

TOWN OF DARIEN, CONNECTICUT



Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2012

Comprehensive Annual Financial Report

of the

**Town of Darien,
Connecticut**

Fiscal Year Ended June 30, 2012

**Prepared by: Finance Department
Kathleen Clarke Buch
Finance Director**

TOWN OF DARIEN, CONNECTICUT

FINANCIAL REPORT

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Introductory Section

TOWN OF DARIEN
FINANCE DEPARTMENT
2 RENSRAW ROAD
DARIEN, CONNECTICUT 06820-5397
TELEPHONE (203) 656-7334
FAX (203) 656-7398



KATHLEEN CLARKE BUCH, CPEO
FINANCE DIRECTOR

December 11, 2012

To the Members of the Board of Finance
of the Town of Darien

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Town of Darien, Connecticut for the year ended June 30, 2012. This report was prepared by the Town's Finance Department, which is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. We believe the data, as presented, is accurate in all material aspects and that it is presented in a manner designed to illustrate fairly the financial position and results of operations of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The CAFR is presented in three sections: introductory, financial and statistical. This report follows the format for annual financial reports that the Governmental Accounting Standards Board suggests and the Government Finance Officers Association promotes through its Certificate of Achievement for Excellence in Financial Reporting program. The introductory section includes this transmittal letter, the Town's organizational chart and a list of principal officials. The financial section includes the management's discussion and analysis (MD&A), basic financial statements, required supplementary information, and the combining and individual fund statements and schedules, as well as the auditors' report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The Town is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the Connecticut Single Audit Act. Information related to these audits, including the schedule of federal awards, state financial assistance, findings and recommendations, and auditors' reports on the internal control over financial reporting and compliance with applicable laws and regulations are issued under separate covers and not included in this report.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. Internal control policies and procedures are recognized as important elements of the Town's accounting system. Such controls are designed to establish reasonable, but not absolute, assurance that assets are protected against loss from unauthorized use or disposition and to provide the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits to be derived; and (2) the valuation of these costs and benefits requires estimates and judgments by management. Management believes that the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The Board of Finance appointed the accounting firm of McGladrey LLP as the Town's independent auditor for the year 2011-2012. In addition to meeting the requirements set forth in State Statutes, the audit was also designed to meet the requirements of the Federal and State Single Audit Acts. The auditors' report on the basic financial statements is in the financial section of this report. The auditors' reports related specifically to the Federal and State Single Audits are issued in separate reports.

Please refer to Management's Discussion and Analysis (MD&A), which follows the independent auditor's report for further information. The MD&A provides an introduction, overview and analysis of the basic financial statements.

ORGANIZATION AND SERVICES

The Town of Darien is located in lower Fairfield County on Long Island Sound. It is situated between Stamford and Norwalk and bordered on the north by New Canaan. Less than one hour from New York City, Darien is on the main line of the Metro North Commuter Railroad, and is served by the Connecticut Turnpike (I-95), the Merritt Parkway (R-15) and the Boston Post Road (US Route 1).

The Town of Darien was founded in 1737. The Town has a Representative Town Meeting (RTM) form of government, with a 5 member Board of Selectmen, 7 member Board of Finance and a 9 member Board of Education. The Town operates under the State of Connecticut General Statutes and the Charter and Code of Ordinances of the Town of Darien. The Charter was originally adopted in 1959 and the Code of Ordinances was adopted in 1972. Both are subject to revision on an ongoing basis. The 100 member RTM is the legislative body for the Town. The First Selectman, elected biennially, is the Chief Executive Officer of the Town. The Board of Finance, elected quadrennially to overlapping terms, serves as the Town's fiscal policy maker. Services provided by the Town to residents and taxpayers include general administrative services, public safety, education, public works, parks and recreation, health, social service, planning and zoning, and sewer services.

ACCOUNTING SYSTEM AND BUDGETARY CONTROLS

The Town and the Board of Education maintain a comprehensive budgetary reporting system to monitor the results of budget operations and ensure budgetary control and compliance with approved budgets.

All annual budgets are recommended by the Board of Selectmen and Board of Education to the Board of Finance, which, following careful review, recommends final budgets for approval by the RTM. The Board of Finance, by charter, has the right to transfer unexpended balances and to establish a transfer approval process. The Board of Education has freedom of transfer within the approved Education budget, according to State law. Necessary and justified additional appropriations are recommended by the Board of Finance for RTM approval.

Purchase orders are encumbered and considered as expenditures for budget reporting purposes to ensure the availability of budget appropriations. Purchase orders are not released unless funding is available. Open encumbrances, reflecting goods and services not received are shown as a reservation of fund balance in the financial statements under generally accepted accounting principles (GAAP).

ECONOMIC CONDITION AND OUTLOOK

Darien is a community with high per capita income and housing values. Unemployment in Darien is lower than the state and national averages, standing at 6.4 percent compared to 8.4 and 8.2 for the state and nation. This is slightly higher than a year ago, but still trending lower than the state and nation.

Inflation in Darien was slightly lower than the national average. There is no predominant industry or employer in Darien. As a suburb of New York City, many residents are executives, professional, technical and managerial people employed in New York City and at industrial and corporate headquarters of nationally known firms located in surrounding Fairfield County communities. Darien is an active retail community, despite its proximity to larger retail centers, with several shopping centers and many specialty shops.

The tax base is primarily residential (approximately 86%) with a limited number of commercial office and retail buildings. The value of local construction increased to \$83,859,000, up 2.6% over the previous year. A total of 607 building permits were issued. This is a decrease from the prior year. The increase

was from commercial construction. Growth in Darien will continue to be stable or gradual, due to the limited amount of land available for development.

Property taxes comprise 93.3% of Town General Fund revenues and the current property tax collection rate remains strong at 99.5%. Delinquent collections also remain strong.

Intergovernmental revenues represent a small portion of Town revenues, reflecting only 2.3% in the current year. As a result of the Town's heavy reliance on property taxes and continually increasing student enrollment projections, the Board of Finance is preparing a five year financial plan that assumes property tax increases averaging more than 4% for the period. School enrollment is expected increase over the next five years. The property tax mill rate enacted for 2012-2013, 12.68, represented an increase of 3.93% which was under the projected average.

LONG-TERM FINANCIAL PLANNING

A five year financial forecast is prepared by the Board of Finance and presented to the Representative Town Meeting each year at the State of the Town meeting in December. The plan addresses both operating and capital expenditures as well as revenues. It is based, in part, on the Five & Six Year Capital Projections prepared by the Board of Education and Board of Selectmen. Factors considered in the Five Year Forecast include student population growth, interest rates for investments and planned debt offerings, locally generated revenues, state grants, inflation rates, planned benefit changes, personnel changes and grand list growth. While not a budget, this document is referred to during the budget process.

The Board of Finance has adopted a Fund Balance Policy. This is also a consideration in development of the Five Year Forecast. The Fund Balance Policy calls for the Town to maintain fund balance above an appropriate level, measured as a percentage of revenues. This allows the Town to maintain sufficient fund balance to provide protection in case of unforeseen emergencies, to moderate mill rate increases and to avoid excessive accumulation.

The Town and Board of Education are covered under a fully insured medical insurance plan. The Town and Board of Education dental plans and the Board of Education pharmaceutical coverage are self-insured and are being viewed as a manageable financial risk. The Town is responsible for property losses due to fire and other disasters up to \$10,000, floods and earthquakes up to \$50,000 and auto collision of \$500 per vehicle and is fully insured for claims in excess of those amounts. The Town carries Workers' Compensation insurance as mandated by law.

A safety committee exists to review safety measures and make recommendations for improvement when necessary. These programs combined with periodic OSHA and insurer safety inspections are used by the Town to control accidental injury losses and provide a safe environment for employees and the public.

MAJOR INITIATIVES

In fiscal year 2011-2012 the Town of Darien continued its practice of regular replacement of equipment for the Public Works Department, Parks & Recreation Department, Police Department and Volunteer Fire Departments. The Town funds accounts for such replacements on a regular basis to avoid large swings in the budget. During FY 2011-2012, over \$380,000 was expended in these programs.

Sidewalks throughout the Town are replaced on an ongoing basis. In FY 2011-2012, over \$375,000 was spent on such projects.

School projects continued including renovations of bathrooms, conversion of some school boilers from oil heat to natural gas and renovation of portables as well as some smaller projects. The combined cost of these projects is over \$200,000.

The Weed Beach and Police Station projects were restarted during the previous fiscal year and were nearing completion at the end of FY 2011-2012. In November, 2011 the Representative Town Meeting approved an appropriation of \$6.979 million to renovate the Town owned building at 35 Leroy for Board of Education Central Offices and to renovate the space currently occupied by the Board of Education at Town Hall to serve as a Community Center, with the Senior Center being the primary activity. The existing Senior Center will be demolished when this project is complete. Work on this project is underway. It is expected to be complete in early FY 2014.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Darien for its Comprehensive Annual Financial Report (CAFR) for each of the last twenty fiscal years. The Certificate of Achievement is a prestigious national award, which recognizes conformance with the highest standards for preparation of State and local government financial reports.

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

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

ACKNOWLEDGEMENTS

The preparation of this report on a timely basis was made possible by the cooperation and dedicated services of the entire staff of the Finance Department. The efforts of all those who contributed to the preparation of this report are sincerely appreciated.

Appreciation is further extended to the Board of Finance for their support in the preparation of this report.

Respectfully submitted,



Kathleen Clarke Buch
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Darien
Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

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.



Linda C. Davidson

President

Jeffrey R. Emer

Executive Director

TOWN OF DARIEN
PRINCIPAL OFFICIALS
AS OF JUNE 30, 2012

BOARD OF SELECTMEN:

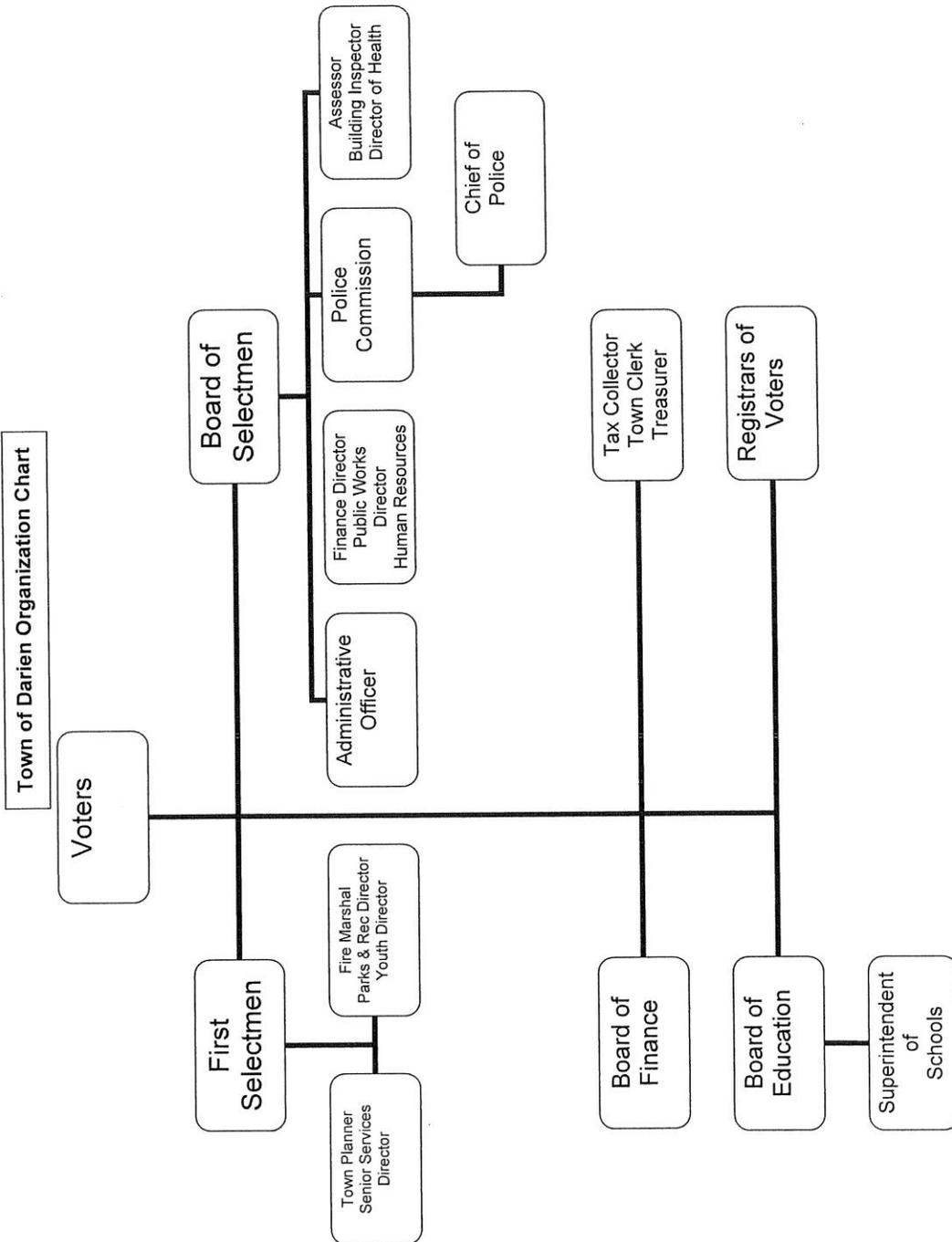
Jayne Stevenson, First Selectman
David F. Bayne
David M. Campbell
John Lundeen
Gerald A. Nielsen, Jr

BOARD OF FINANCE:

Elizabeth Smith Mao, Chairman
Martha Banks, Vice Chairman
Lorene Bora
Joseph Duwan
James McLaughlin
Gwen Mogenson
Jon Zagrodzky

Administrative Officer
Finance Director
Treasurer
Superintendent of Schools
Tax Collector
Assessor
Town Clerk

Karl Kilduff
Kathleen Clarke Buch
Joan Hendrickson
Stephen Falcone
Robert Locke
Anthony Homicki
Donna E. Rajczewski



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Financial Section

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Darien, Connecticut (the "Town"), as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and 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, each major fund and the aggregate remaining fund information of the Town of Darien, Connecticut, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows 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 December 11, 2012 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 should be considered in conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required

supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Darien, Connecticut's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

McGladrey LLP

New Haven, Connecticut
December 11, 2012

Town of Darien, Connecticut Management's Discussion and Analysis June 30, 2012

This discussion and analysis of the Town of Darien, Connecticut's (the Town) financial performance is provided by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2012. Please read this MD&A in conjunction with the transmittal letter and the Town's financial statements, Exhibits I to VI. All amounts are expressed in thousands unless otherwise noted.

FINANCIAL HIGHLIGHTS

- Net assets of our governmental activities increased by \$363 or .3%.
- During the year, the Town had expenses that were \$363 less than the \$133,349 generated in tax and other revenues for governmental programs.
- Total cost of all of the Town's programs was \$132,986 with no new programs added this year.
- The General Fund reported a fund balance this year of \$18,536.
- The resources available for appropriation were \$260 less than budgeted for the General Fund. Expenditures were \$587 less than budgeted.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The statement of net assets and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements are presented in Exhibits III to VI. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The analysis of the Town as a whole begins on Exhibits I and II. The statement of net assets and the statement of activities report information about the Town as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the Town's net assets and changes in them. The Town's net assets, the difference between assets and liabilities, is one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net assets are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall health of the Town.

In the statement of net assets and the statement of activities, the Town reports its activities as follows:

- *Governmental Activities* - The Town's basic services are reported here, including general government, community environment, public safety, health and social services, library, parks and recreation, public works, education, sewer and solid waste. Property taxes, charges for services, and state and federal grants finance most of these activities.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by Charter. However, the Town of Darien establishes many other funds to help control and manage financial activities for particular purposes (like the Sewer Operations) or to show that it is meeting legal responsibilities for using grants and other money (like grants received from the State of Connecticut). The Town's funds are divided into two categories: governmental and fiduciary.

- *Governmental Funds (Exhibits III and IV)* - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in a reconciliation included with the fund financial statements.
- *Fiduciary Funds (Exhibits V and VI)* - The Town is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Town's combined net assets increased from a year ago increasing from \$118,644 to \$119,007. The analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Town's governmental activities.

Net Assets (In Thousands)	2012	2011
Current assets	\$ 41,172	\$ 41,240
Capital assets, net of accumulated depreciation	184,458	176,577
Total assets	225,630	217,817
Long-term liabilities outstanding	102,202	94,134
Other liabilities	4,421	5,039
Total liabilities	106,623	99,173
Net Assets:		
Invested in capital assets, net of related debt	89,174	88,823
Restricted	5,594	1,102
Unrestricted	24,239	28,719
Total net assets	\$ 119,007	\$ 118,644

Net assets of the Town's governmental activities increased by .3%. Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – changed from \$28,719 at June 30, 2011 to \$24,239 at the end of this year.

This change in unrestricted governmental net assets resulted primarily because of continuing investments in capital assets. The Town's investment in capital assets is \$89,762. This amount represents the original cost of assets, less accumulated depreciation and is net of any debt outstanding that was used to acquire those assets.

	<u>2012</u>	<u>2011</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 11,396	\$ 10,447
Operating Grants and Contributions	13,370	12,025
Capital Grants and Contributions	317	826
General Revenues:		
Property Taxes	106,666	102,220
Grants and Contributions not Restricted to Specific Purposes	332	341
Unrestricted Investment Earnings	848	655
Other General Revenues	420	475
Total revenues	133,349	126,989
Program Expenses:		
General Government	4,116	4,117
Community Environment	838	841
Public Safety, Health and Social Services	13,679	13,506
Library	3,186	3,131
Parks and Recreation	2,901	1,715
Public Works	7,143	7,079
Board of Education	94,266	88,077
Sewer Operations	2,739	3,312
Interest on Long-Term Debt	4,118	3,703
Total program expenses	132,986	125,481
Increase (decrease) in net assets	363	1,508
Net assets – beginning	118,644	117,136
Net assets - ending	\$ 119,007	\$ 118,644

The Town's total revenues (excluding special items) were \$133,349. The total cost of all programs and services was \$132,986. Our analysis below considers the operations of governmental activities.

Governmental Activities

Property taxes were 79.9% of revenues and charges for services accounted for 8.5%. Capital grants of \$317 were primarily grants from the State of Connecticut for school construction projects and infrastructure. Operating grants and contributions decreased by 12.1%. The 2011-12 property tax collection rate was 99.4%. Charges for Services increased by \$235 or 16% due to increased tipping fees and beach permit fees. Intergovernmental revenue increased primarily due to increased operating grants. School principal and interest subsidy grants on pre-1996 construction projects continue to decline, which corresponds to the decline in the debt service for older school projects. Investment income decreased due to decreases in interest rates.

On the expense side, public works was down, primarily due to less storm related expenses compared to FY 2011. Education expenses are the most significant component accounting for 70%. Board of Education increased because of increased enrollment, negotiated wage increases, increased medical expenses and increased Special Education expenses. Debt service increased as a result of a new debt issuances.

Table 3 presents the cost of each of the Town's five largest programs - general government, public safety, public works, education and the public library - as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

TABLE 3
GOVERNMENTAL ACTIVITIES
(In Thousands)

	Total Cost of Service		Net Cost of Services	
	2012	2011	2012	2011
General government	\$ 4,116	\$ 3,989	\$ 2,614	\$ 3,185
Public safety	12,026	11,410	10,157	8,582
Public works	7,143	5,290	4,957	4,739
Education	94,266	84,964	78,830	72,006
Library	3,186	2,944	3,186	2,944

TOWN FUNDS FINANCIAL ANALYSIS

Governmental Funds

As the Town completed the year, its governmental funds (as presented in the balance sheet – Exhibit III) reported a combined fund balance of \$31,345, which is an increase from last year's total of \$29,951. The increases were even across most funds, with the largest component of the change in fund balance coming from the Non-Major Governmental Funds. The Non-Major Governmental Funds fund balance increased by \$335. The combined funds had expenditures of \$1,635 and proceeds of \$3,910.

In the Sewer Operations Fund, revenue from Sewer Service Charges was higher than anticipated in the budget. Operating expenditures were slightly lower than budgeted and transfers to the Sewer Capital Fund were higher than originally budgeted. Revenues were as expected in the Sewer Assessment Fund, with advance payments of assessments returning to normal levels.

General Fund Budgetary Highlights

There were no additional appropriations for the fiscal year ended June 30, 2012. A contingency of \$772 was included in the original budget. This contingency covered items such as unsettled labor contracts and other unexpected expenses.

Actual revenues, were lower than budgetary estimates by approximately \$260. The budget assumed that \$1,100 of fund balance would be used to offset expenses, however that was not needed. Town Clerk fees were \$290 higher than budget. Building Permit revenue was \$69 higher than budget and investment income was \$46 lower than budget. Other revenue accounts exceeded the budget estimates, such as Property Tax collections and Intergovernmental Revenue. Actual expenditures were less than budgetary estimates by \$587. The largest single contributor to this was the General Overhead budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2012, the Town had \$184,458 invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment, roads, bridges, and water and sewer lines - Table 4. This amount represents a net increase (including additions and deductions) of \$7,880, or 4.5%, over last year.

TABLE 4
CAPITAL ASSETS AT YEAR END (Net of Depreciation)
(In Thousands)

	Governmental Activities	
	2012	2011
Land	\$ 11,277	\$ 11,277
Buildings	135,446	143,358
Land improvement	2,302	2,431
Machinery and equipment	5,825	5,022
Infrastructure	12,630	11,186
Construction in progress	16,978	2,355
Totals	\$ 184,458	\$ 175,629

The Town's fiscal-year 2012-13 capital budget calls for it to spend another \$2,079 for capital and/or non-recurring projects, principally for capital equipment and replacement. The Police Station Renovation and the Weed Beach Renovation projects are nearing completion and are the cause of the large increase in Construction in Progress. More detailed information about the Town's capital assets is presented in Notes 1 and 5 to the financial statements.

Long-Term Debt

At June 30, 2012, the Town had \$99,005 in bonds and notes outstanding versus \$92,150 last year.

Debt was increase due to an issue of \$14,000 in March, 2012, which was offset by principal payments. Current year debt principal paid amounted to \$7,145.

The Town's general obligation bonds continue to carry a rating of Aaa, the highest rating possible, a rating that has been assigned by national rating agencies to the Town's debt since 1973. The State limits the amount of general obligation debt that cities can issue based on formula determined under State Statutes based on type of debt and tax base. The Town's outstanding general obligation debt is significantly below this \$749,266 state-imposed limit.

Other obligations include accrued vacation pay and sick leave. More detailed information about the Town's long-term liabilities is presented in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town's elected and appointed officials considered many factors when setting the fiscal-year 2013 budget tax rates, and fees that will be charged for services. One of those factors is the economy. Unemployment in the Town now stands at 6.4% versus 6.0% a year ago. This compares with the State's unemployment rate of 8.4% and the national rate of 8.2%.

The increase in inflation in the Darien area was slightly less than the national Consumer Price Index (CPI). The Town's CPI increase was 1.6% for fiscal year 2012 while the average U.S. rate increase was 1.7%.

These indicators were taken into account when adopting the General Fund budget for 2012-13. Amounts available for appropriation in the General Fund budget are \$120,235, an increase of 4.5% over the final 2012 budget of \$115,112. Property taxes (benefiting from the 2012 rate increases and growth in the grand list) are expected to lead this increase. The Town will use these increases in revenues to finance programs currently offered and to off-set the effect that we expect inflation to have on program costs. Increased personnel costs and increased education expenses are the largest areas of expenditure increase. Fund balance will provide \$1,100 to support the budget.

If these estimates are realized, the Town's budgetary General Fund balance is expected to remain stable by June 30, 2013.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, Town of Darien, 2 Renshaw Road, Darien, Connecticut, 06820.

Basic Financial Statements

STATEMENT OF NET ASSETS
June 30, 2012

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 21,313,274
Investments	7,811,925
Receivables, net	6,638,901
Prepaid expenses	607,914
Restricted cash and cash equivalents	4,341,593
Net OPEB asset	459,017
Capital assets not being depreciated	28,254,744
Capital assets being depreciated, net of accumulated depreciation	<u>156,202,781</u>
Total assets	<u><u>225,630,149</u></u>
Liabilities	
Accounts and other payables	3,146,254
Accrued interest payable	1,086,317
Unearned revenue	189,276
Long-term liabilities:	
Due within one year	9,052,311
Due in more than one year	<u>93,149,281</u>
Total liabilities	<u><u>106,623,439</u></u>
Net Assets	
Invested in capital assets, net of related debt	89,174,250
Restricted for:	
Social services	176,097
Public works	904,703
Education	136,502
Recreation	35,442
Unrestricted	<u>28,579,716</u>
Total Net Assets	<u><u>\$ 119,006,710</u></u>

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

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2012

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
Governmental activities:					
General government	\$ (4,116,493)	\$ 1,392,253	\$ -	\$ 110,287	\$ (2,613,953)
Community environment	(837,951)	87,044	-	-	(750,907)
Public safety	(12,026,411)	1,793,272	41,852	34,253	(10,157,034)
Health and social services	(1,652,372)	325,434	67,940	-	(1,258,998)
Library	(3,186,016)	-	-	-	(3,186,016)
Parks and recreation	(2,900,921)	516,317	-	4,398	(2,380,206)
Public works	(7,142,597)	2,018,513	-	167,376	(4,956,708)
Board of Education	(94,266,105)	2,175,728	13,259,764	974	(78,829,639)
Sewer operations	(2,739,332)	3,087,554	-	-	348,222
Interest on long-term debt	(4,118,238)	-	-	-	(4,118,238)
Total primary government	\$ (132,986,436)	\$ 11,396,115	\$ 13,369,556	\$ 317,288	(107,903,477)
General revenues:					
Property taxes					106,666,174
Grants and contributions not restricted to specific programs					331,620
Unrestricted investment earnings					847,901
Miscellaneous					420,144
Total general revenues					108,265,839
Change in net assets					362,362
Net assets - beginning					118,644,348
Net assets - ending					\$ 119,006,710

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

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2012

	General	Sewer Operating	Sewer Assessment	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 18,222,936	\$ 1,311,976	\$ 1,004,832	\$ 1,412,125	\$ 3,702,998	\$ 25,654,867
Investments	5,284,539	2,527,386	-	-	-	7,811,925
Receivables, net	3,077,616	422,118	2,935,546	-	203,621	6,638,901
Due from other funds	1,844,522	-	-	6,522,655	3,450	8,370,627
Prepaid expenses	597,944	-	-	9,970	-	607,914
Total assets	\$ 29,027,557	\$ 4,261,480	\$ 3,940,378	\$ 7,944,750	\$ 3,910,069	\$ 49,084,234
Liabilities						
Accounts and other payables	\$ 2,163,927	\$ 43,858	\$ 42,844	\$ 775,606	\$ 109,619	\$ 3,135,854
Due to other funds	5,619,403	246,955	550,000	597,286	1,350,794	8,364,438
Deferred/unearned revenue	2,707,933	420,551	2,935,546	-	174,460	6,238,490
Total liabilities	10,491,263	711,364	3,528,390	1,372,892	1,634,873	17,738,782
Fund balances						
Nonspendable	597,944	-	-	9,970	-	607,914
Restricted	-	-	-	4,341,593	1,252,744	5,594,337
Committed	-	3,550,116	411,988	2,220,295	1,022,452	7,204,851
Assigned	930,449	-	-	-	-	930,449
Unassigned	17,007,901	-	-	-	-	17,007,901
Total fund balances	18,536,294	3,550,116	411,988	6,571,858	2,275,196	31,345,452
Total liabilities and fund balances	\$ 29,027,557	\$ 4,261,480	\$ 3,940,378	\$ 7,944,750	\$ 3,910,069	

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

Capital assets, net of accumulated depreciation purchased in governmental funds are reported as expenditures, however, the statement of net assets includes those capital assets among the assets of the Town as a whole.	184,457,525
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.	6,049,214
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(100,592,718)
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	(16,589)
Certain other liabilities reported in governmental activities are not due or payable in the current period, and therefore not reported in the funds:	
Net OPEB asset	459,017
Bond premiums	(1,608,874)
Accrued interest payable.	(1,086,317)
Net assets of governmental activities	\$ 119,006,710

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

(Continued)

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS**
For the Year Ended June 30, 2012

	General	Sewer Operating	Sewer Assessment	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 106,517,751	\$ -	\$ -	\$ -	\$ -	\$ 106,517,751
Intergovernmental	13,207,295	-	-	212,318	995,386	14,414,999
Charges for services	4,543,123	3,087,554	594,006	-	3,602,429	11,827,112
Income on investments	194,126	27,773	14,280	685	3,084	239,948
Miscellaneous	363,896	-	-	24,457	31,791	420,144
Total revenues	124,826,191	3,115,327	608,286	237,460	4,632,690	133,419,954
EXPENDITURES						
Current:						
General government	3,058,787	-	-	-	11,861	3,070,648
Community environment	590,670	-	-	-	-	590,670
Public safety	7,587,341	-	-	-	671,796	8,259,137
Health and social services	1,179,972	-	-	-	52,410	1,232,382
Library	3,186,016	-	-	-	-	3,186,016
Parks and recreation	1,122,428	-	-	-	4,526	1,126,954
Public works	4,201,841	-	-	-	345,478	4,547,319
Board of Education	86,509,642	-	-	-	3,185,940	89,695,582
Sewer operations	-	2,739,332	-	-	-	2,739,332
General overhead	5,719,479	-	-	-	-	5,719,479
Capital outlay	-	-	-	15,906,193	-	15,906,193
Debt service	10,095,354	-	-	66,304	397,673	10,559,331
Total expenditures	123,251,530	2,739,332	-	15,972,497	4,669,684	146,633,043
Revenues over (under) expenditures	1,574,661	375,995	608,286	(15,735,037)	(36,994)	(13,213,089)
OTHER FINANCING SOURCES (USES)						
Transfers in	638,020	-	-	1,761,663	-	2,399,683
Transfers (out)	(1,405,575)	(208,696)	(550,000)	-	(235,412)	(2,399,683)
Issuance of debt	-	-	-	14,000,000	-	14,000,000
Bond premium	-	-	-	-	607,953	607,953
Total other financing sources (uses)	(767,555)	(208,696)	(550,000)	15,761,663	372,541	14,607,953
Change in fund balances	807,106	167,299	58,286	26,626	335,547	1,394,864
FUND BALANCES,						
beginning	17,729,188	3,382,817	353,702	6,545,232	1,939,649	29,950,588
FUND BALANCES, ending	\$ 18,536,294	\$ 3,550,116	\$ 411,988	\$ 6,571,858	\$ 2,275,196	\$ 31,345,452

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

TOWN OF DARIEN, CONNECTICUT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES – GOVERNMENTAL FUNDS, CONTINUED**
 For the Year Ended June 30, 2012

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

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

Net change in fund balances - total governmental funds (Exhibit IV) \$ 1,394,864

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	13,633,858
Loss on disposals	(32,010)
Depreciation expense	(5,721,321)

Change in net OPEB asset (114,350)

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

School building grant receipts	(225,413)
Property tax receivable - accrual basis change	112,356
Property tax interest and lien revenue - accrual basis change	36,067
Sewer use - accrual basis change	17,240
Sewer assessment receivable - accrual basis change	(448,237)
Other	(171,122)

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

Issuance of bonds payable	(14,000,000)
Bond and note principal payments	7,144,913
Amortization of deferred charge on refunding	(208,594)
Amortization of premiums	(474,323)

The change in net assets of certain activities of internal service fund is reported with governmental activities (31,227)

Changes in some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds:

Compensated absences	(79,785)
Retainage payable	(449,651)
Accrued interest	(20,903)

Change in Net Assets of Governmental Activities (Exhibit II) \$ 362,362

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

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
June 30, 2012

	Governmental Activities
	Internal Service Funds
	<u> </u>
ASSETS	
Receivables:	
Due from other funds	\$ 97,337
	<u> </u>
Total assets	97,337
	<u> </u>
LIABILITIES	
Current liabilities:	
Due to other funds	103,526
Claims incurred but not reported	10,400
Total liabilities	<u>113,926</u>
	<u> </u>
NET ASSETS (DEFICIT)	
Unrestricted (deficit)	(16,589)
Total net assets (deficit)	<u>\$ (16,589)</u>
	<u> </u>

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

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS (DEFICIT) -
 PROPRIETARY FUNDS
 For the Year Ended June 30, 2012**

	Governmental Activities
	<u>Internal Service Funds</u>
OPERATING REVENUES	
Charges for services	\$ 127,579
Total operating revenues	<u>127,579</u>
OPERATING EXPENSES	
Salaries, benefits and claims	<u>158,806</u>
Total operating expenses	<u>158,806</u>
Operating loss	(31,227)
NET ASSETS, beginning	<u>14,638</u>
NET ASSETS (DEFICIT), ending	<u>\$ (16,589)</u>

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

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended June 30, 2012

	Governmental Activities
	Internal Service Funds
	<u> </u>
Cash Flows From Operating Activities	
Cash received from charges for services	\$ 127,579
Cash paid to vendors and beneficiaries	<u>(127,579)</u>
Net cash provided by operating activities	<u>-</u>
Net increase in cash and cash equivalents	-
Cash and Cash Equivalents	
Beginning	<u>-</u>
Ending	<u><u>\$ -</u></u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Operating loss	\$ (31,227)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Change in assets and liabilities:	
Increase in due from other funds	(60,954)
Increase in due to other funds	<u>92,181</u>
Net cash provided by operating activities	<u><u>\$ -</u></u>

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

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

June 30, 2012

	Trust Funds	Agency Funds
	<u> </u>	<u> </u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,151,745	\$ 458,540
Investments:		
Equity securities	45,569,348	-
Fixed income funds	35,093,180	-
Receivables:		
Interest and dividends	127,882	-
Total assets	<u>81,942,155</u>	<u>458,540</u>
LIABILITIES		
Accounts and other payables	<u>160,119</u>	<u>458,540</u>
NET ASSETS		
Held in trust for pension benefits and other postemployment benefits	<u>\$ 81,782,036</u>	<u>\$ -</u>

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

COMBINED STATEMENT OF CHANGES IN PLAN NET ASSETS
For the Year Ended June 30, 2012

	Trust Funds
ADDITIONS	
Contributions	
Employer	\$ 3,686,636
Plan members	1,200,363
Total contributions	<u>4,886,999</u>
Investment Income	
Net appreciation in fair value of investments	1,219,985
Interest and dividends	1,875,353
Net investment income	<u>3,095,338</u>
Total additions	<u>7,982,337</u>
DEDUCTIONS	
Benefits	4,211,986
Administration	410,473
	<u>4,622,459</u>
Change in net assets	3,359,878
NET ASSETS	
Beginning of year	<u>78,422,158</u>
End of year	<u>\$ 81,782,036</u>

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

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

Note 1. Summary of Significant Accounting Policies

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

Reporting Entity

The reporting entity of the Town consists of all Town departments, the Board of Education, commissions, boards, authorities and funds.

The Town was founded in 1737. The Town has a Representative Town Meeting (RTM) form of government, with a 5 member Board of Selectmen, 7 member Board of Finance and a 9 member Board of Education. The Town operates under the State of Connecticut General Statutes and the Charter and Code of Ordinances of the Town of Darien. The Charter was originally adopted in 1959 and the Code of Ordinances was adopted in 1972. Both are subject to revision on an ongoing basis. The 100 member RTM is the legislative body for the Town. The First Selectman, elected biennially, is the Chief Executive Officer of the Town. The Board of Finance, elected quadrennially to overlapping terms, serves as the Town's fiscal policy maker. Services provided by the Town to residents and taxpayers include general administrative services, public safety, education, public works, parks and recreation, health, social service, planning and zoning, and sewer services. The Town has no component units.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements.

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

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

The various funds included in the financial statements are described below:

Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed.

General Fund is the primary operating fund of the Town. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for service and interest income.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

Special Revenue Funds account for and report the proceeds of specific revenue sources that are restricted or committed for expenditure for specific activities other than debt service or capital projects.

Capital Project Funds account for and report all financial resources that are restricted, committed or assigned to expenditure for capital outlay.

The *Debt Service Fund* is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations and other governments. Fiduciary funds are not included in the government-wide statements. The fiduciary funds are as follows:

The *Trust Funds* account for the activities of the Town's benefit pension plans and other post-employment benefit trust, which accumulates resources for pension and other post-employment benefit payments to qualified employees and retirees. The Trust funds follow the accrual basis of accounting.

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The Board of Education Student Activity Fund is the Town's only agency fund.

Proprietary Fund

Additionally, the Town reports the following proprietary fund types:

Internal Service Fund – is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town on a cost-reimbursement basis.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pensions, other postemployment benefits, and claims and judgments, are recorded only when payment is due.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

Property taxes, when levied for, intergovernmental revenues when eligibility requirements are met, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The Town reports the following major governmental funds:

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

The Sewer Operating Fund is a special revenue fund. It accounts for the operations of the Town's Sanitary Sewer System.

The Sewer Assessment Fund is a special revenue fund. It used to account for receipt and assessment functions for sewers.

The Capital projects Fund is used to account for the financial resources for the acquisition and construction of major capital facilities.

Additionally, the Town reports the following Proprietary and Fiduciary funds:

Internal Service Fund – is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town on a cost-reimbursement basis.

The *Pension Trust Funds* account for the activities of the Darien Retirement System, which accumulates resources for pension benefit payments to qualified Town employees and Police Officers.

The *OPEB Trust Funds* account for the activities of the Town's other post-employment benefit trust, which accumulates resources for pension and other post-employment benefit payments to qualified employees and retirees. The Trust funds follow the accrual basis of accounting.

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between certain Town functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 2.

Investments are reported at fair value, except for investments in 2a7 like pools which are stated at amortized costs.

Interfunds

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

Property Taxes

The Town's property tax is levied each July 1, on the assessed value listed on the prior October 1, Grand List for all taxable property located in the Town. Although taxes are levied in June, the legal right to attach the property does not exist until July 1. Therefore, taxes are due and payable in equal installments on July 1, and January 1, following the date of the Grand List. Interest of 1½% per month is charged on delinquent taxes. Liens are effective on the attachment date and are continued by filing prior to the following levy date. Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31, and are payable in one installment due January 1. An amount of \$115,000 has been established as an allowance for uncollectible taxes. At June 30, 2012, this represents approximately 6.98% of all property taxes receivable. All trade and property tax receivables are reported net of an allowance for uncollectibles.

Restricted Assets

The restricted assets for the Town are restricted for capital project purposes.

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds 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 government-wide and fund financial statements.

Capital Assets

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

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

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is not included as part of the capitalized value of the assets constructed.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	40
Infrastructure	10-40
Vehicles	2-20
Office equipment	5
Computer equipment	3

Capital outlay (assets) are reported as expenditures and no depreciation expense is reported in the governmental fund financial statements.

Allowance for Doubtful Accounts

Accounts receivable including property taxes receivable for the primary government are reported net of an allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon past collection history and an assessment of the creditor's ability to pay.

Compensated Absences

Employees are paid by prescribed formula for absence due to vacation or sickness. Days may be carried forward under the prescribed formula.

The Town and Board of Education liability for vacation pay is based upon the carryforward of unused vacation days up to the number of vacation days earned during the two most recent years of employment for employees other than police, and unused vacation days up to one week for police.

The Town pays one-third of unused accumulated sick leave in excess of 150 days for Town employees and police officers at retirement. The liability reported in the financial statements is based upon one-third of the days accumulated in excess of this limit.

The Board of Education liability for sick leave payments is incurred only upon retirement of custodians and maintenance workers who have been employed for over ten years. The liability represents the lower of 1.25 times the number of years employed times the employee's daily pay or the employee's accumulated sick leave balance. The Town accrued the amount that is probable for payment.

Compensated absences are accrued when incurred in the government-wide financial statements. No expenditure is reported in the governmental funds for these amounts until the payment is made.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

Long-Term Obligations

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

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

Pension Accounting

Pension Trust Funds:

Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Government-Wide Funds/Activities:

In governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. In governmental activities, expense is recognized based on actuarially required contributions. The net pension obligation (asset), the cumulative difference between annual pension cost and the Town's contributions to the plans since 1986, is calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 27. The pension obligation (asset) is recorded as a noncurrent liability (asset) in the government-wide financial statements.

Funding Policy:

The Town makes annual contributions based upon the Town Charter and union contracts.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

Other Post-Employment Benefit Obligations (OPEB) accounting

OPEB Trust:

Employer contributions are recognized in the period in which the contributions are due, and the Town has made a formal commitment to provide the contributions. Employees began contributing on July 1, 2008.

Government-Wide Funds/Activities:

In governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. In governmental activities, expense is recognized based on actuarially required contributions. The net OPEB obligation, the cumulative difference between annual OPEB cost and the Town's contributions to the plan since July 1, 2008, is calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 45. The OPEB obligation (OPEB) is recorded as a noncurrent liability in the government-wide financial statements.

Funding Policy:

The Town makes annual contributions based on management's decisions, taking into account the latest actuarial valuation.

Encumbrances

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

Accounting estimates

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

Net Assets

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

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

Restricted Net Assets – These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants),

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

Unrestricted Net Assets – This category represents the net assets of the Town, which are not restricted for any project or other purpose. A deficit will require future funding.

Fund Balance

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). In the governmental fund financial statements, the Town reported the following governmental fund balances:

- Nonspendable Fund Balance – These amounts cannot be spent because they are not in spendable form, or because they are legally or contractually required to be maintained intact.
- Restricted Fund Balance – These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- Committed Fund Balance - This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of Darien Representative Town Meeting). The Town of Darien Representative Town Meeting is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.
- Assigned Fund Balance – Amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Town of Darien Representative Town Meeting has by resolution authorized the finance director to assign fund balance. The Board of Finance may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or review a commitment.
- Unassigned Fund Balance – The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

When both restricted and unrestricted amounts are available for use, it is the Town's practice to use restricted resources first. Additionally, the Town would first use committed, then assigned, and lastly unassigned.

Note 2. Cash, Cash Equivalents and Investments

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

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

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

Deposits

Deposit Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposit will not be returned. The Town's deposit policy for custodial credit risk requires pre-qualification of institutions with which the Town does business. The pre-qualification requirements include, but are not limited to, proof of creditworthiness, five years or more of operations, evidence of adequate insurance coverage, proof of state registration, and proof of compliance with state and federal capital adequacy guidelines. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the State of Connecticut or up to the FDIC limit in out-of-state banks.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$31,253,162 of the Town's bank balance of \$37,239,558 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 26,209,735
Collateralized, held by banks	<u>5,043,427</u>
Total amount subject to custodial credit risk	<u><u>\$ 31,253,162</u></u>

Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository's risk based capital ratio.

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within three months of maturity. At June 30, 2012 the Town's cash

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

equivalents amounted to \$6,213,647. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

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

Investments

Investments as of June 30, 2012 in all funds are as follows:

	<u>Fair Value</u>
Common stock - trust funds	\$ 45,569,348
Fixed income funds fund account:	
Trust funds	35,093,180
Governmental funds - certificates of deposit	<u>7,811,925</u>
Total	<u><u>\$ 88,474,453</u></u>

Interest Rate Risk – The Town's and trust funds' investment policy limits the maximum investment maturity to one year.

Credit Risk – investments – As indicated above, State Statutes limit the investment options of cities and towns. The Town and Trust Funds have an investment policy that allows the same type of investments as the State Statutes.

Concentration of Credit Risk – The Town's and Trust Fund's investment policy does not allow for an investment in any one issuer that is in excess of 5% of the Town's total investments.

Interest Rate Risk – This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Information about the exposure of the Town's debt type investments to this risk using the segmented time distribution model is as follows:

Type of Investment	Investment Maturities (In Years)				
	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Fixed income funds	\$ 35,093,180	\$ 2,130,763	\$ 13,536,164	\$ 6,083,120	\$ 13,343,133

Average Rating	Fixed Income Funds
AAA	\$ 23,627,964
AA	1,232,736
A	3,760,506
BBB	3,587,444
Unrated	2,884,530
	<u>\$ 35,093,180</u>

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town maintains a listing of financial institutions approved to provide custody based on their creditworthiness in accordance with the Town's investment policy. The investment policy details the information which must be provided by financial institutions on an annual basis to become or remain qualified for investment transactions. At June 30, 2012, the Town had \$45,569,348 worth of uninsured common stock that was held by the Wells Fargo or by its trust department or agent that was in the Trust's name.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 3. Receivables

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

	General	Sewer Operating	Sewer Assessment	Capital Projects	Nonmajor and Other Funds	Total
Receivables:						
Interest on delinquent taxes	\$ 746,388	\$ -	\$ -	\$ -	\$ -	\$ 746,388
Taxes	1,643,703	-	-	-	-	1,643,703
Accounts	126,805	390,359	-	-	203,322	720,486
Special assessments	-	-	2,935,546	-	-	2,935,546
Intergovernmental	670,002	-	-	-	299	670,301
Interest receivable	-	30,191	-	-	-	30,191
Investment income	5,377	1,568	-	-	-	6,945
Gross receivables	3,192,275	422,118	2,935,546	-	203,621	6,753,560
Less allowance for property tax uncollectibles						
	(114,659)	-	-	-	-	(114,659)
Net Total Receivables	\$ 3,077,616	\$ 422,118	\$ 2,935,546	\$ -	\$ 203,621	\$ 6,638,901

Note 4. Deferred Revenue/Unearned 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. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Delinquent property taxes	\$ 1,331,990	\$ -
Interest and delinquent property tax	709,069	-
Special assessments not yet due	2,935,546	-
Grant drawdowns prior to meeting all eligibility requirements	-	69,795
School building grants	652,058	-
Sewer use receivables	390,359	-
Interest on sewer use	30,192	-
Fees collected in advance	-	119,481
Total deferred/unearned revenue for governmental funds	\$ 6,049,214	\$ 189,276

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 5. Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Total
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 11,276,777	\$ -	\$ -	\$ -	\$ 11,276,777
Construction in progress	5,868,601	13,064,266	-	(1,954,900)	16,977,967
Total capital assets not being depreciated	17,145,378	13,064,266	-	(1,954,900)	28,254,744
Capital assets being depreciated:					
Buildings	190,129,621	33,600	-	266,690	190,429,911
Land improvements	4,089,674	-	-	-	4,089,674
Machinery and equipment	13,079,390	535,992	(665,789)	28,900	12,978,493
Infrastructure	36,301,753	-	-	1,659,310	37,961,063
Total capital assets being depreciated	243,600,438	569,592	(665,789)	1,954,900	245,459,141
Less accumulated depreciation for:					
Buildings	50,609,090	4,374,497	-	-	54,983,587
Land improvements	1,639,675	148,208	-	-	1,787,883
Machinery and equipment	7,082,369	705,036	(633,779)	-	7,153,626
Infrastructure	24,837,684	493,580	-	-	25,331,264
Total accumulated depreciation	84,168,818	5,721,321	(633,779)	-	89,256,360
Total capital assets being depreciated, net	159,431,620	(5,151,729)	(32,010)	1,954,900	156,202,781
Governmental Activities Capital Assets, Net	\$ 176,576,998	\$ 7,912,537	\$ (32,010)	\$ -	\$ 184,457,525

Depreciation expense was charged to functions/programs as follows:

General government	\$ 162,715
Community environment	29,311
Public safety	320,848
Health and social services	159
Parks and recreation	117,329
Public works	693,256
Education	4,397,703
Total depreciation expense - governmental activities	\$ 5,721,321

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Construction Commitments

The Town has active construction projects as of June 30, 2012. A summary of capital projects is as follows:

	PROJECT EXPENDITURES							
	Project	Additions Deletions	Total Project Authorization	2011-2012	Prior Year Cumulative	Current Year Cumulative	Encumbrances	Balance
Clean Water Fund	\$ 1,500,000	\$ -	\$ 1,500,000	\$ -	\$ 1,093,433	\$ 1,093,433	\$ -	\$ 406,567
Sewer Line Expansion	9,515,000	-	9,515,000	336,720	6,556,052	6,892,772	-	2,622,228
Sewer Capital	-	154,889	154,889	59,799	-	59,799	72,575	22,515
High School Building	75,799,440	-	75,799,440		74,994,974	74,994,974	-	804,466
Capital Non-Recurring								
Expenditures	14,001,682	1,683,846	15,685,528	1,752,330	6,943,732	8,696,062	196,293	6,793,173
Parking Capital	967,048	129,145	1,096,193	14,908	416,953	431,861	-	664,332
35 Leroy	4,125,000	-	4,125,000		3,909,979	3,909,979	-	215,021
Weed Beach	3,600,000	-	3,600,000	2,587,568	430,255	3,017,823	-	582,177
Police Station								
Addition	17,680,000	-	17,680,000	10,836,598	3,756,353	14,592,951	251,356	2,835,693
Tokeneke School								
Building	23,170,000	-	23,170,000		22,717,899	22,717,899	-	452,101
35 Leroy/Mather Center	-	6,979,000	6,979,000	384,778	-	384,778	25,213	6,569,009

Note 6. Interfund Receivables, Payables and Transfers

Individual fund interfund receivable and payable balances at June 30, 2012 are as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 1,844,522	\$ 5,619,403
Sewer Operating	-	246,955
Sewer Assessment	-	550,000
Capital Projects	6,522,655	597,286
Non-Major Governmental Funds	3,450	1,350,794
Internal Service Fund	97,337	103,526
Total	\$ 8,467,964	\$ 8,467,964

All interfund receivables and payables are the result of regularly recurring transactions and represent temporary balances.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Interfund transfers during the year ended June 30, 2012 were as follows:

	<u>Transfers From Other Funds</u>	<u>Transfers To Other Funds</u>
General Fund	\$ 638,020	\$ 1,405,575
Sewer Operating Fund	-	208,696
Sewer Assessment Fund	-	550,000
Capital Projects	1,761,663	-
Non-Major Governmental Funds	-	235,412
Total	<u><u>\$ 2,399,683</u></u>	<u><u>\$ 2,399,683</u></u>

Transfers are used to account for unrestricted revenues collected mainly in the General Fund to finance various programs and operations accounted for in other funds in accordance with budget authorizations. The transfer from the Capital Projects represent amounts used for projects or unexpended balances of completed projects.

Note 7. Leases

Operating Leases

The Town leases some office equipment under operating leases. Total expense for such leases was \$326,936 for the year ended June 30, 2012. These leases are cancelable at any time before the expiration date of the year 2017. The future minimum lease payments for these leases are as follows:

<u>Year Ending June 30,</u>	
2013	\$ 325,728
2014	325,728
2015	324,624
2016	25,599
2017	672
Total	<u><u>\$ 1,002,351</u></u>

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 8. Long-Term Debt and Subsequent Events

Governmental Activities

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2012 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 91,685,000	\$ 14,000,000	\$ 7,100,000	\$ 98,585,000	\$ 7,205,000
Clean water notes	465,186	-	44,913	420,273	45,820
Less deferred amounts on refunding bonds	(1,197,873)	-	(208,594)	(989,279)	-
Premium	1,134,551	607,953	133,630	1,608,874	-
Total bonds and notes payable	<u>92,086,864</u>	<u>14,607,953</u>	<u>7,069,949</u>	<u>99,624,868</u>	<u>7,250,820</u>
Compensated absences	1,889,791	1,466,767	1,386,982	1,969,576	1,194,343
Retainage payable	<u>157,497</u>	<u>449,651</u>	<u>-</u>	<u>607,148</u>	<u>607,148</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 94,134,152</u>	<u>\$ 16,524,371</u>	<u>\$ 8,456,931</u>	<u>\$ 102,201,592</u>	<u>\$ 9,052,311</u>

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Bonds and notes outstanding by issue at June 30, 2012 were:

Description	Year of Maturity	Interest Rate (%)	Balance Outstanding June 30, 2012
General Obligation Bonds:			
Refunding 2005	2024	3.00-4.75	\$ 26,449,000
DHS & Tokeneke	2028	3.25-5.00	11,175,000
Library	2028	3.25-5.00	525,000
Refunding 2009	2018	2.00-5.00	17,145,000
DHS 2010	2028	2.39	3,750,000
Police Station 2010	2020	2.39	250,000
Refunding 2010	2020	2.55	9,270,000
PD/35 Leroy 2011	2024	2.75	10,885,000
PD/35 Leroy 2012	2027	2.52	13,230,000
Total general obligation bonds			<u>92,679,000</u>
Special Assessment Debt with Town Commitment:			
Refunding 2005	2024	3.00-4.75	996,000
Refunding 2009	2018	2.00-5.00	990,000
Refunding 2010	2020	2.55	2,035,000
Goodwives River Road 2011	2024	2.75	1,115,000
Goodwives River Road 2012	2027	2.52	770,000
Total special assessment debt with town commitment			<u>5,906,000</u>
State Loans:			
Clean Water	2022	2.00	420,273
Total state loans			<u>420,273</u>
Total outstanding			<u>\$ 99,005,273</u>

During fiscal year 2012, principal and interest payments were funded principally by the General Fund. The Sewer Operating Fund and Sewer Assessment Fund reimbursed the General Fund \$208,696 and \$550,000, respectively, toward these payments. The Sewer Operating Fund is responsible for debt service of the sewer rehabilitation bonds, and the Sewer Assessment Fund is responsible for the majority of debt service for the sewer construction bonds. Payment of the principal and interest on Special Assessment Sewer Bonds is guaranteed by the full faith and credit of the Town.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

The following is a summary of long-term debt principal and interest maturities. The State of Connecticut will provide future payments to subsidize the debt cost. Principal debt subsidies of \$652,057 and interest subsidies of \$58,492 will be received over the life of the outstanding debt.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 7,250,820	\$ 3,506,323
2014	8,461,745	3,253,843
2015	9,552,688	2,954,428
2016	9,693,651	2,576,375
2017	9,174,633	2,195,877
2018-2022	38,006,736	6,488,881
2023-2027	15,890,000	1,509,925
2028	975,000	39,000
Total	<u>\$ 99,005,273</u>	<u>\$ 22,524,652</u>

Authorized Unissued Bonds

At June 30, 2012, the Town had \$2,200,000 of authorized, unissued bonds for sewer line extension projects, \$12,686,273 for the Darien High School Building Project, \$5,045,000 for the Tokeneke Elementary School Project, \$265,000 for the purchase of the 35 Leroy Building, \$1,875,000 for the Police Station Project and \$1,000,000 for the Weed Beach Project. The Darien High School and Tokeneke Elementary School Projects are partially offset by State of Connecticut grants.

Debt Limit

The Town's total indebtedness does not exceed the limit of \$749,266,000 allowed by State Statute.

Refundings

In prior year, the Town defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the Town's financial statements. At June 30, 2012, \$3,900,000 of the defeased debt is outstanding.

Compensated Absences

The liability for compensated absences increased by \$79,785 this year. These liabilities are paid by the General Fund, Sewer Operating Fund, Parking Operations Fund and Sold Waste Fund.

Subsequent Event

On August 7, 2012, the Town refunded \$33,610,000 of general obligation bonds to refinance previous obligation bonds at a lower interest rate. The bonds will mature through 2027. This refunding resulted in a present value savings of approximately \$4,130,000 and a cash savings of approximately \$4,574,000.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 9. Risk Management

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; or natural disasters. The Town purchases commercial insurance for all risks of loss, except dental claims as discussed below. During the year ended June 30, 2012, deductibles paid by the Town were insignificant. Settled claims for all types of commercial coverage have not exceeded coverage in any of the past three years. There were no significant reductions in insurance coverage from coverage in the prior year.

Risk Pooling

The Town is a member of the CIRMA Workers' Compensation Pool, a risk sharing pool. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The premium paid in 2011/12 was \$1,080,804. The premium is subject to payroll audit at the close of the coverage period. CIRMA's Workers' Compensation Pool retains \$1,000,000 per occurrence.

Self-Insurance Plans

The Town manages certain of its risks internally and sets aside assets for claim settlements. The General Fund accounts for the Board of Education and Town dental plan and prescription drug plan.

A third party administers the Town's self-insurance program. There is no stop loss coverage. The Town's General Fund liquidates the claims through annual appropriations. The claims liability of \$43,014 reported at June 30, 2012 is based on the requirements of GASB Statements No. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of the possible loss can be reasonably estimated. The claims liability of \$32,614 and \$10,400 are reported in the General Fund and Internal Service Fund, respectively. The amount of claim accrual is based on the ultimate costs of settling the claim which includes past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

The analysis of the activity in the claims liability is as follows:

	Claims Payable July 1,	Claims And Changes in Estimates	Claims Paid	Claims Payable June 30,
2010-2011	\$ 10,400	\$ 2,649,448	\$ 2,616,127	\$ 43,721
2011-2012	43,721	2,830,422	2,831,129	43,014

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 10. Other Post-Employment Benefits

Plan Description

The Town, in accordance with various collective bargaining agreements and State Statutes, is committed to providing health and other benefits to certain eligible retirees and their spouses. The Town has two post-retirement medical programs, the Police Plan and the Non-Police Plan. The Police Plan covers sworn personnel employed as of July 1, 1999 and hired on or before November 20, 2007. The Non-Police Plan covers all other Town and Board of Education employees, including teachers. Under the Police Plan, the Police Union, retirees and beneficiaries currently receiving benefits are required to contribute specified percentages towards the cost of receiving those benefits. The percentage retirees are required to contribute for these benefits vary and are detailed within the Police Union bargaining agreements. The Town does not issue a separate stand-alone financial statement for these Plans.

Membership in the Plans consisted of the following at June 30, 2011, the date of the latest actuarial valuation:

	Police Post-Retirement Medical Program	Non-Police Post-Retirement Medical Program
Plan memberships:		
Retirees and surviving spouses	19	58
Active plan members	46	553
Total participants	65	611

Funding Policy

The Town established a trust fund to irrevocably segregate assets to fund the liability associated with post-employment benefits. The Town plans to continue a funding strategy that provides for normal cost and the amortization of the accrued liability. The Town's funding strategy for postemployment obligations are based upon characteristics of benefits on several distinct groups of employees established within their respective collective bargaining units or required by the state and include the following:

- Eligibility for benefits and the level of benefits range from 5 to 25 years of service at time of retirement determined by collective bargaining unit and date of hire.
- Medical benefits funded by the Town range from 72% cost of coverage for the retiree and dependents up until the employee's death, to retirees paying the full cost of the coverage.
- Some retirees receive a stipend from the State of Connecticut towards the cost of their coverage.

Annual OPEB Cost and Net OPEB Obligations

The Town of Darien's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Town's annual OPEB asset for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation:

	Police Post-Retirement Medical Program	Non-Police Post-Retirement Medical Program
Annual required contribution (ARC)	\$ 528,363	\$ 452,050
Interest on net OPEB obligation	(43,003)	
Adjustment to annual required contribution	58,559	-
Annual OPEB cost	543,919	452,050
Contributions made	429,569	452,050
Decrease in net OPEB asset	114,350	-
Net OPEB (asset), beginning of year	(573,367)	-
Net OPEB (asset), end of year	<u>\$ (459,017)</u>	<u>\$ -</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the fiscal years ended June 30, 2012, 2011 and 2010 are presented below.

Police

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (Asset)
6/30/12	\$ 543,919	\$ 429,569	78.98%	\$ (459,017)
6/30/11	523,430	405,871	77.54%	(573,367)
6/30/10	594,427	1,787,862	300.77%	(690,926)

Non-Police

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (Asset)
6/30/12	\$ 452,050	\$ 452,050	100.00%	\$ -
6/30/11	400,011	303,578	75.89%	-
6/30/10	582,461	1,081,222	185.63%	(96,433)

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Funding Status and Funding Progress

<i>SCHEDULE OF FUNDING PROGRESS - OPEB</i>						
Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Police						
06/30/11	\$ 2,133,971	\$ 4,780,656	\$ 2,646,685	44.6%	\$ 3,818,581	69.31%
Non-Police						
06/30/11	\$ 1,136,257	\$ 3,606,158	\$ 2,469,901	31.5%	\$ 42,742,437	5.78%

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

Additional information as of the latest actuarial valuations follows:

	Police	Non-Police
Valuation date	June 30, 2011	June 30, 2011
Actuarial cost method	Aggregate	Projected Unit Credit
Amortization method	Level Percent	Level Percent
Remaining amortization period	30 years Closed	30 years Closed
Asset valuation method	Market Value	Market Value
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
<u>Health Care Trend</u>	<u>Increase</u>	<u>Increase</u>
2012-2013	10.0%	10.0%
2013-2014	9.0%	9.0%
2014-2015	8.0%	8.0%
2015-2016	7.0%	7.0%
2016-2017	6.0%	6.0%
2017-2018 and later	5.0%	5.0%

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 11. Employee Retirement Systems and Pension Plans

Plan Description

The Funded Retirement Plan of the Town of Darien

The Town contributes to a single employer, contributory defined benefit pension plan (the Town Plan) covering substantially all Town employees (except policemen) and non-certified Board of Education employees.

Employees of the Town regularly employed on a permanent full-time basis (excluding policemen and teachers) or any elective officer are covered by the Town Plan.

At June 30, 2011 (date of the last valuation), membership in the Town Plan consisted of:

Retirees, disabled members and beneficiaries currently receiving benefits	150
Terminated members entitled to benefits but not yet receiving them	11
Current active members	<u>349</u>
Total	<u><u>510</u></u>

The Town Plans provides retirement benefits, as well as death and disability benefits. All benefits vest after ten years of employment. If any employee leaves covered employment or dies before ten years of employment, accumulated employee contributions plus related investment earnings are refunded.

Benefit and contribution provisions are subject to collective bargaining. These provisions are established by ordinance and may be amended only by concurrence of the Board of Selectmen, Board of Finance and the Representative Town Meeting for non-bargaining unit employees.

Town of Darien Police Pension Fund

The Town contributes to a single employer, contributory defined benefit pension plan covering all Town Policemen (the Police Plan).

At June 30, 2011, membership in the Police Plan consisted of:

Retirees, disabled members and beneficiaries currently receiving benefits	54
Current active members	<u>51</u>
Total	<u><u>105</u></u>

The Police Plan provides retirement benefits as well as death and disability benefits. Employees who retire with 20 years or more of credited service are vested and entitled to an annual retirement benefit, payable monthly for life. There is no provision for early retirement. If any employee leaves covered employment or dies before being eligible for a retirement, disability or death benefit, accumulated employee contributions plus 75% of related investment earnings are refunded. Benefit and contribution provisions are subject to collective bargaining.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The pension trust funds' financial statements are prepared on the accrual basis of accounting. Employee and employer contributions are recognized as revenue in the period in which the employee services are performed. All other revenues are recognized when they are earned and expenses are recognized when they are incurred.

Neither the Town Plan nor the Police Plan issues a stand-alone financial report.

Valuation of Investments

An actuarial asset valuation method is used to smooth out fluctuations in fair value. The actuarial asset value recognizes the appreciation (realized and unrealized gains and losses) in any one year over five years at a rate of 20% per year.

Contributions

Town employees are required to contribute 5% of their annual salary. The Police are required to contribute 6% of their annual salary. The Town is required by ordinance to contribute the remaining amounts necessary to provide the retirement benefits. The Town's contributions are actuarially determined on an annual basis. Administrative costs are financed through investment earnings.

Schedule of Funding Progress

Town						
Actuarial Valuation Date June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Under (Over) Funded AAL (OAAL) (b-a)	Percentage Funded (a/b)	Covered Payroll (c)	Under (Over) Funded AAL as a % of Covered Payroll ((b-a)/c)
2011	\$ 38,173,965	\$ 44,995,779	\$ 6,821,814	84.84%	\$ 16,875,651	40.4%

Police						
Actuarial Valuation Date June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Under (Over) Funded AAL (OAAL) (b-a)	Percentage Funded (a/b)	Covered Payroll (c)	Under (Over) Funded AAL as a % of Covered Payroll ((b-a)/c)
2011	\$ 27,839,876	\$ 34,662,756	\$ 6,822,880	80.32%	\$ 4,135,601	165.0%

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

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Schedule of Employer Contributions

Actuarial Assumptions

The data presented in the schedule of funding progress and schedule of employer contributions were determined as part of the actuarial valuation at the date indicated.

Additional information as of the latest actuarial valuation follows:

Actuarial valuation date	June 30, 2011
Actuarial cost method	Aggregate (Entry Age method used for Schedule of Funding Progress)
Asset valuation method	5 Years smoothed market
Actuarial assumptions:	
Rate of return	7.5%
Projected salary increases	4.5%
COLA	None

Annual Pension Cost and Net Pension Asset

The Town's annual pension cost and net pension obligation to the PERS for the current year were as follows:

	Town Plan	Police Plan
Annual required contribution (ARC)	\$ 1,671,289	\$ 1,133,728
Adjustment to annual required contribution	-	-
Annual pension cost	1,671,289	1,133,728
Contributions made	1,671,289	1,133,728
Decrease in net pension asset	-	-
Net pension obligation, beginning of year	-	-
Net pension obligation, end of year	<u>\$ -</u>	<u>\$ -</u>

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Trend Information

Town			
Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2012	\$ 1,671,289	100.0%	\$ -
2011	1,515,023	100.0%	-
2010	1,330,023	100.0%	-

Police			
Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2012	\$ 1,133,728	100.0%	\$ -
2011	1,027,782	100.0%	-
2010	866,685	100.0%	-

Separate Plan Financial Information

Schedule of Plan Net Assets - Trust Funds
For the Year Ended June 30, 2012

	Police	Town	Police Retiree Medical Reserve	Non-Police Retiree Benefit	Total Trust Funds
Assets:					
Cash and cash equivalents	\$ 393,633	\$ 758,103	\$ -	\$ 9	\$ 1,151,745
Investments, at fair value:					
Equity securities	19,129,981	26,439,367	-	-	45,569,348
Fixed income funds	13,126,935	18,092,196	2,365,805	1,508,244	35,093,180
Receivables:					
Investment income	53,967	73,915	-	-	127,882
Total assets	32,704,516	45,363,581	2,365,805	1,508,253	81,942,155
Liabilities:					
Accounts payable	66,893	93,226	-	-	160,119
Total liabilities	66,893	93,226	-	-	160,119
Net Assets:					
Net assets held in trust	\$ 32,637,623	\$ 45,270,355	\$ 2,365,805	\$ 1,508,253	\$ 81,782,036

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Schedule of Changes in Plan Net Assets - Trust Funds
 For the Year Ended June 30, 2012

	Police	Town	Police Retiree Medical Benefit	Non-Police Retiree Benefit	Total Trust Funds
Additions:					
Contributions:					
Employer	\$ 1,133,728	\$ 1,671,289	\$ 429,569	\$ 452,050	\$ 3,686,636
Plan members	279,190	921,173	-	-	1,200,363
Total contributions	1,412,918	2,592,462	429,569	452,050	4,886,999
Investment income:					
Net appreciation in fair value investments	407,365	703,984	36,794	71,842	1,219,985
Interest and dividends	780,540	1,041,532	29,424	23,857	1,875,353
Total investment income	1,187,905	1,745,516	66,218	95,699	3,095,338
Total additions	2,600,823	4,337,978	495,787	547,749	7,982,337
Deductions:					
Benefits	1,657,347	2,146,527	257,116	150,996	4,211,986
Administration	129,293	249,596	6,830	24,754	410,473
Total deductions	1,786,640	2,396,123	263,946	175,750	4,622,459
Net increase	814,183	1,941,855	231,841	371,999	3,359,878
Net Assets, beginning of year	31,823,440	43,328,500	2,133,964	1,136,254	78,422,158
Net Assets, end of year	\$ 32,637,623	\$ 45,270,355	\$ 2,365,805	\$ 1,508,253	\$ 81,782,036

Teachers' Retirement Plan

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

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

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Teacher payroll subject to retirement amounted to \$39,270,000.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. For the year ended June 30, 2012, the Town has recorded in the General Fund intergovernmental revenue schools and Board of Education expenditures in the amount of \$8,065,000 as payments made by the State of Connecticut on behalf of the Town.

The State of Connecticut Teachers' Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller 55 Elm Street, Hartford, Connecticut 06016.

Note 12. Contingent Liabilities

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

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

Note 13. Fund Deficits

The following fund had fund deficits as of June 30, 2012:

Internal Service Funds	<u>\$ 16,589</u>
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The internal Service Funds will be funded in future years from increased premiums in accordance with the Town's plan to reduce deficit.

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 14. Fund Balances

Below is a table of fund balance categories and classifications as defined by GASB No. 54 for the Town's governmental funds as of June 30, 2012:

	General Fund	Sewer Operating	Sewer Assessment	Capital Projects	Nonmajor Governmental Funds
Fund balances:					
Non-spendable:					
Prepays	\$ 597,944	\$ -	\$ -	\$ 9,970	\$ -
Inventory	-	-	-	-	-
Total non-spendable	597,944	-	-	9,970	-
Restricted:					
Social services	-	-	-	-	176,097
Public works	-	-	-	-	904,703
Education	-	-	-	-	136,502
Recreation	-	-	-	-	35,442
Capital outlay	-	-	-	4,341,593	-
Total restricted	-	-	-	4,341,593	1,252,744
Committed:					
Public safety	-	-	-	-	413,149
Public works	-	3,550,116	411,988	-	-
Capital outlay	-	-	-	2,220,295	1,350
Debt service	-	-	-	-	607,953
Total committed	-	3,550,116	411,988	2,220,295	1,022,452
Assigned:					
General government	7,577	-	-	-	-
Public safety	85,593	-	-	-	-
Public works	185,017	-	-	-	-
Education	506,162	-	-	-	-
Capital outlay	69,919	-	-	-	-
Recreation	36,468	-	-	-	-
Health and social services	39,713	-	-	-	-
Total assigned	930,449	-	-	-	-
Unassigned:					
General government	17,007,901	-	-	-	-
Total unassigned	17,007,901	-	-	-	-
Total fund balance	\$ 18,536,294	\$ 3,550,116	\$ 411,988	\$ 6,571,858	\$ 2,275,196

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

Note 15. Governmental Accounting Standards Board (GASB) Statements

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations.

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

- **GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements***, issued November 2010, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. Specifically, this Statement improves financial reporting by establishing recognition, measurement, and disclosure requirements SCAs for both transferors and governmental operators, requiring governments to account for and report SCAs in the same manner, which improves the comparability of financial statements. This Statement also improves the decision usefulness of financial reporting by requiring that specific relevant disclosures be made by transferors and governmental operators about SCAs.
- **GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34***, issued November 2010, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting for a governmental financial reporting entity by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The amendments to the criteria for including component units allow users of financial statements to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. The amendments to the criteria for blending also improve the focus of a financial reporting entity on the primary government by ensuring that the primary government includes only those component units that are so intertwined with the primary government that they are essentially the same as the primary government, and by clarifying which component units have that characteristic.
- **GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements***, issued January 2011, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to enhance the usefulness of the Codification of Governmental Accounting and Financial Reporting Standards by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. This Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989: FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. By incorporating and maintaining this guidance in a single source, the GASB believes that GASB 62 reduces the complexity of locating and using authoritative literature needed to prepare state and local government financial reports.
- **GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position***, issued July 2011, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by providing citizens and other users of state and local government financial reports with information about how past transactions will continue to impact a government's financial statements in the future. This Statement provides a new statement of net position format to report

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

all assets, deferred outflows of resources, liabilities deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets.

- **GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities***, clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. GASB Concepts Statement (CON) No. 4, *Elements of Financial Statements*, specifies that recognition of deferred outflows and deferred inflows should be limited to those instances specifically identified in authoritative GASB pronouncements. Consequently, guidance was needed to determine which balances being reported as assets and liabilities should actually be reported as deferred outflows of resources or deferred inflows of resources, according to the definitions in CON 4. Based on those definitions, GASB 65 reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, GASB 65 recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources. The provisions of this Statement are effective for periods beginning after December 15, 2012, and would be applied on a prospective basis. Early adoption is encouraged
- **GASB Statement No. 66, *Technical Corrections - 2012***, enhances the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting. GASB 66 amends GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of a state or local government's risk financing activities to the general fund and the internal service fund types. As a result, governments would base their decisions about governmental fund type usage for risk financing activities on the definitions in GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The Statement also amends GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, by modifying the specific guidance on accounting for: (a) operating lease payments that vary from a straight-line basis; (b) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans; and (c) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes would eliminate any uncertainty regarding the application of GASB Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, and result in guidance that is consistent with the requirements in GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, respectively. The provisions of this Statement are effective for periods beginning after December 15, 2012, and would be applied on a prospective basis. Early adoption is encouraged.
- **GASB Statement No. 67, *Financial Reporting for Pension Plans an amendment of GASB Statement No. 25, was issued in June 2012***. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of

TOWN OF DARIEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. The provisions of this Statement will be effective for the Town beginning with its year ending June 30, 2014.

- **GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27, was issued in June 2012.*** The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. The provisions of this Statement will be effective for the Town beginning with its year ending June 30, 2015.

**Required Supplementary
Information**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND
(NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
Property taxes:				
Property taxes current	\$ 105,805,125	\$ 105,805,125	\$ 105,860,858	\$ 55,733
Property taxes prior	400,000	400,000	308,489	(91,511)
Suspense tax collections	1,000	1,000	2,915	1,915
Telecommunication property tax	70,000	70,000	60,778	(9,222)
Interest and liens	250,000	250,000	284,711	34,711
Total property taxes	106,526,125	106,526,125	106,517,751	(8,374)
Licenses and permits:				
Tourist camp permits	-	-	50	50
Town clerks' revenue	1,100,000	1,100,000	1,390,565	290,565
Building permits	900,000	900,000	968,566	68,566
Plumbing permits	400	400	330	(70)
Heating permits	15,000	15,000	22,220	7,220
Electrical permits	12,000	12,000	47,630	35,630
Other building permits	500	500	365	(135)
Amusement/raffle/baz	400	400	280	(120)
Peddler and vendor's	200	200	190	(10)
Pistol permits	500	500	3,640	3,140
Other non-business permits	500	500	455	(45)
Fire Marshal's	5,000	5,000	10,275	5,275
Refuse disposal permits	250,000	250,000	270,641	20,641
Street opening permits	10,000	10,000	10,300	300
Food establishment	55,000	55,000	63,281	8,281
Pool permits	6,000	6,000	5,650	(350)
Salon permits	2,500	2,500	3,275	775
Private sewage disposals	30,000	30,000	26,902	(3,098)
Water supply permits	5,000	5,000	5,250	250
Other health permits	2,000	2,000	947	(1,053)
Total licenses and permits	2,395,000	2,395,000	2,830,812	435,812
Intergovernmental:				
Capital improvement grant	109,397	109,397	110,210	813
State grant misc	5,000	5,000	47,990	42,990
Housing Authority	-	-	69,988	69,988
Taxes on State-owned land	114,722	114,722	114,769	47
Pequot distribution	7,915	7,915	7,724	(191)
Disabled persons	100	100	207	107
Circuit breaker	59,000	59,000	60,958	1,958
Elderly tax exemption	2,000	2,000	2,000	-
Veterans' exemption	1,000	1,000	1,761	761

(Continued)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND
(NON-GAAP BUDGETARY BASIS), Continued
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
Intergovernmental:				
Court fines	15,000	15,000	41,852	26,852
Infrastructure - Town Aid/LOCIP	166,082	166,082	165,881	(201)
State school reimbursement	264,249	264,249	264,249	-
Education cost-sharing grant	1,616,006	1,616,006	1,716,068	100,062
Transportation	336	336	322	(14)
Total intergovernmental	2,360,807	2,360,807	2,603,979	243,172
Charges for services:				
Channel 79 fees	1,200	1,200	820	(380)
Sale of codes, regulations, etc.	3,000	3,000	819	(2,181)
ARB fees	2,100	2,100	1,962	(138)
GIS Fees	100	100	-	(100)
Planning and zoning application	53,794	53,794	50,910	(2,884)
ZBA application fees	16,610	16,610	16,912	302
EPC fees	9,074	9,074	17,260	8,186
Other charges	10,000	10,000	13,783	3,783
Fingerprinting fee	1,000	1,000	1,180	180
Service for Sewer	55,000	55,000	55,000	-
Freon Dumping fee	4,000	4,000	6,525	2,525
Refuse fee	524,000	524,000	536,144	12,144
Service for parking	85,014	85,014	85,014	-
Parking vouchers	18,000	18,000	22,294	4,294
Parking permits	125,000	125,000	130,923	5,923
Senior Center Food Program	29,120	29,120	25,504	(3,616)
Senior Center Program Revenue	14,790	14,790	14,304	(486)
Youth Commission fee	202,000	202,000	180,321	(21,679)
Beach parking permits	230,000	230,000	317,100	87,100
Boat permits	7,800	7,800	8,735	935
Paddle court	27,500	27,500	31,808	4,308
Parks and Recreation other fees	95,000	95,000	138,877	43,877
Park Facility permit	15,000	15,000	19,160	4,160
Tennis court	1,000	1,000	636	(364)
Total charges for services	1,530,102	1,530,102	1,675,991	145,889

(Continued)

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND
 (NON-GAAP BUDGETARY BASIS), Continued
 For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
Fines and forfeits	25,000	25,000	28,113	3,113
Investment Income	240,000	240,000	194,126	(45,874)
Miscellaneous:				
Metro mobile rent	115,800	115,800	130,418	14,618
Misc. other revenue	10,000	10,000	30,986	20,986
Coin operated xerox	15,000	15,000	19,412	4,412
Sale of compost	5,000	5,000	2,157	(2,843)
Sale of recyclables	21,000	21,000	19,900	(1,100)
Sale of scrap metal	40,000	40,000	57,701	17,701
Rent-Town Hall	18,000	18,000	44,875	26,875
Rent Community Fund	4,300	4,300	4,625	325
Commission on Aging	47,349	47,349	42,765	(4,584)
Insurance recoveries	20,000	20,000	11,058	(8,942)
Total miscellaneous	296,449	296,449	363,897	67,448
Total revenues	113,373,483	113,373,483	114,214,669	841,186
Other financing sources:				
Transfers in:				
Sewer Assessment Fund	550,000	550,000	550,000	-
Sewer Operating Funds	53,807	53,807	53,807	-
Other Funds	35,000	35,000	34,213	(787)
Total transfers in	638,807	638,807	638,020	(787)

(Continued)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND
(NON-GAAP BUDGETARY BASIS), Continued
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
Appropriation of fund balance	1,100,000	1,100,000	-	(1,100,000)
Total other financing sources	1,738,807	1,738,807	638,020	(1,100,787)
Total revenues and other financing sources	\$ 115,112,290	\$ 115,112,290	114,852,689	\$ (259,601)

Budgetary revenues are different than GAAP revenues because:

State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted. 8,065,000

The Board of Education does not budget for certain intergovernmental grants which are credited against expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for financial reporting purposes. 2,538,316

Implementation of GASB 54 of certain special revenue funds is now consolidated into the General Fund. 8,206

**Total Revenues and Other Financing Sources as Reported
on the Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) - Governmental Funds - Exhibit IV.** \$ 125,464,211

REQUIRED SUPPLEMENTARY INFORMATION

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

(NON-GAAP BUDGETARY BASIS)

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
General government:				
Selectmen's office	\$ 162,608	\$ 164,404	\$ 162,035	\$ 2,369
Administrative Officer	332,882	352,998	349,636	3,362
Human Resources	134,164	143,762	141,593	2,169
RTM	2,160	3,815	3,810	5
Financial management	418,608	431,909	430,979	930
Treasurer	21,125	22,648	22,603	45
Board of Finance	35,100	35,100	35,100	-
Tax Assessor	264,459	264,851	262,317	2,534
Tax Collector	228,308	235,015	234,959	56
Legal services	415,400	726,806	726,804	2
Town Clerk	269,855	275,420	273,326	2,094
Registrar of Voters	82,093	94,443	93,325	1,118
Elections	27,804	62,233	55,734	6,499
Information services	273,841	273,841	267,644	6,197
Probate court	12,184	12,184	4,726	7,458
Total general government	2,680,591	3,099,429	3,064,591	34,838
Community environment:				
Development Planning	521,335	524,268	523,897	371
Planning and Zoning	8,914	11,255	11,237	18
Zoning Appeals	4,704	9,140	8,567	573
Environmental Protection	4,108	5,153	5,152	1
Regional Planning	7,003	7,003	7,003	-
Beautification	26,000	26,000	25,980	20
Celebrations and observances	10,500	10,425	9,715	710
Harbor Master	815	890	890	-
Total community environment	583,379	594,134	592,441	1,693
Public safety:				
Building Department	302,649	310,004	309,943	61
Police Department:				
Administration	535,367	553,808	551,344	2,464
Criminal Investigation	451,491	454,598	454,137	461
Patrol	3,664,156	3,948,880	3,947,983	897
Records	288,230	290,428	283,257	7,171
Youth	179,379	185,077	185,075	2
Marine Patrol	9,720	10,437	10,436	1
Professional Standards	153,237	136,005	135,909	96
Traffic and School Crossing	67,940	68,354	68,181	173
Fleet Services	123,586	126,034	123,726	2,308
Station maintenance and communication	171,386	194,159	193,042	1,117
Prisoner custody	1,200	1,200	1,197	3
Total Police Department	5,645,692	5,968,980	5,954,287	14,693

(Continued)

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL - GENERAL FUND
 (NON-GAAP BUDGETARY BASIS), Continued
 For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
Fire service and emergency medical service:				
Darien Fire Department	140,488	140,488	138,643	1,845
Noroton Fire Department	169,544	169,544	154,656	14,888
Noroton Heights Fire Department	148,914	148,914	148,447	467
Board of Fire Commissioners	91,205	91,205	82,604	8,601
Fire Marshal	289,148	292,977	290,985	1,992
Hydrants and main rental	339,000	378,295	378,295	-
Disaster preparedness	19,860	19,860	18,608	1,252
Emergency medical service	103,033	103,033	57,298	45,735
Total fire service and emergency medical service	1,301,192	1,344,316	1,269,536	74,780
Total public safety	7,249,533	7,623,300	7,533,766	89,534
Public works:				
Management and Engineering	318,035	330,553	329,203	1,350
Roadway and walkway maintenance	2,270,199	2,345,859	2,282,503	63,356
Waste Management	1,198,108	1,197,740	1,171,170	26,570
Public building management	442,698	426,046	384,943	41,103
Parking facility	47,180	50,849	38,578	12,271
Total public works	4,276,220	4,351,047	4,206,397	144,650
Health and social services:				
Social services	182,576	185,968	182,866	3,102
Social service - outside assistance	17,750	17,750	15,247	2,503
Senior Center	371,980	369,186	355,797	13,389
Senior transportation	47,349	42,932	42,764	168
Youth programs	302,635	290,678	278,218	12,460
Youth services grants	70,075	70,075	70,075	-
Other outreach services	5,400	5,400	4,100	1,300
Health Department	279,305	281,848	274,850	6,998
Total health and social services	1,277,070	1,263,837	1,223,917	39,920
Parks and recreation:				
Administration	365,933	373,475	372,015	1,460
Beach and court facilities	177,263	168,626	158,630	9,996
Maintenance and repair	367,234	372,021	370,123	1,898
Organized recreation activities	35,002	32,103	29,972	2,131
Grounds, fields, building	227,168	227,643	212,482	15,161
Total parks and recreation	1,172,600	1,173,868	1,143,222	30,646
Overhead and miscellaneous:				
Employee benefits	5,250,089	5,162,773	4,982,972	179,801
Risk management	781,509	774,603	710,204	64,399
Contingency	772,000	-	-	-
Total overhead and miscellaneous	6,803,598	5,937,376	5,693,176	244,200

(Continued)

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL - GENERAL FUND
 (NON-GAAP BUDGETARY BASIS), Continued
 For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
Library	3,186,016	3,186,016	3,186,016	-
Board of Education - operations	76,313,805	76,313,805	76,312,495	1,310
Debt service:				
Schools	9,340,676	9,340,676	9,340,676	-
Town	176,259	176,259	176,257	2
Sewer	578,421	578,421	578,420	1
Total debt service	10,095,356	10,095,356	10,095,353	3
Total expenditures	113,638,168	113,638,168	113,051,374	586,794
Other financing uses:				
Transfers out:				
Animal Control	68,547	68,547	68,547	-
Capital nonrecurring expenditures	1,405,575	1,405,575	1,405,575	-
Total other financing uses	1,474,122	1,474,122	1,474,122	-
Total	\$ 115,112,290	\$ 115,112,290	114,525,496	\$ 586,794

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.	8,065,000
Encumbrances for purchases and commitments ordered but not yet received are reported in the year the order is placed for budgetary purposes, but in the year received for final reporting purposes.	(473,884)
The Board of Education does not budget for certain intergovernmental grants which are credited against expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for financial reporting purposes.	2,538,316
Implementation of GASB 54 activity of certain special revenue funds is now consolidated into the General Fund.	2,177
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) - Governmental Funds - Exhibit IV	\$ 124,657,105

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
SEWER OPERATING FUND (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Licenses and permits	\$ 10,000	\$ 10,000	\$ 10,950	\$ (950)
Charges for services	2,568,857	2,568,857	3,028,291	(459,434)
Fines and forfeits	35,000	35,000	48,313	(13,313)
Investment income	25,000	25,000	27,773	(2,773)
Total revenues	2,638,857	2,638,857	3,115,327	(476,470)
Expenditures:				
Sewer operations:				
Administration	285,693	320,629	318,897	1,732
Collection and pumping	488,160	455,270	457,711	(2,441)
Treatment service	1,920,000	1,816,423	1,776,462	39,961
Overhead and miscellaneous	191,197	197,839	187,165	10,674
Total expenditures	2,885,050	2,790,161	2,740,235	49,926
Deficiency of revenues over expenditures	(246,193)	(151,304)	375,092	(526,396)
Other Financing Sources (Uses):				
Operating transfers out	(53,807)	(208,696)	(208,696)	-
Appropriation of Fund Balance	300,000	360,000	-	360,000
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	166,396	\$ (166,396)
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes.			903	
GAAP fund balance change, end of year			\$ 167,299	

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFIT PLAN
June 30, 2012**

SCHEDULE OF FUNDING PROGRESS - OPEB

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Police						
06/30/11	\$ 2,133,971	\$ 4,780,656	\$ 2,646,685	44.6%	\$ 3,818,581	69.30%
06/30/09	\$ 1,317,602	\$ 4,821,068	\$ 3,503,467	27.3%	\$ 4,129,118	84.9%
06/30/07	\$ -	\$ 4,276,948	\$ 4,276,948	0.0%	\$ 3,598,772	118.8%
Non-Police						
06/30/11	\$ 1,136,257	\$ 3,606,158	\$ 2,469,901	31.5%	\$ 42,742,437	6.28%
06/30/09	\$ 1,081,222	\$ 3,748,552	\$ 2,667,330	28.8%	\$ 41,611,300	6.4%
06/30/07	\$ -	\$ 4,475,369	\$ 4,475,349	0.0%	N/A	N/A

SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB

Year Ended June 30,	Police		Non-Police	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2012	\$ 528,363	81.3%	\$ 452,050	100.00%
2011	504,575	80.4%	399,078	76.07%
2010	604,678	295.6%	586,352	184.39%

REQUIRED SUPPLEMENTARY INFORMATION
TOWN AND POLICE PENSION PLANS
SCHEDULE OF FUNDING PROGRESS
June 30, 2012

Schedule of Funding Progress - Town

Actuarial Valuation Date June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Under (Over) Funded AAL (OAAL) (b-a)	Percentage Funded (a/b)	Covered Payroll (c)	Under (Over) Funded AAL as a % of Covered Payroll ((b-a)/c)
2011	\$ 38,173,965	\$ 44,995,779	\$ 6,821,814	84.84%	\$ 16,875,651	40.4%
2009	\$ 33,150,591	\$ 38,943,751	\$ 5,793,160	85.12%	\$ 17,138,717	33.8%
2007	\$ 29,087,137	\$ 32,962,616	\$ 3,875,479	88.24%	\$ 15,196,000	25.5%

Schedule of Funding Progress - Police

Actuarial Valuation Date June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Under (Over) Funded AAL (OAAL) (b-a)	Percentage Funded (a/b)	Covered Payroll (c)	Under (Over) Funded AAL as a % of Covered Payroll ((b-a)/c)
2011	\$ 27,839,876	\$ 34,622,756	\$ 6,822,880	80.32%	\$ 4,135,601	165.0%
2009	\$ 25,437,366	\$ 31,211,236	\$ 5,773,870	81.50%	\$ 3,960,737	145.8%
2007	\$ 23,459,042	\$ 27,775,450	\$ 4,316,408	84.50%	\$ 3,579,000	120.6%

**REQUIRED SUPPLEMENTARY INFORMATION
TOWN AND POLICE PENSION PLANS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
June 30, 2012**

Schedule of Employer Contributions - Town

Year Ended June 30,	Annual Required Contribution	Actual Contribution	Percentage Contributed
2012	\$ 1,671,289	\$ 1,671,289	100.0%
2011	1,515,023	1,515,023	100.0%
2010	1,330,023	1,330,023	100.0%
2009	1,231,739	1,231,739	100.0%
2008	1,197,070	1,141,561	95.4%
2007	1,037,442	1,133,022	109.2%

Schedule of Employer Contributions - Police

Year Ended June 30,	Annual Required Contribution	Actual Contribution	Percentage Contributed
2012	\$ 1,133,728	\$ 1,133,728	100.0%
2011	1,027,782	1,027,782	100.0%
2010	866,685	866,685	100.0%
2009	800,558	800,558	100.0%
2008	807,655	807,655	100.0%
2007	675,337	675,337	100.0%

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2012

Note 1. Stewardship, Compliance and AccountabilityBudgetary Information

- On the first Tuesday in March, the Boards of Selectmen and Education submit their respective budgets to the Board of Finance.
- On the second Tuesday in March, the Board of Finance conducts a public hearing at which taxpayer comments are heard.
- On the third Tuesday in April, the Board of Finance establishes its recommended Budget and the means to finance it including a tax rate for publication and submission to the Representative Town Meeting (RTM).
- On the second Monday in May, the Budget as approved by the Board of Finance is submitted to a Representative Town Meeting at which the budget is legally enacted through passage of a resolution by the RTM. The RTM has authority to either approve the recommended budget or reduce it; it is not permitted to vote an increase. The operating budget includes proposed expenditures and the means of financing them.
- The Board of Finance has the authority to transfer unexpended balances and to establish a process for transfer approval.
- Any subsequent appropriations that alter the total operating budget must be approved by the RTM.
- Formal budgetary integration is employed as a management control device during the year for the General Fund.
- Except for the accounting for encumbrances, budgets are adopted on a modified accrual basis of accounting.
- The Board of Education, which is not a separate legal entity but a separate department of the Town, is authorized under State law to make any transfers required within their budget at their discretion. Any additional appropriations must have Board of Education, Board of Finance and RTM approval.
- Budgeted amounts shown are as originally adopted, or as amended by the Board of Finance and Representative Town Meeting during the course of the year. No additional appropriations were approved during the year.
- Generally, all unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward.

The Sewer Operating Fund, a major fund, has an annual legally adopted budget. Other nonmajor funds with annually adopted budgets are the Parking Operations Fund and the Animal Control Fund. Establishment of the budget requires Board of Selectmen, Board of Finance and RTM approval. There were no additional appropriations approved during the year for the Sewer Operating Fund. All budgets are on the modified accrual basis of accounting.

Expenditures of funds for long-term capital improvements are budgeted by project each year. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION, Continued
June 30, 2012

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as an assigned fund balance and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

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**Combining and Individual
Fund Statements and Schedules**

General Fund

General Fund

The General Fund is the principal operating fund of the Town. It is used to account for activities traditionally associated with government which are not required to be accounted for in another fund.

BALANCE SHEET - BY ACCOUNT - GENERAL FUND
June 30, 2012

	General Fund	Animal Control	Land Purchase Option	Solid Waste Management	Special Education Reserve	Waste Disposal	Eliminate Interfund Receivables	Totals
ASSETS								
Cash and cash equivalents	\$ 17,986,896	\$ -	\$ 69,919	\$ 76,270	\$ -	\$ 89,851	\$ -	\$ 18,222,936
Investments	5,284,539	-	-	-	-	-	-	5,284,539
Receivables:								
Taxes	1,566,363	-	-	-	-	-	-	1,566,363
Intergovernmental	670,002	-	-	-	-	-	-	670,002
Other	841,251	-	-	-	-	-	-	841,251
Due from other funds	1,844,522	64,850	-	-	100,000	-	(164,850)	1,844,522
Prepaid expenses	597,944	-	-	-	-	-	-	597,944
Total assets	\$ 28,791,517	\$ 64,850	\$ 69,919	\$ 76,270	\$ 100,000	\$ 89,851	\$ (164,850)	\$ 29,027,557
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts and other payables	\$ 2,127,508	\$ 36,419	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,163,927
Due to other funds	5,784,253	-	-	-	-	-	(164,850)	5,619,403
Deferred revenue	2,707,933	-	-	-	-	-	-	2,707,933
Total liabilities	10,619,694	36,419	-	-	-	-	(164,850)	10,491,263
FUND BALANCES								
Nonspendable	597,944	-	-	-	-	-	-	597,944
Assigned	565,978	28,431	69,919	76,270	100,000	89,851	-	930,449
Unassigned	17,007,901	-	-	-	-	-	-	17,007,901
Total fund balances	18,171,823	28,431	69,919	76,270	100,000	89,851	-	18,536,294
Total liabilities and fund balances	\$ 28,791,517	\$ 64,850	\$ 69,919	\$ 76,270	\$ 100,000	\$ 89,851	\$ (164,850)	\$ 29,027,557

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BY ACCOUNT - GENERAL FUND
For the Year Ended June 30, 2012

	General Fund	Animal Control	Land Purchase Option	Solid Waste Management	Special Education Reserve	Waste Disposal	Eliminate Interfund Transfers	Totals
REVENUES								
Property taxes	\$ 106,517,751	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,517,751
Intergovernmental	13,207,295	-	-	-	-	-	-	13,207,295
Licenses and permits	2,830,812	6,761	-	-	-	-	-	2,837,573
Charges for services	1,675,991	-	-	-	-	-	-	1,675,991
Fines and forfeits	28,114	1,445	-	-	-	-	-	29,559
Investment income	194,126	-	-	-	-	-	-	194,126
Miscellaneous	363,896	-	-	-	-	-	-	363,896
Total revenues	124,817,985	8,206	-	-	-	-	-	124,826,191
EXPENDITURES								
Current:								
General government	3,058,787	-	-	-	-	-	-	3,058,787
Community environment	590,670	-	-	-	-	-	-	590,670
Public safety	7,516,617	70,724	-	-	-	-	-	7,587,341
Public health and social services	1,179,972	-	-	-	-	-	-	1,179,972
Library	3,186,016	-	-	-	-	-	-	3,186,016
Parks and recreation	1,122,428	-	-	-	-	-	-	1,122,428
Public works	4,201,841	-	-	-	-	-	-	4,201,841
Board of Education	86,509,642	-	-	-	-	-	-	86,509,642
General overhead	5,719,479	-	-	-	-	-	-	5,719,479
Debt service	10,095,354	-	-	-	-	-	-	10,095,354
Total expenditures	123,180,806	70,724	-	-	-	-	-	123,251,530
Revenues over (under) expenditures	1,637,179	(62,518)	-	-	-	-	-	1,574,661
OTHER FINANCING SOURCES (USES)								
Transfers in	638,020	68,547	-	-	-	-	(68,547)	638,020
Transfers out	(1,474,122)	-	-	-	-	-	68,547	(1,405,575)
Net other financing sources (uses)	(836,102)	68,547	-	-	-	-	-	(767,555)
Net change in fund balances	801,077	6,029	-	-	-	-	-	807,106
FUND BALANCES, beginning of year	17,370,746	22,402	69,919	76,270	100,000	89,851	-	17,729,188
FUND BALANCES, end of year	\$ 18,171,823	\$ 28,431	\$ 69,919	\$ 76,270	\$ 100,000	\$ 89,851	\$ -	\$ 18,536,294

REPORT OF PROPERTY TAX COLLECTION
For the Year Ended June 30, 2012

Grand List Year	Balance Uncollected June 30, 2011	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectable	Collections				Uncollected Taxes June 30, 2012
			Additions	Deletions			Taxes	Interest	Liens	Total	
1995	\$ 1,172	\$ -	\$ -	\$ -	\$ -	\$ 1,172	\$ -	\$ -	\$ -	\$ -	\$ 1,172
1996	5,018	-	-	-	-	5,018	449	510	24	983	4,569
1997	6,354	-	-	-	-	6,354	-	-	-	-	6,354
1998	8,687	-	-	-	-	8,687	-	-	-	-	8,687
1999	10,323	-	-	-	-	10,323	-	-	-	-	10,323
2000	10,646	-	-	-	-	10,646	-	-	-	-	10,646
2001	10,798	-	-	-	-	10,798	0	0	-	-	10,798
2002	23,394	-	-	-	-	23,394	1,286	10,367	-	11,653	22,108
2003	31,667	-	-	-	-	31,667	0	68	-	68	31,667
2004	38,444	-	-	-	-	38,444	1,137	1,988	-	3,125	37,307
2005	86,623	-	-	-	-	86,623	198	720	-	918	86,425
2006	128,229	-	-	-	-	128,229	30,532	420	24	30,976	97,697
2007	206,303	-	-	5,897	38,085	162,321	35,853	569	48	36,470	126,468
2008	298,490	-	26,453	186,840	-	138,103	(81,611)	24,499	288	(56,824)	219,714
2009	628,636	-	33,639	250,906	-	411,369	88,732	51,317	1,200	141,249	322,637
Total prior years	1,494,784	-	60,092	443,643	38,085	1,073,148	76,576	90,458	1,584	168,618	996,572
2010	-	106,577,844	567,489	428,251	-	106,717,082	106,074,171	283,108	1,608	106,358,887	642,911
	<u>\$ 1,494,784</u>	<u>\$ 106,577,844</u>	<u>\$ 627,581</u>	<u>\$ 871,894</u>	<u>\$ 38,085</u>	<u>\$ 107,790,230</u>	<u>\$ 106,150,747</u>	<u>\$ 373,566</u>	<u>\$ 3,192</u>	<u>\$ 106,527,505</u>	<u>\$ 1,639,483</u>

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Nonmajor Governmental Funds

Fund	Funding Source	Function
Cafeteria	Sale of lunches and state grants	Operations of the school lunch program
Special Education Grants	Federal and state grants	Finance education programs
Police Extra Duty	User fees	Police coverage for private purposes
False Police Alarm	Receipt of fines for false alarms	Improve police services
Fire Alarm	Receipts of fines for false alarms	Improve fire services
State and Federal Grants	State and federal grants	Various grant programs
Parking Operations	Parking fees	Provide and maintain parking facilities
Park Pals Play Area Trust	Contributions	Provide and maintain parks
Weed Beach Donations	Contributions	Provide amenities
Miscellaneous Trust	Contributions	Various trust activities
Stadium Field	Contributions	Fundraising for an artificial playing surface
Debt Service	Other Financing Sources	Accounts for debt service transactions

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TOWN OF DARIEN, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2012

	Special Revenue					State and Federal Grants
	Cafeteria	Special Education Grants	Police Extra Duty	False Police Alarm	Fire Alarm	
ASSETS						
Cash and cash equivalents	\$ 426,807	\$ 144,539	\$ 305,890	\$ 44,175	\$ 19,874	\$ 182,767
Receivables:						
Intergovernmental	-	-	-	-	-	299
Other	-	35	122,777	16,147	-	-
Due from other funds	-	-	-	-	-	3,450
Total assets	\$ 426,807	\$ 144,574	\$ 428,667	\$ 60,322	\$ 19,874	\$ 186,516
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts and other payables	\$ -	\$ 46,212	\$ 29,413	\$ 9,566	\$ 1,992	\$ 276
Due to other funds	296,377	-	42,368	-	-	-
Deferred revenue	92,290	-	-	12,375	-	69,795
Total liabilities	388,667	46,212	71,781	21,941	1,992	70,071
Fund Balances						
Restricted	38,140	98,362	-	-	-	116,445
Committed	-	-	356,886	38,381	17,882	-
Total fund balance	38,140	98,362	356,886	38,381	17,882	116,445
Total liabilities and fund balances	\$ 426,807	\$ 144,574	\$ 428,667	\$ 60,322	\$ 19,874	\$ 186,516

Parking Operations	Special Revenue			Capital Projects	Debt Service	Total Nonmajor Governmental Funds
	Park Pals Play Area Trust	Weed Beach Donations	Miscellaneous Trusts	Stadium Field	Debt Service	
\$ 1,675,320	\$ 35,679	\$ 4,289	\$ 59,652	\$ 1,350	\$ 802,656	\$ 3,702,998
-	-	-	-	-	-	299
64,363	-	-	-	-	-	203,322
-	-	-	-	-	-	3,450
<u>\$ 1,739,683</u>	<u>\$ 35,679</u>	<u>\$ 4,289</u>	<u>\$ 59,652</u>	<u>\$ 1,350</u>	<u>\$ 802,656</u>	<u>\$ 3,910,069</u>
\$ 17,634	\$ 4,526	\$ -	\$ -	\$ -	\$ -	\$ 109,619
817,346	-	-	-	-	194,703	1,350,794
-	-	-	-	-	-	174,460
<u>834,980</u>	<u>4,526</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>194,703</u>	<u>1,634,873</u>
904,703	31,153	4,289	59,652	-	-	1,252,744
-	-	-	-	1,350	607,953	1,022,452
<u>904,703</u>	<u>31,153</u>	<u>4,289</u>	<u>59,652</u>	<u>1,350</u>	<u>607,953</u>	<u>2,275,196</u>
<u>\$ 1,739,683</u>	<u>\$ 35,679</u>	<u>\$ 4,289</u>	<u>\$ 59,652</u>	<u>\$ 1,350</u>	<u>\$ 802,656</u>	<u>\$ 3,910,069</u>

TOWN OF DARIEN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2012

	Special Revenue					State and Federal Grants
	Cafeteria	Special Education Grants	Police Extra Duty	False Police Alarm	Fire Alarm	
REVENUES						
Intergovernmental	\$ 8,732	\$ 841,765	\$ -	\$ -	\$ -	\$ 67,940
Licenses and permits	-	-	-	-	-	-
Charges for services	2,175,728	-	574,661	-	-	-
Fines and forfeits	-	-	-	94,971	21,000	-
Investment income	1,165	-	-	-	725	-
Contributions	-	50,726	-	-	-	-
Miscellaneous	6,341	-	-	-	-	-
Total revenues	2,191,966	892,491	574,661	94,971	21,725	67,940
EXPENDITURES						
Current:						
General government	-	-	-	-	-	9,621
Public safety	-	-	569,789	76,905	25,102	-
Public health and social services	-	-	-	-	-	47,534
Parks and recreations	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Board of Education	2,264,356	921,084	-	-	-	-
Debt service	-	-	-	-	-	-
Total expenditures	2,264,356	921,084	569,789	76,905	25,102	57,155
Excess (deficiency) of revenues over expenditures	(72,390)	(28,593)	4,872	18,066	(3,377)	10,785
OTHER FINANCING SOURCES (USES)						
Transfers out	-	-	(34,213)	-	-	-
Bond premium	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(34,213)	-	-	-
Net change in fund balance	(72,390)	(28,593)	(29,341)	18,066	(3,377)	10,785
FUND BALANCE, beginning of year	110,530	126,955	386,227	20,315	21,259	105,660
FUND BALANCE, end of year	\$ 38,140	\$ 98,362	\$ 356,886	\$ 38,381	\$ 17,882	\$ 116,445

Special Revenue				Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Parking Operations	Park Pals Play Area Trust	Weed Beach Donations	Miscellaneous Trusts	Stadium Field	Debt Service	
\$ -	\$ -	\$ -	\$ 26,223	\$ -	\$ -	\$ 944,660
651,724	-	-	-	-	-	651,724
-	-	-	-	-	-	2,750,389
84,345	-	-	-	-	-	200,316
1,191	-	-	3	-	-	3,084
-	-	-	-	-	-	50,726
25,450	-	-	-	-	-	31,791
<u>762,710</u>	<u>-</u>	<u>-</u>	<u>26,226</u>	<u>-</u>	<u>-</u>	<u>4,632,690</u>
-	-	-	2,240	-	-	11,861
-	-	-	-	-	-	671,796
-	-	-	4,876	-	-	52,410
-	4,526	-	-	-	-	4,526
345,478	-	-	-	-	-	345,478
-	-	-	500	-	-	3,185,940
-	-	-	-	-	397,673	397,673
<u>345,478</u>	<u>4,526</u>	<u>-</u>	<u>7,616</u>	<u>-</u>	<u>397,673</u>	<u>4,669,684</u>
417,232	(4,526)	-	18,610	-	(397,673)	(36,994)
(201,199)	-	-	-	-	-	(235,412)
-	-	-	-	-	607,953	607,953
<u>(201,199)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>607,953</u>	<u>372,541</u>
216,033	(4,526)	-	18,610	-	210,280	335,547
688,670	35,679	4,289	41,042	1,350	397,673	1,939,649
<u>\$ 904,703</u>	<u>\$ 31,153</u>	<u>\$ 4,289</u>	<u>\$ 59,652</u>	<u>\$ 1,350</u>	<u>\$ 607,953</u>	<u>\$ 2,275,196</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ANIMAL CONTROL FUND - BUDGET AND ACTUAL - (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES				
Licenses and permits	\$ 5,000	\$ 5,000	\$ 6,761	\$ 1,761
Fines and forfeits	2,400	2,400	1,445	(955)
Total revenues	<u>7,400</u>	<u>7,400</u>	<u>8,206</u>	<u>806</u>
EXPENDITURES				
Public safety	75,947	75,947	71,112	(4,835)
Deficiency of revenues over expenditures	(68,547)	(68,547)	(62,906)	5,641
OTHER FINANCING SOURCES				
Transfers in	68,547	68,547	68,547	-
Excess of revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	5,641	<u>\$ 5,641</u>
FUND BALANCE , beginning of year			<u>22,402</u>	
FUND BALANCE , end of year			28,043	
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes.			<u>388</u>	
GAAP FUND BALANCE , end of year			<u>\$ 28,431</u>	

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - PARKING OPERATIONS FUND -
BUDGET AND ACTUAL - (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2012**

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Licenses and permits	\$ 579,841	\$ 579,841	\$ 651,724	\$ 71,883
Fines and forfeits	70,000	70,000	84,345	14,345
Investment income	3,500	3,500	1,191	(2,309)
Miscellaneous income	15,000	15,000	25,450	10,450
Total revenues	668,341	668,341	762,710	94,369
Expenditures:				
Parking operations	668,341	668,341	580,581	(87,760)
Excess of revenues over expenditures	\$ -	\$ -	182,129	\$ 182,129
FUND BALANCE , beginning of year			<u>688,670</u>	
FUND BALANCE , end of year			870,799	
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes.			<u>33,904</u>	
GAAP FUND BALANCE , end of year			<u><u>\$ 904,703</u></u>	

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Fiduciary Funds

FIDUCIARY FUNDS

Agency Fund

Student Activities Fund – established to account for various student activities and clubs in the Town's schools.

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - STUDENT ACTIVITIES FUND -
AGENCY FUND**
For the Year Ended June 30, 2012

	Balance			Balance
	July 1, 2011	Additions	Deductions	June 30, 2012
ASSETS				
Cash and cash equivalents	\$ 415,912	\$ 1,337,855	\$ 1,295,227	\$ 458,540
LIABILITIES				
Accounts and other payables	\$ 415,912	\$ 1,337,855	\$ 1,295,227	\$ 458,540

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Statistical Section

STATISTICAL SECTION INFORMATION

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

Statistical section information is presented in the following categories:

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

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

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

NET ASSETS BY COMPONENT

Last Ten Fiscal Years

(In Thousands)

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities:										
Invested in capital assets, net										
of related debt	\$ 89,762	\$ 88,823	\$ 89,614	\$ 93,214	\$ 84,591	\$ 80,136	\$ 67,136	\$ 66,144	\$ 59,624	\$ 52,386
Restricted	5,616	1,102	-	-	-	-	-	-	-	-
Unrestricted	23,629	28,719	27,522	24,183	32,028	36,389	30,178	22,645	20,805	21,380
Total governmental activities										
net assets	\$ 119,007	\$ 118,644	\$ 117,136	\$ 117,397	\$ 116,619	\$ 116,525	\$ 97,314	\$ 88,789	\$ 80,429	\$ 73,766

Notes:

(1) Schedule prepared on the accrual basis of accounting.

TOWN OF DARIEN, CONNECTICUT

CHANGES IN NET ASSETS

Last Ten Fiscal Years

(In Thousands)

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses										
Governmental activities:										
General government	\$ 4,116	\$ 4,117	\$ 3,715	\$ 3,989	\$ 3,977	\$ 3,478	\$ 3,546	\$ 3,127	\$ 3,442	\$ 3,058
Community environment	838	841	910	939	902	863	643	655	563	641
Public safety	12,026	12,059	11,339	11,410	11,433	9,682	9,344	9,145	7,725	8,486
Health and social services	1,652	1,447	1,395	1,341	1,354	1,416	1,252	1,079	1,062	943
Library	3,186	3,131	3,061	2,944	2,516	2,388	2,300	2,186	1,983	1,905
Parks and recreation	2,901	1,715	1,522	1,811	1,776	1,571	1,500	1,296	1,483	1,269
Public works	7,143	5,872	6,904	5,290	5,489	7,494	3,526	3,297	4,106	3,468
Board of Education	94,266	88,077	85,558	84,964	96,894	71,884	70,118	60,356	55,938	52,025
Sewer operations	2,739	3,312	3,656	3,044	4,315	2,061	2,114	2,140	1,905	2,046
Solid waste	-	1,207	1,223	1,293	1,198	1,318	1,580	1,418	1,464	1,313
Interest on long-term debt	4,118	3,703	4,193	1,731	4,329	3,523	2,947	3,421	2,870	2,542
Total governmental activities expenses	132,985	125,481	123,476	118,756	134,183	105,678	98,870	88,120	82,541	77,696
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	1,392	1,448	1,361	782	1,779	1,906	2,051	2,119	2,544	1,715
Community environment	87	70	57	56	80	70	75	36	25	25
Public safety	1,793	1,678	1,830	2,755	3,695	2,952	-	1,580	1,370	1,173
Health and social services	325	291	207	94	118	103	93	72	68	169
Parks and recreation	516	416	388	320	321	326	320	286	256	189
Public works	2,019	1,135	1,115	254	504	209	925	901	68	73
Board of Education	2,176	2,050	2,131	1,940	1,835	1,873	1,785	1,702	1,578	1,599
Sewer operations	3,088	2,592	2,485	2,824	3,436	3,596	3,201	2,936	2,298	2,192
Solid waste	-	767	999	940	972	1,187	1,405	1,195	1,289	999
Operating grants and contributions:										
General government	-	-	-	22	25	29	17	54	35	-
Community environment	-	-	-	-	-	-	-	2	-	-
Public safety	42	42	27	69	62	47	2,102	29	68	219
Health and social services	68	74	203	384	229	323	201	182	166	38
Parks and recreation	-	-	-	-	6	-	45	-	-	-
Public works	-	-	-	-	-	-	23	70	-	35
Board of Education	13,260	11,909	10,964	10,992	29,883	8,096	3,703	4,895	3,949	3,902
Sewer operations	-	-	-	-	-	-	-	1	-	-
Interest on long-term debt	-	-	-	77	77	86	92	173	157	150
Capital grants and contributions:										
General government	110	109	-	-	-	-	-	109	109	-
Public safety	34	278	345	5	93	-	76	-	-	-
Health and social services	-	2	10	35	35	32	32	31	29	-
Parks and recreation	4	10	67	165	-	-	-	41	1,120	-
Public works	167	393	604	297	2,098	1,580	3,007	111	70	199
Board of Education	1	34	191	26	2,270	2,999	2,010	3,828	4,519	2,057
Sewer operations	-	-	-	-	-	-	1,433	-	-	-
Total governmental activities program revenues	25,082	23,298	22,984	22,037	47,518	25,414	22,596	20,353	19,718	14,734
Net (expense)/revenue										
Governmental activities	(107,903)	(102,183)	(100,492)	(96,719)	(86,665)	(80,264)	(76,274)	(67,767)	(62,823)	(62,962)
Total primary government net expense	(107,903)	(102,183)	(100,492)	(96,719)	(86,665)	(80,264)	(76,274)	(67,767)	(62,823)	(62,962)

CHANGES IN NET ASSETS, Continued
Last Ten Fiscal Years
(In Thousands)

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General revenues and other changes in net expenses										
Governmental activities:										
Property taxes	106,666	102,220	99,221	96,462	90,508	85,996	82,426	74,497	68,060	63,002
Grants and contributions not restricted to specific purposes	332	341	214	162	227	255	276	293	272	511
Unrestricted investment earnings	848	655	218	585	1,924	2,855	1,709	867	601	715
Other general revenues	420	475	578	288	252	610	387	469	385	14
Total governmental activities	108,266	103,691	100,231	97,497	92,911	89,716	84,798	76,126	69,318	64,242
Special items	-	-	-	-	(6,207)	-	-	-	-	-
Changes in net assets										
Governmental activities	\$ 363	\$ 1,508	\$ (261)	\$ 778	\$ 39	\$ 9,452	\$ 8,524	\$ 8,359	\$ 6,495	\$ 1,280

Notes:

- (1) Schedule prepared on the accrual basis of accounting.
- (2) On-behalf payments from the State of Connecticut for Darien teachers decreased by \$19.2 million in 2009. These amounts are reflected in Board of Education expenses and Operating Grants and Contributions.

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(In Thousands)

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General fund										
Nonspendable	\$ 598	\$ 47	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	930	522	-	-	-	-	-	-	-	-
Unassigned	17,008	17,160	-	-	-	-	-	-	-	-
Reserved	-	-	130	81	178	267	229	393	270	122
Unreserved	-	-	16,645	15,999	17,410	16,780	13,636	10,284	7,198	7,336
Total general fund	\$ 18,536	\$ 17,729	\$ 16,775	\$ 16,080	\$ 17,588	\$ 17,047	\$ 13,865	\$ 10,677	\$ 7,468	\$ 7,458
All other governmental funds										
Nonspendable	\$ 10	\$ 22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	5,594	5,435	-	-	-	-	-	-	-	-
Committed	7,205	6,765	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Reserved	-	-	1,848	2,895	7,636	4,030	2,308	3,892	23,485	24,749
Unreserved, reported in:										
Special revenue funds	-	-	5,974	7,416	8,482	7,687	7,445	7,318	6,622	6,379
Capital project funds	-	-	(2,561)	(6,535)	(8,365)	(11,583)	(323)	(3,886)	(22,034)	1,677
Total all other governmental funds	\$ 12,809	\$ 12,222	\$ 5,261	\$ 3,776	\$ 7,753	\$ 134	\$ 9,430	\$ 7,324	\$ 8,073	\$ 32,805

Notes:

- (1) Schedule prepared on the accrual basis of accounting.
- (2) Data has not been presented for years prior to the implementation of GASB Statement No. 34 in 2003.

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(In Thousands)

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenues:										
Property taxes	\$106,518	\$102,076	\$ 98,968	\$ 96,223	\$ 90,533	\$ 85,837	\$ 82,435	\$ 74,866	\$ 68,132	\$ 63,355
Intergovernmental revenues	14,415	13,258	12,852	11,893	32,803	11,135	9,351	9,954	9,375	6,962
Charges for services	11,827	11,096	10,966	8,530	9,072	8,690	12,289	10,918	9,423	8,434
Income on investments	240	258	218	585	1,924	2,855	1,709	881	601	715
Miscellaneous	420	475	578	2,543	4,245	5,257	1,114	496	1,905	193
Total revenues	133,420	127,163	123,582	119,774	138,577	113,774	106,898	97,115	89,436	79,659
Expenditures:										
General government	3,071	3,014	3,924	2,796	2,887	2,614	2,554	2,314	2,444	2,248
Community environment	591	595	658	650	637	560	457	453	429	425
Public safety	8,259	8,098	9,332	8,139	8,293	7,119	6,686	6,887	6,295	6,199
Health and social services	1,232	1,098	1,088	1,086	1,086	1,056	954	894	848	761
Library	3,186	3,132	3,061	2,944	2,516	2,388	2,300	2,186	1,983	1,905
Parks and recreation	1,127	1,099	1,100	1,091	1,011	940	936	941	929	883
Public works	4,547	3,538	3,084	3,340	3,085	2,684	2,494	2,587	2,301	2,057
Schools	89,696	84,091	80,551	77,693	92,358	67,071	64,797	57,102	53,497	49,835
Sewer operations	2,739	3,312	3,656	3,044	4,315	2,061	2,114	2,141	1,905	2,046
Solid waste	-	5,701	5,126	1,293	1,198	1,318	1,580	1,418	1,464	1,313
General overhead	5,719	1,207	1,222	4,417	4,426	4,170	3,947	3,018	2,762	2,572
Capital outlay	15,906	7,321	2,572	8,212	18,299	18,973	13,961	24,929	33,001	13,701
Debt service:										
Principal	7,145	6,264	6,838	7,112	6,112	5,501	5,851	4,180	3,529	3,618
Interest	2,950	3,177	3,337	3,552	3,869	3,433	3,293	3,005	2,928	2,067
Total expenditures	146,168	131,647	125,549	125,369	150,092	119,888	111,924	112,055	114,315	89,630
Excess of revenues over (under) expenditures	(12,748)	(4,484)	(1,967)	(5,595)	(11,515)	(6,114)	(5,026)	(14,940)	(24,879)	(9,971)
Other Financing Sources (Uses):										
Transfers in	2,400	3,044	4,405	6,977	8,240	5,446	3,501	3,605	4,359	3,184
Transfers out	(2,400)	(3,044)	(4,405)	(6,977)	(8,240)	(5,446)	(3,501)	(3,605)	(4,359)	(3,184)
Issuance of debt	14,000	12,000	11,305	30,344	19,500	-	40,215	17,400	9,310	30,000
Payment to escrow agent	-	-	(12,308)	(30,234)	-	-	(29,894)	-	(9,154)	-
Bond premium	608	398	1,151	-	175	-	-	-	-	-
Issuance of BAN	-	-	4,000	-	-	-	-	-	-	-
Total other financing sources (uses)	14,608	12,398	4,148	110	19,675	-	10,321	17,400	156	30,000
Net change in fund balances	\$ 1,860	\$ 7,914	\$ 2,181	\$ (5,485)	\$ 8,160	\$ (6,114)	\$ 5,295	\$ 2,460	\$ (24,723)	\$ 20,029
Debt Service as a Percentage of										
Noncapital Expenditures	8.40%	7.59%	8.26%	8.10%	7.55%	8.80%	9.04%	8.09%	7.75%	7.34%

Notes:

(1) Schedule prepared on the modified accrual basis of accounting.

ASSESSSED VALUE AND ESTIMATED ACTUAL OF TAXABLE PROPERTY

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
	Residential	Commercial	Other							
2012	\$ 7,612,003	\$ 660,400	\$ 191,999	\$ 160,293	\$ 233,014	\$ 1,188	\$ 8,856,221	12.20%	\$ 12,651,744	70.00%
2011	7,553,873	686,405	149,514	150,120	201,218	1,547	8,739,583	11.74%	12,485,120	70.00%
2010	7,553,526	711,520	150,714	122,305	204,330	1,493	8,740,902	11.37%	12,487,003	70.00%
2009	5,738,476	414,230	153,584	78,793	218,603	1,448	6,602,238	14.55%	9,431,769	70.00%
2008	5,668,729	402,720	148,978	75,743	209,534	1,540	6,504,164	13.87%	9,291,663	70.00%
2007	5,573,420	405,913	146,438	71,788	209,838	1,823	6,405,574	13.40%	9,150,820	70.00%
2006	5,513,834	398,601	141,646	63,740	209,890	1,720	6,325,991	13.02%	9,037,130	70.00%
2005	5,426,736	399,496	139,631	63,259	195,169	1,841	6,222,450	11.95%	8,891,845	69.98%
2004	3,567,507	336,477	83,203	71,176	196,385	2,067	4,252,681	16.00%	6,078,153	69.97%
2003	3,543,949	336,381	81,606	63,178	190,198	1,715	4,213,597	14.98%	6,093,785	69.15%

Note 1: Schedule is prepared on the modified accrual basis of accounting.

TOWN OF DARIEN, CONNECTICUT

TABLE 6

PRINCIPAL PROPERTY TAXPAYERS

(In Thousands)

October 1, 2010 and October 1, 2001

Taxpayer	October 1, 2010 ⁽¹⁾			October 1, 2001		
	Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
	Value		Value	Value		Value
Connecticut Light & Power Company	\$ 97,136,680	1	0.98%	\$ -	-	-
Wee Burn Country Club	37,840,060	2	0.43%	22,636,230	1	0.53%
Country Club of Darien	33,257,940	3	0.38%	16,489,850	4	0.39%
Avalonbay Communities	36,191,260	4	0.41%	-	-	-
Woodway Country Club	27,127,750	5	0.31%	11,943,730	6	0.28%
Rivoire, Helen M. et al (Estate)	22,492,320	6	0.25%	17,827,880	3	0.42%
Zotos International	21,752,980	7	0.25%	10,143,020	8	0.24%
U.B. Darien Inc.	19,906,740	8	0.22%	-	-	-
9 Old Kings Highway, LLC	17,352,860	9	0.20%	-	-	-
Parkland Limited Partnership	15,457,820	10	0.17%	9,913,570	9	0.23%
William Ziegler III TR et al	-	-	-	22,441,650	2	0.53%
Goodwives Center	-	-	-	11,301,920	7	0.27%
Darien Green Associates	-	-	-	8,294,200	10	0.20%
The Nielsen Company	-	-	-	14,309,250	5	0.34%
Total Taxable Grand List	\$ 328,516,410		3.60%	\$ 145,301,300		3.43%

Source: Town of Darien, Office of Tax Assessor

⁽¹⁾ Fiscal year is July 1, 2010-June 30, 2011

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(In Thousands)

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied for the Fiscal Year	Collected Within The Fiscal Year of Levy		Tax Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2012	12.20	\$ 106,578	\$ 106,074	99.53%	N/A	\$ 106,074	99.53%
2011	11.74	102,098	101,469	99.38%	\$ 89	101,469	99.38%
2010	11.37	98,640	97,917	99.27%	112	98,029	99.38%
2009	14.55	96,006	95,204	99.16%	628	95,832	99.82%
2008	13.87	90,030	89,494	99.40%	402	89,896	99.85%
2007	13.04	85,538	85,015	99.39%	403	85,418	99.86%
2006	13.02	82,211	81,786	99.48%	410	82,196	99.98%
2005	11.95	74,228	73,870	99.52%	309	74,179	99.93%
2004	16.00	67,768	67,414	99.48%	280	67,694	99.89%
2003	14.98	62,949	62,546	99.36%	382	62,928	99.97%

Source: Tax Collector's Report: Comprehensive annual financial report.

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(In Thousands)**

Fiscal Year	Governmental Activities General Obligation Bonds	Ratio of Debt to Taxable Assessed Value	Debt Per Capita	Estimated Personal Income (in thousands)	Debt as Percent of Estimated Personal Income
2012	\$ 99,877	1.13%	\$ 4.77	\$ 2,001,574	4.99%
2011	92,150	1.05%	4.44	2,011,978	4.58%
2010	86,414	1.00%	4.30	1,969,278	4.43%
2009	89,722	0.95%	4.43	1,964,814	4.57%
2008	97,940	1.51%	4.84	1,569,450	6.24%
2007	84,551	1.32%	4.14	1,583,791	5.34%
2006	90,052	1.44%	4.43	1,592,783	5.65%
2005	84,097	1.34%	4.24	1,554,178	5.41%
2004	70,187	1.13%	3.56	1,554,178	4.52%
2003	73,389	1.17%	3.70	1,554,178	4.72%
2002	47,006	0.76%	2.44	1,526,737	3.08%

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

COMPUTATION OF LEGAL DEBT MARGIN

June 30, 2012

(In Thousands)

Total tax collections (including interest and lien fees):

For the year ended June 30, 2012:

Town of Darien	\$ 106,435
Taxing districts	605

Reimbursement for revenue loss:

Tax relief for elderly freeze	<u>2</u>
-------------------------------	----------

Base for establishing debt limit	<u><u>\$ 107,038</u></u>
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	General Purpose	Schools	Sewers	Urban Renewal	Pension Funding	Total
Debt Limitation						
2 1/4 times base	\$ 240,836	\$ -	\$ -	\$ -	\$ -	\$ 240,836
4 1/2 times base	-	481,671	-	-	-	481,671
3 3/4 times base	-	-	401,393	-	-	401,393
3 1/4 times base	-	-	-	347,874	-	347,874
3 times base	-	-	-	-	321,114	321,114
Total debt limitation	<u>240,836</u>	<u>481,671</u>	<u>401,393</u>	<u>347,874</u>	<u>321,114</u>	<u>1,792,888</u>
Debt, as defined by Statute:						
Bonds payable ⁽¹⁾	25,346	67,333	6,326	-	-	-
Bonds authorized but unissued	6,619	17,731	2,200	-	-	-
Less: School building grants receivable	-	877	-	-	-	-
Total indebtedness	<u>31,965</u>	<u>84,187</u>	<u>8,526</u>	<u>-</u>	<u>-</u>	<u>124,678</u>
Debt limitation in excess of indebtedness	<u><u>\$ 208,871</u></u>	<u><u>\$ 397,484</u></u>	<u><u>\$ 392,867</u></u>	<u><u>\$ 347,874</u></u>	<u><u>\$ 321,114</u></u>	<u><u>\$ 1,668,210</u></u>

Note 1: Total net indebtedness above amounts of \$124,678 but in no event shall total indebtedness exceed \$749,266 (seven times the base for debt limitation).

Note 2: There is no overlapping debt.

Note 3: School building grants receivable include \$877 of bond principal grants from the State of Connecticut.

LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(In Thousands)

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Debt limitation	\$ 749,266	\$ 719,201	\$ 696,444	\$ 675,052	\$ 632,758	\$ 603,463	\$ 579,026	\$ 525,686	\$ 478,849	\$ 444,332
Total net debt applicable to limit	124,678	124,982	128,739	138,234	149,470	137,833	127,066	104,528	103,670	100,749
Legal Debt Margin	\$ 624,588	\$ 594,219	\$ 567,705	\$ 536,818	\$ 483,288	\$ 465,630	\$ 451,960	\$ 421,158	\$ 375,179	\$ 343,583
Total net debt applicable to the limit as percentage of debt limit	16.64%	17.38%	20.48%	20.48%	23.62%	22.84%	21.94%	19.88%	21.65%	22.67%

Source: Comprehensive annual financial report - Computation of Legal Debt Margin.

Note: See Table 9 for calculation of current year debt limitation.

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

Calendar Year	Population ⁽¹⁾	Estimated Personal Income (In Thousands)	Per Capita Income ⁽²⁾	Median Age ⁽²⁾	School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
2012	20,942	\$ 2,001,574	\$ 95,577	39.0	4,817	6.4%
2011	20,732	2,011,978	97,047	38.0	4,841	6.0%
2010	20,292	1,969,278	97,047	38.0	4,778	5.9%
2009	20,246	1,964,814	97,047	38.0	4,727	6.2%
2008	20,246	1,569,450	77,519	38.0	4,653	4.0%
2007	20,431	1,583,791	77,519	38.0	4,587	3.2%
2006	20,547	1,592,783	77,519	38.0	4,468	3.0%
2005	20,049	1,554,178	77,519	38.0	4,378	3.6%
2004	20,049	1,554,178	77,519	38.0	3,927	2.0%
2003	20,049	1,554,178	77,519	38.0	4,116	2.8%

⁽¹⁾ U.S. Department of Commerce, Bureau of Census, State of CT Health Department.

⁽²⁾ U.S. Department of Commerce, Bureau of Census.

⁽³⁾ Darien Board of Education.

⁽⁴⁾ State of CT Department of Labor.

**PRINCIPAL EMPLOYERS
2012 and 2003**

Employer	Nature of Business	2012			2003		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of Darien	Municipality	899	1	9.87%	698	1	7.69%
Colangelo Synergy Marketing	Marketing	140	2	1.98%			
Ring's End, Inc.	Building Supplies	121	3	1.56%	132	4	1.46%
Zoto's International	Hair Care Products	120	4	1.34%	110	6	1.21%
BMW of Darien	Automotive Sales	105	5	0.95%	56	10	0.62%
CRA Rogers Casey	Investment Consulting	80	6	0.89%	120	5	1.32%
Miller Automotive	Automotive Sales	70	7	0.78%			
Sterling Glen	Assisted Living Center	68	8	0.78%			
U.S. Postal Service	Mail Delivery	48	9	0.53%	65	9	0.72%
Mediplex of Darien	Nursing Home				140	3	1.54%
Air Express International	Air Freight Traffic				300	2	3.31%
Brinks Incorporated	Security				110	6	1.21%
Penton Media	Advertising				70	8	0.77%
		<u>1,651</u>		<u>18.7%</u>	<u>1,801</u>		<u>19.85%</u>

Source: Town of Darien survey.
U.S. Department of Commerce, Bureau of Census, 2000.

**FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years**

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government	43	42	44	44	41	41	41	43	43	43
Police	58	57	57	57	57	57	57	55	55	55
Public Works	26	26	28	28	26	25	26	26	27	27
Sewer Authority	3	2	4	4	4	4	4	4	4	4
Parks and Recreation	9	9	9	9	8	8	8	8	8	8
Education	760	785	791	790	751	717	697	698	669	595
Total	899	921	933	932	887	852	833	834	806	732

OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government:										
Building permits issued	607	700	619	555	820	876	901	885	826	820
Building inspections conducted	2,533	2,859	2,692	2,903	3,871	3,702	4,266	-	-	-
Police:										
Calls Answered	19,621	19,156	20,261	16,309	21,076	21,591	21,069	20,839	25,842	22,573
Criminal Arrests	261	287	295	287	375	246	206	206	206	204
Motor Vehicle Arrests	3,280	3,081	3,903	3,168	3,463	3,451	2,062	1,993	2,062	3,014
DWI Arrests	56	51	76	84	101	71	-	-	-	-
Morning Vehicle Warnings	759	634	755	265	910	834	1,139	929	1,139	1,341
Accidents	589	550	558	585	606	652	683	685	683	640
Fire:										
Emergency responses	1,454	1,295	1,248	1,245	1,189	1,495	1,375	1,269	1,357	1,213
Fires extinguished	85	67	35	63	67	57	75	69	72	93
Inspections	319	371	367	386	677	397	410	293	207	252
Other Public Works:										
Street resurfacing (miles)	3.1	3.00	1.90	2.89	3.30	3.00	2.20	2.94	4.15	4.10
Parks and Recreation:										
Facility permits issued	496	484	697	784	770	666	722	-	-	-
Beach permits issued	7,137	7,129	6,769	6,605	6,660	6,646	6,671	6,806	-	-
Boat permits issued	171	195	183	191	188	202	-	-	-	-
Program registrations	3,930	4,052	3,787	2,730	2,895	3,125	2,619	2,511	-	-
Youth Programs:										
Summer camp registrations	371	330	400	430	489	645	-	-	-	-
Teen program registrations	1,121	1,054	1,226	1,231	1,343	1,354	-	-	-	-

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire stations	3	3	3	3	3	3	3	3	3	3
Other public works:										
Streets (miles)	81	81	81	81	81	81	81	81	81	81
Streetlights	828	828	828	828	827	827	827	827	-	-
Traffic signals	12	12	12	11	11	10	10	10	-	-
Parks and recreation:										
Acreage	207	207	207	207	207	207	207	207	207	207
Parks	13	13	13	13	13	13	13	13	13	13
Tennis courts	10	10	10	10	10	10	10	10	11	11
Paddle tennis courts	5	5	5	5	5	5	-	-	-	-
Water:										
Fire hydrants	550	545	512	512	512	512	534	522	522	522
Wastewater:										
Sanitary sewers (miles)	81.2	79.2	79.2	79.2	79.2	79.2	79.0	77.0	75.0	75.0
Pump stations	14	14	14	14	14	14	14	13	13	13