

**TOWN OF WILLINGTON,
CONNECTICUT**

**Comprehensive Annual
Financial Report**

**For the Year Ended
June 30, 2008**

Prepared by:

**Finance Department
Annemarie Poole, Treasurer
Donna Latincsics, Business Manager**

**TOWN OF WILLINGTON, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2008**

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INTRODUCTORY SECTION

Town of Willington

Board of Selectmen • 40 Old Farms Road • Willington, Connecticut 06279 • (860) 487-3100 • Fax (860) 487-3103

January 28, 2009

To the Members of the Board of Selectmen,
Board of Finance and the Citizens of the
Town of Willington, Connecticut:

The Comprehensive Annual Financial Report (CAFR) of the Town of Willington, Connecticut (the "Town") for the fiscal year ended June 30, 2008 is hereby submitted.

This report was prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governmental units as promulgated by the Governmental Accounting Standards Board. Responsibility for the accuracy of the data and the completeness of the presentation, including all disclosures, rests with the management of the Town of Willington.

We believe the information presented is accurate in all material respects; that it is presented in a manner designed to fairly exhibit the financial position and results of operations of the Town, and that all disclosures necessary to enable the reader to gain maximum understanding of the Town's financial activity have been included.

Pursuant to Connecticut Law, the Town is required to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by the State of Connecticut, Office of Policy and Management and a copy of the report must be filed with such Office within six months of the end of the fiscal year. The examination was conducted by the firm of O'Connell, Pace & Company, P.C., independent certified public accountants, of Hartford, Connecticut. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the Town was part of a broader, federal and State of Connecticut mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The Single Audit Report contains the independent auditors' reports on compliance and internal control, the schedules of expenditures of federal and state financial assistance, and the schedule of findings and questioned costs.

GAAP requires 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 the MD&A and should be read in conjunction with it. The Town's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The Town of Willington, located in Tolland County, is approximately 25 miles northeast of Hartford and two miles from the main campus of the University of Connecticut at Storrs. The Town is bounded on the north by the Towns of Stafford and Union, on the east by the Town of Ashford, on the west by the Towns of Ellington and Tolland and on the south by the Town of Mansfield. The Town of Willington was incorporated in 1727 and covers an area of 34.8 square miles. It is traversed by Interstate 84 and state routes No. 32, 44, 74, and 320. Passenger service is provided on a limited basis by the buses of the Windham Regional Transit District. Freight service is provided by Central Vermont Railway and numerous motor common carriers.

The Town of Willington has a Board of Selectmen, Town Meeting, and Board of Finance form of government. The Board of Selectmen, elected to two-year terms, consists of three members and functions as the executive authority of the Town in accordance with the provisions of the General Statutes of the State of Connecticut.

The First Selectman, a member of the Board of Selectmen, 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. The First Selectman, with the approval of the Board of Selectmen, appoints members to various commissions and boards and also serves as the Town's Purchasing Agent. Additional duties include the authority over and the responsibility for the revenue collector's and assessor's operations.

The six-member Board of Finance, elected for six-year staggered terms, is responsible for proposing annual budgets and special appropriations at Town Meetings and works closely with the First Selectman and Treasurer to establish and enforce fiscal policy as well as internal control policies and procedures. The Board of Finance reviews requests for funding from the Board of Selectmen, Board of Education and other agencies and officials. A budget hearing is held in April, at which time taxpayer comments are obtained. The annual Town meeting followed by a referendum are held at the beginning of May at which time the proposed operating budget for the fiscal year commencing July 1 is voted upon for approval. In accordance with the provisions of local ordinance, all Town meeting votes on proposed budgets are adjourned to referendum vote on voting machines. The operating budget includes proposed expenditures and the means of financing them. Prior to July 1, the budget is legally enacted.

Formal budgetary integration is employed as a management control device during the year. The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.

Generally, all unexpended and 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. Encumbered appropriations in the general fund are not reappropriated in the ensuing year's budget, but are carried forward.

Upon approval of the budget, the Board of Finance establishes the tax rate and notifies the Revenue Collector. The Board of Finance files an official copy of the approved budget with the Town Clerk within five days of approval.

The seven-member Board of Education, elected for four-year staggered terms, is responsible for the operation of the grades K-8 school system. Willington also elects four members to the Regional 19 Board of Education. The Regional Board is responsible for Willington students' high school education and the operation of E.O. Smith Regional High School. Elections are held biennially in November in every odd-numbered year.

Profile of the Government (Continued)

The Town's professional staff includes a Business Manager, Treasurer, a Revenue Collector and an Assessor. The Treasurer is responsible for the treasury management functions of the Town. The Business Manager is responsible for the activities of the accounting staff for the Town and Board of Education. In addition, they are both responsible for assisting the Board of Finance in the preparation of the annual budget; the maintenance of the general ledgers of the Town; financial planning and cost accounting; data processing; financial report preparation; and supervision of the annual independent audit. The Treasurer is also responsible for the investment of all Town funds. The Revenue Collector is responsible for the collection and reconciliation of all property tax obligations due to the Town. The Assessor values all buildings, land, motor vehicles and personal property to assess the amount of taxes owed by the taxpayers. The Assessor also oversees the town-wide physical revaluation. The Town must implement revaluation every five years and a revaluation by physical inspection must be done no later than ten years from the preceding physical inspections. Assessment information is sent to the Revenue Collector so she may send tax notifications to the taxpayers.

The Town's accounting system considers the adequacy of internal control to ensure that the assets of the Town are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of reliable financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that:

- (1) The cost of a control should not exceed the benefits likely to be derived; and
- (2) The valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations take into consideration the concepts listed above. Management believes the Town's internal control adequately safeguards assets and provides reasonable assurance of the proper recording of financial transactions.

The Town of Willington provides a range of services, including ambulance and fire protection, recreational activities and cultural events. The Town participates in the Mid-Northeast Recycling Operating Committee ("Mid-NEROC") for collection of recyclable materials and household hazardous wastes. It is a member of the five-town Eastern Highlands Health District for the purpose of providing environmental health-related services including septic design reviews, restaurant inspections and health education. Also, the Board of Selectmen appoints members to the Willington Housing Authority, a related organization. These organizations are described in the notes to the financial statements included in the Financial Section.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood, when it is considered from the broader perspective of the specific environment in which the Town operates.

Local Economy

The largest concentration of economic development in the Town is located on State Route 320 by the Exit 71 interchange of Interstate 84. Five hundred nineteen acres of land on the east side of Route 320 is zoned "Designed Industrial". In 1997, Roadway Package Systems, now FedEx, completed a \$22 million New England regional distribution facility on 109 acres of the industrial property. In 2001, FedEx finished a planned \$5 million expansion of their facility. They expanded their sorting system within the existing building footprint. Since then they received permits for improvements costing \$3.2 million to expand the parking areas, the maintenance building, add a storage building to the main building and build a new office building. In addition to the FedEx distribution facility, other industrial development in Town is limited to the mining and quarrying of earth products near the center of Town, a water bottling company, a bulk spring water supply and several small-scale industrial operations in South Willington.

Travel Centers of America is located off of the Exit 71 interchange and consists of a truck stop, several commercial services and a motel. Travel Centers has received permits to build a large truck wash on their facility. Other existing commercial facilities are principally located in West Willington center with sporadic commercial development occurring along River Road (Route 32) and a few commercial businesses located on Tolland Turnpike (Route 74). These facilities include a small shopping plaza, convenience stores, restaurants, service stations, small retail establishments, kennels, banks, research facilities and other small service establishments. An Economic Development Commission is charged with promoting and developing the economic resources of the Town.

The growth of the commercial/industrial tax base has been strong over the past several years. This has resulted in shifting the burden of a fairly significant portion of property taxes from residential properties to business properties. For the 2007 Grand List, the percentage of the real estate portion of the grand list paid by commercial/industrial properties was 19%, which is significantly higher than comparable towns in the region.

Long-Range Financial Planning

The Town utilizes a five year financial plan that projects peaks and valleys of fund balance levels for each year and also determines the amount of expenditures that are affordable for the upcoming year's budget. The Town, in essence, backs into the expenditure increase percentage that is affordable for the upcoming budget using an analysis that allows the Town to review revenues, operating expenditures, debt service expenditures and capital outlays for five years into the future. For peak years of expenditures, the Town determines that revenues plus available surplus are adequate to meet these obligations without the need for spikes in the tax rates.

The Town has a number of ongoing initiatives. The Town's capital improvement plan (CIP) continues to be used as the primary planning and implementation document for capital purchases and fund identification. This plan is a five-year rolling plan and is updated annually. The CIP committee's long-term objective is to have a five-year bonding cycle for major purchases and an adequate reserve for all other capital purchases.

Long-Range Financial Planning (*Continued*)

During fiscal year 2008 continued expansion of the Town River Road Recreation area occurred.

The Plan of Conservation and Development committee completed its Town policy guide which was approved during the 2006 fiscal year. The Planning and Zoning Commission continues to head up the work required to implement the plan.

Cash Management Policies and Practices

Sections 7-400 and 7-402 of the Connecticut General Statutes govern the investments the Town is permitted to acquire. Generally, the Town may invest in certificates of deposit, municipal notes and bonds, obligations of the United States of America, including joint and several obligations of the Federal Home Loan Mortgage Association, the Federal Savings and Loan Insurance Corporation, obligations of the United States Postal Service, all the Federal Home Loan Banks, all Federal Land Banks, the Tennessee Valley Authority, or any other agency of the United States government, and money market mutual funds.

The Town of Willington's operating and working capital funds are invested under the responsibility and authority of the Town Treasurer. Currently, the Town's short-term investments consist of: (1) the State of Connecticut Short Term Investment Fund ("STIF") which is an investment pool managed by the State Treasurer's Office; and (2) the Cooperative Liquid Asset Security Systems Fund ("CLASS") which is an investment pool managed by MBIA Municipal Investors Service Corporation. The fair value of the Town's position in these pools is the same as the value of the pool shares.

Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. The Town purchases commercial insurance for some risks and participates in various risk pools for other risks. Additional information on the Town of Willington's risk management activity can be found in Note 13 to the financial statements.

Town Defined Benefit Plan.

The Town maintains the Town of Willington Pension Plan ("Plan"), a single-employer, contributory, defined benefit pension plan covering substantially all employees, except Board of Education employees. The Plan provides retirement, disability and death benefits to Plan members and beneficiaries. Benefit provisions are established and can be amended by the Board of Selectmen. This Plan is considered to be part of the Town's financial reporting entity and is included as a pension trust fund of the Town. Separate, stand-alone financial statements for the Plan are not prepared.

As of June 30, 2008 the net assets held in trust for the Plan were \$513,825. Investment income for the year ended June 30, 2008 totaled \$(36,861) or an approximate loss of 7.0% rate of return. There were no benefit payments made during the year.

Additional information on the Town's pension plan can be found in Note 12 to the financial statements.

CERTIFICATE OF ACHIEVEMENT

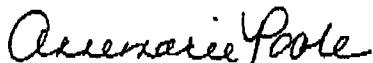
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for the fiscal year ended June 30, 2007. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the Business Manager, Donna Latincsics and her department. Credit must also be given to the Board of Selectmen, the Board of Finance and especially its Chairman, Kathleen Blessing for their unfailing support for maintaining the highest standards of professionalism in the management of the Town's finances.

Respectfully Submitted,



Annemarie Poole
Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Willington
Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

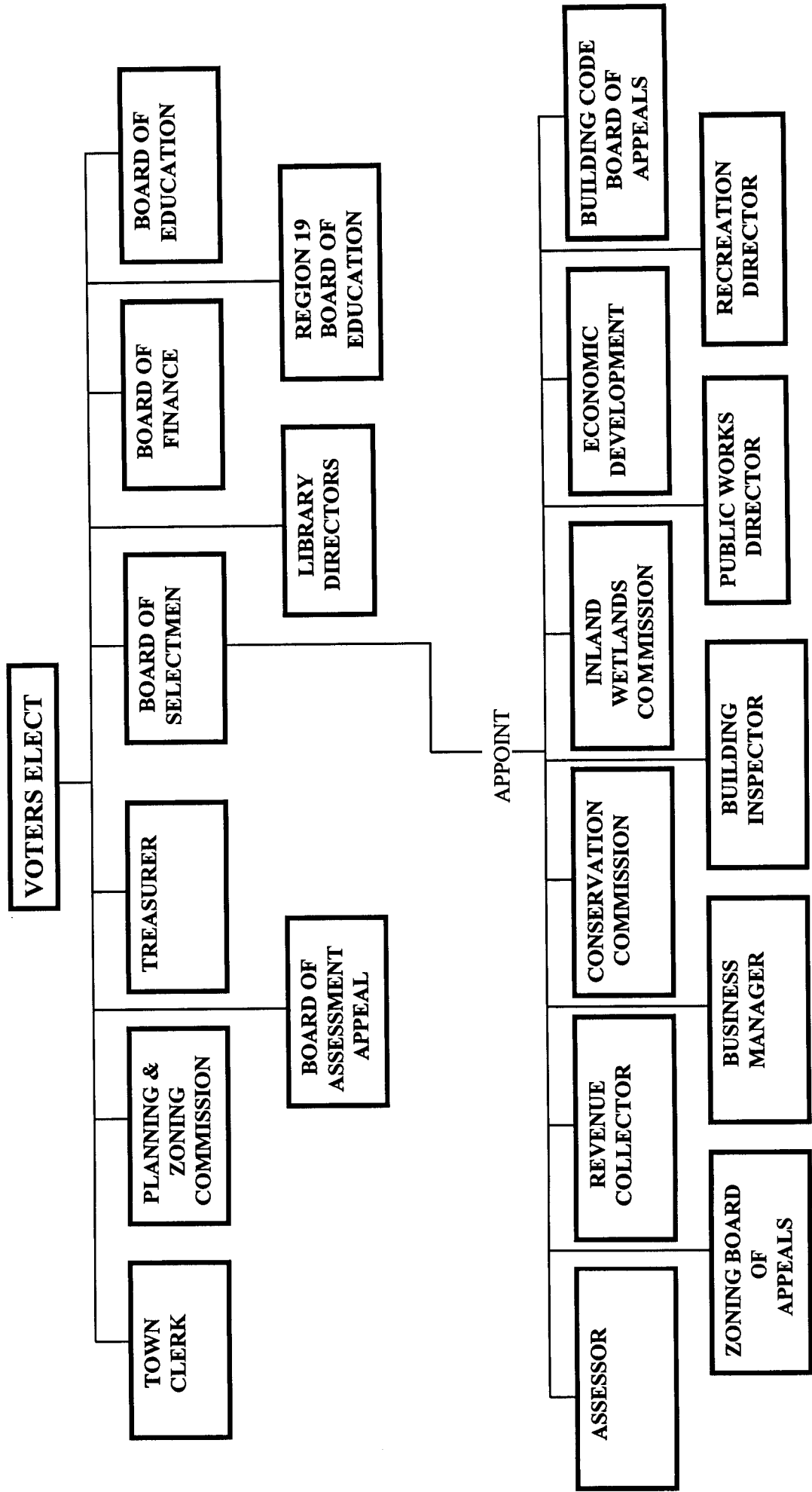
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

**TOWN OF WILLINGTON, CONNECTICUT
ORGANIZATIONAL CHART
JUNE 30, 2008**



**TOWN OF WILLINGTON, CONNECTICUT
PRINCIPAL OFFICIALS
JUNE 30, 2008**

TOWN MEETING - BOARD OF SELECTMEN FORM OF GOVERNMENT

BOARD OF SELECTMEN

Michael L. Eldredge, First Selectman
Mark Palmer, Selectman
David Charette, Selectman

First Selectman.....	Michael L. Eldredge
Chairman, Board of Finance.....	Kathleen Blessing
Town Treasurer.....	Annemarie Poole
Business Manager.....	Donna Latincsics
Director of Public Works.....	Lynn A. Nicholls
Town Clerk.....	Donna J. Hardie
Collector of Revenues.....	Carol Larson
Superintendent of Schools Elect.....	David C. Harding

BOARD OF EDUCATION

Mark Makuch, Chairman
Herbert C. Arico
Christine Psathas
Christina Mailhos
Teri Gareau
Laurie Semprebon
David O. Tharp

BOARD OF FINANCE

Kathleen K. Blessing, Chairman
Ann Marie Brown
Matthew R. DiNallo
Mark Jones
Elizabeth A. Marco
Kenneth Schoppmann
Chopeta Lyons, Alternate
Dawn Semmelrock, Alternate

FINANCIAL SECTION

Independent Auditors' Report

O'Connell, Pace, & Company, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

FACSIMILE: (860) 549-1804
E-MAIL: oconnells@opccpa.com

609 FARMINGTON AVENUE
SUITE 201
HARTFORD, CT 06105-3063
(860) 247-3917

Walter F. O'Connell, C.P.A.
Mario Pace, C.P.A.
Albert Celentano, C.P.A.
William Clark, C.P.A., M.S.P.A.

INDEPENDENT AUDITORS' REPORT

To the Board of Finance of the
Town of Willington, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Willington, Connecticut, as of and for the year ended June 30, 2008, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Town of Willington, Connecticut's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Willington, Connecticut as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2009 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 15 and 53 through 55, are not a required part 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 Willington, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section 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, 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 and statistical sections 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.

O'Connell, Pace, & Company, P.C.

Hartford, Connecticut
January 26, 2009

Management's Discussion and Analysis

TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Willington, Connecticut (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - vi of this Comprehensive Annual Financial Report.

FINANCIAL HIGHLIGHTS

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$14,070,485 (net assets). Of this amount, \$4,129,815 (unrestricted net assets) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net assets increased by \$1,348,837 or 9%. This increase is primarily related to the increase in property tax revenues and proceeds received in relation to the sale of land. Overall, total revenues increased 8.2% which offset a 8.7% increase in total expenses.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$3,630,120 a increase of \$266,289 over the prior year. Approximately 98% or \$3,547,761 of this total amount is available for spending at the Town's discretion (unreserved fund balance).
- At the close of the current fiscal year, unreserved fund balance for the general fund was \$1,440,115 or 10% of total general fund expenditures.

The Town's total bonded debt decreased by \$345,000 during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

Government-wide Financial Statements *(Continued)*

Both of the government-wide financial statements are intended to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include: general government, public safety, public works, education and culture and recreation. The Town currently has no business-type activities.

The government-wide financial statements can be found on pages 16 and 17 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

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 the Town'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 funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds 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 18 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Small Cities Grant Housing Fund, Capital Projects Fund, and the Reserve for Capital and Nonrecurring Expenditures Fund, all of which are considered to be major funds. Data from the other 14 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 18 – 22 of this report.

TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS (*Continued*)

OVERVIEW OF THE FINANCIAL STATEMENTS (*Continued*)

Fund Financial Statements (*Continued*)

Proprietary Funds

The town maintains one type of propriety fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The town uses enterprise funds to account for its Utility Fund.

The Utility Fund was established in December 2007 to account for the Senior Housing water usage. The water system was designed for the Senior Housing and Senior Center Complex with possible expansion along Old Farms Road to Center School. The balance as of June 30, 2008 is \$8,964.

Proprietary funds provide the same type of information as the governmental-wide financial statements, only in more detail.

The proprietary fund financial statements can be found on pages 23-25 of this report

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to the Town's own programs. The accounting used for fiduciary funds is much like that used in the government-wide financial statements.

The basic fiduciary fund financial statements can be found on pages 26 and 27 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28 - 52 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains combining and individual fund statements and schedules and statistical tables that can be found on pages 53 – 84 of this report.

TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

Over time, net assets may serve as one measure of a government's financial position. Total net assets of the Town totaled \$14,070,485 and 12,712,649 as of June 30, 2008 and 2007, respectively and are summarized as follows:

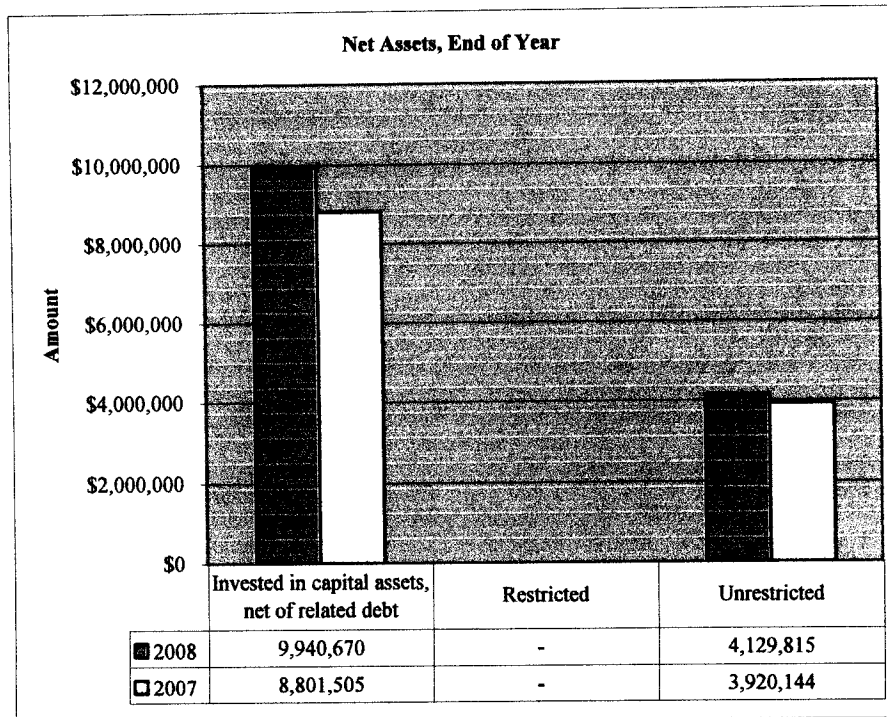
Town of Willington, Connecticut Net Assets June 30, 2008 and 2007

	Governmental Activities	
	2008	2007
Current and other assets	\$ 5,699,321	\$ 5,726,969
Capital assets	13,751,298	13,064,462
Total assets	<u>19,450,619</u>	<u>18,791,431</u>
Long-term debt outstanding	3,769,066	4,250,024
Other liabilities	1,611,068	1,819,758
Total liabilities	<u>5,380,134</u>	<u>6,069,782</u>
Net assets:		
Invested in capital assets, net of related debt	9,940,670	8,801,505
Restricted	-	-
Unrestricted	4,129,815	3,920,144
Total net assets	<u><u>\$ 14,070,485</u></u>	<u><u>\$ 12,721,649</u></u>

TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Net Assets *(Continued)*



As of June 30, 2008, 71% of the Town's net assets reflect its investment in capital assets, 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.

None of the Town's net assets are subject to external restrictions on how they may be used. Unrestricted net assets may be used to meet the Town's ongoing obligations to citizens and creditors.

The Town's total net assets increased by \$1,348,837 or 9%. This increase is primarily related to the increase in general revenues, specifically the increase in property tax revenues. Overall, revenues increased 2.6% which offsets the increase in total expenses of 10.83%.

TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Changes in Net Assets

Changes in net assets for the year ended June 30, 2008 and 2007 are as follows:

Town of Willington, Connecticut Changes in Net Assets June 30, 2008 and 2007

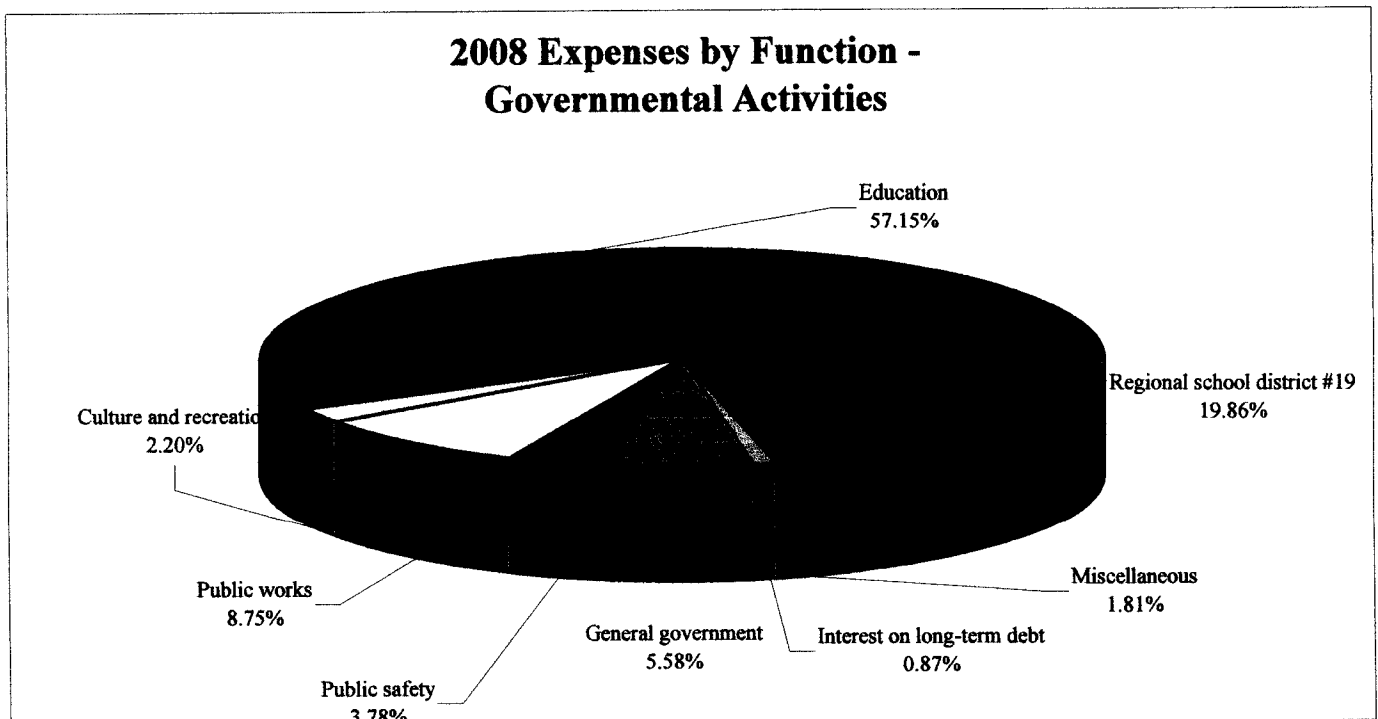
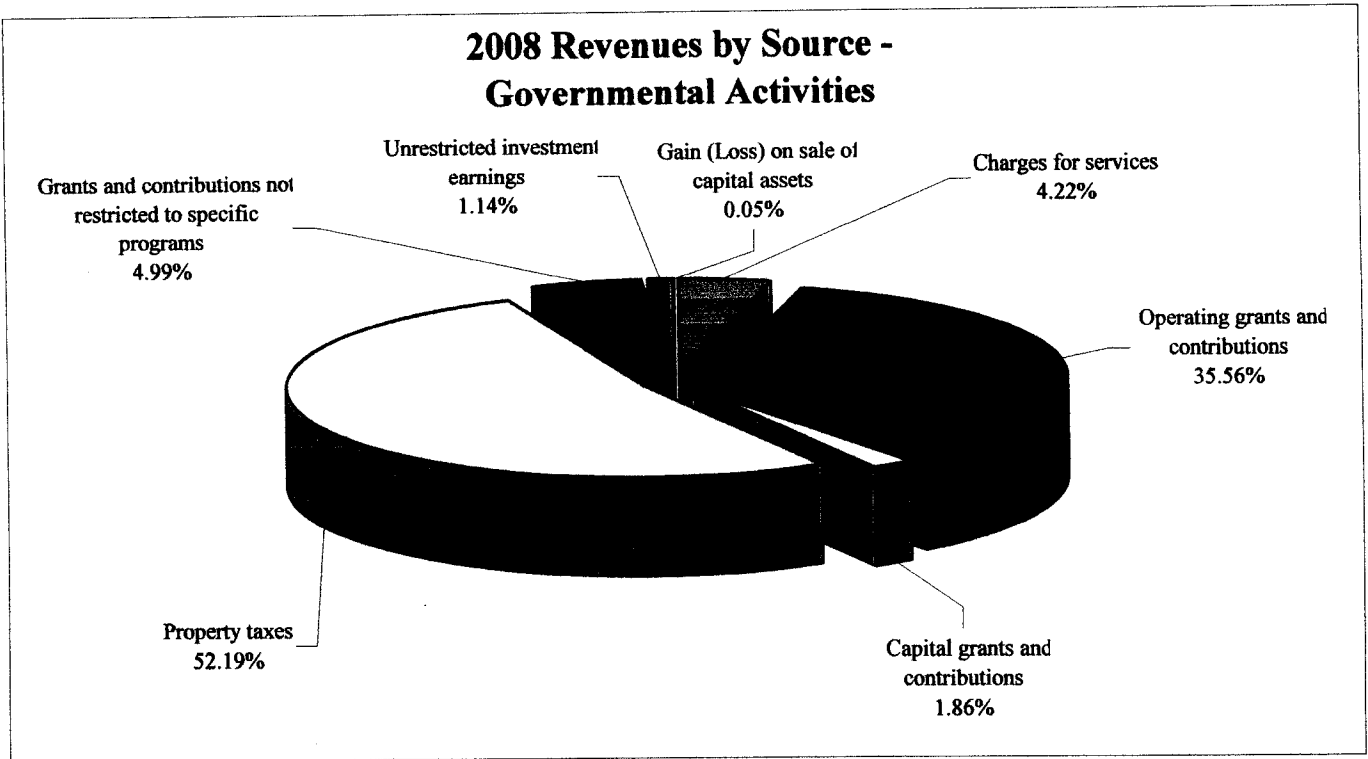
	Governmental Activities	
	2008	2007
Revenues		
Program revenues:		
Charges for services	\$ 829,946	\$ 640,073
Operating grants and contributions	6,996,530	4,193,977
Capital grants and contributions	365,789	346,179
General revenues:		
Property taxes	10,266,751	10,049,269
Grants and contributions not restricted to specific programs	981,488	586,846
Unrestricted investment earnings	223,853	292,822
Gain (Loss) on sale of capital assets	(9,353)	12,885
Transfers	24,000	
Total revenues	<u>19,679,004</u>	<u>16,122,051</u>
Expenses		
General government	1,023,653	941,163
Public safety	693,424	664,389
Public works	1,603,545	1,851,496
Culture and recreation	402,768	533,467
Education	10,476,004	7,686,701
Regional school district #19	3,640,407	3,796,225
Miscellaneous	331,335	310,952
Interest on long-term debt	159,031	238,255
Total expenses	<u>18,330,167</u>	<u>16,022,648</u>
 Change in net assets	 1,348,837	 99,403
 Net assets - beginning	 12,721,648	 12,622,246
 Net assets - ending	 <u>\$ 14,070,485</u>	 <u>\$ 12,721,649</u>

** Beginning balance was restated due to retroactively reporting Infrastructure.

**TOWN OF WILLINGTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Assets (Continued)



TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Changes in Net Assets *(Continued)*

Governmental activities increased the Town's net assets by 1,348,837 or 10.56%. However, total net assets increased by 11%. Key elements of this increase are as follows:

- Revenue from intergovernmental grants and contracts increased by 67.03% due to increases in awards for public works, education, and grants not restricted to a specific program.
- Expenses of governmental activities increased by 14.40% due primarily to a 36.29% increase in education expenditures, mainly due to the "on behalf" payments made to the teachers retirement fund by the State of Connecticut.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, the Town 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 the Town'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 \$3,630,120 an increase of \$266,289 for the year. Of the total governmental fund balances, \$3,547,761 constitutes unreserved fund balance which is available for spending at the Town's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed for specific purposes.

TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS (*Continued*)

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (*Continued*)

Governmental Funds (*Continued*)

General Fund

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unreserved fund balance of the General Fund was 1,440,115, while total fund balance was \$1,520,972. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. The unreserved fund balance and the total fund balance represent 11% of total General Fund expenditures.

The fund balance of the Town's General Fund decreased by \$128,992 during the current fiscal year. This was the result of a planned utilization of fund balance of the General Fund of \$350,000, as approved in the original budget, and three additional appropriations totaling \$86,269. Expenditures were generally lower than originally estimated. The decrease was partially offset by strong revenue growth primarily related to increases in property taxes and investment earnings.

Small Cities Grant Housing Fund

The fund balance of the Small Cities Grant Housing Fund increased by \$17,708. This was due to pay offs.

Capital Projects Fund

The fund balance of the Capital Projects Fund increased by \$242,910 as revenues for capital projects exceeded outlays.

Reserve for Capital and Nonrecurring Expenditures Fund

The fund balance of the Reserve for Capital and Nonrecurring Expenditures Fund increased by \$79,809. This was due to an approved transfer of \$140,000 to the Reserve Fund from the General Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget were primarily attributable to an increase in appropriations of \$86,269. Three separate additional appropriations were made to the fund: increased costs for Public Works, cost incurred to purchase a forestry truck for the Willington Hill Fire Department; and costs to continue improvements to the River Road Ball Fields.

TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental activities as of June 30, 2008 totaled \$13,751,298 (net of accumulated depreciation). This investment in capital assets includes land and improvements, construction in progress, buildings and improvements, machinery and equipment, infrastructure, vehicles and furniture and fixtures. The total increase in the Town's investment in capital assets for the current fiscal year was \$686,836 an 5.26% increase. The increase consisted of capital asset additions of \$1,938,278, offset by \$1,242,089 of current year depreciation and amortization expense and net deletions of \$9,353.

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

- Other increases of \$1,295,309 in capital assets included additions to infrastructure for Ashley Lane and Angela Lane as well as the Hall Memorial School water system and the Senior Housing water, drainage, and septic.
- Releases in the amount of \$1,152,699 were made from construction in progress during the year as assets were placed in service and the costs were transferred to the appropriate capital assets category.

The following table is a two year comparison of the investment in capital assets, net of accumulated depreciation and amortization, presented for governmental activities:

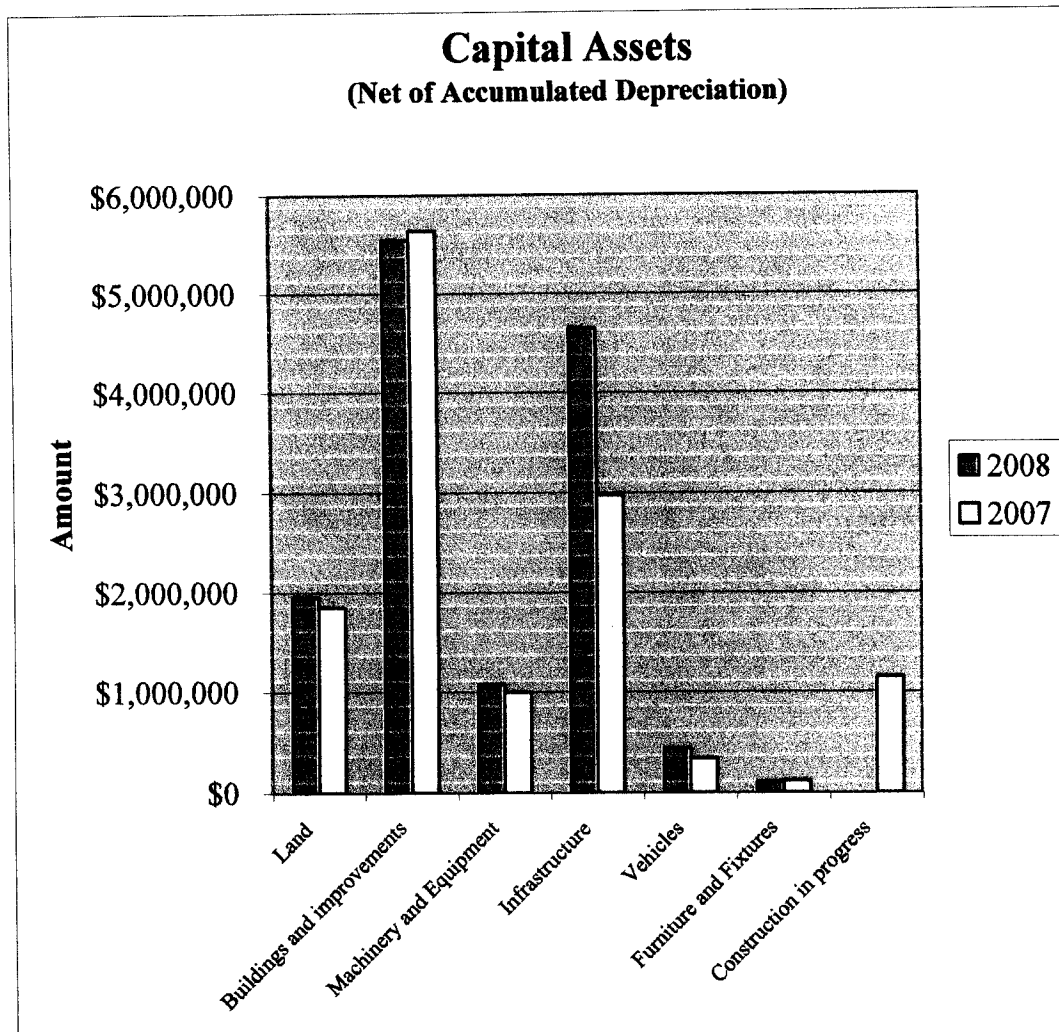
	Governmental Activities	
	2008	2007
Land	\$ 1,952,063	\$ 1,850,484
Buildings and improvements	5,539,917	5,638,137
Machinery and Equipment	1,071,652	996,393
Infrastructure	4,643,719	2,970,393
Vehicles	438,355	338,108
Furniture and Fixtures	105,592	118,248
Construction in progress	-	1,152,699
Totals	<u>\$ 13,751,298</u>	<u>\$ 13,064,462</u>

The Town has implemented the provisions of GASB Statement No. 34 related to recording infrastructure assets prior to the July 1, 2002. Therefore, the investment, in capital assets for 2006 have been restated to reflect the addition of infrastructure placed in service prior to July 1, 2002.

TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)



Additional information on the Town's capital assets can be found in Note 6 on pages 40 and 41 of this report

Long-term Debt

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$3,240,000. This entire amount is comprised of debt backed by the full faith and credit of the Town.

The Town's total bonded debt decreased by \$345,000. The town did not issue new debt during the current fiscal year

The Town maintains an A2 rating from Moody's Investor Service for general obligation debt.

State statutes limit the amount of general obligation debt the Town may issue to seven times its annual receipts from taxation, as defined by the statutes. The capacity of borrowing for the Town is 71,788,929, which is significantly in excess of the Town's outstanding general obligation debt.

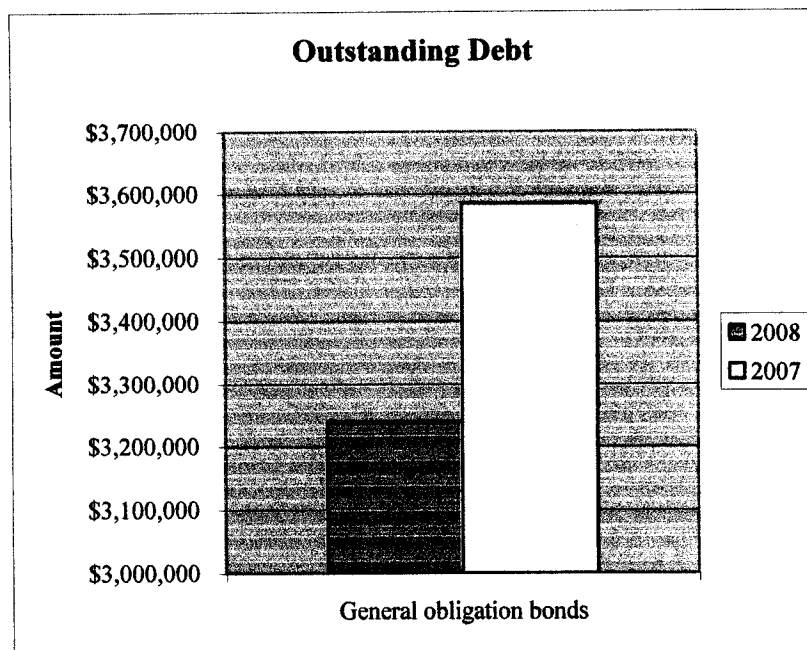
TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

CAPITAL ASSET AND DEBT ADMINISTRATION *(Continued)*

Long-term Debt *(Continued)*

The following table is a two year comparison of long-term bonded debt:

	Governmental Activities	
	2008	2007
General obligation bonds	\$ 3,240,000	\$ 3,585,000



Additional information on the Town's long term debt can be found in Note 9 on pages 43-46 of this report.

TOWN OF WILLINGTON, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS (*Continued*)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

A summary of key economic factors affecting the Town are as follows:

- The unemployment rate for the Town is currently 4.3%, which is an increase from a rate of 3.8% in the prior year. However, this compares favorably to the state's average unemployment rate of 5.4% and the national unemployment rate of 5.7%.
- During the current fiscal year, unreserved fund balance of the General Fund decreased to \$1,440,115. The Town has appropriated \$200,000 of this amount for spending in the fiscal year 2009 budget. It is intended that this use of available fund balance will reduce the amount of tax increases during the 2009 fiscal year.
- Significant estimates affecting next year's budget that are subject to change in the near term consist of the following:
 - For purposes of calculating property tax revenues for fiscal year 2009, the assessor's grand list was used along with an estimated tax rate, and an estimated rate of collection, with deductions for taxes to be paid by the State on behalf of certain taxpayers.
 - Intergovernmental grants were based on estimates from the State.
 - It is unknown how changes in market interest rates will impact real estate activity and related revenues collected by the Land Use Department and the Town Clerk, as well as the amount of interest income to be earned on cash deposits and investments.

The Town utilizes a five year financial plan that projects peaks and valleys of fund balance levels for each year and also determines the amount of expenditures that are affordable for the upcoming year's budget. The Town, in essence, backs into the expenditure increase percentage that is affordable for the upcoming budget using an analysis that allows the Town to review revenues, operating expenditures, debt service expenditures and capital outlays for five years into the future. For peak years of expenditures, the Town determines that revenues plus available surplus are adequate to meet these obligations without the need for spikes in the tax rates.

All of these factors were considered in preparing the Town's budget for fiscal year 2009.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Town of Willington, Financial Division, 40 Old Farms Road, Willington, CT 06279.

Basic Financial Statements

TOWN OF WILLINGTON, CONNECTICUT
STATEMENT OF NET ASSETS
JUNE 30, 2008

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 349,120	\$	349,120
Investments	4,211,294	16,439	4,227,733
Receivables:			
Property taxes receivable	119,001		119,001
Grant and contracts receivable	207,842		207,842
Accounts receivable	31,105		31,105
Interest receivable	21,066		21,066
Inventories and prepaid items	1,502		1,502
Internal balances	5,773	(5,773)	-
Net pension asset	36,654		36,654
Grants and contracts receivable, long-term portion	83,479		83,479
Rehabilitation loans receivable	632,485		632,485
Capital assets:			
Non-depreciable	1,606,963		1,606,963
Depreciable, net	12,144,335		12,144,335
Total assets	<u>19,450,619</u>	<u>10,666</u>	<u>19,461,285</u>
LIABILITIES			
Accounts payable and accrued liabilities	1,006,600	1,702	1,008,302
Unearned revenue	107,962		107,962
Accrued interest	16,470		16,470
Noncurrent liabilities:			
Due within one year:			
Bonds and notes payable	345,000		345,000
Capital leases	116,236		116,236
Compensated absences	11,200		11,200
Accrued landfill post closure costs	7,600		7,600
Due in more than one year:			
Bonds and notes payable	2,901,533		2,901,533
Capital leases	447,859		447,859
Compensated absences	305,674		305,674
Accrued landfill post closure costs	114,000		114,000
Total liabilities	<u>5,380,134</u>	<u>1,702</u>	<u>5,381,836</u>
NET ASSETS			
Invested in capital assets, net of related debt	9,940,670		9,940,670
Unrestricted	4,129,815	8,964	4,138,779
Total net assets	<u>\$ 14,070,485</u>	<u>\$ 8,964</u>	<u>\$ 14,079,449</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF WILLINGTON, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities
Primary Government						
Governmental activities:						
General government	\$ 1,023,653	\$ 447,746	\$ 7,001	\$ 126,725	\$ (442,181)	\$ (442,181)
Public safety	693,424	175,614	20,601	131,689	(365,520)	(365,520)
Public works	1,603,545	21,824	134,075	60,000	(1,387,646)	(1,387,646)
Culture and recreation	402,768	58,383	47,888	30,000	(266,497)	(266,497)
Education	10,476,004	126,379	6,786,965	17,375	(3,545,285)	(3,545,285)
Regional School District No. 19	3,640,407				(3,640,407)	(3,640,407)
Townwide	331,335				(331,335)	(331,335)
Interest on long-term debt	159,031				(159,031)	(159,031)
Total governmental activities	18,330,167	829,946	6,996,530	365,789	(10,137,902)	(10,137,902)
Business Type activities:						
Utility	15,981	507	48,000	--	--	32,526
Total Primary Government	\$ 18,346,148	\$ 830,453	\$ 7,044,530	\$ 365,789	(10,137,902)	(10,105,376)
General revenues:						
Property taxes, levied for general purposes					10,266,751	10,266,751
Grants and contributions not restricted to specific programs					981,488	981,488
Unrestricted investment earnings					223,853	224,291
(Loss) on disposal of assets					(9,353)	(9,353)
Transfers, net					24,000	--
Total general revenues and transfers					11,486,739	11,463,177
Change in net assets					1,348,837	1,357,801
Net assets - beginning					12,721,648	12,721,648
Net assets - ending					\$ 14,070,485	\$ 14,079,449

The accompanying notes are an integral part of these financial statements.

TOWN OF WILLINGTON, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008

	General Fund	Small Cities Grant Housing Fund	Capital Projects Fund	Reserve for Capital and Nonrecurring Expenditures Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 150,866	\$ 2,968	\$ -	\$ -	\$ 195,286	\$ 349,120
Investments	2,466,358	31,074	46,644	925,519	741,699	4,211,294
Receivables						
Property tax receivable	119,001	-	-	-	-	119,001
Grant and contracts receivable	-	-	84,213	-	40,150	124,363
Accounts receivable	11,509	8,865	-	8,882	1,849	31,105
Rehabilitation loans receivable	-	632,485	-	-	-	632,485
Due from Other Funds	47,401	-	201,684	1,100	116,864	367,049
Inventory	-	-	-	-	1,502	1,502
Total assets	\$ 2,795,135	\$ 675,392	\$ 332,541	\$ 935,501	\$ 1,097,350	\$ 5,835,919
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable and accrued liabilities	\$ 773,988	\$ -	\$ 88,229	\$ 67,762	\$ 76,621	\$ 1,006,600
Due to other funds	310,025	8,523	-	15,438	27,290	361,276
Deferred revenue	190,150	632,485	-	-	15,288	837,923
Total liabilities	1,274,163	641,008	88,229	83,200	119,199	2,205,799
Fund Balances (Deficit)						
Reserved for:						
Inventories	-	-	-	-	1,502	1,502
Encumbrances	80,857	-	-	-	-	80,857
Unreserved	1,440,115	34,384	244,312	852,301	-	2,571,112
Unreserved, reported in nonmajor:						
Special revenue funds	-	-	-	-	951,828	951,828
Capital project funds	-	-	-	-	24,821	24,821
Total fund balances (deficit)	1,520,972	34,384	244,312	852,301	978,151	3,630,120
Total liabilities and fund balances (deficit)	\$ 2,795,135	\$ 675,392	\$ 332,541	\$ 935,501	\$ 1,097,350	\$ 5,835,919

The accompanying notes are an integral part of these financial statements.

TOWN OF WILLINGTON, CONNECTICUT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2008

Total fund balances for governmental funds	\$ 3,630,120
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:	
Land and improvements	\$ 1,995,105
Construction in progress	-
Buildings and improvements	13,696,166
Machinery and equipment	2,037,382
Infrastructure	25,711,241
Vehicles	939,640
Furniture and fixtures	410,876
Less: accumulated depreciation and amortization	<u>(31,039,112)</u>
Total capital assets, net	13,751,298
School construction grants receivable from the State of Connecticut are not susceptible to accrual and, therefore, are not reported in the governmental funds.	166,958
The pension assets resulting from contribution in excess of the annual required contributions are not financial sources and, therefore, are not reported in the governmental funds.	36,654
Some of the Town's taxes will be collected after year end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred revenue in the governmental funds.	97,476
Interest receivable related to delinquent taxes is not susceptible to accrual and, therefore, is not reported in the governmental funds.	21,066
Rehabilitation loans receivable are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred revenue in the governmental funds.	632,485
Long-term liabilities applicable to the town's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets. Those liabilities consist of:	
Long-term debt:	
Bonds payable	(3,240,000)
Unamortized premium	(6,533)
Capital leases	(564,095)
Accrued interest payable	(16,470)
Other long-term liabilities:	
Compensated absences	(316,874)
Accrued landfill postclosure costs	<u>(121,600)</u>
Total long-term liabilities	<u>(4,265,572)</u>
Net assets of governmental activities	\$ <u>14,070,485</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF WILLINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	General Fund	Small Cities Grant Housing Fund	Capital Projects Fund	Reserve for Capital and Nonrecurring Expenditures Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 10,241,129	\$ -	\$ -	\$ -	\$ -	\$ 10,241,129
Intergovernmental revenues	6,845,694	-	748,811	236,523	339,366	8,170,394
Food Sales	-	-	-	-	126,379	126,379
Licenses, fees and permits	162,196	-	-	-	234,430	396,626
Investment earnings	148,192	1,010	1,241	38,155	35,255	223,853
Miscellaneous	85,410	16,698	220,000	-	39,123	361,231
Total Revenue	<u>17,482,621</u>	<u>17,708</u>	<u>970,052</u>	<u>274,678</u>	<u>774,553</u>	<u>19,519,612</u>
EXPENDITURES						
Current:						
General government	939,926	-	-	-	19,995	959,921
Public safety	361,649	-	-	-	272,731	634,380
Public works	1,199,754	-	-	-	5,062	1,204,816
Culture and recreation	-	-	-	-	339,296	339,296
Education	10,011,265	-	-	-	461,092	10,472,357
Regional School District No. 19	3,640,407	-	-	-	-	3,640,407
Miscellaneous	331,335	-	-	-	-	331,335
Debt service						
Principal payments	345,000	-	-	-	77,323	422,323
Interest and fiscal charges	143,673	-	-	-	19,939	163,612
Capital outlays	23,365	-	750,642	334,869	-	1,108,876
Total Expenditures	<u>16,996,374</u>	<u>-</u>	<u>750,642</u>	<u>334,869</u>	<u>1,195,438</u>	<u>19,277,323</u>
Excess (deficiency) of revenues over expenditures	486,247	17,708	219,410	(60,191)	(420,885)	242,289
OTHER FINANCING SOURCES						
Transfers in	10,500	-	34,000	140,000	475,739	660,239
Transfers (out)	(625,739)	-	(10,500)	-	-	(636,239)
Issuance of debt	-	-	-	-	-	-
Bond premium	-	-	-	-	-	-
Retirement of BANS	-	-	-	-	-	-
Interest charge on BANS	-	-	-	-	-	-
Total other financing sources (uses)	<u>(615,239)</u>	<u>-</u>	<u>23,500</u>	<u>140,000</u>	<u>475,739</u>	<u>24,000</u>
Net change in fund balances	(128,992)	17,708	242,910	79,809	54,854	266,289
FUND BALANCE - beginning of year	<u>1,649,964</u>	<u>16,676</u>	<u>1,402</u>	<u>772,492</u>	<u>923,297</u>	<u>3,363,831</u>
FUND BALANCE - end of year	<u>\$ 1,520,972</u>	<u>\$ 34,384</u>	<u>\$ 244,312</u>	<u>\$ 852,301</u>	<u>\$ 978,151</u>	<u>\$ 3,630,120</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF WILLINGTON, CONNECTICUT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

Net change in fund balances for the governmental funds \$ 266,289

Total change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation and amortization in the current period is as follows:

Expenditures for capital assets	\$ 1,928,925	
Depreciation and amortization expense	<u>(1,242,089)</u>	
Net adjustment		686,836

Intergovernmental revenue on school construction grants is not susceptible to accrual and, therefore, is only reported as revenue in the funds when the cash is received by the Town. In the government-wide financial statements, the cash received reduces the grant receivable recognized in the government-wide statement of net assets. (83,479)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net assets. The net effect of these differences in the treatment of long-term debt is as follows:

Principal repayments:		
Bonds	345,000	
Obligations under capital leases	<u>111,193</u>	
Net adjustment		456,193

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. However, in the statement of activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The net effect of such items is as follows:

Accrued interest	95	
Net pension asset	256	
Landfill closure and postclosure care costs	800	
Compensated absences	12,569	
Amortization of bond premium	<u>353</u>	
Net effects		14,073

Interest receivable related to delinquent taxes not reported in the governmental funds 12,892

Certain revenues reported in the statement of activities do not provide current financial resources and, therefore, are reported as unearned revenues in the government funds. This amount represents the change in unearned revenue. (3,967)

Change in net assets of governmental activities \$ 1,348,837

TOWN OF WILLINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGET AND ACTUAL-BUDGETARY BASIS-GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Property taxes	\$ 10,097,310	\$ 10,097,310	\$ 10,241,129	\$ 143,819
Intergovernmental revenues	3,925,128	3,925,128	4,010,685	85,557
Investment income	150,000	150,000	148,192	(1,808)
Licenses, fees and permits	192,150	192,150	162,196	(29,954)
Miscellaneous	61,000	61,000	85,410	24,410
Total revenues	<u>14,425,588</u>	<u>14,425,588</u>	<u>14,647,612</u>	<u>222,024</u>
EXPENDITURES				
Current:				
General government	915,671	945,339	938,355	6,984
Public safety	364,947	362,699	361,649	1,050
Public works	1,127,164	1,210,078	1,199,849	10,229
Education	7,253,601	7,253,601	7,158,289	95,312
Regional School District No. 19	3,650,352	3,640,407	3,640,407	-
Townwide	357,380	326,010	321,308	4,702
Debt Service				
Principal payments	345,000	345,000	345,000	-
Interest and fiscal charges	143,673	143,673	143,673	-
Capital outlays	22,000	22,000	20,959	1,041
Total expenditures	<u>14,179,788</u>	<u>14,248,807</u>	<u>14,129,489</u>	<u>119,318</u>
Excess of revenues over expenditures	245,800	176,781	518,123	341,342
OTHER FINANCING SOURCES (USES)				
Designation of fund balance	350,000	436,269	-	(436,269)
Transfers out	(595,800)	(613,050)	(625,739)	(12,689)
Transfers in	-	-	10,500	10,500
Total other financing sources (uses)	<u>(245,800)</u>	<u>(176,781)</u>	<u>(615,239)</u>	<u>(438,458)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(97,116)</u>	<u>\$ (97,116)</u>
 FUND BALANCE, JULY 1, 2007			<u>1,537,231</u>	
FUND BALANCE, JUNE 30, 2008			<u>\$ 1,440,115</u>	

The accompanying notes are an integral part of these financial statements.

**TOWN OF WILLINGTON, CONNECTICUT
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2008**

**BUSINESS-TYPE-ACTIVITIES
ENTERPRISE FUND**

UTILITY FUND

ASSETS

Investments	\$ <u>16,439</u>
-------------	------------------

Total Assets	<u>16,439</u>
--------------	---------------

LIABILITIES

Accounts payable	1,702
------------------	-------

Due to other funds	<u>5,773</u>
--------------------	--------------

Total Liabilities	<u>7,475</u>
-------------------	--------------

NET ASSETS

Unrestricted	<u>8,964</u>
--------------	--------------

Total Net Assets	\$ <u><u>8,964</u></u>
------------------	------------------------

The accompanying notes are an integral part of these financial statements.

TOWN OF WILLINGTON, CONNECTICUT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND IN FUND
NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008

BUSINESS-TYPE-ACTIVITIES
ENTERPRISE FUND

UTILITY FUND

OPERATING REVENUES:

Charges for services	\$	507
Governmental		<u>48,000</u>

Total Operating Revenues		<u>48,507</u>
--------------------------	--	---------------

OPERATING EXPENSES:

Monitoring pump station		10,790
Electricity		<u>5,191</u>

Total Operating Expenses		<u>15,981</u>
--------------------------	--	---------------

OPERATING INCOME		32,526
------------------	--	--------

NONOPERATING REVENUE(EXPENSES)

Interest income		438
Transfer out		<u>(24,000)</u>

Change In Net Assets		8,964
----------------------	--	-------

Total Net Assets - Beginning		<u>0</u>
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Total Net Assets - Ending	\$	<u><u>8,964</u></u>
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The accompanying notes are an integral part of these financial statements.

**TOWN OF WILLINGTON, CONNECTICUT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008**

	BUSINESS-TYPE-ACTIVITIES ENTERPRISE FUND
	<u>UTILITY FUND</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts From Customers	\$ 507
Receipts From Government	48,000
Payments for Operating Expenses	<u>(8,506)</u>
Net Cash Provided By Operating Activities	<u>40,001</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Investments, net	(16,439)
Transfer out	(24,000)
Interest	<u>438</u>
Net Cash Provided By Investing Activities	<u>(40,001)</u>
NET INCREASE IN CASH and CASH EQUIVALENTS	-
CASH and CASH EQUIVALENTS - BEGINNING OF YEAR	<u>-</u>
CASH and CASH EQUIVALENTS - ENDING OF YEAR	<u><u>\$ -</u></u>
 RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income	\$ 32,526
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
Payables	1,702
Due to other funds	<u>5,773</u>
Net Cash Provided By Operating Activities	<u><u>\$ 40,001</u></u>

The accompanying notes are an integral part of these financial statements.

TOWN OF WILLINGTON, CONNECTICUT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2008

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ -	\$ 94,808
Investments:		
Mutual finds	452,885	-
Life insurance - cash surrender value	60,500	-
Certificates of deposit	-	135,164
Contribution receivable	440	-
Total assets	<u>513,825</u>	<u>\$ 229,972</u>
LIABILITIES		
Due to others	-	\$ 227,995
Other	-	1,977
Total liabilities	<u>-</u>	<u>\$ 229,972</u>
NET ASSETS		
Held in trust for pension benefits and other purposes	<u>\$ 513,825</u>	

The accompanying notes are an integral part of these financial statements.

TOWN OF WILLINGTON, CONNECITCUT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Pension Trust Fund</u>
ADDITIONS	
Contributions:	
Employer	\$ 11,376
Plan members	<u>6,090</u>
Total contributions	17,466
Investment earnings:	
Net (depreciation) in the fair value of investments	<u>(36,861)</u>
Total additions	<u>(19,395)</u>
DEDUCTIONS	
Administrative expenses	<u>7,476</u>
Total deductions	<u>7,476</u>
Change in net assets	(26,871)
Net assets - beginning	<u>540,696</u>
Net assets - ending	<u>\$ 513,825</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Willington, Connecticut (the “Town”) conform to accounting principles generally accepted in the United States of America, as applicable to governmental organizations. The following is a summary of significant accounting policies:

FINANCIAL REPORTING ENTITY

History and Organization

The Town of Willington, Connecticut operates under the provisions of the general statutes of the State of Connecticut. The Board of Selectmen functions as the executive authority of the Town. The First Selectman, who is the Chief executive officer, oversees the concerns of the Town. The legislative power of the Town is vested in a Town Meeting. The Board of Finance is responsible for presenting a fiscal operating budget to the Town Meeting for approval. The Board of Education is responsible for the operation of the school system.

The Town has considered all agencies, departments, commissions, boards, authorities, and funds to determine the “financial reporting entity” of the Town. The basic financial statements of the Town include only the funds of the Town as no component units exist based on operational or financial relationships with the Town.

Jointly Governed Organizations

The Town and eleven other local municipalities each appoint a member to the governing board of the Mid-Northeast Recycling Operating Committee (Committee), which provides regional solid waste recycling services to member towns. The Town paid \$478 in assessments to the Committee for the year ended June 30, 2008.

Related Organization

The Town is responsible for appointing members to the board of the Willington Housing Authority. The Town’s accountability for this organization does not extend beyond making the appointments. Members of the governing body of the Town are also members of the governing board of Eastern Highlands Health District (the “District”). The Town has contracted with the District for environmental health services. The Town paid \$26,667 for services provided by the District for the year ended June 30, 2008.

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The statement of net assets and the statement of activities display information about the Town and include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. The statements are intended to distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net assets presents the Town's non-fiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

Invested in capital assets, net of related debt – This category consists of capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of those capital assets.

Restricted net assets – This category consists of net assets whose use is restricted either through external restrictions imposed by creditors, grantors, contributors, and the like, or through restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets – This category consists of net assets which do not meet the definition of the two preceding categories.

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.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

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

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

The Town reports the following major governmental funds:

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

Small Cities Grant Housing Fund – This fund is used to account for the expenditures of Federal housing funds in the form of rehabilitation loans to property owners. Loan repayments are also deposited into this fund.

Capital Projects Fund – This fund is used to account for the revenues and expenditures associated with the construction of Town facilities and infrastructure.

Reserve for Capital and Nonrecurring Expenditures Fund – This fund is used to account for the accumulation of reserve funds set aside for large capital expenditures.

The Town reports the following proprietary fund:

Utility Fund – This enterprise fund is used to account for the operations of the Town's water facility similar to those often found in the private sector. These funds are accounted for on the accrual basis of accounting.

In addition, the Town reports the following fiduciary fund types:

Pension Trust Fund – This fund is used to account for resources held in trust for the members and beneficiaries of the Town's defined benefit pension plan. The Town utilizes this fund to account for activities of the Town of Willington Pension Plan. This plan is discussed more fully in Note 13.

Agency Funds – These funds are used to account for resources held by the Town in a purely custodial capacity, and do not involve measurement of results of operations. The Town utilizes these funds to account for assets held for student activities, contractor bonds, employees and others.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-wide and Fiduciary Fund Financial Statements

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

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING *(Continued)*

Government-wide and Fiduciary Fund Financial Statements

Accounting and financial reporting for governmental activities is based on all applicable Governmental Accounting Standards Board ("GASB") pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements:

- a. Financial Accounting Standards Board ("FASB") Statements and Interpretations
- b. Accounting Principles Board Opinions
- c. Accounting Research Bulletins of the Committee on Accounting Procedure

Governmental Fund Financial Statements

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are susceptible to accrual, that is, when they are both measurable and available. Revenues are considered to be available if they are collected 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 period. Property taxes, grants and contracts, and interest associated with the current period are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when the cash is received by the Town. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims, and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

ASSETS, LIABILITIES AND FUND EQUITY

Cash Equivalents

Cash equivalents include short-term, highly liquid investments, generally consisting of money market accounts and certificates of deposit, with original maturities of three months or less when purchased.

Investments

The Town's policy is to present all investments at fair value except for money market investments, which the Town has elected to report at amortized cost. Money market investments have a remaining maturity at time of purchase of one year or less.

The fair value of investments traded on public markets is determined using quoted market prices. The Town invest in the State Treasurer's Short-Term Investment Fund (STIF), which is an investment pool managed by the State Treasurer's Office. In addition, the Town invests in the Cooperative Liquid Assets Security Systems Fund (CLASS), which is an investment pool managed by MBIA Municipal Investors Service Corp. The fair value of the Town's position in these pools is the same as the value of the pool shares

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ASSETS, LIABILITIES AND FUND EQUITY (Continued)

Property Taxes

Property taxes are assessed as of October 1 and are levied on the following July 1. Real estate and personal property taxes are due in two installments, July 1 and the following January 1. Motor vehicle taxes are payable on July 1 and supplemental motor vehicle taxes are payable on January 1. Taxes become delinquent thirty days after the installment is due and liens are filed on delinquent real estate taxes within one year.

Inventories and Prepaid Items

Inventories are reported at cost using the first-in first-out (FIFO) method, except for USDA donated commodities, which are recorded at market value. Inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, 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 Town as assets with an initial individual cost of more than \$5000 for infrastructure assets, more than \$500 for technology equipment and more than \$1000 for all other assets and an estimated useful life of at least 10 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 a capital asset or materially extend capital asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Land improvements	20-50
Buildings and improvements	20-50
Machinery and equipment	10
Vehicles	10
Infrastructure	12-50
Furniture and fixtures	10

Unearned/Deferred Revenue

In the government-wide and fund financial statements, this liability represents resources that have been received but not yet earned. In the fund financial statements, this liability also represents revenues considered measurable but not available during the current period.

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

ASSETS, LIABILITIES AND FUND EQUITY *(Continued)*

Compensated Absences

All Town employees who have achieved five years of continuing service are eligible for the following: Category I full-time Town employees are allowed to accumulate up to 150 days of sick leave for which they will receive full compensation at the rate of pay in effect upon retirement. Category I part-time Town employees are allowed to accumulate up to 56 days of sick leave for which they will receive compensation for 50% at the rate of pay in effect upon retirement. Category II Town employees are allowed to accumulate up to 60 days of sick leave for which they will receive compensation for 25% at the rate of pay in effect upon retirement. Board of Education certified employees are allowed to accumulate up to 180 days of sick leave for which they will receive compensation for up to 160 days upon retirement, with 15 years or more of service, at fifty percent of the prevailing substitute rate of pay. Board of Education non-certified employees are allowed to accumulate up to 160 days of sick leave for which they will receive compensation for 50% upon retirement, with 10 years or more of continuous service, at the employee's per diem rate of pay. Board of Education administrative employees are allowed to accumulate up to eighty six percent of total annual working days for which they will receive compensation upon retirement, with 5 years or more of service, at fifty percent of the prevailing substitute rate of pay. One week of vacation pay may be carried forward for one year by Town employees only.

All compensated absences are accrued when incurred in the government-wide and fiduciary fund financial statements.

Expenditures for compensated absences are recognized in the governmental fund financial statements in the current year to the extent they are paid during the year, or the vested amount is expected to be paid with available resources.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable 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.

In the fund financial statements, governmental funds 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 issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund equity

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

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

INTERFUND ACTIVITIES

Interfund activities are reported as follows:

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds”(i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Advances from other funds, as reported in the fund financial statements, are offset by a fund balance reservation in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Interfund Services Provided and Used

Sales and purchases of goods and services between funds for a price approximating their external exchange value are reported as revenues and expenditures, or expenses, in the applicable funds.

Interfund Transfers

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and other financing sources in the funds receiving transfers.

Interfund Reimbursements

Interfund reimbursements represent repayments from the funds responsible for particular expenditures, or expenses, to the funds that initially paid for them.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 2 – BUDGETARY INFORMATION

The General Fund is the only fund for which an annual budget is legally adopted. The Town adheres to the following procedures in establishing the budgetary data for the General Fund.

- The Board of Finance submits at the annual Town budget meeting, at which taxpayer comments are obtained, a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- Prior to July 1, the budget is legally enacted.
- The Board of Finance is authorized to transfer budgeted amounts between appropriations and can approve one additional appropriation up to an aggregate of \$20,000 per department per year. Additional appropriations aggregating more than \$20,000 for any one department per year must be approved at a Town Meeting.
- The Board of Education is authorized under State law to make any transfers required within their budget at their discretion. Any additional appropriations must be approved at a Town Meeting if over \$20,000.
- During the year, the Board of Finance approved additional appropriations from fund balance of \$86,269.
- Management is not authorized to transfer budgeted amounts or to approve additional appropriations.
- Formal budgetary integration is employed as a management control device during the year.
- The budget is prepared on the modified accrual basis of accounting. "On behalf" payments made by the State of Connecticut into the State Teacher's Retirement System are not recorded for budgetary purposes. 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 as expenditures of the current year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.
- Generally, all unexpended and unencumbered General Fund appropriations lapse at year-end. Encumbered appropriations in the General Fund are not reappropriated in the ensuing year's budget, but are carried forward.

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP basis"). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2008:

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 2 – BUDGETARY INFORMATION (Continued)

	Total Revenues	Total Expenditures	Net Change In Fund Balance
Budgetary basis	\$ 14,647,612	\$ 14,129,489	\$ 518,123
"On-behalf" payments -			
State Teachers Retirement			
Fund (see Note 12)	2,835,009	2,835,009	-
Encumbrances outstanding:			
June 30, 2007	-	112,733	(112,733)
June 30, 2008	-	(80,857)	80,857
GAAP basis	<u>\$ 17,482,621</u>	<u>\$ 16,996,374</u>	<u>\$ 486,247</u>

NOTE 3 – CASH DEPOSITS AND INVESTMENTS

CASH DEPOSITS – CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2008 the Town's cash deposits were \$483,984. In addition, \$525,436 of the Town's bank balance of \$732,898 exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 472,892
Uninsured and collateralized with securities held by the pledging	
Bank's trust department or agent but not in the Town's name	<u>52,544</u>
	<u>\$ 525,436</u>

Investments in certain certificates of deposits totaling \$40,055 are included in investments in the accompanying statement of net assets. For purposes of disclosure under GASB Statement No. 40, such amounts are considered cash deposits and are included in the disclosure of cash deposits.

All of the Town's deposits are in qualified public institutions as defined by state statute. Under this statute, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 3 – CASH DEPOSITS AND INVESTMENTS (Continued)

CASH DEPOSITS – CUSTODIAL CREDIT RISK (Continued)

A reconciliation of the Town's cash deposit as of June 30, 2008 is as follows:

Government-wide statement of net assets:	
Cash and cash equivalents	\$ 349,120
Statement of fiduciary net assets – Agency funds:	
Cash and cash equivalents	<u>94,808</u>
	443,928
Add: certificates of deposit considered cash deposits	
For GASB Statement No. 40 disclosure	<u>84,139</u>
Cash Deposits	<u>\$ 528,067</u>

INVESTMENTS

As of June 30, 2008, the Town's investments consisted of the following:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years) Less Than One Year</u>
Debt Securities:		
Short Term Investment Fund (STIF)	\$ 2,254,585	\$ 2,254,585
Cooperative Liquid Asset Security System (CLASS)	1,787,807	1,787,807
Certificates of Deposit	40,055	40,055
Money market funds	<u>145,286</u>	<u>145,286</u>
	4,227,733	<u>\$ 4,227,733</u>
Other Investments:		
Equity mutual funds	452,885	
Cash surrender value	<u>60,500</u>	
Total	<u>\$ 4,741,118</u>	

Because the STIF, CLASS and money market funds had weighted average maturities of 35 days, 60 days and 30 days, respectively, they are presented as investments with maturities of less than one year.

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 3 – CASH DEPOSITS AND INVESTMENTS *(Continued)*

INVESTMENTS *(Continued)*

A reconciliation of the Town's investments as of June 30, 2007 is as follows:

Government-wide statement of net assets:	
Investments	\$ 4,227,733
Statement of fiduciary net assets:	
Pension trust funds	513,385
Agency funds	<u>135,164</u>
	4,876,282
Less certificates of deposit considered cash deposits	
Under GASB Statement No. 40	<u>84,139</u>
	<u><u>\$ 4,792,143</u></u>

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

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut state statutes. Connecticut state statutes permit the Town to invest in: (1) obligations of the United States, including its instrumentalities and agencies; (2) in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; (3) in 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; (4) or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. 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 does not specify permitted investments. Therefore, the investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 3 – CASH DEPOSITS AND INVESTMENTS (Continued)

INVESTMENTS (Continued)

Credit Risk (Continued)

The Town's investments in debt securities were rated as follows at June 30, 2008:

	<u>Fair Value</u>	<u>Standard & Poor's AAA</u>	<u>Unrated</u>
Debt Securities			
Short Term Investment Fund (STIF)	\$ 2,254,585	\$ 2,254,585	\$ -0-
Cooperative Liquid Asset Security Systems Fund (CLASS)	1,787,807	1,787,807	-0-
Money market funds	<u>145,286</u>	<u>-0-</u>	<u>145,286</u>
	<u>\$ 4,187,678</u>	<u>\$ 4,042,392</u>	<u>\$145,286</u>

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty 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. The Town's investments consist of investments in external investment pools and money market funds which are not exposed to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

Concentrations of Credit Risk

The Town's investments consist of investments in external investment pools and money market funds which are not exposed to concentrations of credit risk because they are not evidenced by securities that exist in physical or book entry form.

NOTE 4 – REHABILITATION LOANS

Rehabilitation loans consist of deferred loans made to certain qualifying individuals for home improvements in connection with funding received by the Town under a Small Cities Development Block Grant to administer the Town's Housing Rehabilitation Program. The loans bear no interest during their term.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 5 – UNEARNED/DEFERRED REVENUE

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. The components of deferred revenue and unearned revenue are as follows as of June 30, 2008:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable	\$ 97,477	\$ -0-
Grants drawn down prior to meeting all eligibility requirements	-0-	92,673
Rehabilitation loans	632,485	-0-
Unearned program revenues	-0-	15,289
	<u>\$ 729,962</u>	<u>\$ 107,962</u>

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2008 consisted of the following:

	Balance at July 1, 2007	Additions	Dispositions	Balance at June 30, 2008
Governmental Activities:				
Capital assets that are not depreciated:				
Land	\$ 1,527,763	\$ 79,200	\$ -	\$ 1,606,963
Construction in Progress	1,152,699	-	1,152,699	-
Total	<u>2,680,462</u>	<u>79,200</u>	<u>1,152,699</u>	<u>1,606,963</u>
Capital assets that are depreciated:				
Land improvements	347,375	40,767		388,142
Building and improvements	13,624,249	71,917		13,696,166
Machinery and equipment	1,875,156	238,969	76,743	2,037,382
Infrastructure	23,203,228	2,508,013		25,711,241
Vehicles	789,224	150,416		939,640
Furniture and fixtures	418,936	1,695	9,755	410,876
Total	<u>40,258,168</u>	<u>3,011,777</u>	<u>86,498</u>	<u>43,183,447</u>
Less Accumulated Depreciation:				
Land improvements	24,654	18,388		43,042
Building and improvements	7,986,112	170,137		8,156,249
Machinery and equipment	878,763	154,423	67,456	965,730
Infrastructure	20,232,835	834,687		21,067,522
Vehicles	451,116	50,169		501,285
Furniture and fixtures	300,688	14,285	9,689	305,284
Total	<u>29,874,168</u>	<u>1,242,089</u>	<u>77,145</u>	<u>31,039,112</u>
Total Depreciable Capital Assets, net	<u>10,384,000</u>	<u>1,769,688</u>	<u>9,353</u>	<u>12,144,335</u>
Governmental activities Capital Assets, net	<u>\$ 13,064,462</u>	<u>\$ 1,848,888</u>	<u>\$ 1,162,052</u>	<u>\$ 13,751,298</u>

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 6 – CAPITAL ASSETS (Continued)

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

Governmental Activities:

Education	\$ 127,226
Public Safety	83,876
Public Works	906,016
General government	47,896
Culture and recreation	<u>77,075</u>
 Total Depreciation Expense	 <u>\$ 1,242,089</u>

The following is a summary of construction commitments and cumulative capital outlays for capital projects at June 30, 2008:

Project	Project Authorization	Cumulative Expenditures Through June 30, 2008	Balance June 30, 2008
Revaluation	\$ 273,491	\$ 173,033	\$ 94,274
Village Hill Bridge	1,718,540	1,665,627	52,913
Housing Authority	69,376	66,329	3,047
River Road Ball Field	360,507	360,507	-0-
GIS Project	33,000	22,839	10,161
Conservation Project	70,000	69,120	880
Land Use Digitize	48,000	42,311	5,689
Senior Housing Project	1,269,000	1,268,462	538
Library	3,577,299	3,549,905	27,394
Hall School Sidewalks	40,000	39,967	33
Town Hall Roof Replacement	18,000	14,680	3,320
Wells for Senior Housing Project	45,000	44,754	246
Senior Housing Water System	839,000	834,441	4,559
Senior Housing Drainage	310,250	236,934	73,316
Senior Housing Septic	566,500	390,496	176,004
Fire Department Protective Clothing	15,000	15,000	-0-
Replacement of 1978 JB544 Loader	15,000	15,000	-0-
Center Library AC	6,700	4,594	2,106
Assessor Computer & CAMA Software	20,000	9,945	10,055
Water Main Extension	440,000	424,356	15,644
Water Main Connection	95,000	73,809	21,191
Generator Purchase	57,900	57,900	-0-
Generator Installation	50,000	49,917	83
Radio System	10,500	10,198	302
Roof – Station 213	120,000	2,234	117,766
Hall School Media Center	10,000	10,000	-0-
Laptops	15,000	14,982	18
Talmadge Property	138,000	125,000	13,000
EOC Computer	2,500	1,768	732
Tinkerville Road Culvert	60,000	60,000	-0-
Chemical Storage Shed	15,000	14,937	63
Rt 74 Bridge Engineering	18,000	6,892	11,108
WHFD Pickup Truck	26,000	25,416	584
HMS Kitchen Equipment	19,806	19,748	58
School Pain and Carpet Replacement	10,000	10,000	-0-
	<u>\$ 10,382,369</u>	<u>\$ 9,737,285</u>	<u>\$ 645,084</u>

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 7 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following as of June 30, 2008:

<u>Governmental Funds</u>				
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Reserve for Capital and Nonrecurring Expenditures Fund</u>	<u>Other Funds</u>
				<u>Total</u>
Accounts payable	\$ 242,195	\$ 88,229	\$ 67,762	\$ 469,951
Salaries and benefits payable	531,793	-	4,856	536,649
	<u>\$ 773,988</u>	<u>\$ 88,229</u>	<u>\$ 67,762</u>	<u>\$ 1,006,600</u>

NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2008 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental Funds		
General Fund	Special Revenue Funds	\$ 19,251
	Park and Recreation Capital and Nonrecurring Expenditures Fund	6,939
	Proprietary Fund - Utility Fund	5,773
	Reserve for Capital and Nonrecurring Expenditures Fund	15,438
		<u>\$ 47,401</u>
Special Revenue Funds	General Fund	<u>\$ 116,864</u>
Reserve for Capital and Nonrecurring Expenditures Fund	Special Revenue	<u>\$ 1,100</u>
Capital Projects Fund	General Fund	\$ 193,161
	Small Cities Grant Housing fund	8,523
		<u>\$ 201,684</u>
Total due from/to other funds		<u>\$ 367,049</u>

The above balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 9 – INTERFUND TRANSFERS

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Governmental Funds		
Capital Projects Fund	General Fund	\$ 10,000
General Fund	Capital Projects Fund	\$ 10,500
Reserve for Capital and Nonrecurring Expenditures Fund	General Fund	\$ 140,000
Other Governmental Funds	General Fund	\$ 475,739
Proprietary Funds		
Capital Projects Fund	Utility Fund	\$ 24,000
Total transfers		\$ 660,239

The above transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10 – LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2008:

	<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	\$ 3,585,000	\$ -	\$ (345,000)	\$ 3,240,000	\$ 345,000
Unamortized bond premium	6,886	-	(353)	6,533	
Other liabilities:	-			-	
Capital leases	675,288	-	(111,193)	564,095	116,236
Compensated absences	329,443	36,424	(48,993)	316,874	11,200
Accrued landfill post closure costs	122,400	6,400	(7,200)	121,600	7,600
	<u>\$ 4,719,017</u>	<u>\$ 42,824</u>	<u>\$ (512,739)</u>	<u>\$ 4,249,102</u>	<u>\$ 480,036</u>

Long-term liabilities typically have been liquidated in the General and Other Governmental Funds.

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 10 – LONG-TERM LIABILITIES (Continued)

GENERAL OBLIGATION BONDS

A summary of general obligation bonds outstanding and bonds authorized but unissued at June 30, 2008 is as follows:

Annual debt service requirements to maturity on general obligation bonds are as follows as of June 30, 2008:

Bond Issue	Final Maturity Dates	Interest Rates	Amount of Original Issue	Amount Outstanding
Governmental Activities				
1995 General obligation bonds	2010	4.70%-5.4%	\$ 1,060,000	\$ 80,000
2000 General obligation bonds	2010	4.75%-5.0%	1,550,000	310,000
2006 General obligation bonds	2027	3.30%-4.06%	3,000,000	2,850,000
			<u>\$ 5,610,000</u>	<u>\$ 3,240,000</u>

	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
Year ending June 30:		
2009	345,000	125,968
2010	345,000	109,348
2011	150,000	97,313
2012	150,000	91,500
2013	150,000	85,875
2014	150,000	80,250
2015	150,000	73,688
2016	150,000	67,219
2017	150,000	61,781
2018	150,000	56,344
2019	150,000	50,813
2020	150,000	45,000
2021	150,000	39,000
2022	150,000	33,000
2023	150,000	27,000
2024	150,000	21,000
2025	150,000	15,000
2026	150,000	9,000
2027	150,000	3,000
	<u>\$ 3,240,000</u>	<u>\$ 1,092,096</u>

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 10 – LONG-TERM LIABILITIES (Continued)

GENERAL OBLIGATION BONDS (Continued)

The general obligation bonds maturing in 2010 have a callable feature based on the following schedule:

<u>Time Period</u>	<u>Redemption Percentage</u>
June 15, 2006 to June 14, 2007	101 %
June 15, 2007 to June 15, 2010	100 %

The Town is contingently liable for its pro-rata of Regional School District No. 19's outstanding bonds. At June 30, 2008, the District's total outstanding bonds were \$17,955,000 of which \$12,543,076 is to be reimbursed by the State of Connecticut. The remaining balance of \$5,411,924 represents the District's net obligation with 22.24%, or \$1,203,612, representing the Town of Willington's share. Regional School District No. 19 has no authorized, unissued bonds, for which the Town of Willington would be contingently liable.

SCHOOL BOND REIMBURSEMENTS

The State of Connecticut reimburses the Town for eligible school bond principal and interest costs. The amount of reimbursement for the year ended June 30, 2008 was \$93,928. Additional reimbursements of principal and interest aggregating \$175,316 are expected to be received through the applicable bonds' maturity dates.

CAPITAL LEASES

A summary of assets acquired through capital leases is as follows as of June 30, 2008:

	<u>Governmental Activities</u>
Machinery and equipment	\$ 995,000
Less: accumulated amortization	465,000
	<u>\$ 530,000</u>

Amortization expense relative to leased property under capital leases totaled \$117,500 for the year ended June 30, 2008 and is included in the depreciation and amortization expense disclosed in Note 6.

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 10 – LONG-TERM LIABILITIES (Continued)

CAPITAL LEASES (Continued)

Future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2008 is as follows:

Year ending June 30:	Governmental Activities
2009	140,152
2010	140,152
2011	140,152
2012	140,152
2013	68,727
Total minimum lease payments	629,335
Less: amount representing interest	65,240
Present value of minimum lease payments	564,095
Less: current portion	116,236
	<u><u>\$ 447,859</u></u>

LANDFILL POST-CLOSURE COSTS

The Town landfill has been closed. State and federal laws and regulations require continued monitoring of closed landfills. Estimated monitoring costs of \$7,600 per year for the next 16 years total \$121,600. These amounts are based on estimates which are subject to change due to inflation, technology or changes in applicable laws and regulations

NOTE 11 – DESIGNATED FUND BALANCE

Designations of unreserved fund balance reported in the governmental funds balance sheet represent the Town's self-imposed limitations on the use of otherwise available expendable financial resources of governmental funds. The Town has designated unreserved fund balance of the General Fund in the amount of \$200,000 for use in the fiscal year 2009.

NOTE 12 – PENSION PLANS

DEFINED BENEFIT PLAN

Plan Description

The Town maintains the Town of Willington Pension Plan (Plan), a single –employer, contributory, defined benefit pension plan covering substantially all employees except Board of Education employees. The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. Benefit provisions are established and can be amended by the Board of Selectmen. The Plan does not issue stand-alone financial statements and is considered to be part of the Town's financial reporting entity. As such, the Plan is accounted for in the fiduciary fund financial statements as a Pension Trust Fund.

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 12 – PENSION PLANS *(Continued)*

DEFINED BENEFIT PLAN *(Continued)*

Summary of Significant Accounting Policies

The Plan is accounted for using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Plan administrative expenses are funded through the assets of the Plan.

Investments are reported at fair value, and income is recognized when earned.

Plan Membership

Membership of the Plan consisted of 4 active Plan participants, 1 retired participant and 2 terminated vested participants at July 1, 2008, the date of the latest actuarial valuation.

Funding Policy

The contribution requirements of Plan members and the Town are established and can be amended by the Board of Selectmen. Employees are required to contribute 2.5%. The Town's funding policy provides for periodic employer contributions at rates that, when expressed as a percentage of covered payroll, are designed to accumulate sufficient assets to pay benefits when due.

Additional information and Actuarial Assumptions

The required contribution was determined as part of the July 1, 2008 actuarial valuation using the individual aggregate actuarial cost method, which does not identify or separately amortize unfunded actuarial liabilities. Because these assumptions use a level dollar amortization, inflation rates are assumed to be zero. Assumptions used in the actuarial valuation are as follows:

Asset valuation method	Fair value
Actuarial assumptions:	
Investment rate of return	6%
Projected salary increases	4%

Concentrations

The following investments represent 5 percent or more of the Plan net assets:

Mass Mutual Life Insurance Company pooled	
Investment account investing in mutual funds:	
Investment Year Fund	\$255,182
Common Stock Fund	197,703
Life Insurance – Cash Surrender Value	60,500

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 12 – PENSION PLANS (Continued)

DEFINED BENEFIT PLAN (Continued)

Additional information and Actuarial Assumptions (Continued)

Three Year Trend Information

Plan Year ended <u>June 30,</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>(Asset)</u>
2006	\$ 15,312	142%	\$ (30,667)
2007	16,218	135%	(36,398)
2008	17,210	101%	(36,654)

Schedule of Contributions

Year ended <u>June 30,</u>	Annual Required <u>Contributions</u>	Actual <u>Contributions</u>	Percentage <u>Contributed</u>
2001	\$ 23,114	\$ 28,166	122%
2002	17,879	26,348	148
2003	20,362	20,687	102
2004	16,733	17,062	102
2005	13,510	20,994	155
2006	15,106	21,801	144
2007	15,955	21,949	137
2008	16,789	17,466	104

Annual Pension Cost and Net Pension Obligation (Asset)

Annual required contribution	\$ 16,789
Interest on net pension asset	(2,366)
Adjustment to annual required contribution	<u>2,787</u>
Annual pension cost	17,210
Contributions made	<u>17,466</u>
Increase in net pension asset	(256)
Net pension asset, beginning of the year	<u>(36,398)</u>
Net pension asset, end of the year	<u><u>\$ (36,654)</u></u>

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 12 – PENSION PLANS (Continued)

DEFINED BENEFIT PLAN (Continued)

Plan Financial Statements

**TOWN OF WILLINGTON, CONNECTICUT
STATEMENT OF PLAN NET ASSETS
JUNE 30, 2008**

	Pension Trust Fund
ASSETS	
Investments, at fair value:	
Mutual funds	\$ 452,885
Life insurance – cash surrender value	60,500
Contribution receivable	<u>440</u>
Total assets	513,825
NET ASSETS	
Held in trust for pension benefits	<u>513,825</u>
Total net assets	<u><u>\$ 513,825</u></u>

**TOWN OF WILLINGTON, CONNECTICUT
STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008**

	Pension Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 11,376
Plan members	<u>6,090</u>
Total contributions	17,466
Investment earnings	
Net appreciation in the fair value of investments	<u>(36,861)</u>
Total additions	<u>(36,861)</u>
DEDUCTIONS	
Administrative expenses	<u>7,476</u>
Total deductions	<u>7,476</u>
NET INCREASE	(26,871)
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
Beginning of the year	<u>540,696</u>
End of the year	<u><u>\$ 513,825</u></u>

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 12 – PENSION PLANS *(Continued)*

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board.

Certain part-time and full time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not and is not legally responsible to contribute to the plan. After five years of service, teachers are fully vested in their own contributions. After ten years of service, teachers are fully vested in the monthly pension benefit which is payable at the age of sixty. The State of Connecticut contributes based on actuarially determined amounts. The funding level was determined based on a actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual town basis. For the year ended June 30, 2008, Town teachers contributed \$277,754 to the plan and covered payroll for the year was \$3,831,093.

In accordance with the provisions of GASB Statement No. 24, the Town has reported "on behalf" payments of \$2,835,009 made by the State of Connecticut into the plan as intergovernmental revenues, and related expenditures of the General Fund in the accompanying statement of revenues, expenditures and changes in fund balances of the governmental funds.

NOTE 13 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors or omissions, injuries to employees, or acts of God. The Town purchases commercial insurance for some risks and participates in various risk pools for other risks as described below. During the year ended June 30, 2008, deductibles paid by the Town were insignificant. Neither the Town nor its insurers have settled any claims which exceeded the Town's insurance coverage in the last three years. There have been no reductions in coverage from those of the prior year.

The Town became a member of the Municipal Interlocal Risk Management Agency (MIRMA) during 2003. MIRMA is an unincorporated association of Connecticut local public agencies which was formed in 2002 for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7479a et. seq. of the Connecticut General Statutes.

The Town is a member of MIRMA's Workers' Compensation Pool, a risk sharing pool, which was begun on January 17, 2002. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The Coverage is subject to an incurred loss retrospective rating plan and losses incurred in coverage period July 1, 2007 to June 30, 2008 will be evaluated at 24, 36, and 48 months after the effective date of coverage. The deposit contribution (premium) paid in for that period was \$53,731. The contribution (premium) is subject to payroll audit at the close of the coverage period.

MIRMA's Workers' Compensation Pool retains \$750,000 for each insured occurrence to the limit of liability of \$10 million per occurrence. In addition, MIRMA purchases statutory excess insurance in the event of a single occurrence.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 13 – RISK MANAGEMENT (Continued)

The Town is also a member of Metrogard's Liability-Automotive-Property, a risk sharing pool, which was begun on July 1, 2006. For coverage period July 1, 2007 to June 30, 2008, the Town paid \$62,396 in contributions (premiums) to Metrogard for provision of general liability, automotive liability, employee benefit liability, law enforcement liability, public officials liability, auto physical damage, property and boiler and machinery insurance coverages. The Contribution (premium) is subject to audit after the close of the coverage period. Various deductibles applied to these coverages and claims and expense payments falling within the deductible amounts are the responsibility of the Town.

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS

The Town, in accordance with various collective bargaining and employment agreements, is committed to provide health benefits to certain eligible retirees and their spouses. Teachers covered under the union contract are eligible to receive post –retirement benefits. The Willington Board of Education pays 1% per every year of service of the post retirement costs for five years or until the retiree reaches age 65. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of future events. Assumptions include future employment, mortality, and healthcare and other cost trends. The Government Accounting Standards Board (GASB) has issued statements to establish financial reporting, liability calculation, along with the requirement to disclose the government's funding strategy and progress.

The benefits include individual, two person, or family coverage under the Connecticare Health Plan (or equivalent), including hospitalization, surgical, prescriptions, dental and major medical. Eligible teachers, who choose to participate, must pay the same percentage of the premium cost as full time employees covered by this agreement, less the 1% per year of service contribution paid by the Town.

Currently, the State Teachers' Retirement Board will subsidize the monthly payments for a member in the amount of \$110 per month, or for a member and a spouse, \$220 per month. These subsidies are paid to the Town in quarterly installments. In addition, the current contract calls for the teachers to pay 15% towards their insurance premium.

Although the Town has not established a trust fund as of June 30, 2008, to irrevocably segregate assets to fund the liability associated with post employment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines, a preliminary draft actuarial valuation was prepared to value the estimated accrued liability, and the annual required contribution (ARC) for the subsequent year. The following reflects the assumptions and results of the actuarial report:

Valuation report date	June 30, 2008
Remaining amortization period	30 Years
Actuarial Assumptions:	
Investment rate of return	4.0%
Actuarial accrued liability	3,540,659
ARC – Fiscal year ending June 30, 2008	218,736

**TOWN OF WILLINGTON, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS *(Continued)*

As of June 30, 2008, the funding and payment of post employment benefits are accounted for in the General Fund. The town is currently developing a funding strategy to provide for normal cost and the amortization of the accrued liability. Although a trust fund may not be established in the future to exclusively control the funding and reporting of post employment benefits, since a trust fund may be used, the Town anticipates a commitment to fund normal cost and a long term approach to the amortization of the actuarial accrued liability. The actual cost of benefits are to be absorbed within the budgetary process as a cost of providing services to taxpayers.

As of the year end, there were 9 Board of Education retirees who had retired receiving benefits. The town finances the plan on a pay as you go basis. For the year ended June 30, 2008, the Town had \$16,139 in expenditures for these benefits.

Town employees do not currently receive any other post employment benefits.

NOTE 15 - CONTINGENT LIABILITIES

There are several lawsuits pending against the Town. The outcome and eventual liability to the Town, if any, in these cases is not known at this time. The Town's management, based upon consultation with legal counsel, estimates that potential claims against the Town, not covered by insurance, resulting from such litigation would not materially affect the financial position of the Town.

Combining and Individual Fund Statements and Schedules

General Fund

THE TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
PROPERTY TAXES				
Taxes	\$ 10,067,310	\$ 10,067,310	\$ 10,194,857	\$ 127,547
Interest and lien fees	30,000	30,000	46,272	16,272
Total property taxes	<u>10,097,310</u>	<u>10,097,310</u>	<u>10,241,129</u>	<u>143,819</u>
INTERGOVERNMENTAL REVENUES				
Education				
Education cost sharing	3,505,064	3,505,064	3,521,683	16,619
Transportation	104,785	104,785	118,633	13,848
Noneducation				
State property reimbursement	43,653	43,653	47,758	4,105
Elderly and disabled property tax homeowner	21,500	21,500	18,916	(2,584)
Disability reimbursement	600	600	678	78
Manufacturers pilot	10,470	10,470	10,833	363
Pequot funds	46,533	46,533	56,246	9,713
Additional veteran's exemption	1,100	1,100	999	(101)
Taxes on vessels (Boat grant)	462	462	462	-
Judicial fines	2,000	2,000	10,863	8,863
School construction	93,928	93,928	93,928	-
State Surplus	-	-	-	-
Town aid roads	95,033	95,033	129,686	34,653
Total intergovernmental revenues	<u>3,925,128</u>	<u>3,925,128</u>	<u>4,010,685</u>	<u>85,557</u>
INVESTMENT INCOME	<u>150,000</u>	<u>150,000</u>	<u>148,192</u>	<u>(1,808)</u>
LICENSES, FEES AND PERMITS				
Building, zoning fees and permits	98,000	98,000	53,392	(44,608)
Zoning board of appeals	800	800	855	55
Inland/wetland fees				-
Conveyance tax	40,000	40,000	50,033	10,033
Permits - bingo, pistol, etc.	350	350	1,435	1,085
Town clerk fees	44,000	44,000	34,657	(9,343)
Transfer station fees	4,000	4,000	6,576	2,576
Reimbursement - recycling	5,000	5,000	15,248	10,248
Total licenses, fees and permits	<u>192,150</u>	<u>192,150</u>	<u>162,196</u>	<u>(29,954)</u>
MISCELLANEOUS				
Telecommunications grant	30,000	30,000	27,147	(2,853)
Other	31,000	31,000	58,263	27,263
Total miscellaneous	<u>61,000</u>	<u>61,000</u>	<u>85,410</u>	<u>24,410</u>
Total revenues	<u>14,425,588</u>	<u>14,425,588</u>	<u>14,647,612</u>	<u>222,024</u>
OTHER FINANCING SOURCES				
Transfers in:				
Capital Projects	-	-	10,500	10,500
Designation of fund balance	350,000	436,269	-	(436,269)
Total other financing sources	<u>350,000</u>	<u>436,269</u>	<u>10,500</u>	<u>(425,769)</u>
Total revenues and other financing sources	<u>\$ 14,775,588</u>	<u>\$ 14,861,857</u>	<u>\$ 14,658,112</u>	<u>\$ (203,745)</u>

TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (Continued)
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
GENERAL GOVERNMENT				
Selectmen	\$ 106,114	\$ 110,114	\$ 110,054	\$ 60
Probate court	5,022	5,245	5,245	-
Elections/registrars	20,578	26,578	26,404	174
Accounting services	171,239	171,239	170,956	283
Board of finance	4,126	4,126	4,096	30
Town treasurer	27,284	26,784	26,577	207
Auditor	37,730	28,000	28,000	-
Assessor	77,999	77,999	77,845	154
Board of assessment appeals	1,273	1,273	1,137	136
Revenue collector	72,479	72,479	71,923	556
Legal counsel	34,500	41,800	41,800	-
Town clerk	92,736	92,736	91,627	1,109
Conservation commission	1,500	1,500	1,493	7
Planning and zoning	108,801	108,801	107,931	870
Zoning board of appeals	4,200	4,200	4,166	34
Economic development commission	1,500	1,500	1,333	167
Inland/wetlands commission	2,950	2,950	2,710	240
Town office operations	81,260	81,260	79,288	1,972
Town hall operations	8,950	8,950	8,719	231
Senior Center operations	22,430	26,805	26,803	2
Consulting engineers	33,000	51,000	50,248	752
Total general government	<u>915,671</u>	<u>945,339</u>	<u>938,355</u>	<u>6,984</u>
PUBLIC SAFETY				
Ambulance grant	238,603	238,603	238,603	-
Fire marshal	22,913	22,913	22,650	263
Fire protection	27,806	27,806	27,606	200
Public Safety & Welfare	26,670	26,670	26,667	3
Emergency Management Director	4,000	4,000	4,000	-
Fire Main and Hydrant	4,380	2,295	2,295	-
Building official	40,575	40,412	39,828	584
Total public safety	<u>364,947</u>	<u>362,699</u>	<u>361,649</u>	<u>1,050</u>
PUBLIC WORKS				
Public works department	845,977	928,891	919,481	9,410
Cemetery	2,000	2,000	2,000	-
Transfer station	279,187	279,187	278,368	819
Total public works	<u>1,127,164</u>	<u>1,210,078</u>	<u>1,199,849</u>	<u>10,229</u>

TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (Concluded)
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
EDUCATION				
Elementary education	3,073,738	3,079,322	3,060,083	19,239
Special education	903,369	994,648	990,088	4,560
Summer School	14,040	14,040	14,075	(35)
Fringe Benefits	1,039,075	842,937	838,072	4,865
Contingency	-	12,689	-	12,689
Pupil services	320,978	317,776	317,484	292
Staff and program development	91,300	83,324	78,326	4,998
Educational Media	100,785	98,660	98,459	201
Board of Education	405,276	449,157	437,821	11,336
Principal's office	387,113	388,532	379,874	8,658
Plant operations	516,521	533,064	511,571	21,493
Transportation	401,406	439,452	432,436	7,016
Total board of education	<u>7,253,601</u>	<u>7,253,601</u>	<u>7,158,289</u>	<u>95,312</u>
REGIONAL SCHOOL DISTRICT NO. 19	<u>3,650,352</u>	<u>3,640,407</u>	<u>3,640,407</u>	<u>-</u>
TOWNWIDE				
Social security	72,150	77,150	74,710	2,440
Unemployment	500	500	-	500
Employee health insurance	175,130	137,460	136,367	1,093
Pension fund	32,600	34,000	33,598	402
Insurance	67,000	71,900	71,725	175
Contingency fund	5,000	-	-	-
Miscellaneous	5,000	5,000	4,908	92
Total townwide	<u>357,380</u>	<u>326,010</u>	<u>321,308</u>	<u>4,702</u>
DEBT SERVICE				
Principle payments	345,000	345,000	345,000	-
Interest and fiscal charges	143,673	143,673	143,673	-
Total debt service	<u>488,673</u>	<u>488,673</u>	<u>488,673</u>	<u>-</u>
CAPITAL OUTLAYS	<u>22,000</u>	<u>22,000</u>	<u>20,959</u>	<u>1,041</u>
Total expenditures	<u>14,179,788</u>	<u>14,248,807</u>	<u>14,129,489</u>	<u>119,318</u>
OTHER FINANCING USES				
Transfers out:				
Reserve for compensated absences	10,000	10,000	10,000	-
Dog fund	14,213	14,213	14,213	-
Fire Department Fund	242,025	248,275	248,275	-
Mary D. Edwards public library	101,643	101,643	101,643	-
Recreation commission	29,162	29,162	29,162	-
Youth services fund	58,757	59,757	59,757	-
Capital projects	-	10,000	10,000	-
Reserve for capital and nonrecurring expenditures	140,000	140,000	140,000	-
Hot Lunch Fund	-	-	12,689	(12,689)
Total other financing uses	<u>595,800</u>	<u>613,050</u>	<u>625,739</u>	<u>(12,689)</u>
Total expenditures and other financing uses	<u>\$ 14,775,588</u>	<u>\$ 14,861,857</u>	<u>\$ 14,755,228</u>	<u>\$ 106,629</u>

TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2008

Grand List Year	Uncollected Taxes July 1, 2007	Current Year Levy	Lawful Corrections Additions	Deletions	Transfers to Suspense	Adjusted Taxes Collectible	Collections Taxes	Interest	Liens	Uncollected Taxes June 30, 2008
2006	\$ -	\$ 10,226,951	\$ 20,207	\$ 26,281	\$ 12,665	\$ 10,208,212	\$ 10,131,369	\$ 28,589	\$ 4,546	\$ 76,843
2005	63,285	-	304	1,136	3,690	58,763	42,310	8,809	1,647	16,453
2004	14,969	-	506	39	378	15,058	6,589	1,173	223	8,469
2003	8,225	-	203	-	-	8,428	203	119	152	8,225
2002	7,565	-	537	-	-	8,102	2,092	2,875	67	6,010
2001	1,972	-	287	-	-	2,259	287	338	4	1,972
2000	1,918	-	140	-	-	2,058	1,030	1,265	2	1,028
1999	1	-	86	-	-	87	86	107	2	1
1998	-	-	93	-	-	93	93	137	2	-
1997	-	-	60	-	-	60	60	100	2	-
1996	-	-	576	-	-	576	576	1,083	12	-
1995 and prior	-	-	236	-	-	236	236	383	77	-
	\$ 97,935	\$ 10,226,951	\$ 23,235	\$ 27,456	\$ 16,733	\$ 10,303,932	\$ 10,184,931	\$ 44,978	\$ 6,736	\$ 119,001

**TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)
FOR THE YEAR ENDED JUNE 30, 2008**

Total cash collections for the year ended

June 30, 2008:

Taxes	\$ 10,184,931
Interest and lien fees	<u>51,714</u>
Total	<u>10,236,645</u>

Reimbursed for revenue loss:

Tax relief for elderly (CGS 12-129d)

18,916

Base

\$ 10,255,561

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2-1/4 times base	\$ 23,075,012	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	46,150,025	-	-	-
3-3/4 times base	-	-	38,458,354	-	-
3-1/4 times base	-	-	-	33,330,573	-
3 times base	-	-	-	-	30,766,683
Total Debt limitation	<u>23,075,012</u>	<u>46,150,025</u>	<u>38,458,354</u>	<u>33,330,573</u>	<u>30,766,683</u>
Indebtedness:					
Bonds payable	2,930,000	310,000	-	-	-
Regional School District No.19		1,203,612			
	<u>2,930,000</u>	<u>1,513,612</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less: amounts to be provided by state	-	166,958	-	-	-
Total indebtedness	<u>2,930,000</u>	<u>1,346,654</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt	<u>\$ 20,145,012</u>	<u>\$ 44,803,370</u>	<u>\$ 38,458,354</u>	<u>\$ 33,330,573</u>	<u>\$ 30,766,683</u>
Total capacity of borrowing (7 times base)	\$ 71,788,929				
Total present indebtedness	<u>4,276,654</u>				
Margin for additional borrowing	<u>\$ 67,512,275</u>				

Combining Statements

NONMAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure projects, other than those financed by proprietary funds. The nonmajor capital projects fund is the following:

Park and Recreation Capital and Nonrecurring Expenditures

To account for contributions and donations made for the specific purpose of purchasing and improving Town park and recreational facilities and infrastructures.

TOWN OF WILLINGTON, CONNECTICUT
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2008

	Special Revenue Funds	Park and Recreation Capital and Nonrecurring Expenditures Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 195,286	\$ -	\$ 195,286
Investments	709,939	31,760	741,699
Receivables:			
Grants and contracts receivable	40,150	-	40,150
Accounts receivables	1,849	-	1,849
Due from Other Funds	116,864	-	116,864
Inventories	<u>1,502</u>	<u>-</u>	<u>1,502</u>
Total assets	<u>\$ 1,065,590</u>	<u>\$ 31,760</u>	<u>\$ 1,097,350</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	\$ 76,621	\$ -	\$ 76,621
Due to other funds	20,351	6,939	27,290
Deferred revenue	<u>15,288</u>	<u>-</u>	<u>15,288</u>
Total liabilities	<u>112,260</u>	<u>6,939</u>	<u>119,199</u>
Fund Balances			
Reserved for:			
Inventories	1,502	-	1,502
Unreserved	<u>951,828</u>	<u>24,821</u>	<u>976,649</u>
Total fund balances	<u>953,330</u>	<u>24,821</u>	<u>978,151</u>
Total liabilities and fund balances	<u>\$ 1,065,590</u>	<u>\$ 31,760</u>	<u>\$ 1,097,350</u>

TOWN OF WILLINGTON, CONNECTICUT
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
FOR THE YEAR ENDED JUNE 30, 2008

	Special Revenue Funds	Park and Recreation Capital and Nonrecurring Expenditures Fund	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental revenues	\$ 339,366	\$ -	\$ 339,366
Food sales	126,379	-	126,379
Licenses, fees and permits	234,430	-	234,430
Investment earnings	34,224	1,031	35,255
Miscellaneous	39,123	-	39,123
Total revenues	<u>773,522</u>	<u>1,031</u>	<u>774,553</u>
EXPENDITURES			
Current:			
General government	19,995	-	19,995
Public safety	272,731	-	272,731
Public works	5,062	-	5,062
Culture and recreation	339,296	-	339,296
Education	461,092	-	461,092
Debt service:			
Principal payments	77,323	-	77,323
Interest and fiscal charges	19,939	-	19,939
Total expenditures	<u>1,195,438</u>	<u>-</u>	<u>1,195,438</u>
Excess (deficiency) of revenues over expenditures	<u>(421,916)</u>	<u>1,031</u>	<u>-</u> <u>(420,885)</u>
OTHER FINANCING SOURCES			
Transfers in	475,739	-	475,739
Transfers (out)	-	-	-
Total other financing sources	<u>475,739</u>	<u>-</u>	<u>475,739</u>
Net change in fund balances	53,823	1,031	54,854
FUND BALANCE - beginning of year	<u>899,507</u>	<u>23,790</u>	<u>923,297</u>
FUND BALANCE - end of year	<u>\$ 953,330</u>	<u>\$ 24,821</u>	<u>\$ 978,151</u>

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted for specified purposes. Nonmajor special revenue funds include the following:

Preservation Management Fund

To account for revenues and expenditures of document preservation work.

Reserve for Compensated Absences Fund

To account for monies to pay the liability of Town employees' accumulated sick and vacation time for those employees that are not paid through the operations of the General Fund.

Dog Fund

To account for the revenues and expenditures of animal control operations.

Recreation Commission Fund

To account for the revenue and expenditures of the recreation operations.

Wilmington Youth, Family and Social Services

To account for the revenue and expenditures of the social services operations.

Open Space Fund

To account for receipt of donations and payments from builders in lieu of land. Money will be accumulated for the purchase and preservation of land for open space.

Fuel Bank Fund

To account for donations and disbursements of funds for fuel emergencies.

Wilmington Public Library Fund

To account for funds received from the State and gifts from the public in support of the public library.

Fire Department Fund

To account for the operating revenues and expenditures of the fire departments.

Michalec Road Fund

To account for the funds available from the developer for future maintenance of this road.

State and Federal Grants Fund

To account for the expenditures of grants not otherwise accounted for in the General Fund.

School Lunch Fund

To account for the operation of the public school lunch program. Funding is provided from the sale of food, Federal and State Grants and USDA food donations.

Education Fund

To account for the revenues and expenditures of the other educational grants and donations.

TOWN OF WILLINGTON, CONNECTICUT
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2008

	Preservation Management Fund	Reserve for Compensated Absences	Dog Fund	Recreation Commission Fund	Willington Community Council	Open Space Fund	Fuel Bank Fund
ASSETS							
Cash and cash equivalents	\$ 5,664	\$ -	\$ -	\$ -	\$ 100	\$ 1,064	\$ -
Investments	-	130,622	-	-	15,885	30,313	4,163
Receivables:							
Grant and contracts receivable	-	-	-	-	-	-	-
Accounts receivables	-	-	270	-	-	-	-
Due from other funds	-	-	11,952	13,435	34,971	-	-
Inventories	-	-	-	-	-	-	-
Total assets	\$ 5,664	\$ 130,622	\$ 12,222	\$ 13,435	\$ 50,956	\$ 31,377	\$ 4,163

LIABILITIES AND FUND BALANCES

Liabilities:							
Accounts payable	\$ -	\$ -	\$ 4,049	\$ 5,221	\$ 12,297	\$ 5,426	\$ -
Due to other funds	-	2,172	-	-	-	4,400	157
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	-	2,172	4,049	5,221	12,297	9,826	157
Fund Balances:							
Reserved for inventories	-	-	-	-	-	-	-
Unreserved	5,664	128,450	8,173	8,214	38,659	21,551	4,006
Total fund balances	5,664	128,450	8,173	8,214	38,659	21,551	4,006
Total liabilities and fund balances	\$ 5,664	\$ 130,622	\$ 12,222	\$ 13,435	\$ 50,956	\$ 31,377	\$ 4,163

TOWN OF WILLINGTON, CONNECTICUT
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS (Concluded)
JUNE 30, 2008

	Willington Public Library	Fire Department Fund	Michalec Road Fund	State and Federal Grants Fund	School Lunch Fund	Education Fund	Total
ASSETS							
Cash and cash equivalents	\$ 35,147	\$ 147,556	\$ -	\$ -	\$ 5,755	\$ -	\$ 195,286
Investments	411,583	105,385	11,988	-	-	-	709,939
Receivables							
Grant and contracts receivable	-	-	-	30,780	9,370	-	40,150
Accounts receivables	-	1,250	-	-	329	-	1,849
Due from other funds	-	2,890	-	13,618	-	39,998	116,864
Inventories	-	-	-	-	1,502	-	1,502
Total assets	\$ 446,730	\$ 257,081	\$ 11,988	\$ 44,398	\$ 16,956	\$ 39,998	\$ 1,065,590
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ 17,028	\$ -	\$ 29,110	\$ 3,490	\$ -	\$ 76,621
Due to other funds	-	1,100	-	-	12,522	-	20,351
Deferred revenue	-	-	-	15,288	-	-	15,288
Total liabilities	-	18,128	-	44,398	16,012	-	112,260
Fund Balances:							
Reserved for inventories	-	-	-	-	1,502	-	1,502
Unreserved	446,730	238,953	11,988	-	(558)	39,998	951,828
Total fund balances	446,730	238,953	11,988	-	944	39,998	953,330
Total liabilities and fund balances	\$ 446,730	\$ 257,081	\$ 11,988	\$ 44,398	\$ 16,956	\$ 39,998	\$ 1,065,590

TOWN OF WILLINGTON, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2008

	Preservation Management Fund	Reserve for Compensated Absences	Dog Fund	Recreation Commission Fund	Willington Community Council	Open Space Fund	Fuel Bank Fund
REVENUES							
Intergovernmental	\$ 7,000	- \$	- \$	- \$	17,300 \$	-	-
Food sales	-	-	-	-	-	-	-
Licenses, fees and permits	1,964	-	6,609	47,145	11,238	-	-
Investment earnings	34	4,664	-	-	630	1,119	149
Miscellaneous	-	-	-	-	5,352	57	4,389
Total revenues	<u>8,998</u>	<u>4,664</u>	<u>6,609</u>	<u>47,145</u>	<u>34,520</u>	<u>1,176</u>	<u>4,538</u>
EXPENDITURES							
Current:							
General government	7,824	12,171	-	-	-	-	-
Public safety	-	-	22,532	-	-	-	-
Public works	-	-	-	-	-	-	5,062
Culture and recreation	-	-	-	75,116	94,413	9,827	-
Education	-	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-	-
Principal payments	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Total expenditures	<u>7,824</u>	<u>12,171</u>	<u>22,532</u>	<u>75,116</u>	<u>94,413</u>	<u>9,827</u>	<u>5,062</u>
Excess (deficiency) of revenues over expenditures	1,174	(7,507)	(15,923)	(27,971)	(59,893)	(8,651)	(524)
OTHER FINANCING SOURCES							
Transfers in from other funds	-	10,000	14,213	29,162	59,757	-	-
Transfer (out) to other funds	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>10,000</u>	<u>14,213</u>	<u>29,162</u>	<u>59,757</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,174	2,493	(1,710)	1,191	(136)	(8,651)	(524)
FUND BALANCE - beginning of year	4,490	\$ 125,957	\$ 9,883	\$ 7,023	\$ 38,795	\$ 30,202	\$ 4,530
FUND BALANCE - end of year	<u>\$ 5,664</u>	<u>\$ 128,450</u>	<u>\$ 8,173</u>	<u>\$ 8,214</u>	<u>\$ 38,659</u>	<u>\$ 21,551</u>	<u>\$ 4,006</u>

TOWN OF WILLINGTON, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS (Concluded)
FOR THE YEAR ENDED JUNE 30, 2008

	Willington Public Library	Fire Department Fund	Michalec Road Fund	State and Federal Grants Fund	School Lunch Fund	Education Fund	Total
REVENUES							
Intergovernmental	\$ 1,956	\$ -	\$ -	\$ 262,614	\$ 46,027	\$ 4,469	\$ 339,366
Food sales	-	-	-	-	126,379	-	126,379
Licenses, fees and permits	-	167,474	-	-	-	-	234,430
Investment earnings	17,814	9,386	428	-	-	-	34,224
Miscellaneous	23,223	1,531	-	-	-	4,571	39,123
Total revenues	<u>42,993</u>	<u>178,391</u>	<u>428</u>	<u>262,614</u>	<u>172,406</u>	<u>9,040</u>	<u>773,522</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	19,995
Public safety	-	250,199	-	-	-	-	272,731
Public works	-	-	-	-	-	-	5,062
Culture and recreation	159,940	-	-	-	-	-	339,296
Education	-	-	-	262,614	195,977	2,501	461,092
Debt service:							
Principal payments	-	77,323	-	-	-	-	77,323
Interest and fiscal charges	-	19,939	-	-	-	-	19,939
Total expenditures	<u>159,940</u>	<u>347,461</u>	<u>-</u>	<u>262,614</u>	<u>195,977</u>	<u>2,501</u>	<u>1,195,438</u>
Excess (deficiency) of revenues over expenditures	(116,947)	(169,070)	428	-	(23,571)	6,539	(421,916)
OTHER FINANCING SOURCES							
Transfers in from other funds	101,643	248,275	-	-	12,689	-	475,739
Transfer (out) to other funds	-	-	-	-	-	-	-
Total other financing sources	<u>101,643</u>	<u>248,275</u>	<u>-</u>	<u>-</u>	<u>12,689</u>	<u>-</u>	<u>475,739</u>
Net change in fund balances	(15,304)	79,205	428	-	(10,882)	6,539	53,823
FUND BALANCE - beginning of year	462,034	159,748	11,560	-	11,826	33,459	899,507
FUND BALANCE - end of year	<u>\$ 446,730</u>	<u>\$ 238,953</u>	<u>\$ 11,988</u>	<u>\$ -</u>	<u>\$ 944</u>	<u>\$ 39,998</u>	<u>\$ 953,330</u>

Fiduciary Funds

AGENCY FUNDS

Agency Funds are used to report resources held by the Town, in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Agency funds include the following:

Center School Activity Fund

To account for monies generated by student activities at Center Elementary School.

Hall Memorial School Activity Fund

To account for monies generated by student activities at Hall Memorial School.

Performance Bond Fund

To account for contractor's bonds which are held to ensure performance on contracts. Once the project is completed, the bonds are released to the contractors.

Flex Benefit Fund

To account from monies deducted from pre-tax employee payroll for the employee's non-covered medical expenses and child care expenses.

Tax Sales Proceeds Fund

To account for monies collected on the sales of property to reimburse the Town for unpaid taxes, with the excess refunded to the state.

Scholarship Fund

To account for monies generated by student activities for school scholarships.

TOWN OF WILLINGTON, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUNDS
JUNE 30, 2008

ASSETS

	Center School Activity Fund	Hall Memorial School Activity Fund	Performance Bond Fund	Flex Benefit Fund	Tax Sale Proceeds Fund	Scholarship Fund	Total Agency Funds
Cash and cash equivalents	\$ 10,943	\$ 18,669	\$ 41,102	\$ 8,898	\$ 7,465	\$ 7,731	\$ 94,808
Investments	-	-	130,602	-	-	4,562	135,164
Total assets	<u>\$ 10,943</u>	<u>\$ 18,669</u>	<u>\$ 171,704</u>	<u>\$ 8,898</u>	<u>\$ 7,465</u>	<u>\$ 12,293</u>	<u>\$ 229,972</u>

LIABILITIES AND FUND BALANCES

LIABILITIES							
Due to Others	\$ 10,943	\$ 18,669	\$ 171,704	\$ 6,921	\$ 7,465	\$ 12,293	\$ 227,995
Other	-	-	-	1,977	-	-	1,977
Total liabilities	<u>\$ 10,943</u>	<u>\$ 18,669</u>	<u>\$ 171,704</u>	<u>\$ 8,898</u>	<u>\$ 7,465</u>	<u>\$ 12,293</u>	<u>\$ 229,972</u>

**TOWN OF WILLINGTON, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUNDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2008</u>
CENTER SCHOOL ACTIVITY FUND				
Assets				
Cash and cash equivalents	\$ 5,186	\$ 26,736	\$ 20,979	\$ 10,943
Total assets	<u>\$ 5,186</u>	<u>\$ 26,736</u>	<u>\$ 20,979</u>	<u>\$ 10,943</u>
Liabilities				
Due to others	\$ 5,186	\$ 26,736	\$ 20,979	\$ 10,943
Total liabilities	<u>\$ 5,186</u>	<u>\$ 26,736</u>	<u>\$ 20,979</u>	<u>\$ 10,943</u>
HALL MEMORIAL SCHOOL ACTIVITY FUND				
Assets				
Cash and cash equivalents	\$ 15,140	\$ 65,226	\$ 61,697	\$ 18,669
Total assets	<u>\$ 15,140</u>	<u>\$ 65,226</u>	<u>\$ 61,697</u>	<u>\$ 18,669</u>
Liabilities				
Due to others	\$ 15,140	\$ 65,226	\$ 61,697	\$ 18,669
Total liabilities	<u>\$ 15,140</u>	<u>\$ 65,226</u>	<u>\$ 61,697</u>	<u>\$ 18,669</u>
PERFORMANCE BOND FUND				
Assets				
Cash and cash equivalents	\$ 46,618	\$ 12,884	\$ 18,400	\$ 41,102
Investments	64,573	226,100	160,071	130,602
Total assets	<u>\$ 111,191</u>	<u>\$ 238,984</u>	<u>\$ 178,471</u>	<u>\$ 171,704</u>
Liabilities				
Due to others	\$ 111,191	\$ 238,984	\$ 178,471	\$ 171,704
Total liabilities	<u>\$ 111,191</u>	<u>\$ 238,984</u>	<u>\$ 178,471</u>	<u>\$ 171,704</u>
FLEX BENEFIT FUND				
Assets				
Cash and cash equivalents	\$ 10,579	\$ 28,120	\$ 29,801	\$ 8,898
Total assets	<u>\$ 10,579</u>	<u>\$ 28,120</u>	<u>\$ 29,801</u>	<u>\$ 8,898</u>
Liabilities				
Due to Others	\$ 8,602	\$ 28,120	\$ 29,801	\$ 6,921
Other	1,977	-	-	1,977
Total Liabilities	<u>\$ 10,579</u>	<u>\$ 28,120</u>	<u>\$ 29,801</u>	<u>\$ 8,898</u>

**TOWN OF WILLINGTON, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUNDS (Concluded)
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2008</u>
TAX SALE PROCEEDS FUND				
Assets				
Cash and cash equivalents	\$ 7,428	\$ 37	\$ -	\$ 7,465
Total assets	<u>\$ 7,428</u>	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ 7,465</u>
Liabilities				
Due to Others	\$ 7,428	\$ 37	\$ -	\$ 7,465
Total Liabilities	<u>\$ 7,428</u>	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ 7,465</u>
SCHOLARSHIP FUNDS				
Assets				
Cash and cash equivalents	\$ 7,454	\$ 277	\$ -	\$ 7,731
Investments	4,344	218	-	4,562
Total assets	<u>\$ 11,798</u>	<u>\$ 495</u>	<u>\$ -</u>	<u>\$ 12,293</u>
Liabilities				
Due to Others	\$ 11,798	\$ 495	\$ -	\$ 12,293
Total Liabilities	<u>\$ 11,798</u>	<u>\$ 495</u>	<u>\$ -</u>	<u>\$ 12,293</u>
TOTAL AGENCY FUNDS				
Assets				
Cash and cash equivalents	\$ 94,494	\$ 133,280	\$ 130,877	\$ 94,808
Investments	134,946	226,318	160,071	135,164
Total assets	<u>\$ 229,440</u>	<u>\$ 359,598</u>	<u>\$ 290,947</u>	<u>\$ 229,972</u>
Liabilities				
Due to Others	\$ 227,463	\$ 359,598	\$ 290,947	\$ 227,995
Other	1,977	-	-	1,977
Total Liabilities	<u>229,440</u>	<u>359,598</u>	<u>290,947</u>	<u>229,972</u>

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

TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF GOVERNMENTAL FUND CAPITAL ASSETS BY SOURCE
JUNE 30, 2008

Governmental funds capital assets:

Land	\$ 1,606,963
Land Improvements	388,142
Buildings and improvements	13,696,166
Machinery and equipment	2,037,382
Vehicles	939,640
Infrastructure	25,711,241
Construction in progress	-
Furniture and fixtures	410,876
Total governmental funds capital assets	<u>\$ 44,790,410</u>

Investments in governmental funds capital assets by source:

Assets put into service prior to July 1, 2003	\$ 35,055,195
Assets put into service subsequent to July 1, 2003:	
General Fund	
General government	1,542,045
Board of Education	803,152
Public Safety	1,655,637
Public Works	61,820
Culture and Recreation	3,349,648
Donations	219,299
Intergovernmental grants and contracts	1,860,226
Transfer of program income from Small Cities Grant	-
Housing Fund	243,388
Total governmental funds capital assets	<u>\$ 44,790,410</u>

TOWN OF WILLINGTON
SCHEDULE OF CHANGES IN GOVERNMENTAL FUND CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Balance</u> <u>July 1, 2007</u>	<u>Transfers</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
General government:					
Selectmen	\$ 7,083	\$ -	\$ -	\$ 1,250	\$ 5,833
Election/registrars	54,766	850	7,495	39,000	24,111
Accounting services	39,615	(110)	1,984	3,313	38,176
Assessor	17,115	-	1,972	850	18,237
Revenue collections	4,796	-	1,579	220	6,155
Town clerk	39,999	-	-	800	39,199
Planning and zoning	44,005	(850)	1,690	2,265	42,580
Town office operations	43,954	-	-	960	42,994
Town hall operations	16,835	-	-	-	16,835
Unclassified	4,766,502	-	79,200	-	4,845,702
	<u>5,034,670</u>	<u>(110)</u>	<u>93,920</u>	<u>48,658</u>	<u>5,079,822</u>
Total general government					
	<u>745,250</u>	<u>-</u>	<u>193,509</u>	<u>-</u>	<u>938,759</u>
Public safety					
Public works:					
Public works department	24,084,835	110	1,376,112	-	25,461,057
Transfer station	3,835	-	-	-	3,835
Unclassified	425,807	-	-	-	425,807
	<u>24,514,477</u>	<u>110</u>	<u>1,376,112</u>	<u>-</u>	<u>25,890,699</u>
Total public works					
	<u>3,703,162</u>	<u>-</u>	<u>90,081</u>	<u>-</u>	<u>3,793,243</u>
Culture and recreation					
Board of education	8,941,071	-	184,656	37,840	9,087,887
	<u>8,941,071</u>	<u>-</u>	<u>184,656</u>	<u>37,840</u>	<u>9,087,887</u>
Total governmental fund capital assets allocated by function and activity	<u>42,938,630</u>	<u>\$ -</u>	<u>\$ 1,938,278</u>	<u>\$ 86,498</u>	<u>\$ 44,790,410</u>

TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF GOVERNMENTAL FUND CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
JUNE 30, 2008

	Land and Improvements	Buildings and Improvements	Construction in Progress	Machinery and Equipment	Infrastructure	Vehicles	Furniture and Fixtures	Total
General government:								
Selectmen	\$ -	\$ -	\$ -	\$ 2,138.00	\$ -	\$ -	\$ 3,695	\$ 5,833
Election/registrars	-	-	-	20,206	-	-	3,905	24,111
Accounting services	-	-	-	9,071	-	-	29,105	38,176
Assessor	-	-	-	9,762	-	-	8,475	18,237
Revenue collector	-	-	-	4,930	-	-	1,225	6,155
Town clerk	-	-	-	14,974	-	-	24,225	39,199
Planning and zoning	-	-	-	19,450	-	-	23,130	42,580
Town office operations	-	-	-	25,474	-	-	17,520	42,994
Town Hall operations	-	16,660	-	-	-	-	175	16,835
Unclassified	1,546,720	2,080,329	-	21,200	1,118,253	-	-	4,766,502
Total general government	1,546,720	2,096,989	-	127,205	1,118,253	-	111,455	5,000,622
Public safety	-	-	-	622,343	-	316,416	-	938,759
Public works	-	456,696	-	292,846	24,592,988	623,224	4,145	25,969,899
Culture and recreation	388,142	3,258,223	-	38,912	-	-	107,966	3,793,243
Board of education	60,243	7,884,258	-	956,076	-	-	187,310	9,087,887
Total governmental fund capital assets	\$ 1,995,105	\$ 13,696,166	\$ -	\$ 2,037,382	\$ 25,711,241	\$ 939,640	\$ 410,876	\$ 44,790,410

STATISTICAL SECTION

STATISTICAL SECTION

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

CONTENTS	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	70
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the Town's ability to generate its property taxes.	75
Debt Capacity	
These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	78
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand The environment within which the Town's financial information relates to the services the Town provides and the activities it performs.	80
Operating Information	
These schedules contain information about the Town's operations and resources to help the Reader understand how the Town's financial information relates to the services the Town Provides and the activities it performs.	82

Sources: Unless otherwise noted, the information in the accompanying tables is derived from the comprehensive annual financial reports for the relevant year. The Town implemented Governmental Accounting Standards Board Statement No. 34, *Basic financial Statements – and Management Discussion and Analysis – for State and Local Governments* in fiscal year 2003; tables presenting government-wide information include information beginning in that year.

Table 1

TOWN OF WILLINGTON, CONNECTICUT
NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS
(Accrual Basis of Accounting - Unaudited)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Governmental activities						
Invested in capital assets, net of related debt	\$ 3,447,746	\$ 4,734,758	\$ 5,627,332	\$ 5,988,609	\$ 8,801,505	\$ 9,940,670
Restricted	-	-	-	651,739	-	-
Unrestricted	2,698,999	3,316,722	3,587,258	3,831,921	3,920,144	4,129,815
Total governmental activities net assets	<u>6,146,745</u>	<u>8,051,480</u>	<u>9,214,590</u>	<u>10,472,269</u>	<u>12,721,649</u>	<u>14,070,485</u>

Note: The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003.

Table 2

TOWN OF WILLINGTON, CONNECTICUT
CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(Accrual Basis of Accounting - Unaudited)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Expenses						
Governmental activities:						
General government	\$ 955,590	\$ 899,884	\$ 819,523	\$ 962,560	\$ 941,163	\$ 1,023,653
Public Safety	583,683	585,760	599,944	619,175	664,389	693,424
Public works	884,219	817,018	978,144	1,140,811	1,851,496	1,603,545
Parks and recreation	208,645	303,097	248,078	243,115	533,467	402,768
Education	6,850,266	6,835,686	6,999,851	7,385,860	7,686,701	10,476,004
Regional School District No. 19	2,931,677	3,192,188	3,611,142	3,744,190	3,796,225	3,640,407
Townwide	273,264	285,510	314,706	303,653	310,952	331,335
Interest on long-term debt	92,298	97,598	78,658	56,742	238,255	159,031
Total governmental activities expenses	12,779,642	13,016,741	13,650,046	14,456,106	16,022,648	18,330,167
Business-type activities:						
Utility	-	-	-	-	-	15,981
Total business-type activities expenses	-	-	-	-	-	15,981
Total primary government expenses	\$ 12,779,642	\$ 13,016,741	\$ 13,650,046	\$ 14,456,106	\$ 16,022,648	\$ 18,346,148
Program Revenues						
Governmental activities:						
Charges for services:						
General Government	\$ 269,211	\$ 292,485	\$ 298,899	\$ 311,657	\$ 305,276	\$ 447,746
Public Safety	105,662	110,118	124,985	121,582	155,596	175,614
Public Works	8,869	15,000	-	9,383	1,706	21,824
Parks and recreation	58,436	47,811	48,611	59,503	57,685	58,383
Education	116,992	116,588	127,714	124,550	119,810	126,379
Operating grants and contributions	3,927,485	3,817,281	4,083,514	4,558,213	4,193,977	6,996,530
Capital grants and contributions	1,454,159	922,557	548,751	424,555	346,179	365,789
Total governmental activities program revenues	5,940,814	5,321,840	5,232,474	5,609,443	5,180,229	8,192,265
Business-type activities:						
Charges for services:						
Utility	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 507
Operating grants and contributions	-	-	-	-	-	48,000
Total business-type activities program revenues	-	-	-	-	-	48,507
Total primary government program revenues	\$ 5,940,814	\$ 5,321,840	\$ 5,232,474	\$ 5,609,443	\$ 5,180,229	\$ 8,240,772
Net (Expense)/Revenue						
Governmental activities	\$ (6,838,828)	\$ (7,694,901)	\$ (8,417,572)	\$ (8,846,663)	\$ (10,842,419)	\$ (10,137,902)
Business-type activities	-	-	-	-	-	32,526
Total primary government net expense	\$ (6,838,828)	\$ (7,694,901)	\$ (8,417,572)	\$ (8,846,663)	\$ (10,842,419)	\$ (10,105,376)
General Revenues and Other Changes in Net Assets						
Governmental activities:						
Taxes						
Property taxes	\$ 8,059,426	\$ 8,971,109	\$ 9,302,153	\$ 9,748,778	\$ 10,049,269	\$ 10,266,751
Unrestricted grants and contributions	100,020	87,957	76,535	86,439	586,846	981,488
(Loss) on disposal of capital assets	-	-	105,704	-	12,885	(9,353)
Investment earnings	58,220	39,696	96,290	269,125	292,822	223,853
Special Item	(100,984)	-	-	-	-	-
Transfers	-	-	-	-	-	24,000
Total governmental activities	8,116,682	9,098,762	9,580,682	10,104,342	10,941,822	11,486,739
Business-type activities:						
Investment earnings	-	-	-	-	-	438
Transfers	-	-	-	-	-	(24,000)
Total business-type activities	-	-	-	-	-	(23,562)
Total primary government	\$ 8,116,682	\$ 9,098,762	\$ 9,580,682	\$ 10,104,342	\$ 10,941,822	\$ 11,463,177
Change in Net Assets						
Governmental activities	\$ 1,277,854	\$ 1,403,861	\$ 1,163,110	\$ 1,257,679	\$ 99,403	\$ 1,348,837
Business-type activities	-	-	-	-	-	8,964
Total primary government	\$ 1,277,854	\$ 1,403,861	\$ 1,163,110	\$ 1,257,679	\$ 99,403	\$ 1,357,801

Note: The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003.

**TOWN OF WILLINGTON, CONNECTICUT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST SIX FISCAL YEARS**

	Fiscal Year				
	2003	2004	2005	2006	2007
General Fund					
Reserved	\$ 67,887	\$ 52,830	\$ 166,587	\$ 201,400	\$ 112,732
Unreserved	1,089,980	1,318,248	1,365,114	1,640,220	1,537,232
Total general fund	<u>\$ 1,157,867</u>	<u>\$ 1,371,078</u>	<u>\$ 1,531,701</u>	<u>\$ 1,841,620</u>	<u>\$ 1,649,964</u>
All Other Governmental Funds					
Reserved	\$ 712	\$ 1,233	\$ 193	\$ 1,311	\$ 1,564
Unreserved, reported in:					
Special revenue funds	745,089	520,986	817,993	1,036,367	914,620
Capital projects funds	476,823	748,811	696,592	1,756,285	797,684
Total all other governmental funds	<u>\$ 1,222,624</u>	<u>\$ 1,271,030</u>	<u>\$ 1,514,778</u>	<u>\$ 2,793,963</u>	<u>\$ 1,713,868</u>

Table 4

TOWN OF WILLINGTON, CONNECTICUT
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting - Unaudited)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Taxes	\$ 6,359,421	\$ 6,962,018	\$ 7,158,444	\$ 7,721,786	\$ 8,037,817	\$ 8,957,348	\$ 9,304,350	\$ 9,738,700	\$ 10,040,332	\$ 10,241,129
Licenses, fees and permits	296,087	328,976	342,191	459,558	363,896	392,262	407,032	452,485	461,208	523,005
Intergovernmental	4,510,787	4,139,199	4,436,281	4,406,567	5,472,040	4,881,914	4,761,153	5,005,287	5,096,475	8,170,394
Investment earnings	164,640	176,364	189,695	91,349	58,051	39,696	96,290	269,125	292,822	223,853
Other revenues	158,792	131,857	106,070	374,422	226,571	270,112	292,759	344,926	214,119	361,231
Total revenues	11,489,727	11,738,414	12,232,681	13,053,682	14,158,375	14,541,332	14,861,584	15,810,523	16,104,956	19,519,612
Expenditures										
General government	570,346	604,619	649,863	701,966	837,510	788,080	778,854	862,829	906,976	959,921
Public Safety	414,134	417,836	380,291	462,744	507,747	530,994	542,444	561,250	598,219	634,380
Miscellaneous	208,179	212,401	232,570	276,646	273,264	285,510	314,706	303,653	310,952	331,335
Public works	832,566	890,723	857,412	850,751	857,496	847,113	934,781	1,015,115	1,024,759	1,204,816
Culture and recreation	181,629	183,255	210,794	207,661	206,950	300,802	246,317	246,360	393,024	339,296
Education	7,917,667	8,514,189	8,993,567	9,171,560	9,514,373	10,016,348	10,600,328	11,163,022	11,449,174	14,112,764
Capital outlay	764,555	556,078	397,514	351,461	1,899,408	1,061,018	856,604	2,765,321	2,190,527	1,108,876
Debt service:										
Debt issuance costs								12,224		
Interest	109,920	81,555	187,006	114,199	113,540	101,952	83,043	64,026	116,397	163,612
Principal	446,000	396,000	314,367	300,000	353,909	347,898	350,136	247,479	274,075	422,323
Total expenditures	11,444,996	11,856,656	12,223,384	12,436,988	14,564,197	14,279,715	14,707,213	17,241,279	17,264,103	19,277,323
Excess of revenues over under) expenditures	44,731	(118,242)	9,297	616,694	(405,822)	261,617	154,371	(1,430,756)	(1,159,147)	242,289

Table 4 (Continued)

TOWN OF WILLINGTON, CONNECTICUT
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS (Continued)

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting - Unaudited)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Other Financing Sources (Uses)										
Proceeds from sale of land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -
Proceeds from BAN	-	-	-	-	-	-	-	3,000,000	(3,000,000)	-
Premium on note issued	-	-	-	-	-	-	-	19,860	-	-
Premium on bond issued	-	-	-	-	-	-	-	-	7,063	-
Proceeds from bonds	-	1,550,000	-	-	-	-	-	-	3,000,000	-
Interest charged on BAN	-	-	-	-	-	-	-	-	(119,667)	-
Settlement of lawsuit	-	-	-	-	(100,984)	-	-	-	-	-
Capital lease financing	-	-	-	-	575,000	-	-	-	-	-
Transfers in	317,891	295,574	299,724	479,793	453,926	845,923	622,612	698,260	961,542	660,239
Transfers out	(317,891)	(295,574)	(299,724)	(479,793)	(453,926)	(845,923)	(622,612)	(698,260)	(961,542)	(636,239)
Total other financing sources (uses)	-	1,550,000	-	-	474,016	-	250,000	3,019,860	(112,604)	24,000
Net change in fund balances	\$ 44,731	\$ 1,431,758	\$ 9,297	\$ 616,694	\$ 68,194	\$ 261,617	\$ 404,371	\$ 1,589,104	\$ (1,271,751)	\$ 266,289
Debt service as a percentage of noncapital expenditures	5.2%	4.2%	4.2%	3.4%	3.7%	3.4%	3.1%	2.2%	2.6%	3.2%

Table 5

TOWN OF WILLINGTON, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Commercial & Industrial Property				Less: Tax Exempt Property		Total Taxable Assessed Value		(1) Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial & Industrial Property	All Other Land	Personal Property	Motor Vehicle						
1999	211,780,025	55,728,650	15,173,785	16,000,360	26,280,550	1,166,080	323,797,290		19.35	464,233,386	70%
2000	214,896,493	55,603,570	13,925,875	16,517,070	27,531,064	1,510,460	326,963,612		20.90	469,248,674	70%
2001	148,225,270	50,344,680	31,614,400	16,509,680	29,840,320	1,800,160	274,734,190		25.70	395,049,071	70%
2002	150,776,200	51,692,020	31,969,520	15,596,580	31,494,920	1,927,240	279,602,000		26.50	402,184,629	70%
2003	153,891,410	51,779,050	32,403,150	22,132,890	32,382,267	1,896,420	290,692,347		27.25	417,983,953	70%
2004	158,046,388	52,169,700	32,647,420	20,550,560	33,659,368	1,750,440	295,322,996		28.80	424,390,623	70%
2005	217,488,320	70,423,910	40,913,540	10,823,110	33,168,857	1,558,460	371,259,277		24.77	532,596,767	70%
2006	222,076,160	69,383,970	40,872,050	11,060,910	35,268,590	1,356,950	377,304,730		25.51	540,945,257	70%
2007	225,439,145	70,167,485	42,279,896	12,970,000	38,006,299	1,180,130	387,682,695		25.57	555,518,321	70%
2008	229,645,000	71,295,120	41,446,686	14,185,828	37,865,284	1,179,062	393,258,856		25.78	563,482,740	70%

(1) The Total Direct Tax Rate shown above is the mill rate. The mill rate is divided by 1,000 and then multiplied by the taxable assessed value in arriving at the current property tax levy.

Notes: Taxes for the fiscal year are levied based on the Grand List of October 1 and are due July 1 payable in two installments, one-half July 1 and one-half January 1 with the exception of motor vehicles which are due July 1. Failure to pay any installment within one month of the installment due date makes the installment delinquent and subject to an interest charge of 1-1/2% per month or \$2.00 minimum interest charge, whichever is greater. Real estate is lienied for delinquent taxes unpaid within one year after the due date. The amount collected to the end of each fiscal year represents collections of twelve months.

Revaluation was completed and effective for October 1, 1999 and October 1, 2003 grand list.

Source: Town of Willington, Office of the Assessor

Table 6

**TOWN OF WILLINGTON, CONNECTICUT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND TEN YEARS AGO**

(Unaudited)

Taxpayer	FISCAL YEAR					
	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Services Development Corp.	27,716,010	1	7.05%	\$ 15,718,480	1	4.85%
Royce Properties LLC	7,679,030	2	1.95%	6,914,810	3	2.14%
GLK Realty Ltd Partnership	7,306,190	3	1.86%	6,065,600	4	1.87%
Connecticut Light & Power Co.	3,542,460	4	0.90%	2,207,450	7	0.68%
ING US Students No 7 LLC	3,508,750	5	0.89%	4,337,020	5	1.34%
FedEx Ground Package Systems Inc	3,287,560	6	0.84%	7,543,610	2	2.33%
Storrs Polo Run Limited Partnership	3,261,200	7	0.83%			
Lawrence Becker	2,124,672	8	0.54%	1,497,600	8	0.46%
C & S Willington Ltd Partnership	1,647,970	9	0.42%			
Ruby Associates General Partnership	1,477,000	10	0.38%			
Shapiro Family Enterprises				3,061,110	6	0.95%
Fairfield Gardens LLC				1,446,230	9	0.45%
Joseph Mihaliak				1,426,650	10	0.44%
Total	\$ 61,550,842		15.65%	\$ 50,218,560		15.51%

Note: A property revaluation was performed prior to fiscal year 2006.

Source: Town of Willington, Office of the Assessor.

Table 7

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

(Unaudited)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the		Collections in Subsequent Years (1)	Total Collections to Date	
		Fiscal Year of the Levy	Percentage of Levy		Amount	Percentage of Levy
		Amount				
1999	\$ 6,305,856	\$ 6,230,551	98.81%	75,305	\$ 6,305,856	100.00%
2000	6,892,468	6,832,863	99.14%	59,605	6,892,468	100.00%
2001	7,145,155	7,082,949	99.13%	60,535	7,143,484	99.98%
2002	7,486,430	7,653,741	102.23%	(169,229)	7,484,512	99.97%
2003	8,032,090	7,962,133	99.13%	67,985	8,030,118	99.98%
2004	8,627,425	8,675,275	100.55%	(56,626)	8,618,649	99.90%
2005	9,290,665	9,213,600	99.17%	61,431	9,275,031	99.83%
2006	9,737,618	9,642,552	99.02%	80,097	9,722,649	99.85%
2007	10,016,998	9,943,771	99.27%	56,774	10,000,545	99.84%
2008	10,226,951	10,131,369	99.07%	-	10,131,369	99.07%

(1) Negative collections are due to presentation of current levy prior to lawful corrections and transfers to suspense.

Source: Town of Willington, Office of the Tax Collector.

Table 8

**TOWN OF WILLINGTON, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

(Unaudited)

Fiscal Year	General Obligation Bonds	Capital Leases	Total Governmental Activities	(1) Percentage of Actual Property Value	(2) Per Capita
1999	\$ 1,315,000	\$ -	\$ 1,315,000	0.40%	214
2000	2,480,000	-	2,480,000	0.76%	416
2001	2,175,000	-	2,175,000	0.79%	365
2002	1,875,000	-	1,875,000	0.67%	309
2003	1,575,000	521,091	2,096,091	0.72%	343
2004	1,275,000	473,193	1,748,193	0.59%	282
2005	975,000	423,057	1,398,057	0.37%	226
2006	780,000	370,578	1,150,578	0.30%	185
2007	3,585,000	675,288	4,260,288	1.10%	682
2008	3,240,000	564,095	3,804,095	0.96%	604

(1) See Table 5 for taxable property value data

(2) See Table 10 for population data

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements

Table 9

**TOWN OF WILLINGTON, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

(Unaudited)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Legal Debt Margin Calculation:										
Total cash collections for the fiscal year:										
Taxes	\$ 6,316,204	\$ 6,914,904	\$ 7,127,683	\$ 7,698,731	\$ 7,995,212	\$ 8,869,200	\$ 9,262,695	\$ 9,685,458	\$ 10,005,964	\$ 10,184,931
Interest and lien fees	43,217	47,114	35,761	31,837	32,514	99,644	41,956	41,596	45,044	51,714
	<u>6,359,421</u>	<u>6,962,018</u>	<u>7,163,444</u>	<u>7,730,568</u>	<u>8,027,726</u>	<u>8,968,844</u>	<u>9,304,651</u>	<u>9,727,054</u>	<u>10,051,008</u>	<u>10,236,645</u>
Reimbursements for revenue loss:										
Tax relief for elderly (CGS 12-129d)	5,188	4,812	2,879	2,970	3,001	-	-	663	698	18,916
Base	<u>\$ 6,364,609</u>	<u>\$ 6,966,830</u>	<u>\$ 7,166,323</u>	<u>\$ 7,733,538</u>	<u>\$ 8,030,727</u>	<u>\$ 8,968,844</u>	<u>\$ 9,304,651</u>	<u>\$ 9,727,717</u>	<u>\$ 10,051,706</u>	<u>\$ 10,255,561</u>
Indebtedness:										
General Purposes:										
Bonds payable	\$ 1,185,367	\$ 939,367	\$ 780,000	\$ 635,000	\$ 490,000	\$ 345,000	\$ 200,000	\$ 160,000	\$ 3,120,000	\$ 2,930,000
Authorized, unissued bonds	-	-	-	-	20,000	3,020,000	3,000,000	3,000,000	-	-
Subtotal general purposes	<u>1,185,367</u>	<u>939,367</u>	<u>780,000</u>	<u>635,000</u>	<u>510,000</u>	<u>3,365,000</u>	<u>3,200,000</u>	<u>3,160,000</u>	<u>3,120,000</u>	<u>2,930,000</u>
Schools:										
Bonds payable	\$ 150,000	\$ 1,550,000	\$ 1,395,000	\$ 1,240,000	\$ 1,085,000	\$ 930,000	\$ 775,000	\$ 620,000	\$ 465,000	\$ 310,000
Regional School District 19	6,165,000	2,002,201	2,149,056	1,856,546	1,794,928	1,794,265	1,723,485	1,551,043	1,300,715	1,203,612
Authorized, unissued bonds	-	-	-	-	376,000	376,000	376,000	-	-	-
Authorized, unissued bonds, Regional School District 19	-	-	-	-	381,440	-	-	-	-	-
Subtotal schools	<u>6,315,000</u>	<u>3,552,201</u>	<u>3,544,056</u>	<u>3,096,546</u>	<u>3,637,368</u>	<u>3,100,265</u>	<u>2,874,485</u>	<u>2,171,043</u>	<u>1,765,715</u>	<u>1,513,612</u>
Less: amounts to be provided by State	111,460	751,310	751,311	667,832	584,353	500,874	333,916	250,437	250,437	166,958
Total indebtedness	<u>\$ 7,388,907</u>	<u>\$ 3,740,258</u>	<u>\$ 3,572,745</u>	<u>\$ 3,063,714</u>	<u>\$ 3,563,015</u>	<u>\$ 5,964,391</u>	<u>\$ 5,740,569</u>	<u>\$ 5,080,606</u>	<u>\$ 4,635,278</u>	<u>\$ 4,276,654</u>
Total capacity of borrowing (7 times base)	\$ 44,552,263	\$ 48,767,810	\$ 50,164,261	\$ 54,134,766	\$ 56,215,089	\$ 62,781,908	\$ 65,132,557	\$ 68,094,019	\$ 70,361,942	\$ 71,788,927
Total present indebtedness	7,388,907	3,740,258	3,572,745	3,063,714	3,563,015	5,964,391	5,740,569	5,080,606	4,635,278	4,276,654
Margin for additional borrowing	<u>\$ 37,163,356</u>	<u>\$ 45,027,552</u>	<u>\$ 46,591,516</u>	<u>\$ 51,071,052</u>	<u>\$ 52,652,074</u>	<u>\$ 56,817,517</u>	<u>\$ 59,391,988</u>	<u>\$ 63,013,413</u>	<u>\$ 65,726,664</u>	<u>\$ 67,512,273</u>
Total net debt applicable to the debt limit as a percentage of the debt limit	17%	8%	7%	6%	6%	10%	9%	7%	7%	6%

Note: Connecticut General Statutes, Section 7-374(b) limits the amount of general obligation debt a government entity may incur to 7 times total tax collections, including interest and lien fees and the tax relief for the elderly freeze grant.

Table 10

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

(Unaudited)

Year	(1) Population	(2) Per		(3) Median Age	(4) School Enrollment	(5) Unemployment Rate
		Personal Income (in thousands)	Capita Personal Income			
1999	6,131	152,846	24,930	29.2	898	2.0%
2000	5,962	164,295	27,557	29.2	897	1.7%
2001	5,959	161,262	27,062	33.6	906	2.3%
2002	6,071	164,293	27,062	33.6	887	2.7%
2003	6,116	165,511	27,062	33.6	881	3.3%
2004	6,198	167,730	27,062	33.6	899	3.6%
2005	6,197	167,703	27,062	33.6	878	3.7%
2006	6,216	168,217	27,062	34.6	887	3.9%
2007	6,248	169,083	27,062	34.6	857	3.8%
2008	6,297	184,767	29,342	34.8	855	4.3%

(1) Connecticut State Data Center, University of Connecticut, Storrs, Connecticut
U.S. Department of Commerce, Bureau of the Census, 2000
State of Connecticut, Department of Health estimates

(2) U.S. Department of Commerce, Bureau of the Census, 2000
DataCore Partners, 1998
DataCore Partners, 1996

(3) U.S. Department of Commerce, Bureau of the Census, 2000
U.S. Department of Commerce, Bureau of the Census, 1990

(4) Town of Willington, Board of Education

(5) State of Connecticut, Labor Department, Office of Research and Statistics.

Table 11

TOWN OF WILLINGTON, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

<u>Employer</u>	2008			1999 (1)		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
Fed Ex Ground	600	1	16.26%	300	1	8.70%
Travel Centers of America	170	2	4.61%	170	2	4.93%
Town of Willington	138	3	3.74%	133	3	3.86%
Willington Pizza	120	4	3.25%	85	4	2.46%
St of Ct - Depart of Transportation	25	5	0.68%	30	5	0.87%
Cable Technology, Inc	26	6	0.70%	26	6	0.75%
Becker Construction	24	7	0.65%	22	8	0.64%
Lyon Manor	14	8	0.38%	14	10	0.41%
Rodeway/Econlodge	6	9	0.16%	20	9	0.58%
NewAlliance Bank / Tolland Bank	6	10	0.16%	5	11	0.14%
Teggiano Restaruant	-		0.00%	24	7	0.70%
Total	1,129		30.60%	829		24.04%

(1) The earliest year for which information on principal employers was available was 1999.

Source: Community Economic Resource Center, Inc. Website

TOWN OF WILLINGTON, CONNECTICUT
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

(Unaudited)

<u>Function/Program</u>	Full-time Equivalent Employees as of June 30									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General government										
Management services	11	11	11	10	10	10	10	10	10	10
Finance	3	5	5	5	5	5	5	5	5	5
Planning	1	1	1	1	1	1	1	1	1	1
Building	1	1	1	1	1	1	1	1	1	1
Other	9	9	9	9	9	8	8	8	8	8
Fire										
Volunteer Firefighters	45	45	45	76	76	76	76	76	59	60
Transfer Station	2	2	2	2	2	2	2	2	2	2
Other public works	5	5	5	5	5	5	5	5	5	5
Parks and recreation	1	1	1	1	1	1	1	1	1	1
Library	5	5	5	5	5	5	5	5	5	6
Total	83	85	85	115	115	114	114	114	97	99

Note: A full-time employee is scheduled to work 35 hours per week (including vacation and sick leave).

Full-time equivalent employment is calculated by dividing total labor by 35.

Source: Town of Willington, Treasurer's Office.

Table 13

**TOWN OF WILLINGTON, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**
(Unaudited)

<u>Function/Program</u>	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Fire										
Emergency responses	406	435	482	480	484	474	497	508	523	525
Non-Emergency responses	168	196	249	318	352	363	399	399	400	405
Inspections	650	404	538	576	528	490	515	515	465	455
Refuse collection										
Refuse collected (tons per year)	1,666.1	1,666.1	2,267.1	2,175.0	1,785.1	989.7	1,063.6	1,417.9	1,371.6	2,229.1
Recyclables collected (tons per year)	635.6	635.6	640.4	671.0	669.4	785.7	841.6	780.2	743.9	712.5
Other public works										
Street resurfacing (miles)	11.4	12.2	14.3	11.4	13.7	11.8	10.4	11.6	12.2	11.9
Library										
Volumes in collection	14,700	14,700	15,700	17,700	17,700	17,700	17,700	20,387	20,206	28,103

Source: Various Town departments.

Table 14

**TOWN OF WILLINGTON, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

(Unaudited)

<u>Function/Program</u>	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Fire stations	3	3	3	3	3	3	3	3	3	3
Other public works										
Streets (miles)	70.9	70.9	70.9	71.1	71.1	71.1	71.1	72.7	72.7	72.7
Streetlights	16	16	16	16	16	16	16	16	16	16
Traffic signals	4	4	4	4	4	4	4	4	4	4
Parks and recreation										
Acreage	212	212	292	292	292	292	292	292	292	292
Playgrounds	2	2	2	2	2	2	2	2	2	2
Baseball/softball diamonds	5	5	5	5	5	5	5	5	6	6
Soccer/football fields	2	2	2	2	2	2	2	2	3	3