) U.S. Bureau of the Census.
- (2) Town of Ridgefield, Board of Education.
- (3) State of Connecticut, Department of Labor.

TOWN OF RIDGEFIELD, CONNECTICUT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND TEN YEARS AGO

(Unaudited)

	2010			2000 (1)		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Boehringer-Ingelheim, Inc.	3,000	1	26.78%	1,200	1	10.08%
Laurel Ridge Health Care Center	190	2	1.70%			
Adam Broderick Salon & Spa	155	3	1.38%			
Stop & Shop	155	4	1.38%			
Fairfield County Bankcorp	143	5	1.28%	95	6	0.80%
Ridgefield Crossings	125	6	1.12%	50	10	0.42%
Kohl's Department Store	100	7	0.89%			
Ridgefield BMW Mazda	60	8	0.54%			
Pamby Motors, Inc.	47	9	0.42%	61	9	0.51%
Ullman Devices, Corp	46	10	0.41%	76	8	0.64%
Schlumberger Technical Corp.				140	3	1.18%
Silicone Valley Corporation				500	2	4.20%
Norco Company				128	4	1.08%
Village Bank				100	5	0.84%
Duty Free International, Inc.				80	7	0.67%
	<u>4,021</u>		<u>35.90%</u>	<u>2,430</u>		<u>20.42%</u>

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

(1) Information not available for 2001.

TOWN OF RIDGEFIELD, CONNECTICUT
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<u>General government</u>										
Management services	28.4	27.4	28.9	30.5	26.5	26.5	26.5	24.5	24.0	24.0
Finance	5.0	6.0	6.5	7.0	7.0	7.0	6.7	6.7	6.7	6.7
Planning	3.5	3.5	4.5	4.5	4.5	4.0	4.0	5.0	5.0	5.0
Building	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
<u>Public Health</u>										
Health	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Social Services	2.5	2.6	2.7	2.4	2.4	2.4	2.4	2.3	2.3	2.3
<u>Public safety</u>										
Police	46.9	46.9	48.5	48.5	48.5	48.5	48.5	43.6	43.6	43.6
Fire	42.5	42.5	38.0	37.8	35.2	35.2	35.2	33.0	33.0	32.0
Parking	0.8	0.8	0.7	0.7	0.5	0.5	1.3	1.3	1.3	1.3
Canine	1.0	1.0	1.8	1.8	1.8	1.8	1.5	1.5	1.5	1.5
<u>Public works</u>										
	26.0	26.0	29.0	29.0	30.0	29.0	28.0	31.8	30.8	30.8
<u>Public Recreation</u>										
Recreation	37.1	37.3	50.0	50.0	50.0	50.0	50.0	49.0	48.2	47.3
Golf Course	13.4	13.4	14.0	14.0	14.0	14.0	16.0	17.3	17.3	17.3
Tree Warden	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6
<u>Public Education</u>										
Certified	460.2	462.2	469.8	459.7	445.9	435.3	435.0	424.2	405.4	390.7
Non-certified	248.8	242.7	227.4	217.1	214.5	210.6	206.3	197.8	181.0	172.7
Total	922.6	918.8	929.3	911.5	889.4	873.5	870.0	846.6	808.7	783.7

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

Notes: 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 calculated by dividing total labor hours by 1,820 or 2,080 based on the employment classification.

TOWN OF RIDGEFIELD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<u>General Government</u>										
<u>Legal Counsel:</u>										
Professional fees	\$ 184,766	\$ 201,721	\$ 303,069	\$ 265,603	\$ 232,828	\$ 162,001	\$ 206,736	\$ 337,898	\$ 224,450	\$ 151,188
<u>Town Clerk's Office:</u>										
Licenses issued	3,073	3,111	2,958	2,949	3,046	2,982	3,116	3,228	3,137	3,248
Record vital statistics	448	427	230	427	460	509	523	580	571	583
Document recordings	6,189	6,357	6,392	7,134	7,872	8,322	9,438	12,415	10,654	6,579
<u>Registrar of Voters:</u>										
Registered voters	16,352	16,131	15,019	14,961	15,194	15,853	15,382	15,495	15,519	15,923
Elections and referenda	3	3	4	2	3	5	4	3	5	3
<u>Planning and Development</u>										
Building permits issued	1,666	1,719	2,146	2,067	2,264	2,198	2,554	2,415	2,860	3,028
Value of building permits	\$ 36,179,734	\$ 50,918,011	\$ 88,204,342	\$ 117,022,051	\$ 83,580,683	\$ 65,921,952	\$ 75,710,078	\$ 101,733,974	\$ 78,567,392	\$ 52,099,328
Zoning permits issued	258	260	306	350	337	341	358	424	394	380
<u>Public Safety</u>										
<u>Police Department:</u>										
Motor vehicle citations	4,926	4,679	5,806	3,231	4,718	4,131	5,031	4,600	4,573	4,170
General citations	2,468	1,532	1,496	844	599	501	496	706	697	1,537
<u>Fire Department:</u>										
Fire related calls	1,103	1,327	1,217	1,215	1,022	940	1,058	960	898	980
Medical related calls	2,046	1,952	1,952	1,889	1,905	1,986	1,827	1,792	1,714	1,562
<u>Parking Authority:</u>										
Parking violations	1,641	1,796	2,585	1,359	1,235	2,594	2,610	2,560	1,966	2,240
<u>Public Works</u>										
Miles of street resurfacing	5.4	4.3	4.3	9.0	12.8	13.0	12.4	13.0	12.5	16.0
Work Orders completed	606	419	401	465	572	748	625	680	910	985
<u>Public Recreation</u>										
Rounds of golf	37,138	37,001	38,078	38,247	36,196	36,796	32,722	35,125	39,683	37,500
Recreation center members	6,008	6,373	6,669	6,858	7,002	7,098	7,161	6,170	4,140	4,151
Summer camp participants	1,252	1,116	1,141	1,400	1,300	1,232	1,202	1,175	1,050	924
Martin park beach passes	548	531	563	538	452	474	604	714	604	550
<u>Public Education</u>										
Student enrollment	5,400	5,480	5,591	5,498	5,641	5,597	5,522	5,429	5,138	4,982

Source(s): Various Town Departments

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

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<u>General Government</u>										
Vehicles	8	8	8	8	8	8	8	8	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	20	20	19	19	19	18	18	17
Fire vehicles	17	17	16	16	16	17	17	17	18	17
<u>Public Works</u>										
Town roads (miles)	193.2	193.2	193.2	193.2	193.2	193.2	189.5	189.5	180.9	180.77
Town sidewalks (miles)	14.0	14.0	14.0	13.6	13.1	13.1	11.6	11.6	11.6	8.5
Sanitary sewers (miles)	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	14.6	14.6
Storm sewers (miles)	88.0	88.0	88.0	87.6	85.7	85.7	85.0	84.0	84.0	84.0
Treatment plants	2	2	2	2	2	2	2	2	2	2
Highway vehicles	38	38	37	37	37	37	36	35	35	34
<u>Public Recreation</u>										
Acreage	2156	2156	2,156	2,156	2,156	2,114	2,114	2,114	2,114	2,114
<u>Athletic facilities:</u>										
Baseball diamonds	21	21	21	21	19	19	19	19	19	19
Basketball courts - Outside	2	2	2	2	2	3	3	3	3	3
Soccer fields	15	15	15	15	15	15	15	16	15	15
Football fields	3	3	3	3	3	3	3	3	3	3
Playgrounds	10	10	10	10	9	9	9	9	9	9
Tennis courts	9	9	9	9	9	9	9	9	7	7
Skate board park	1	1	1	1	1	1	1	1	1	1
Nature areas	39	39	39	39	39	39	39	39	38	38
Picnic areas	3	3	3	3	3	2	2	2	2	2
Swimming pools	2	2	2	2	2	2	2	2	1	1
Vehicles	16	18	18	17	17	17	17	16	16	16
<u>Public Education</u>										
Elementary schools	6	6	6	6	6	6	5	5	5	5
Middle schools	2	2	2	2	2	2	2	2	1	1
High schools	1	1	1	1	1	1	1	1	1	1

Source(s): Various Town Departments