

Final Official Statement Dated January 15, 2020

NEW MONEY ISSUE: Book-Entry-Only

RATINGS: S&P Global Ratings: "AA+ / SP-1+"

In the opinion of Bond Counsel, assuming the accuracy of and compliance by the Town with its representations and covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), under existing statutes, interest on the Bonds and the Notes is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Code; the Bonds and the Notes are not "private activity bonds" and interest on the Bonds and the Notes is not treated as a preference item for purposes of calculating the Federal alternative minimum tax; interest on the Bonds and the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and interest on the Bonds and the Notes is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. (See Appendix B "Opinion of Bond Counsel and Tax Status" herein.)



Town of Bloomfield, Connecticut **\$12,000,000** **General Obligation Bonds, Issue of 2020**

Dated: Date of Delivery

**Due: January 15, 2021-2040,
As shown on the inside cover hereof:**

The Bonds will bear interest payable July 15, 2020 and semiannually thereafter on January 15 and July 15 in each year until maturity.

The Bonds are subject to redemption prior to maturity as herein provided. See "Redemption Provisions" herein.

ROOSEVELT & CROSS, INC & ASSOCIATES

\$9,730,000 **General Obligation Bond Anticipation Notes**

Dated: January 28, 2020

Due: January 27, 2021

The Notes will be issued in book-entry-only form and will bear interest at such rate or rates per annum as are specified by the successful bidder or bidders in accordance with the Notice of Sale, dated January 7, 2020.

The Notes are not subject to redemption prior to maturity.

Jefferies

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

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

The Registrar, Transfer Agent, Paying Agent, and Certifying Agent for the Bonds and the Notes will be U.S. Bank National Association, Goodwin Square, 225 Asylum Street, Hartford, Connecticut 06103.

The Bonds and Notes are offered for delivery when, as and if issued, subject to the final approving opinion of Day Pitney LLP, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds and the Notes in book-entry-only form will be made to DTC in New York, New York on or about January 28, 2020.

Town of Bloomfield, Connecticut
\$12,000,000
General Obligation Bonds, Issue of 2020

Dated: **Date of Delivery**

Due: January 15,
as shown below:

Year	Principal	Coupon	Yield	CUSIP¹	Year	Principal	Coupon	Yield	CUSIP¹
2021	\$ 600,000	5.000%	0.800%	093851VX8	2031*	\$ 600,000	3.000%	1.500%	093851WH2
2022	600,000	5.000%	0.830%	093851VY6	2032	600,000	2.000%	2.000%	093851WJ8
2023	600,000	5.000%	0.880%	093851VZ3	2033	600,000	2.000%	2.060%	093851WK5
2024	600,000	5.000%	0.900%	093851WA7	2034	600,000	2.125%	2.125%	093851WL3
2025	600,000	5.000%	0.920%	093851WB5	2035	600,000	2.125%	2.200%	093851WM1
2026	600,000	5.000%	0.950%	093851WC3	2036	600,000	2.250%	2.250%	093851WN9
2027	600,000	5.000%	1.000%	093851WD1	2037	600,000	2.250%	2.320%	093851WP4
2028*	600,000	4.000%	1.100%	093851WE9	2038	600,000	2.375%	2.375%	093851WQ2
2029*	600,000	4.000%	1.200%	093851WF6	2039*	600,000	2.500%	2.440%	093851WR0
2030*	600,000	3.000%	1.400%	093851WG4	2040	600,000	2.500%	2.500%	093851WS8

* Priced assuming redemption on January 15, 2027; however any such redemption is at the option of the Town.

ROOSEVELT & CROSS, INC & ASSOCIATES

\$9,730,000
General Obligation Bond Anticipation Notes

Dated: **January 28, 2020**

Rate: **1.250%**

Due: **January 27, 2021**

Yield: **1.000%**

CUSIP: **093851WT6**

Underwriter: **Jefferies**

¹ Copyright, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Town and are included solely for the convenience of the holders of the Bonds and the Notes. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds and the Notes or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds and the Notes as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds and the Notes.

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

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

Set forth in Appendix A – "2019 Financial Statements Excerpted from the Town's Comprehensive Annual Financial Report" hereto is a copy of the report of the independent auditors for the Town with respect to the financial statements of the Town included in that appendix. The report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Bond Counsel is not passing on and does not assume any responsibility for the accuracy or completeness of the statements made in this Official Statement, (other than matters expressly set forth as its opinion in Appendix B "Opinion of Bond Counsel and Tax Status" herein), and makes no representation that it has independently verified the same.

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Bond Issue Summary

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

- Date of Sale:** Wednesday, January 15, 2020 at 12:00 Noon (Eastern Time).
- Location of Sale:** Bloomfield Town Hall, Town of Bloomfield, 800 Bloomfield Avenue, Bloomfield, Connecticut 06002.
- Issuer:** Town of Bloomfield, Connecticut (the "Town").
- Issue:** \$12,000,000 General Obligation Bonds, Issue of 2020 (the "Bonds").
- Dated Date:** Date of Delivery
- Principal and Interest Due:** Principal due serially January 15, 2021 through January 15, 2040. Interest due January 15 and July 15 in each year until maturity, commencing July 15, 2020.
- Authorization and Purpose:** The Bond proceeds will be used to finance various general purpose projects.
- Redemption:** The Bonds are subject to redemption prior to maturity. See "Redemption Provisions" herein.
- Security:** The Bonds will be general obligations of the Town of Bloomfield, Connecticut, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
- Credit Rating:** The Bonds have been rated "AA+" by S&P Global Ratings ("S&P").
- Bond Insurance:** The Town does not expect to purchase a credit enhancement facility.
- Basis of Award:** Lowest True Interest Cost (TIC), as of the dated date.
- Tax Exemption:** See Appendix B - "Opinion of Bond Counsel and Tax Status".
- Bank Qualification:** The Bonds shall NOT be designated by the Issuer as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds.
- Continuing Disclosure:** In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, annual financial information and operating data, timely notice of the occurrence of certain events with respect to the Bonds and timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C-1 to this Official Statement.
- Registrar, Transfer Agent, Certifying Agent, and Paying Agent:** U.S. Bank National Association, Goodwin Square, 225 Asylum Street, Hartford, Connecticut 06103.
- Municipal Advisor:** Phoenix Advisors, LLC of Milford, Connecticut. Telephone (203) 283-1110.
- Legal Opinion:** Day Pitney LLP, of Hartford, Connecticut.
- Delivery and Payment:** It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about January 28, 2020. Delivery of the Bonds will be made against payment in Federal Funds.
- Issuer Official:** Questions concerning the Official Statement should be addressed to Keri J. Rowley, Director of Finance, Town of Bloomfield, 800 Bloomfield Avenue, Bloomfield, CT 06002. Telephone: (860) 769-3536.

Note Issue Summary

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

Date of Sale: Wednesday, January 15, 2020 at 11:30 A.M. (Eastern Time).

Location of Sale: Bloomfield Town Hall, Town of Bloomfield, 800 Bloomfield Avenue, Bloomfield, Connecticut 06002.

Issuer: Town of Bloomfield, Connecticut (the "Town").

Issue: \$9,730,000 General Obligation Bond Anticipation Notes (the "Notes").

Dated Date: Date of Delivery

Principal Due: At maturity: January 27, 2021

Interest Due: At maturity: January 27, 2021

Authorization and Purpose: The Note proceeds will be used to finance various general purpose projects.

Redemption: The Notes are NOT subject to redemption prior to maturity.

Security: The Notes will be general obligations of the Town of Bloomfield, Connecticut, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Notes when due.

Credit Rating: The Notes have been rated "SP-1+" by S&P Global Ratings ("S&P").

Note Insurance: The Town does not expect to purchase a credit enhancement facility.

Basis of Award: Lowest Net Interest Cost (NIC), as of the dated date.

Tax Exemption: See Appendix B - "Opinion of Bond Counsel and Tax Status".

Bank Qualification: The Notes shall NOT be designated by the Issuer as qualified tax-exempt obligations under the provision of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Notes.

Continuing Disclosure: In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, timely notices of certain events with respect to the Notes pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C-2 to this Official Statement.

Registrar, Transfer Agent, Certifying Agent, and Paying Agent: U.S. Bank National Association, Goodwin Square, 225 Asylum Street, Hartford, Connecticut 06103.

Municipal Advisor: Phoenix Advisors, LLC of Milford, Connecticut. Barry Bernabe, Managing Director, 53 River Street, Suite 1, Milford, Connecticut. Email: bbernabe@muniadvisors.com telephone (203) 283-1110.

Legal Opinion: Day Pitney LLP, of Hartford, Connecticut.

Delivery and Payment: It is expected that delivery of the Notes in book-entry-only form will be made to The Depository Trust Company on or about January 28, 2020. Delivery of the Notes will be made against payment in Federal Funds.

Issuer Official: Questions concerning the Official Statement should be addressed to Keri J. Rowley, Director of Finance, Town of Bloomfield, 800 Bloomfield Avenue, Bloomfield, CT 06002. Telephone: (860) 769-3536.

SECTION I – SECURITIES OFFERED

Introduction

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Bloomfield, Connecticut (the “Town”), in connection with the issuance and sale of \$12,000,000 General Obligation Bonds, Issue of 2020 (the “Bonds”) and \$9,730,000 General Obligation Bond Anticipation Notes (the “Notes”) of the Town.

The Bonds and Notes are being offered for sale at public bidding. Notices of Sale dated January 7, 2020 have been furnished to prospective bidders. Reference is made to the Notices of Sale, which are included as Appendices D-1 and D-2 for the terms and conditions of the bidding.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds or Notes. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. All quotations from and summaries and explanations of provisions of Statutes, Charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete, are subject to repeal or amendment, and are qualified in their entirety by reference to such laws and the original official documents. All references to the Bonds or Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and the Notes and such proceedings.

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

The presentation of information in this Official Statement is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town.

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

Municipal Advisor

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

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

Description of the Bonds

The Bonds will mature on January 15 in each of the years as set forth on the inside cover page hereof. The Bonds will be dated the date of delivery and bear interest at the rates per annum specified on the inside cover page, payable semiannually on January 15 and July 15 in each year until maturity, commencing July 15, 2020. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. Interest is payable to the registered owner as of the close of business on the last business day of June and December, in each year, by check mailed to the registered owner; or so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC, the Paying Agent and the Town shall agree. A book-entry system will be employed evidencing ownership of the Bonds in principal amounts of \$5,000 or any multiple thereof, with transfers of ownership effected on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. See “Book-Entry-Only Transfer System”.

Description of the Notes

The Notes will be dated January 28, 2020 and will be due and payable as to both principal and interest at maturity, January 27, 2021. The Notes will bear interest calculated on the basis of twelve 30-day months and a 360-day year at such rate or rates per annum as are specified by the successful bidder or bidders. A book-entry system will be employed evidencing ownership of the Notes in principal amounts of \$5,000 or any multiple thereof, with transfers of ownership effected on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. See “Book-Entry-Only Transfer System”. The Notes are not subject to redemption prior to maturity.

U.S. Bank National Association, 225 Asylum Street, Goodwin Square, Hartford, Connecticut 06103 will act as Registrar, Transfer Agent, Paying Agent and Certifying Agent for the Bonds and the Notes. The legal opinion for the Bonds and the Notes will be rendered by Day Pitney LLP, Bond Counsel, of Hartford, Connecticut. See Appendix B “Opinion of Bond Counsel and Tax Status”.

Redemption Provisions

The Bonds maturing on or before January 15, 2027 are not subject to redemption prior to maturity. The Bonds maturing on January 15, 2028 and thereafter are subject to redemption prior to maturity, at the option of the Town, on or after January 15, 2027, at any time, either in whole or in part, in such amounts and in such order of maturity (but by lot within a maturity) as the Town may determine, at the redemption prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
January 15, 2027 and thereafter	100%

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

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

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

Authorization and Purpose

Public Works Complex Renovations/Expansion: Renovations to and expansion of the Town's Public Works Complex located at 21 Southwood Drive, contemplated to include renovations to the existing building for shops, maintenance and vehicle storage, an office/employee facility and vehicle maintenance addition, drainage and paving, increased vehicle and material storage, site security and safety measures, removal of underground fuel tanks, a new fueling facility and wash bay, the acquisition of land or easements therein, and related work, improvements, equipment and appurtenances.

Human Services Facility Construction: Design, construction, furnishing and equipping of a human services facility to be located at 330 Park Avenue, contemplated to include the demolition of the existing approximately 92,000 square foot building on the site and the construction of an approximately 52,419 square foot facility providing programming space for the Town's Leisure Services, Senior Services and Social and Youth Services Departments and their activities, including a gymnasium, multipurpose rooms, a food bank and kitchen, site improvements, including but not limited to parking, traffic flow, lighting, security and landscaping, and related work, improvements, equipment and appurtenances.

Use of Proceeds

Project	Maturing			This Issue:	
	Amount Authorized	Notes Due: 1/28/20	New Money	The Bonds	The Notes Due: 1/27/21
Public Works Complex Renovations/Expansion	\$ 11,683,000	\$ 1,000,000	\$ 10,430,000	\$ 1,700,000	\$ 9,730,000
Human Services Facility Construction	22,300,000	6,000,000	4,300,000	10,300,000	-
Total	\$ 33,983,000	\$ 7,000,000	\$ 14,730,000	\$ 12,000,000	\$ 9,730,000

Book-Entry-Only Transfer System

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

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has S&P Global Ratings highest rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds or Notes, except in the event that use of the book-entry system for the Bonds and the Notes is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds and the Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds and the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Bonds and Notes may wish to ascertain that the nominee holding the Bonds and the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

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

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

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

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

DTC Practices

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

Replacement Securities

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

Security and Remedies

The Bonds and the Notes will be general obligations of the Town and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds and the Notes when due. Unless paid from other sources, the Bonds and the Notes are payable from general property tax revenues. The Town has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or qualified disabled persons taxable at limited amounts. The Town may place a lien on the property for the amount of tax relief granted, plus interest, with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons. Under existing statutes, the State of Connecticut is obligated to pay the Town the amount of the tax revenue which the Town would have received except for the limitation under certain of the statutes upon its power to tax dwelling houses of qualified elderly persons of low income.

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

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

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

Enforcement of a claim for payment of principal of or interest on the Bonds and the Notes would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, as amended in 1993, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

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

Qualification for Financial Institutions

The Bonds and Notes shall NOT be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds or the Notes.

Ratings

The Bonds and Notes have been rated “AA+” and “SP-1+” by S&P Global Ratings (“S&P”), respectively. The Town furnished to the rating agency certain information and materials, some of which may not have been included in this Official Statement. The rating reflects only the views of the rating agency and an explanation of the significance of the rating may be obtained from such rating agency. There is no assurance that the rating will continue for any given period of time or that it will not be revised or withdrawn entirely if in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of the rating may have an effect on the market price of the Town’s bonds and notes, including the Bonds and the Notes.

The Town expects to furnish the rating agency with certain information and materials that the agency may request. However, the Town may issue short-term or other debt for which a rating is not requested.

Availability of Continuing Information

The Town of Bloomfield prepares, in accordance with State law, annual audited financial statements and files such annual audits with the State of Connecticut, Office of Policy and Management. The Town provides, and will continue to provide, to Moody’s Investors Service and S&P ongoing disclosure in the form of the annual financial report, recommended and adopted budgets, and other materials relating to its management and financial condition, as may be necessary or requested.

The Town will enter into Continuing Disclosure Agreements (“Form of Continuing Disclosure Agreement – Bonds” and “Form of Continuing Disclosure Agreement – Notes”) with respect to the Bonds and Notes, substantially in the forms attached as Appendices C-1 and C-2 to this Official Statement, to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, (i) annual financial information and operating data with respect to the Bonds, (ii) timely notice of the occurrence of certain events with respect to the Bonds and Notes not later than ten (10) business days after such occurrence and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement for the Bonds. The winning bidder’s obligation to purchase the Bonds and Notes shall be conditioned upon its receiving, at or prior to the delivery of the Bonds and Notes, an executed copy of the respective Continuing Disclosure Agreement.

The Town has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and event notices pursuant to SEC Rule 15c2-12(b)(5). In the past five years, the Town has not failed to comply in any material respect with its undertakings under such agreements.

Bond Insurance

The Town does not expect to purchase a credit enhancement facility for the Bonds.

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SECTION II – THE ISSUER



Connecticut

Description of the Town

The Town of Bloomfield was first settled in 1642 and incorporated in 1835, and was originally part of the Town of Windsor. The Town covers approximately 26.9 square miles and is north of and adjacent to the City of Hartford. Other neighboring towns include Avon, East Granby, Simsbury, West Hartford and Windsor.

Bloomfield is a suburban, residential community with a significant commercial tax base. Over the past four fiscal years, the Town has experienced robust construction activity. Some of the more recent developments include a new 690,000 square foot Trader Joe’s distribution center that was completed in 2018 and employs 685 people. Also, Heirloom Flats, a 212-unit market rate luxury apartment complex located in the Town center, was completed in FY 2018. These units are considered to be fully occupied as of fall 2018. Local merchants have seen a boost due to the vibrant growth in the Town center. Please refer to the “Economic Development” section for more information.

The Town is served by a number of state highways with nearby access to Interstates 91 and 84. Bradley International Airport, located eight miles north of the Town, provides air passenger and air freight facilities.

Form of Government

Bloomfield is administered under the Council–Manager form of government. The Town Charter, which is the primary organizational document, was first adopted in 1959 and last revised in November of 2005. The nine-member Town Council is elected biennially for a term of two years and serves without compensation. Minority party representation of at least three council members is guaranteed. The Town Manager is appointed by the Council and serves as a full-time chief executive officer. The annual budget is adopted through a Town Meeting/Town Council/elector process. See “Budget Adoption Procedure” herein.

The Director of Finance is an appointee of the Town Manager and is responsible for the financial affairs of the Town, including supervision of the Assessor's office, Tax Collector's office, and the Deputy Finance Director. The Director of Finance also oversees Information Systems and Purchasing / Risk Management for the Town.

The Bloomfield Center and Blue Hills Fire Districts provide fire and rescue services. Funding for the Districts' operations comes primarily from a separate tax levy. The Districts receive no subsidy from the Town. The Town's share of The Metropolitan District sewer levy is included in the Town's General Fund budget. See "Fire" and "Sewer and Water" below.

Principal Municipal Officials

Office	Name	Manner of Selection	Length of Service
Mayor	Suzette DeBeatham-Brown	Elected/2 years	2 year
Deputy Mayor	David M. Mann	Elected/2 years	2 years
Councilor	Patrick DeLorenzo	Elected/2 years	6 years
Councilor	Kevin Gough	Elected/2 years	2 year
Councilor	Rickford Kirton	Elected/2 years	2 year
Councilor	Danielle Wong	Elected/2 years	< 1 year
Councilor	Stephanie Calhoun	Elected/2 years	< 1 year
Councilor	Joe Merritt	Elected/2 years	28 years
Councilor	C. Francis Politis	Elected/2 years	< 1 year
Town Manager	Robert E. Smith	Appointed	< 1 year
Director of Finance	Keri J. Rowley	Appointed	6 years ¹
Tax Collector	Jean Kitchens	Appointed	33 years
Town Clerk	Marguerite Phillips	Appointed	27 years
Assessor	Todd Helems	Appointed	2 years
Treasurer	Shawn Samuels	Appointed	< 1 year
Town Attorney	Marc N. Needelman	Appointed	28 years
Superintendent of Schools	James Thompson, Jr.	Appointed	9 years

¹ Ms. Rowley has served as Director since Sept 2018; Deputy Director from 2013 until Sept 2018.

Summary of Municipal Services

Police¹: The Town police department provides 24-hour service and has an authorized staff of 48 sworn personnel, including 29 patrolmen, four detectives, the Chief of Police, three lieutenants, ten sergeants, and one captain. In addition, there is one EMS coordinator, one animal control officer, and seven dispatchers that assist the department in all emergency calls.

Fire: Fire protection is provided by two independent fire districts, the Bloomfield Center Fire District, covering the central and northern parts of Town, and the Blue Hills Fire District, covering eastern and southern sections of Bloomfield. Each District maintains three fire stations. Together, the Districts have approximately 70 volunteers providing full coverage to the Town. The Districts, each of which is administered by an elected three-member Board of Fire Commissioners, levy their own taxes and receive no direct funding from the Town.

Emergency Medical Services: The Bloomfield Volunteer Ambulance Corps, with approximately 60 volunteers, provides emergency medical services to Town residents.

Public Works²: Under the direction of the Director of Public Works, this department handles street and highway maintenance and construction; park grounds maintenance; maintenance of all school grounds and athletic fields; grounds keeping for all public buildings and public areas; and motor vehicle maintenance for all Town departments. Additional support is provided to the school system, leisure services department and building maintenance department. The department has 19 full-time field operations personnel as well as six employees performing vehicle maintenance and seven employees performing facilities maintenance.

¹ The Bloomfield Police Department received federal accreditation from the Commission on Accreditation for Law Enforcement Agencies ("CALEA") in November 2015 and was reaccredited in FY 2019. In October of 2017, the department also received state accreditation by the State of Connecticut.

² The Bloomfield Public Works Department received agency accreditation in January of 2017, being only the 3rd in New England to receive from the American Public Works Association and first in the State of Connecticut.

Solid Waste Disposal: The Town provides curbside solid waste and recyclables collections to residents. The Town entered into a long-term service contract (the “Service Contract”) with the Connecticut Resources Recovery Authority (“CRRA”) for the disposal of solid waste through the Mid-Connecticut System (the “System”). The Service Contract became effective November 16, 2012, and runs through 2027. CRRA has since been superseded by the Materials Innovation and Recycling Authority (“MIRA”).

The Connecticut General Assembly adopted, and on June 6, 2014 Governor Malloy signed, Public Act 14-94, which establishes MIRA as the successor authority to CRRA. Pursuant to this legislation, MIRA will continue to provide solid waste materials management services, with a focus on the development of additional resource recovery, recycling, and processing enterprises on property owned by the CRRA and the attendant redevelopment of the Connecticut Solid Waste System. The legislation provides generally that MIRA has assumed the rights and responsibilities of CRRA, and that: (1) all orders or regulations of CRRA remain in full force and effect as orders or regulations of MIRA, (2) MIRA is substituted for CRRA in any outstanding legal proceedings, (3) contracts, rights of action or matters undertaken or commenced by CRRA will now be undertaken and completed by MIRA under the same terms and conditions, (4) the officers and employees of CRRA are the officers and employees of MIRA, and (5) all property of CRRA is the property of MIRA.

Each municipality signing the Service Contract, including the Town, has agreed to cause to be delivered to the System all of the solid waste under the legal control of the municipality. MIRA is required to impose service payments at a uniform rate per ton for all municipalities, such that the aggregate of all such service payments received by MIRA shall be sufficient to pay for the net cost of operation of the System as defined in the Service Contract. Under the Service Contract, the Town has no obligation for a minimum tonnage commitment; however it must commit to a “flow control” provision which requires that all solid waste and residential recyclables generated within its borders be directed to the MIRA facility. A disposal fee of \$72.00/ton is in effect for Fiscal Year 2019.

MIRA is required to accept and dispose of solid waste in accordance with the Service Contract and with acceptable business standards. Each municipality retains the responsibility for the collections, disposal and treatment of solid waste that does not meet the requirements of MIRA or that it refuses or is unable to accept under the Service Contract.

Prior to the start of each contract year MIRA estimates (i) the service payments to be paid by each municipality for such contract year and (ii) the annual budget for the System and submits such information to each municipality. Each municipality is then required to make all provisions necessary to pay the service payments on a timely basis. The service payments remain in effect for the contract year with differences between the aggregate of all such service payments and the net cost of operation for each contract year being settled in the following contract year. A municipality is obligated to make service payments only if MIRA accepts solid waste delivered by the municipality.

All municipalities, including the Town, pledge their full faith and credit for the payment of all service payments and any delayed-payment charges and costs and expenses of MIRA and its representatives in collecting overdue service payments. To the extent that a municipality does not make provisions or appropriations necessary to provide for and authorize the payment by such municipality to MIRA of the payments required to be made by it under the Service Contract, the remaining municipalities, including the Town, must levy and collect such general or special taxes or cost sharing or other assessments as may be necessary to make such payments in full when due thereunder.

In May 2010, the Town became a member of the Central Connecticut Solid Waste Authority (“CCSWA”). CCSWA is a regional resource recovery authority established and operated under the provisions of Chapter 103b of the Connecticut General Statutes to jointly manage solid waste and recycling services on behalf of its member municipalities. As of January 2020, there were 8 member municipalities. Following a bidding process for solid waste disposal and recycling services undertaken by the CCSWA, master agreements for the member municipalities, including the Service Contract, were negotiated with MIRA. The Town continues to be a member of CCSWA, which is anticipated to continue its advocacy efforts on solid waste issues for its member municipalities.

Sewer and Water: The Metropolitan District Commission (the “MDC”), a regional water and sewer utility, provides water and sewer facilities for the Town. The Town pays the sewer user charge. The MDC assesses its eight member towns for residential sewer service annually using total tax revenues received in each town averaged over the previous three years in relation to the total of all of the member towns. The Town’s share in Fiscal Year 19-20 totaled \$3,604,800. The Town comprises approximately 7.5% of the total MDC sewer budget. Water consumers are invoiced directly by the MDC on a quarterly basis.

The member towns of the District have approved two referenda for a total of \$1.6 billion for the financing of improvements to address certain regulatory requirements to curtail sanitary sewer overflows and combined sewer overflows to local waterways and the Connecticut River, as well as excessive nutrient discharges. Specific projects are mandated in accordance with consent orders that have been entered into between the District and the U.S. Department of Justice, the U.S. Environmental Protection Agency and the State of Connecticut Department of Environmental Protection. Such projects are to be completed within 15 years.

Public Health: In 1996, the West Hartford–Bloomfield Health District was formed. The District provides services for reportable diseases, health education, nutritional services, maternal and child health (including a well child clinic), communicable and chronic disease control, environmental health issues and community nursing services. For 2020, the Town has been assessed to fund District services in the annual amount of \$259,227.

Leisure Services: The Town has actively pursued land acquisitions and now has over 1,800 acres of passive and recreational open space. The Leisure Services Department manages three seasonal semesters of recreational programs and maintains outdoor recreation facilities and open spaces, including the Town’s Olympic-size municipal pool. Support is also provided to non-profit recreation organizations that are involved in youth athletics and other community programs.

Libraries: The Town operates two libraries with 13 full-time and 23 part-time staff. They provide a full range of adult and children’s services.

Principal Public Facilities

Facility	Date Constructed	Additions and Renovations	Type of Construction	Planned Major Improvements
Town Hall	1961	1973, 1995, 2014	Masonry	Boiler Replacement, Roof
Human Services Center	2019		Masonry	New Building Completed
Police Facility	1991	2012, 2018	Masonry	
Public Works Facility	1966	2019	Masonry	Building Renovations Ongoing
Prosser Library	1964	-	Masonry	Windows/Roof
Wintonbury Library	1972	2015	Masonry	-
Bloomfield Volunteer Ambulance ...	1975	1981, 1999, 2012	Masonry	-

Source: Town of Bloomfield, Department of Public Works.

Educational System

The Town provides a kindergarten through grade twelve educational system. An elected seven-member Board of Education has the oversight responsibility for the system. The primary function of the Board is to establish policy, set curriculum, submit budget requests, ensure appropriated funds for education are properly expended, and plan for facilities, including construction and renovations. A full-time Board-appointed Superintendent is responsible for operations.

School Facilities

School	Grades	Date of Construction/		Number of Classrooms	Enrollment 10/1/2019 ²	Rated Capacity ¹
		Additions and	Renovations			
Bloomfield High	9–12	1956	(2009)	55	556	1,012
Global Experience Magnet School ...	6–12	1987	(2012)	15	185	220
Carmen Arace Middle/ Intermediate School	5–8	1971	(2009)	70	520	1,072
Laurel Elementary	K–2	1963	(2012)	20	351	494
Metacomet Elementary	3–4	1963	(2011)	20	257	358
Wintonbury Early Childhood Magnet School	Pre-K–K	2009		18	314	336
Total				198	2,183	3,492

¹ Rated Capacity has been revised to reflect the rating based on the State Department of Education Space Standards.

² Does not include 8 students in an alternative learning program who are not schooled in a Bloomfield facility.

School Enrollments

School Year	Grades Pre-K - 4	Grades 5 - 6	Grades 7 - 8	Grades 9 - 12	Total Enrollment
<i>Historical</i>					
2010-2011	944	305	265	682	2,196
2011-2012	894	263	286	708	2,151
2012-2013	894	250	291	673	2,108
2013-2014	870	250	279	688	2,087
2014-2015	914	243	282	667	2,106
2015-2016	910	251	262	644	2,067
2016-2017	941	272	267	665	2,145
2017-2018	926	278	282	650	2,136
2018-2019	940	272	298	662	2,172
2019-2020	925	272	332	663	2,192
<i>Projected</i>					
2020-2021	954	295	347	666	2,262

Source: Town of Bloomfield, Bloomfield Board of Education.

Municipal Employees

	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
General Government	173	172	171	170	170	165
Board of Education ¹	471	445	433	414	433	447
Total	644	617	604	584	603	612

¹ Based upon full-time equivalents.

Source: Town of Bloomfield, Director of Finance / Bloomfield Board of Education.

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Municipal Employees Bargaining Organizations

Employees	Organization	Positions Covered	Current Contract Expiration Date
General Government			
Police	United Public Service Employees Union	55	6/30/2019 ¹
Municipal Employees	Teamsters Local 671	30	6/30/2019 ¹
Town Hall Employees	United Public Service Employees Union	35	6/30/2019 ¹
Board of Education			
Administrators	Bloomfield Administrators Association	10	6/30/2021
Teachers	Bloomfield Education Association	219	6/30/2021
Custodians, Special Education Drivers, Maintenance and Cafeteria Workers ...	United Public Service Employees Union Unit 12	50	6/30/2019 ¹
Clerical, Secretarial, Paraprofessional ...	Bloomfield Federation of Educational Personnel	129	6/30/2019 ¹
Nurses	Bloomfield School Nurses Association	6	6/30/2021
Technology	United Public Service Employees Union Unit 33 (combined with Unit 12)	3	6/30/2019 ¹
	Total	537	

¹ In Negotiations.

Source: Town of Bloomfield, Director of Finance / Bloomfield Board of Education.

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

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SECTION III – ECONOMIC AND DEMOGRAPHIC DATA SECTION

Economic Development

The Town's economic development activity is headed by the Director of Planning. Beginning in June 2014, these efforts have also been aided by Goman & York Property Advisors, LLC. The addition of their resources is an effort to jumpstart the Town's economic development activities as the Town looks to implement the recently adopted Bloomfield Center Plan (described below) and other strategies adopted by the Town. These efforts, which are part of a larger development effort in the Town, work in a collaborative effort with the Town Planning and Zoning Commission and the Economic Development Commission to assist in promoting the stated economic development plan goals and objectives. These efforts include attracting and assisting commercial development, the creation of new jobs and providing technical assistance.

Fiscal year 2018-2019 saw a continuation of robust construction activity in Bloomfield with over \$1.2 million in permit revenues representing a construction value of approximately \$80 million. The Building Department issued 1,487 permits during fiscal year 2018-2019.

Major developments that were completed in fiscal year 2019 include a new Planet Fitness health center at The Copaco Shopping Center and a \$2.3 million renovation of the St. Thomas Seminary on Bloomfield Ave. In addition, the former Deringer-Ney industrial facility on Douglas Street was re-purposed into a Self-Storage facility with \$800,000 worth of renovations. Otis Elevator also underwent a major renovation and consolidated its North American Service business operations in its Bloomfield facility. Niagara Bottling added a new processing line at a cost of over \$1.2 million. Work also began on a Ground Mounted Community Solar project behind the Board of Education building on Blue Hills Ave. with approximately 2 million KW of generation. The 215 unit Heirloom Flats luxury apartment project in the Town Center received its final occupancy permits and quickly leased up its available units. The positive economic impacts from the new residents can be seen in a new restaurant, Elizabeth's, opening in the Town Center along with the start of permitting for a Cajun Seafood restaurant in the same commercial plaza. A new Urgent Care Center has opened in the Town Center as well.

Although it is difficult to predict that our robust levels of construction will continue into future years, there are other projects underway that will develop further in fiscal year 2019-20 and beyond. Included in these are a 38-unit specialty housing project which is finally under construction. Also under construction is a new K-8 CREC magnet school. Phases II&III of the Town Center apartment project are in the design and final approval phase and are anticipated to start construction in FY 2020. These two projects will add another 200 units of market-rate apartments to the Town Center. CIGNA also announced a multi-phase \$90 million investment in its World Headquarters campus in Bloomfield. The Town granted a phased seven year 50% tax abatement to Cigna on any incremental increases in its tax assessments due to the new work. Work on Phase I improvements began this fiscal year. Also in the short-term and, on the residential front, is a 61 lot subdivision that will add 122 units in duplex structures.

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Population Trends and Densities

Year	Actual		Density ²
	Population ¹	% Increase	
2017 ³	20,848	1.8%	775.0
2010	20,486	4.6%	761.6
2000	19,587	0.5%	728.1
1990	19,483	4.7%	724.3
1980	18,608	1.7%	691.7
1970	18,301	-	680.3

¹ U.S. Department of Commerce, Bureau of Census.

² Per square mile: 26.9 square miles.

³ American Community Survey 2013-2017

Age Distribution of the Population

Age	Town of Bloomfield		State of Connecticut	
	Number	Percent	Number	Percent
Under 5 years	791	3.8%	184,983	5.2%
5 to 9 years	675	3.2	201,006	5.6%
10 to 14 years	853	4.1	224,135	6.3%
15 to 19 years	1,130	5.4	247,182	6.9%
20 to 24 years	1,120	5.3	245,490	6.9%
25 to 34 years	2,504	12.0	439,848	12.3%
35 to 44 years	1,959	9.3	427,023	11.9%
45 to 54 years	2,567	12.3	522,138	14.6%
55 to 59 years	1,973	9.4	266,170	7.4%
60 to 64 years	1,797	8.6	235,949	6.6%
65 to 74 years	2,545	12.1	327,414	9.1%
75 to 84 years	1,987	9.5	170,979	4.8%
85 years and over	1,051	5.0	89,187	2.5%
Total.....	20,952	100%	3,581,504	100%
Median Age (Years)	50.7		40.8	

Source: American Community Survey 2014-2018

Income Distribution

Income	Town of Bloomfield		State of Connecticut	
	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	125	2.3%	27,787	3.1%
10,000 - 14,999.....	99	1.8	16,143	1.8%
15,000 - 24,999.....	112	2.1	41,072	4.6%
25,000 - 34,999.....	272	5.0	52,218	5.8%
35,000 - 49,999.....	324	6.0	82,371	9.2%
50,000 - 74,999.....	989	18.2	134,356	15.0%
75,000 - 99,999.....	910	16.8	122,244	13.6%
100,000 - 149,999.....	1,350	24.9	186,352	20.8%
150,000 - 199,999.....	670	12.3	100,359	11.2%
200,000 and over.....	577	10.6	132,765	14.8%
Total.....	5,428	100.0%	895,667	100.0%

Source: American Community Survey 2014-2018

Comparative Income Measures

	Bloomfield Connecticut	
Per Capita Income, 2018	\$ 43,010	\$ 43,056
Per Capita Income, 2010	\$ 39,738	\$ 36,412
Median Family Income, 2018	\$ 94,459	\$ 97,310
Percent Below Poverty (Families), 2018	5.10%	7.00%

Source: American Community Survey 2014-2018

Educational Attainment (Years of School Completed – Age 25 and Over)

	Town of Bloomfield		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade.....	506	3.1%	101,068	4.1%
9th to 12th grade.....	1,110	6.8	134,758	5.4
High School graduate.....	4,598	28.1	670,519	27.1
Some college, no degree.....	2,913	17.8	416,267	16.8
Associate's degree	1,411	8.6	190,869	7.7
Bachelor's degree.....	3,038	18.5	538,924	21.7
Graduate or professional degree.....	2,807	17.1	426,303	17.2
Total.....	16,383	100.0%	2,478,708	100.0%
Total high school graduate or higher (%)..		90.1%		90.5%
Total bachelor's degree or higher (%).....		35.7%		38.9%

Source: American Community Survey 2014-2018

Labor Force Data

<i>Period</i>	<i>Town of Bloomfield</i>		<i>Percentage Unemployed</i>		
	<i>Employed</i>	<i>Unemployed</i>	<i>Town of Bloomfield</i>	<i>Hartford Labor Market</i>	<i>State of Connecticut</i>
November 2019.....	11,658	436	3.6	3.3	3.3
Annual Average					
2018.....	11,412	510	4.3	4.1	4.1
2017.....	10,933	626	5.4	4.8	4.7
2016.....	10,814	663	5.8	5.3	5.3
2015.....	10,732	725	6.3	5.6	5.6
2014.....	9,251	785	7.8	6.7	6.7
2013.....	9,067	914	10.1	7.9	7.9
2012.....	9,066	1,007	10.0	8.4	8.3
2011.....	9,231	1,034	10.1	8.9	8.8
2010.....	9,156	1,108	10.8	9.0	9.0
2009.....	9,449	922	8.9	8.3	8.2

Source: State of Connecticut, Department of Labor.

Industry Classification

<i>Sector</i>	<i>Town of Bloomfield</i>		<i>State of Connecticut</i>	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Agriculture, forestry, fishing and hunting, and mining.....	24	0.2%	7,195	0.4%
Construction.....	278	2.7	107,331	5.9
Manufacturing.....	635	6.1	190,995	10.5
Wholesale trade.....	253	2.4	44,714	2.5
Retail trade.....	1046	10.1	191,939	10.6
Transportation warehousing, and utilities....	561	5.4	72,806	4.0
Information.....	166	1.6	41,839	2.3
Finance, insurance, real estate, and leasing..	1432	13.8	164,607	9.1
Professional, scientific, management, administrative, and waste management.....	844	8.1	207,632	11.5
Education, health and social services.....	3,409	32.8	479,677	26.5
Arts, entertainment, recreation, accommodation and food services.....	740	7.1	150,852	8.3
Other services (except public admin.).....	282	2.7	83,686	4.6
Public Administration.....	710	6.8	67,172	3.7
Total Labor Force, Employed.....	10,380	100%	1,810,445	100.0%

Source: American Community Survey 2014-2018

**Major Employers
Full-Time Equivalents
As of January 2020**

Employer	Nature of Business	Approximate Number Employed
CIGNA ¹	Financial Services	5,000
Kaman Corporation (all divisions)	Aerospace/Musical Instruments	1,570
World Class Distributions (TJ's)	Warehouse Distribution	685
Seabury (all divisions).....	Retirement Community	600
Town of Bloomfield (incl BOE).....	Municipality	590
Home Goods	Distribution Center	500
Jacobs Vehicle Systems	Manufacturing	450
Duncaster (+ Caleb Hitchcock)	Retirement Community	450
Otis Elevator	Manufacturing/Service Center	350
Hartford Healthcare (franchises)	Healthcare	315

¹ In July 2015 Anthem Inc. and CIGNA agreed to merge in a transaction that valued CIGNA at approximately \$50 billion. The merger did not receive approval from the United States Department of Justice. There is currently ongoing litigation between the two companies.

Source: Town of Bloomfield, Director of Planning.

Number and Value of Building Permits

Fiscal Year Ending 6/30	Residential		Commercial/Industrial		Other Construction		Total	
	No.	Value (000)	No.	Value (000)	No.	Value (000)	No.	Value (000)
2019	14	\$ 2,040	3	\$ 33,191	1,927	\$ 39,431	1,944	\$ 74,662
2018	52	5,720	5	30,378	526	26,309	583	62,407
2017	227	25,678	8	33,376	964	39,268	1,199	98,322
2016	227	65,359	4	31,210	1,747	74,741	1,978	171,310
2015	19	2,609	2	746	509	30,051	530	33,406
2014	87	10,039	-	-	272	7,918	359	17,957
2013	31	5,223	1	237	320	10,882	352	16,342
2012	23	4,024	3	2,049	394	15,725	420	21,798
2011	24	4,428	1	1,610	336	23,444	361	29,482
2010	19	3,377	1	1,182	265	9,822	285	14,381

Source: Town of Bloomfield, Director of Planning.

Land Use Breakdown

Land Use Category	Total	
	Acreage	% Total
Developed	11,575	58.1
Vacant	2,938	14.7
Open Space	5,413	27.2
Total Area	19,926	100.0

Source: Town of Bloomfield, Director of Planning.

Age Distribution of Housing

Year Built	Town of Bloomfield		State of Connecticut	
	Units	Percent	Units	Percent
1939 or earlier.....	572	6.3%	337,795	22.3%
1940 to 1969.....	4,284	47.0	533,321	35.3
1970 to 1979.....	1,473	16.2	201,360	13.3
1980 to 1989.....	1,362	14.9	191,306	12.6
1990 to 1999.....	594	6.5	115,459	7.6
2000 or 2009.....	720	7.9	103,632	6.9
2010 or later.....	113	1.2	29,432	1.9
Total Housing Units.....	9,118	100.0%	1,512,305	100.0%

Source: American Community Survey 2014-2018

Housing Units by Type of Structure

Housing Units	Town of Bloomfield		State of Connecticut	
	Units	Percent	Units	Percent
1-unit, detached.....	6,127	67.2%	892,608	59.0%
1-unit, attached.....	543	6.0	80,684	5.3
2 units.....	230	2.5	123,908	8.2
3 or 4 units.....	673	7.4	130,948	8.7
5 to 9 units.....	448	4.9	84,021	5.6
10 to 19 units.....	289	3.2	57,153	3.8
20 or more units.....	775	8.5	130,872	8.7
Mobile home.....	33	0.4	11,734	0.8
Boat, RV, van, etc.....	-	-	377	0.0
Total Inventory.....	9,118	100.0%	1,512,305	100.0%

Source: American Community Survey 2014-2018

Owner-Occupied Housing Units

Specified Owner-Occupied Units	Town of Bloomfield		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000.....	86	1.4%	21,254	2.3%
\$50,000 to \$99,000.....	287	4.6	29,211	3.2
\$100,000 to \$149,999.....	753	12.1	81,446	9.0
\$150,000 to \$199,000.....	1,495	24.0	139,715	15.4
\$200,000 to \$299,999.....	2,211	35.4	245,801	27.1
\$300,000 to \$499,999.....	1,205	19.3	240,706	26.5
\$500,000 to \$999,999.....	164	2.6	106,993	11.8
\$1,000,000 or more.....	39	0.6	42,008	4.6
Total.....	6,240	100.0%	907,134	100.0%
Median Value.....	\$216,800		\$272,700	

Source: American Community Survey 2014-2018

SECTION IV – TAX BASE DATA

Property Tax - Assessments

Pursuant to Section 12-62 of the Connecticut General Statutes, as amended, the Town must complete a revaluation every five years and a revaluation by physical inspection every 10 years. The Town of Bloomfield last completed a physical revaluation on the October 1, 2019 Grand List and a revaluation by statistical inspection on the October 1, 2014 Grand List.

The maintenance of an equitable tax base by locating and appraising all real and personal property within the Town for inclusion on the grand list is the responsibility of the Assessor's Office. The grand list represents the total assessed values for all taxable and tax-exempt real estate and taxable personal property and motor vehicles located within the Town on October 1. Assessments for real estate are computed at 70% of the estimated market value at the time of the last general revaluation, while assessments for motor vehicles and personal property are computed at 70% of the current fair market value. Each year a Board of Assessment Appeals determines whether taxpayer petitions for assessment reductions on the current grand list are warranted.

When a new structure, or modification to an existing structure, is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Official. Upon issuance of a certification of completion, a physical inspection is conducted and a new fair market value is determined with the aid of schedules developed at the time of the last revaluation. All value adjustments are reviewed to determine equity with similar properties and estimate changes to existing income streams.

All personal property (furniture, fixtures, equipment, machinery, supplies, non-registered motor vehicles, and leased equipment) is revalued annually. Random audits are conducted periodically.

Motor vehicle registration lists are furnished to the Town by the State Department of Motor Vehicles. The Office of Policy and Management has determined that the average retail values represented by the National Automobile Dealers Association pricing guides must be utilized in preparation of the grand lists. These values are applied uniformly and equitably to all vehicles in the Town; a myriad of exemptions is then applied to qualifying applicants. The same process is applied to the Supplemental Motor Vehicle list, which represents new or replacement vehicles which were registered after the October 1 assessment date, but before the following July. Bills for this supplemental list are issued the following January, eighteen months after the grand list date.

Motor Vehicle Property Tax Cap: Connecticut General Statutes Section 12-71e creates a cap on the local property tax mill rate for motor vehicles. For the assessment year October 1, 2017 (the fiscal year ending June 30, 2019), and each assessment year thereafter, the mill rate for motor vehicles shall not exceed 45 mills. No district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town or city in which such district or borough is located would result in a combined motor vehicle mill rate in excess of these mill rate caps. The Town's mill rate for motor vehicles for fiscal year ending June 30, 2020 is 37.46 mills.

For the fiscal year ending June 30, 2019, and each fiscal year thereafter, motor vehicle property tax grants to municipalities that impose mill rates on real property and personal property other than motor vehicles greater than 45 mills or that, when combined with the mill rate of any district located within the municipality, impose mill rates greater than 45 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year October 1, 2013, and the amount such levy would have been if the mill rate on motor vehicles for that assessment year was 45 mills.

Tax Levy and Collection

Property taxes are levied on all assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. Real estate tax bills are payable in two installments on July 1 and January 1 following the levy date. Personal property and motor vehicle bills are due in one installment on July 1. Motor vehicle supplemental tax bills are payable on January 1. A margin against delinquencies, legal reductions, and Grand List adjustments, such as assessor errors, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. An estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed at least four times a year, with interest charged at the rate of one and one-half percent per month in accordance with Connecticut General Statutes ("CGS"), with a minimum charge of \$2. Outstanding real estate tax accounts are automatically liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle and personal property accounts are transferred to a suspense account after three years when in the opinion of the Tax Collector they are uncollectable, at which

time they cease to be carried as receivables. Real estate accounts are transferred to suspense fifteen years after the due date in accordance with CGS.

As of June 30, 2019, the Town's collection rate was 98.43%, which is similar with the prior year collection rate of 98.54% and just shy of the budgeted collection rate of 98.50%.

**Taxable Grand List
(\$ in thousands)**

Grand List of 10/1	Residential Real Property (%)	Commercial & Industrial Real Property (%)	Motor Vehicle (%)	Other Personal Property (%)	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	Percent Growth
2018	43.3	30.1	7.3	19.4	\$ 2,381,897	\$ 226,814	\$ 2,155,083	2.0%
2017	44.2	29.4	7.0	19.5	2,312,711	198,936	2,113,775	4.7
2016	46.5	29.1	7.2	17.2	2,179,247	160,835	2,018,412	-1.0
2015	47.0	27.6	7.0	18.4	2,160,579	122,437	2,038,142	0.2
2014 ¹	46.9	27.6	7.0	18.5	2,155,132	121,147	2,033,985	-1.6
2013	54.1	22.1	7.3	16.5	2,177,300	110,143	2,067,157	1.7
2012	52.1	26.0	7.0	14.9	2,135,509	103,800	2,031,709	2.6
2011	56.9	27.8	6.9	9.4	2,082,288	101,687	1,980,601	1.3
2010	58.6	21.7	6.9	12.8	2,050,319	95,487	1,954,832	-1.8
2009 ¹	56.9	25.3	6.0	11.8	2,268,024	277,585	1,990,439	13.5

¹ Revaluation.

Source: Town of Bloomfield, Assessor.

Tax Collections

Grand List of 10/1	Fiscal Year Ending	Net Taxable Grand List	Mill Rate	Tax Levy	Percent of Annual Levy Collected at End of Fiscal Year	Uncollected	
						Percent of Annual Levy Uncollected at End of Fiscal Year	Percent of Annual Levy Uncollected As of 6/30/19
2018	2020 ²	\$ 2,155,083	37.46	\$79,943,252			<i>IN COLLECTION</i>
2017	2019 ²	2,113,775	37.52	78,358,765	98.39%	1.61%	1.61%
2016	2018	2,018,412	37.56	75,036,478	98.54%	1.46%	0.42%
2015	2017	2,038,142	36.65	74,364,504	98.65%	1.35%	0.15%
2014 ¹	2016	2,033,985	36.00	73,188,820	98.71%	1.29%	0.09%
2013	2015	2,067,157	34.84	72,246,279	98.60%	1.40%	0.07%
2012	2014	2,031,709	34.85	71,075,964	98.52%	1.48%	0.04%
2011	2013	1,980,601	34.55	68,561,240	98.41%	1.59%	0.02%
2010	2012	1,954,832	33.70	65,281,933	98.66%	1.34%	0.01%
2009 ¹	2011	1,990,439	32.72	63,290,257	98.42%	1.58%	--

¹ Revaluation.

² Subject to audit.

Source: Town of Bloomfield, Tax Collector's Office.

**Major Taxpayers
As of 10/1/19**

Name	Nature of Business	Taxable Valuation	Percent of Net Taxable Grand List ¹
Eversource	Utility	\$ 94,615,790	4.39%
HG Conn Realty Corp.	Shopping Center	41,585,260	1.93%
AMCAP Copaco LLC	Commercial Real Estate	40,748,911	1.89%
Trader Joes East Inc	Warehouse Distribution	39,223,400	1.82%
Connecticut General Life Insurance	Insurance	38,103,590	1.77%
Church Home of Hartford Inc.	Retirement Facility	35,438,520	1.64%
Duncaster Inc.	Assisted Living	33,422,980	1.55%
Metropolitan Life Insurance	Insurance	31,867,500	1.48%
WE Hawthorne LLC	Residential Real Estate	26,707,660	1.24%
CIGNA Health + Life Insurance Co.	Insurance	18,269,600	0.85%
Total		\$ 399,983,211	18.56%

¹Based on a October 1, 2018 Net Taxable Grand List of \$2,155,083,000.

Source: Town of Bloomfield, Assessor.

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SECTION V – DEBT SECTION

Debt Summary Pro Forma As of January 28, 2020 Outstanding Bonded Debt ¹

<i>Date</i>	<i>Purpose</i>	<i>Interest Rate %</i>	<i>Original Issue</i>	<i>Outstanding</i> ¹	<i>Fiscal Year of Maturity</i>
10/20/10	Schools	1.50–5.00	\$ 25,000,000	\$ 1,250,000	2031
10/20/10	Refunding - General Purpose ...	1.50–5.00	8,359,700	1,881,800	2023
10/20/10	Refunding - Schools	1.50–5.00	3,180,800	632,500	2023
10/20/10	Refunding - Sewer	1.50–5.00	859,500	220,700	2023
02/12/13	Refunding - Schools	1.50–4.00	10,240,000	6,490,000	2028
10/31/14	Schools	2.00–3.125	5,000,000	3,750,000	2035
11/30/16	Refunding - Schools	2.00–4.00	8,745,000	8,680,000	2028
08/03/17	Refunding - Schools	3.00–5.00	13,050,000	12,090,000	2032
01/29/19	General Purpose	2.00–5.00	12,000,000	11,400,000	2039
Total Bonds Outstanding			\$ 86,435,000	\$ 46,395,000	
<u>This Issue</u>					
01/28/20	General Purpose	2.00–5.00	\$ 12,000,000	\$ 12,000,000	2040
Total Bonds This Issue			12,000,000	12,000,000	
Grand Total			\$ 98,435,000	\$ 58,395,000	

¹ Excludes capital leases.

Outstanding Short-Term Debt As of January 28, 2020

<i>Project</i>	<i>This Issue:</i>	
	<i>Amount Authorized</i>	<i>The Notes Due: 1/27/21</i>
Public Works Complex Renovations/Expansion	\$ 11,683,000	\$ 9,730,000
Total	\$ 11,683,000	\$ 9,730,000

Other Commitments

During fiscal year 2015, the Town entered into a \$570,250 15-year lease-purchase agreement with Bank of America to fund equipment and projects through a company called Ameresco. These projects and related equipment are intended to improve energy efficiency in the Town’s buildings and ultimately reduce utility costs. The projects have now been completed and the Town will budget for the lease payments through 2030. The related energy improvements have saved the Town approximately \$118,950.

In 1993, the Town of Bloomfield entered into an agreement with the Town of Windsor that defines the terms of closure costs for a joint sanitary landfill stating that the two towns shall contribute equally, on an annual basis, for all costs of closure, post-closure and monitoring expenses until all Federal and State requirements are met. The landfill serves the Towns of Bloomfield and Windsor. The agreement establishes the terms and conditions of operating the landfill. For closure costs, the agreement states “The two towns shall contribute equally, on an annual basis, for said purposes and shall be equally responsible for closure, post-closure, and monitoring expenses until all Federal and State requirements are met”. The Town of Windsor is responsible for the funding, accounting and financial reporting for the landfill on behalf of both towns. The post closure cost will be covered by the landfill’s funds. If those funds run out, and only if they do, then the Town of Windsor and the Town of Bloomfield will split the costs. Should this occur, the current estimate of the Town of Bloomfield’s portion of post-closure costs is \$16.6 million. However, it is anticipated that no additional amount will be required from the Towns for closure of the landfill. As of July 1, 2014 the Windsor-Bloomfield landfill was officially closed to outside haulers. All commercial haulers were notified prior to that date to dispose of their waste at other locations. Residents now bring their waste to the Transfer Station at the site. It is estimated that closure and capping work will continue through Fiscal Year 2021 and the post-closure period will begin once the closure has been completed.

**Overlapping Debt
Pro Forma
As of January 28, 2020**

The Town is a member of the Metropolitan District Commission (the “District”), a special district created by the Connecticut General Assembly in 1929 as a quasi-municipal corporation of the State of Connecticut under Act No. 511 of the 1929 Special Acts of the State of Connecticut, as amended, to provide, as authorized, complete, adequate, and modern systems of water supply, sewerage collection, and disposal facilities for its eight member municipalities. The member municipalities incorporated in the District are the City of Hartford and the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, and Windsor. The District also provides sewerage disposal facilities and supplies water under special agreements to certain towns, or areas therein, that are not members of the District. As of January 28, 2020, the District has \$914,920,407 of outstanding debt. The Town is responsible for 7.24%, which totals \$66,240,237.

The member towns of the District have approved two referenda for a total of \$1.6 billion for the financing of improvements to address certain regulatory requirements to curtail sanitary sewer overflows and combined sewer overflows to local waterways and the Connecticut River, as well as excessive nutrient discharges. Specific projects are mandated in accordance with consent orders that have been entered into between the District and the U.S. Department of Justice, the U.S. Environmental Protection Agency and the State of Connecticut Department of Environmental Protection. Such projects are to be completed within 15 years.

**Underlying Debt
Pro Forma
As of January 28, 2020**

Fire protection for the Town is provided by two independent Districts: the Bloomfield Center Fire District, covering the central and northern parts of the Town, and the Blue Hills Fire District, covering eastern and southern sections of the Town. The Districts levy their own taxes and receive no direct funding from the Town. As of January 28, 2020 the Blue Hills Fire District had a total of \$1,613,501 debt outstanding for its new fire house. The Bloomfield Center Fire District has no debt outstanding.

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**Bonded Debt Maturity Schedule
Pro Forma
As of January 28, 2020**

Fiscal Year	Principal	Interest	Total	This Issue: The Bonds	Total Principal	Cumulative Principal Retired
2020 ¹	\$ -	\$ 704,175	\$ 704,175	\$ -	\$ -	0.0%
2021	4,670,000	1,709,200	6,379,200	600,000	5,270,000	9.0%
2022	4,690,000	1,514,625	6,204,625	600,000	5,290,000	18.1%
2023	4,105,000	1,327,825	5,432,825	600,000	4,705,000	26.1%
2024	3,575,000	1,164,625	4,739,625	600,000	4,175,000	33.3%
2025	3,570,000	1,011,525	4,581,525	600,000	4,170,000	40.4%
2026	3,580,000	876,225	4,456,225	600,000	4,180,000	47.6%
2027	3,575,000	745,950	4,320,950	600,000	4,175,000	54.7%
2028	3,575,000	619,888	4,194,888	600,000	4,175,000	61.9%
2029	2,825,000	491,950	3,316,950	600,000	3,425,000	67.8%
2030	2,840,000	377,275	3,217,275	600,000	3,440,000	73.6%
2031	2,845,000	272,075	3,117,075	600,000	3,445,000	79.5%
2032	1,595,000	191,775	1,786,775	600,000	2,195,000	83.3%
2033	850,000	151,375	1,001,375	600,000	1,450,000	85.8%
2034	850,000	125,719	975,719	600,000	1,450,000	88.3%
2035	850,000	99,906	949,906	600,000	1,450,000	90.8%
2036	600,000	78,000	678,000	600,000	1,200,000	92.8%
2037	600,000	59,250	659,250	600,000	1,200,000	94.9%
2038	600,000	39,750	639,750	600,000	1,200,000	96.9%
2039	600,000	20,250	620,250	600,000	1,200,000	99.0%
2040	-	-	-	600,000	600,000	100.0%
Total	\$46,395,000	\$11,581,363	\$57,976,363	\$12,000,000	\$ 58,395,000	

¹ Excludes \$4,505,000 in principal and \$1,167,596 in interest payments made from July 1, 2019 through January 28, 2020.

**THE TOWN OF BLOOMFIELD HAS NEVER DEFAULTED IN THE PAYMENT OF ITS
DEBT OBLIGATIONS EITHER AS TO PRINCIPAL OR INTEREST**

**Current Debt Statement ¹
Pro Forma
As of January 28, 2020**

Long-Term Debt Outstanding:

General Purpose (Includes This Issue).....	\$ 25,281,800
Schools	32,892,500
Sewers.....	220,700
Total Long-Term Debt	58,395,000

Short-Term Debt:

Bond Anticipation Notes (This Issue Due: 1/27/21)	9,730,000
Total Short-Term Debt	9,730,000

Total Direct Debt 68,125,000

Overlapping Debt (Metropolitan District Commission) 66,240,237

Underlying Debt (Fire Districts) 1,613,501

Total Overall Debt 135,978,738

Less: State of Connecticut School Grants Receivable (6/30/19) ²..... -

Total Overall Net Debt **\$ 135,978,738**

¹ Excludes capital leases.

² For school building projects approved prior to July 1, 1996, the State of Connecticut will reimburse the Town for eligible principal and interest costs over the life of outstanding bonds. Amount shown is for principal only. See "School Projects" herein.

**Current Debt Ratios
Pro Forma
As of January 28, 2020**

Population ¹	20,848
Net Taxable Grand List (10/1/2018)	\$ 2,155,083,000
Estimated Full Value (Net Taxable Grand List/70%)	\$ 3,078,690,000
Equalized Net Taxable Grand List (2017) ²	\$ 3,067,207,322
Income per Capita (2018) ¹	\$ 43,010

	Total Direct Debt \$68,125,000	Total Overall Debt / Total Overall Net Debt \$135,978,738
Debt Per Capita	\$ 3,267.70	\$ 6,522.39
Ratio to Net Taxable Grand List	3.16%	6.31%
Ratio to Estimated Full Value (Net Taxable Grand List/70%) ...	2.21%	4.42%
Ratio to Equalized Net Taxable Grand List	2.22%	4.43%
Debt per Capita to Income per Capita (2018)	7.60%	15.16%

¹ U.S. Bureau of the Census, 2014-2018 American Community Survey.

² State of Connecticut, Office of Policy and Management.

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**Statement of Statutory Debt Limitation
Pro Forma
As of January 28, 2020**

Total tax collections for the year ended June 30, 2019 (including interest and lien fees)	\$ 76,347,000
Fire Districts	3,326,000
Reimbursement for revenue loss on:	
Aid to elderly tax relief	-
Base	\$ 79,673,000

Debt Limitation:	General Purposes	Schools	Sewers	Urban Renewal	Unfunded Past Pension
2 1/4 times base	\$179,264,250	-	-	-	-
4 1/2 times base	-	\$358,528,500	-	-	-
3 3/4 times base	-	-	\$ 298,773,750	-	-
3 1/4 times base	-	-	-	\$ 258,937,250	-
3 times base	-	-	-	-	\$ 239,019,000
Total Debt Limitation	\$179,264,250	\$358,528,500	\$ 298,773,750	\$ 258,937,250	\$ 239,019,000

Indebtedness¹:

Outstanding Debt:

Bonds Payable	\$ 13,281,800	\$ 32,892,500	\$ 220,700	\$	-	-
Bonds (This Issue).....	12,000,000	-	-	-	-	-
Notes (This Issue)	9,730,000	-	-	-	-	-
Authorized But Unissued Debt ...	253,000	9,035,753	-	-	-	-
Total Direct Debt	\$ 35,264,800	\$ 41,928,253	\$ 220,700	\$	-	-

Overlapping Debt:

The Metropolitan District	-	-	66,240,237	-	-
Underlying Debt (Fire Districts) ...	1,613,501	-	-	-	-
Total Outstanding Net Debt	36,878,301	41,928,253	66,460,937	-	-

DEBT LIMITATION IN EXCESS

OF INDEBTEDNESS	\$142,385,949	\$316,600,247	\$ 232,312,813	\$ 258,937,250	\$ 239,019,000
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¹ Excludes capital leases.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$557,711,000.

**Authorized but Unissued Debt
As of January 28, 2020**

Project	Amount Authorized	Previously Bonded / Paydowns	Grants Received	Maturing Notes Due: 1/28/20	New Money	This Issue:		Original Issue Premium Applied¹	Authorized but Unissued Debt
						The Bonds	Due: 1/27/21		
School Renovations and Additions	\$ 94,600,000	\$ 60,000,000	\$ 25,479,850	\$ -	\$ -	\$ -	\$ -	\$ 84,397	\$ 9,035,753
Public Works Complex Renovations/Expansion	11,683,000	-	-	1,000,000	10,430,000	1,700,000	9,730,000	-	253,000
Human Services Facility Construction	22,300,000	12,000,000	-	6,000,000	4,300,000	10,300,000	-	-	-
Total	\$ 128,583,000	\$ 72,000,000	\$ 25,479,850	\$ 7,000,000	\$ 14,730,000	\$ 12,000,000	\$ 9,730,000	\$ 84,397	\$ 9,288,753

¹ From \$25,000,000 General Obligation Bonds, 2010 Series A.

Principal Amount of Outstanding Debt

	2019	2018	2017	2016	2015
Long-Term Debt					
Bonded Debt ¹	\$ 50,900,000	\$ 42,830,000	\$ 48,230,000	\$ 52,515,000	\$ 56,695,000
Short-Term Debt					
Bond Anticipation Notes	7,000,000	-	-	-	-
Totals	\$ 57,900,000	\$ 42,830,000	\$ 48,230,000	\$ 52,515,000	\$ 56,695,000

¹ Excludes capital leases.

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

Fiscal Year	Net Assessed Value (000s)	Estimated Full Value (000s)	Net Long-Term Debt ¹	Ratio of Net Long-Term Debt to Net Assessed Value	Ratio of Net Long-Term Debt to Estimated Full Value	Population ²	Net Long-Term Debt Per Capita	Ratio of Net Long-Term Debt Per Capita to Per Capita Income ³
				Value	Full Value			Population ²
2019	\$ 2,113,775	\$ 3,019,679	\$ 50,900,000	24.08%	16.86%	20,848	\$ 2,441.48	5.68%
2018	2,018,412	2,883,446	42,830,000	21.22%	14.85%	20,848	2,054.39	4.78%
2017	2,038,142	2,911,631	48,230,000	23.66%	16.56%	20,848	2,313.41	5.38%
2016	2,033,985	2,905,693	52,515,000	25.82%	18.07%	20,848	2,518.95	5.86%
2015	2,067,157	2,953,081	56,695,000	27.43%	19.20%	20,848	2,719.45	6.32%
2014	2,031,709	2,902,441	55,625,000	27.38%	19.16%	20,848	2,668.12	6.20%

¹ Amounts rounded. Excludes capital leases.

² U.S. Department of Commerce, Bureau of the Census, 2014-2018.

³ U.S. Census Bureau, 2014-2018 American Community Survey. Income per Capita of \$43,010.

Comparison of Annual Debt Service to General Fund Expenditures

Fiscal Year Ended 6/30	Total General Fund Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service To Total General Fund Expenditures
2020 ¹	\$ 6,502,326	\$ 91,847,817	7.08%
2019	5,687,779	92,803,594	6.13%
2018	5,808,960	92,010,683	6.31%
2017	6,205,214	91,485,730	6.78%
2016	6,198,138	88,252,903	7.02%
2015	6,087,159	86,455,317	7.04%
2014	5,955,928	84,685,486	7.03%
2013	6,509,608	80,780,377	8.06%
2012	5,486,120	80,638,489	6.80%
2011	3,142,441	74,931,909	4.19%

¹ Budgeted. Subject to audit.

Authority to Incur Debt

The Town has the power to incur indebtedness as provided by the Connecticut General Statutes and the Town Charter. The issuance of bonds and notes is authorized by the Town Council or if in an amount in excess of 1% of the annual budget, the voters of the Town at referendum following approval by the Town Council. Notes and bonds may be issued to meet certain emergency appropriations as provided in the Connecticut General Statutes.

Temporary Financing

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

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

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

Investment Practices

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF). 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.

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

SECTION VI – FINANCIAL SECTION

Fiscal Year

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

Basis of Accounting

The Town's accounting policies are summarized in Appendix A – “2019 Financial Statements, Notes to Financial Statements, Note 1.”

Budget Adoption Procedure

No later than the second Monday in March the Town Manager presents to the Town Council a budget consisting of:

- a) a budget message outlining the financial policy of the Town and describing in connection therewith the important features of the budget plan;
- b) estimates of revenue;
- c) itemized estimates of expenditures and the Town Manager's recommendation of the amount to be appropriated for the ensuing fiscal year for all items. The Chairman of the Board of Education has the same duties and follows the same form and procedure with respect to the budget of the Board of Education as provided in the Town Charter for departmental estimates; and
- d) a presentation by the Town Manager of a program for proposed capital projects for the ensuing fiscal year and for the four fiscal years thereafter. The Town Manager recommends to the Town Council those projects to be undertaken during the ensuing fiscal year and the method of financing the same.

The Town Council holds one or more public hearings not later than thirty (30) days before the annual budget meeting at which any elector or taxpayer has the opportunity to be heard regarding appropriations for the ensuing fiscal year. Following the receipt of the estimates from the Town Manager and the Chairman of the Board of Education and the holding of such public hearing or hearings, the Town Council prepares a budget and renders the same to the annual budget meeting of the Town held on the third Tuesday of April. Modifications to the budget are adopted by a majority vote of those attending and entitled to vote. Should the Town Meeting fail to adopt a budget, the budget presented at the third meeting will be the budget deemed finally adopted.

Within ten days after the annual budget meeting, the Town Council fixes the tax rate in mills which is levied on the taxable property in the Town for the ensuing fiscal year. Upon approval of the Town Meeting, the Town Council may levy annually at the same time as the regular annual taxes for Town expenses a tax not to exceed two mills to be assessed upon the taxable property of the Town for the benefit of a “Capital and Non-Recurring Expenditures Fund” to be used solely to pay the cost of capital improvements for which the Town is authorized to issue bonds. The Town Council is empowered to transfer to this fund any portion of the general fund cash surplus not otherwise appropriated. Appropriations for construction or for other permanent improvements, from whatever source derived, do not lapse until the purpose for which the appropriation was made is accomplished or abandoned, provided that any project is deemed to have been abandoned if after three fiscal years, there has been no expenditure from or encumbrance of the appropriation.

Annual Audit

The Town of Bloomfield, pursuant to local ordinance and provisions of the Connecticut General Statutes, is required to undergo an annual audit by an independent public accountant. The auditor, appointed by the Town Council, is required to conduct the audit under the guidelines outlined by the State of Connecticut Office of Policy and Management, which also receives a copy of the audit report. For the fiscal year ended June 30, 2019, the financial statements of the various funds of the Town were audited by Blum Shapiro, LLC.

Five-Year Capital Improvement Plan

The Town prepares a five-year Capital Improvement Plan that includes a schedule of proposed capital expenditures and their sources of financing. A capital item is defined as a non-recurring expense of \$25,000 or more with a useful life of at least 7 years. The Town's five-year "2021-25 Capital Improvement Plan" totals \$66.2 million.

Uses	Fiscal Year					Total
	2021	2022	2023	2024	2025	
Public Works.....	\$ 3,071,056	\$ 3,296,268	\$ 3,346,836	\$ 2,964,801	\$ 4,118,205	\$ 16,797,166
Police Department	194,000	-	-	-	-	194,000
Senior Services	140,000	-	113,739	116,535	158,144	528,418
Leisure Services	656,500	1,475,500	1,313,500	996,500	391,500	4,833,500
Library	-	-	25,632,596	-	-	25,632,596
Finance.....	35,000	35,000	35,000	35,000	350,000	490,000
Information Technology	-	85,000	83,600	70,000	60,000	298,600
Engineering	395,000	640,000	8,445,000	490,000	4,135,000	14,105,000
BOE.....	486,270	710,500	776,500	555,500	841,500	3,370,270
Total.....	\$ 4,977,826	\$ 6,242,268	\$ 39,746,771	\$ 5,228,336	\$ 10,054,349	\$ 66,249,550
Sources						
General Fund.....	\$ 3,151,479	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 11,151,479
Bonding.....	-	-	25,632,596	-	-	25,632,596
Grants/Other.....	1,826,347	4,242,268	12,114,175	3,228,336	8,054,349	29,465,475
Total.....	\$ 4,977,826	\$ 6,242,268	\$ 39,746,771	\$ 5,228,336	\$ 10,054,349	\$ 66,249,550

Pension Plans

The Town is the administrator of two single-employer, defined benefit, public employee retirement systems (PERS) - The Town of Bloomfield Retirement Income Plan and The Town of Bloomfield Police Retirement Income Plan. Both plans are considered to be part of the Town of Bloomfield, Connecticut's financial reporting entity and are included in the Town's financial reports as Pension Trust Funds. Separate, stand-alone financial statements are not issued for these plans.

Management of the plans rests with the Plans' Administrators, which consists of three members including the Town Manager, Finance Director and Director of Human Resources.

The Town of Bloomfield Retirement Income Plan covers all full-time employees except participants in the International City Management Association (ICMA) program, teachers, police officers and non-Board of Education employees hired after June 30, 2003. The Plan provides retirement benefits as well as death and disability benefits. Employees are eligible to participate in the plan upon attaining the age of 18. All benefits vest after 10 years of service. Employees who retire at or after the point when age plus years of service equals 75 are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2% of final earnings times credited service. Final earnings are the highest of the average of the three highest consecutive calendar year salaries multiplied by years of service. Employees are eligible to retire at age 55 with 15 years of service or at age 62 with 10 years of service. The benefit is not reduced for early retirement if previous conditions were met. Benefits and contributions are established by contract and may be amended through union negotiation for those employees covered by a collective bargaining agreement, or by the Town for those employees not so covered.

Town Retirement Income Plan

Fiscal Year	Actuarially Determined Employer Contribution (ADEC)	Annual Contribution	Percentage of ADEC Contributed	Net Pension Obligation (Asset)
2020 ¹	\$ 3,154,494	\$ 3,154,494	100.0%	\$ -
2019	3,085,827	3,085,827	100.0	-
2018	2,930,717	2,930,717	100.0	-
2017	2,597,773	2,597,743	100.0	30
2016	2,571,995	2,572,003	100.0	(8)
2015	2,629,169	2,629,167	100.0	2
2014	2,477,043	2,477,045	100.0	(2)
2013	2,152,730	2,168,937	100.8	(16,207)
2012	1,926,516	1,956,542	101.6	(30,026)

¹ Budgeted.

¹ Subject to audit.

The Town of Bloomfield Police Retirement Income Plan covers all full-time police employees hired before January 1, 2002, except those such employees covered by the ICMA program. The plan provides retirement benefits as well as death and disability benefits. Employees classified as a police officer or dispatcher whose customary employment is 30 hours or more per week hired before January 1, 2002 are eligible to participate. All benefits vest after 10 years of service. Employees who retire after 25 years of credited service as police officers are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 1/2% of final earnings multiplied by years of credited service (maximum 30 years). Final earnings are the employee's average earnings over the 3 highest consecutive calendar years of employment or the final 36 months of employment. Employees with 10 years of service may retire within 10 years of normal retirement and receive a reduced retirement benefit. Benefits and contributions are established by the Town and may be amended by the Town.

Police Retirement Income Plan

Fiscal Year	Actuarially Determined Employer Contribution (ADEC)	Annual Contribution	Percentage of ADEC Contributed	Net Pension Obligation (Asset)
2020 ¹	\$ 2,105,665	\$ 2,105,665	100.0%	\$ -
2019	2,095,770	2,095,770	100.0	-
2018	2,092,998	2,092,998	100.0	-
2017	2,048,807	2,048,807	100.0	-
2016	2,051,665	2,051,670	100.0	(5)
2015	2,073,888	2,073,888	100.0	-
2014	1,882,291	1,882,292	100.0	(1)
2013	1,671,613	1,671,000	100.0	613
2012	1,485,520	1,485,522	100.0	(2)

¹ Budgeted.

¹ Subject to audit.

The Town is the administrator of a single-employer, defined contribution pension plan, the Town of Bloomfield Employee Benefit Plan. The plan covers public safety employees working more than 20 hours a week, hired on or after January 1, 2002, and other Town employees, excluding Board of Education employees, working more than 20 hours a week hired on or after July 1, 2003. The employer match is 10% and the employee share is 7%. The Town also provides an optional 457 plan to its employees.

Teachers participate in a contributory defined benefit plan established under Chapter 167a of the Connecticut General Statutes and administered by the Connecticut State Teachers' Retirement Board. All certified teachers are eligible to participate

in the plan and are required to contribute 7.25% of annual earnings. The Town is not required to and does not contribute to the plan.

Governmental Accounting Standards Board Statement No. 67 (“GASB 67”) requires a determination of the Total Pension Liability (“TPL”) for a plan using the Entry Age Normal actuarial funding method. The Net Pension Liability (“NPL”) is then set equal to the TPL minus the plan’s Fiduciary Net Position (“FNP”) which, generally, is the market value of assets in the plan as of the measurement date. Among the assumptions needed for the liability calculation is a Single Equivalent Interest Rate (“SEIR”). To determine the SEIR, the FNP must be projected into the future for as long as there are anticipated benefits payable to the membership and beneficiaries of the system on the measurement date. If the FNP of the plan is not expected to be depleted at any point in the future, the plan may use its long-term expected rate of return as the SEIR. If, on the other hand, the FNP of the plan is expected to be depleted, then the SEIR is the single rate of interest that will generate a present value of benefits equal to the sum of (i) the present value of all benefits through the date of depletion at a discount rate equal to the long-term expected rate of return, plus (ii) the present value of benefits after the date of depletion discounted at a rate based on 20-year, tax-exempt, general obligation municipal bonds, with an average credit rating of AA/Aa or higher.

The Town of Bloomfield has received from its actuarial firm Hooker & Holcombe reports prepared as of June 30, 2019 containing information to assist the Town in meeting the requirements of GASB 67. These reports indicated the following results as of June 30, 2019 in accordance with GASB 67:

	Town Retirement		Police Retirement	
	Income Plan		Income Plan	Total
Total Pension Liability at June 30, 2019....	\$ 71,663,735	\$ 45,845,252	\$	117,508,987
Plan Fiduciary Net Position.....	52,935,371	27,348,003		80,283,374
Net Pension (Asset) Liability.....	\$ 18,728,364	\$ 18,497,249	\$	37,225,613
Plan Fiduciary Net Position as % of				
Total Pension Liability.....	73.87%	59.65%		68.32%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Town, calculated using the discount rate of 6.75%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease	Current	1% Increase
	(5.75)	Discount	(7.75)
		(6.75)	
Town Retirement Income Plan - Net Pension Liability.....	\$ 25,699,384	\$ 18,727,364	\$ 12,785,894
Police Retirement Income Plan - Net Pension Liability....	\$ 18,497,249	\$ 18,497,249	\$ 14,672,957

Other Post-Employment Benefits

Plan Description

The Town administers one single-employer, post retirement healthcare plan for the Town, Police and Board of Education, the Town of Bloomfield Other Post Employment Benefits (OPEB) Plan. The other post employment benefit plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the OPEB Trust fund. The Town does not issue a separate stand-alone financial statement for this program.

The Town plan provides for medical, dental and life insurance benefits for all eligible Town, Police and Board of Education retirees and their spouses. Benefits and contributions are established by contract and may be amended by union negotiations. Administration costs are financed from investment earnings.

The Town contracts with a financial advisor and actuary who assist in monitoring the plan. Meetings are held at least quarterly with the Town Manager, Finance Director and investment advisor to review the plan. The Town Manager and the Finance Director also periodically provide information regarding the post-employment benefits plan to the Finance Subcommittee of the Town Council. The full Town Council would be consulted in the event of any major plan change.

Funding Policy

The Town's contributions are actuarially determined on an annual basis using the projected unit credit method. The Town's total plan contribution was \$3,857,912.

Retiree contributions are dependent on the covered group. There are no employee contributions for the Town, Police or Board of Education employees, with the exception of some retirees who pay for spousal coverage. Teachers are required to pay 100% of the costs.

At July 1, 2018, plan membership consisted of the following:

Active Employees	537
Retired Employees	<u>215</u>
Total	752

Net OPEB Liability of the Town

The Town's net OPEB liability was measured as of June 30, 2019. The components of the net OPEB liability of the Town at June 30, 2019 were as follows:

Total OPEB Liability.....	\$	92,322,198
Plan Fiduciary Net Position.....		<u>9,854,280</u>
Town Net OPEB Liability.....	\$	82,467,918
Plan Fiduciary Net Position		
as % of Total OPEB Liability.....		10.67%

In addition to providing pension benefits, the Town provides certain health care and life insurance benefits ("OPEB") for retired employees and dependents. Substantially all of the Town's employees may be eligible for these benefits if they retire from the Town. The Town recognizes the cost of providing these benefits by expensing the annual premiums for retirees 65 years and older and paying the claims through a self-insurance plan for retirees and dependents under 65 years of age.

On September 22, 2014 the Bloomfield Town Council approved the establishment of an OPEB Trust Fund (the Trust). The creation of the Trust fund allows for a 7.50% discount rate which would lower the unfunded liability (based on the 2012 Valuation) from \$94.6 million to approximately \$57.5 million and reduce the estimated annual required contribution to about \$4.4 million per year. As a condition of the Trust, the Town plans to phase-in the fully required annual required contribution over a ten-year period. For employees hired prior to July 2016, the Town deducts from all active public safety and other employees (except for certified teachers and administrators) 1.5% and 1.25%, respectively, of gross earnings towards the cost of these retiree health benefits. Police officers defined benefit members contribute 1%, non-defined benefit members either contribute 2.5%, 3.5% or 4% depending on hire date. Other employee defined benefit members contribute 1.25%, non-defined benefit members either contribute 1.25%, 2.5%, 3.0% or 3.5%

The most recent valuation as of July 1, 2018 as completed by the Town's actuarial firm, Hooker & Holcombe, Inc., determined that the Town had an actuarial accrued liability of \$82,627,579 with respect to the plan and an actuarial value of assets of \$8,209,637 resulting in an unfunded actuarial accrued liability of \$74,417,942. Based on a 6.75% (down from 7.5%) annual investment return assumption and a 30-year amortization period, using the Projected Unit Credit Actuarial Cost Method, the report determined the Town's actuarially determined employer contribution payable ("ADEC") to the plan (after allowing for employee contributions) for fiscal year 2020 as \$9,232,146 of which \$4,443,349 is expected benefit payments (EBP), with the net (ADEC-EBP) of \$4,788,797.

Beginning in fiscal year 2016, the Town and Board of Education implemented a 10-Year ADEC phase-in plan. Due to the resulting size of the contribution and, other budgetary constraints, the phase-in plan was amended in 2017. The Town is now on a 9 year ADEC phase-in plan and budgeted to fund 40% of the ADEC less EBP for fiscal year 2020. At the 40% funding level, a total contribution of \$1,915,519 has been budgeted (in addition to pay-as-you go claims) during fiscal year 2020. This percentage will grow by 10% each year through 2027. The Town will need to re-evaluate the level of funding every year in light of other budgetary constraints.

Also, the Town has made structural changes in its bargaining unit contracts such as increasing employee share of contributions for new employees and adding a High Deductible Health Plan (HDHP). With this option now being offered to future retirees, the OPEB liability has started to decrease. The Town will continue to address this liability in future bargaining contracts.

Schedule of OPEB Funding Status

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability ("AAL")	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
7/1/2018	\$ 8,209,637	\$ 82,627,579	\$ 74,417,942	9.94%	\$ 36,765,273	202.41%
7/1/2016	5,043,386	77,668,534	72,625,148	6.49%	37,327,296	194.56%
7/1/2014	2,369,726	64,892,076	62,522,350	3.65%	40,249,105	155.34%
7/1/2012	-	94,592,555	94,592,555	0.00%	34,856,264	271.38%
7/1/2010	-	82,045,095	82,045,095	0.00%	36,549,683	224.48%
7/1/2008	-	83,370,810	83,370,810	0.00%	33,361,609	249.90%

Schedule of Employer Contributions

Fiscal Year	Actuarially Determined Employee Contribution (ADEC)	Actual Contribution	Percentage of OPEB Contributed
2019	9,667,922	3,857,912	39.9%
2018	9,394,000	3,132,615	33.3%
2017	8,247,357	2,911,267	35.3%
2016	8,016,863	3,475,807	43.4%
2015	10,681,456	5,175,867	48.5%
2014	10,476,981	2,131,871	20.3%
2013	9,059,394	1,606,090	17.7%
2012	8,889,935	1,668,436	18.8%
2011	8,726,992	1,635,647	18.7%

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current discount rate:

	1% Decrease (5.75)	Current Discount Rate (6.75)	1% Increase (7.75)
Town Plan's Net OPEB Liability	\$ 94,651,679	\$ 82,467,918	\$ 72,490,794

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.25% decreasing to 3.75%) or 1 percentage point higher (9.25% decreasing to 5.75%) than the current healthcare cost trend rates:

	1% Decrease (7.25% decreasing to 3.75%)	Trend Rates (8.75% decreasing to 4.75%)	1% Increase (9.75% decreasing to 5.75%)
Town Plan's Net OPEB Liability	\$ 72,254,895	\$ 82,467,918	\$ 95,013,606

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Comparative Balance Sheets – General Fund

Assets	Actual 6/30/2019	Actual 6/30/2018	Actual 6/30/2017	Actual 6/30/2016	Actual 6/30/2015
Cash and Cash Equivalents.....	\$ 37,956,606	\$ 34,124,838	\$ 31,001,656	\$ 32,802,882	\$ 34,731,433
Receivables:					
Property Taxes Receivable.....	1,862,140	1,703,605	1,853,061	1,467,440	1,713,747
Intergovernmental.....	-	1,073	1,013	-	-
Accounts Receivable.....	670,366	534,477	461,327	220,622	177,628
Due to Other Funds.....	8,488,342	6,474,137	5,161,621	2,210,671	2,139,879
Other Assets.....	7,878	391,200	104,250	-	-
Total Assets.....	\$ 48,985,332	\$ 43,229,330	\$ 38,582,928	\$ 36,701,615	\$ 38,762,687
Liabilities and Fund Balance					
<i>Liabilities</i>					
Accounts Payable.....	\$ 1,833,761	\$ 1,443,172	\$ 1,612,416	\$ 1,323,865	\$ 1,667,899
Accrued Liabilities.....	1,337,690	565,328	552,512	592,695	1,258,086
Due to Other Funds.....	13,321,277	16,221,496	12,630,138	10,214,275	11,804,718
Unearned Revenue.....	94,830	10,978	34,713	22,824	-
Deferred Revenue.....	-	-	-	-	28,675
Total Liabilities.....	\$ 16,587,558	\$ 18,240,974	\$ 14,829,779	\$ 12,153,659	\$ 14,759,378
<i>Deferred Inflows of Resources</i>					
Unavailable Revenue - Property Taxes.....	\$ 1,665,949	\$ 1,494,860	\$ 1,305,432	\$ 1,305,432	\$ 1,503,612
Advance Property Tax Collections.....	8,042,358	-	5,091,412	5,091,412	5,335,959
Total Deferred Inflows of Resources.....	\$ 9,708,307	\$ 1,494,860	\$ 6,396,844	\$ 6,396,844	\$ 6,839,571
Fund Balances					
Nonspendable.....	\$ 7,878	\$ 391,200	\$ -	\$ -	\$ -
Restricted.....	-	-	-	-	-
Committed.....	-	-	-	-	-
Assigned.....	3,925,697	2,596,901	1,551,424	1,551,424	2,054,536
Unassigned.....	18,755,892	18,356,965	16,599,688	16,599,688	15,109,199
Total Fund Balance.....	\$ 22,689,467	\$ 21,345,066	\$ 18,151,112	\$ 18,151,112	\$ 17,163,735
Total Liabilities, Deferred Inflows of Resources, and Fund Balance.....	\$ 48,985,332	\$ 41,080,900	\$ 39,377,735	\$ 36,701,615	\$ 38,762,684
Operating revenues.....	\$ 93,812,311	\$ 93,534,049	\$ 92,637,988	\$ 89,140,280	\$ 85,119,505
Fund balance as percent of operating revenues.....	24.2%	22.8%	19.6%	20.4%	20.2%
Unreserved/unassigned fund balance as percent of operating revenues.....	20.0%	19.6%	17.9%	18.6%	17.8%

General Fund Revenues and Expenditures

The General Fund revenues, expenditures, and changes in fund balance for the fiscal years ended June 30, 2016 through 2019 have been derived from audited financial statements. The adopted budget for Fiscal Year 2019–20. The Town’s independent accountants have not examined, reviewed or compiled any of the estimates presented below or expressed any conclusion or provided any other form of assurance with respect to such estimates, and accordingly, assume no responsibility for them. The financial information presented herein is the responsibility of the Town of Bloomfield’s management (Appendix A – “2019 Financial Statements” was taken from the Comprehensive Annual Financial Report of the Town of Bloomfield for the Fiscal Year ended June 30, 2019).

	Budget 2020¹	Actual 2019	Actual 2018	Actual 2017	Actual 2016
Revenues:					
Property Taxes	\$ 80,454,103	\$ 80,621,613	\$ 76,396,187	\$74,698,743	\$ 73,563,398
Intergovernmental Revenues	6,505,154	9,237,517	13,984,068	14,366,350	11,091,620
Charges for Services	2,258,450	3,008,250	2,538,033	3,281,387	4,265,991
Interest Income	215,000	684,288	376,677	157,151	89,745
Other	495,000	260,643	239,084	134,357	129,526
Total Revenues	89,927,707	93,812,311	93,534,049	92,637,988	89,140,280
Expenditures:					
Administration	3,527,833	3,252,096	3,158,722	3,140,515	3,082,450
Boards and Agencies	167,445	163,835	161,084	154,092	138,231
Planning & Development	1,309,113	1,194,451	1,105,552	992,584	978,180
Public Safety	8,172,646	7,760,470	7,304,494	7,505,124	7,471,347
Public Works	3,360,348	3,106,586	3,091,766	3,067,339	2,895,926
Leisure Services	816,188	798,191	728,656	724,178	730,653
Public Libraries	1,734,931	1,733,695	1,621,318	1,580,730	1,524,108
Human Services	1,711,922	1,620,017	1,558,112	1,465,096	1,427,964
Facilities	1,882,320	1,590,269	1,640,342	1,461,766	1,561,150
Fixed Charges	18,331,158	17,767,465	16,168,272	16,005,256	15,915,492
Miscellaneous	445,500	207,429	150,137	73,839	170,017
Education	43,427,030	46,334,201	48,305,312	47,763,637	43,740,001
Debt Service	6,502,326	5,687,779	5,808,960	6,205,214	6,198,138
Total Expenditures	91,388,760	91,216,484	90,802,727	90,139,370	85,833,657
Excess (Deficiency) of Revenues					
Over Expenditures	(1,461,053)	2,595,827	2,731,322	2,498,618	3,306,623
Other Financing Sources (Uses):					
Premium on Bond.....	-	-	2,202,019	-	-
Premium on BAN.....	-	41,906	-	-	-
Premium on Bond Issuance	-	143,778	-	-	-
Issuance of Refunding Bonds	-	-	13,050,000	8,745,000	-
Payment to Refunded Bond Escrow Agent ...	-	-	(15,109,225)	(9,815,139)	-
Premium on Refunding Bond Issuance	-	-	-	1,195,675	-
Premium on Bond Insurance	-	-	-	-	-
Operating Transfers In	-	150,000	125,000	125,000	100,000
Operating Transfers Out	(459,057)	(1,587,110)	(1,207,956)	(1,346,360)	(2,419,246)
Net Other Financing Sources (Uses)	(459,057)	(1,251,426)	(940,162)	(1,095,824)	(2,319,246)
Excess (Deficiency) of Revenues and Other Financing Sources Over Exps. and Other Financing Uses					
	(1,920,110)	1,344,401	1,791,160	1,402,794	987,377
Fund Balance, July 1	\$ 22,689,467	\$ 21,345,066	\$ 19,553,906	\$18,151,112	\$ 17,163,735
Residual Equity Transfers	-	-	-	-	-
Fund Balance, End of Year	\$ 20,769,357	\$ 22,689,467	\$ 21,345,066	\$19,553,906	\$ 18,151,112

Municipal Budget Expenditures Cap: Connecticut General Statutes Section 4-661 creates a cap on adopted general budget expenditures for municipalities in Connecticut in order for municipalities to be eligible to receive the full amount of the State's municipal revenue sharing grant. Beginning in fiscal year ending June 30, 2018, and in each fiscal year thereafter, the Office of Policy and Management ("OPM") must reduce the municipal revenue sharing grant amount for those municipalities whose adopted general budget expenditures (with certain exceptions including but not limited to debt service, special education, implementation of court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of \$100,000 or more, or payments on unfunded pension liabilities, and certain major disaster or emergency expenditures) exceeds the spending limits specified in the statute. For each applicable fiscal year, OPM must determine the municipality's percentage growth in general budget expenditures over the prior fiscal year and reduce the grant if the growth rate is equal to or greater than 2.5% or the inflation rate, whichever is greater, each of those amounts adjusted by an amount proportionate to any increase in the municipality's population from the previous fiscal year. The reduction is generally equal to 50 cents for every dollar the municipality spends over this cap. Each municipality must annually certify to the Secretary of the OPM whether such municipality has exceeded the cap set forth in the statute and if so the amount by which the cap was exceeded. The 2017-2019 biennium budget legislation did not provide funding for the municipal revenue sharing grant in the fiscal years ending June 30, 2018 and June 30, 2019. The 2019-2021 biennium budget legislation does not provide for the municipal revenue sharing grant in fiscal years ending June 30, 2020 and June 30, 2021, but will resume such funding following July 1, 2021.

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VII – ADDITIONAL INFORMATION

Litigation

Following consultation with the Town Attorney, and other attorneys providing legal services to the Town, Town officials advise that the Town of Bloomfield, Connecticut, its officers, employees, boards and commissions are named defendants in a number of lawsuits. With regard to these pending lawsuits it is the Town officials' opinion that such pending litigation will not be finally determined so as to result individually or in the aggregate in final judgments against the Town that would materially adversely affect its financial position.

Documents Furnished at Delivery

The winning bidder(s) will be furnished the following documents when the Bonds and the Notes are delivered:

1. Signature and No Litigation Certificates stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the Notes or the levy or collection of taxes to pay them.
2. A certificate on behalf of the Town, signed by the Town Manager, the Treasurer, and the Director of Finance, which will be dated the date of delivery and attached to a signed copy of the Official Statement, and which will certify, to the best of said officials' knowledge and belief, that at the time the bids were awarded for the Bonds and the Notes, the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.
3. Receipts for the purchase price of the Bonds and the Notes.
4. The approving opinion of Day Pitney LLP, Bond Counsel, of Hartford, Connecticut.
5. Executed Continuing Disclosure Agreements for the Bonds and the Notes in substantially the forms attached hereto as Appendices C-1 and C-2 to this Official Statement.
6. The Town of Bloomfield has prepared an Official Statement for the Bonds and the Notes which is dated January 15, 2020. The Town deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12 (b)(1), but it is subject to revision or amendment. The Town will make available to the winning bidder(s) of the Bonds twenty-five (25) copies, and of the Notes five (5) copies, of the final Official Statement at the Town's expense. The copies of the Official Statement will be made available to the winning bidder(s) at the office of the Town's municipal advisor no later than seven business days of the bid opening. If the Town's Municipal Advisor is provided with the necessary information from the winning bidder(s) by noon of the day following the day bids on the Bonds and the Notes are received, the copies of the final Official Statement will include an additional cover page and other pages indicating the interest rates, yields or reoffering prices, the name of the managing underwriter, the name of the insurer, if any, and any changes on the Securities. The winning bidder(s) shall arrange with the Municipal Advisor the method of delivery of the copies of the Official Statement to the winning bidder(s).

A record of the proceedings taken by the Town in authorizing the Bonds and the Notes will be kept on file at offices of U.S. Bank National Association, and may be examined upon reasonable request.

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Concluding Statement

This Official Statement is submitted only in connection with the sale of the Bonds and the Notes by the Town of Bloomfield, Connecticut and may not be reproduced or used in whole or in part for any other purpose.

The following officials, in their capacity as officers of the Town, and in the name and on behalf of the Town, do hereby certify in connection with this issue that they have examined this Official Statement, and to the best of their knowledge and belief, the description and statements relating to the Town and its finances were true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

TOWN OF BLOOMFIELD, CONNECTICUT

By: Robert E. Smith
ROBERT E. SMITH, *Town Manager*

By: Shawn Samuels
SHAWN SAMUELS, *Treasurer*

By: Keri J. Rowley
KERI J. ROWLEY, *Director of Finance*

Dated: January 15, 2020

Appendix A

2019 Financial Statements Excerpted from the Town's Comprehensive Annual Financial Report

The following includes the General Purpose Financial Statements of the Town of Bloomfield, Connecticut for the fiscal year ended June 30, 2019. The supplemental data that was a part of that report has not been reproduced herein. A copy of the complete report is available upon request from Barry Bernabe, Managing Director, Phoenix Advisors LLC, 53 River Street, Suite 1, Milford, Connecticut 06460. Telephone (203) 283-1110

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Independent Auditors' Report

To the Members of the Bloomfield Town Council
Town of Bloomfield, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Bloomfield, Connecticut, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Bloomfield, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Bloomfield, Connecticut, as of June 30, 2019 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the pension and OPEB schedules, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Bloomfield, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor 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.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has 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 and statistical sections 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2019 on our consideration of the Town of Bloomfield, Connecticut'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 solely 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 effectiveness of the Town of Bloomfield, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Bloomfield, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 5, 2019

**TOWN OF BLOOMFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019**

As management of the Town of Bloomfield, we offer readers of the Town of Bloomfield's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal in the introductory section of this report.

Financial Highlights

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

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$31.7 million (*net position*). Of this amount, \$22.6 million was attributable to Governmental Activities and \$9.1 million to Business-Type Activities.
- The Town's total net position decreased by around \$3.8 million from the prior year. This is primarily due to the spending on the building projects exceeding the rate of financing for these projects
- Net position of our governmental activities decreased by \$3.6 million while the net position on the business-type activities decreased by about \$225,000.
- At the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$27.1 million, a decrease of \$7.6 million over the prior year. This decrease is reflected solely in the Nonrecurring Capital Projects fund which decreased by \$9.1 million in FY 2019. The building projects are well underway, with the Human Services building completed in the spring of 2019. There was one bond issuance in FY 2019 to issue permanent financing for a portion of the building projects, but the expenditures outpaced the permanent financing schedule by year end. The General Fund saw growth in the fund balance of \$1.34 million which was due to higher than anticipated revenue and lower than anticipated costs in FY 2019. The Nonmajor Governmental Funds fund balance increased slightly from \$5.8 million to \$5.9 million at the end of FY 2019 which was attributed to an increase in revenue received while expenditures dipped slightly lower than prior year.
- The General Fund had a total fund balance of \$22.7 million, an increase of \$1.3 million over the prior year. Of the \$22.7 million, \$3.925 million was assigned (which included \$1.4 million assigned as revenue for the 2019-20 fiscal year, \$621 thousand assigned for future debt service payments, \$1.73 million to assist with future capital expenditures and \$183 thousand in open encumbrances at June 30, 2019), \$8 thousand was nonspendable fund balance for prepaid expenses, leaving an unassigned total of \$18.7 million. The unassigned General Fund balance increased by \$396 thousand over the prior year and represents 20.4% of the fiscal year 2019-2020 General Fund budget, which is just slightly above the 15-20% goal established by the Fund Balance Policy. There was no committed fund balance in the General Fund at year-end.
- The property tax collection rate as of June 30, 2019 was 98.43%, a slight decrease of .11% from the prior year, and just below the 98.5% that the Town assumed in its 2018-2019 budget.

- The Town of Bloomfield's outstanding bonded debt at June 30, 2019 is \$50.9 million. There was one new bond issuance for \$12 million for the first phase in the debt schedule for the building projects. There was a bond anticipation note of \$7 million to temporarily assist in offsetting the increasing expenditures of the projects.
- The Town's total capital assets, which total \$197 million (net of depreciation) increased by \$20 million during the current fiscal year due to a portion of the building projects being added to the Town capital assets. Fiscal year 2018-2019 was the third full year of depreciation on the assets related to the major school renovations.

Government-Wide Financial Statements

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

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

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include administration, planning and development, public safety, public works, leisure services, public libraries, human services and education. The business-type activities of the Town include the operations of the Wintonbury Hills Golf Course.

The government-wide financial statements can be found on Exhibits I and II of this report.

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains 22 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Nonrecurring Capital Projects Fund, which are considered to be major funds. Data from the other 20 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget (RSI-1 and RSI-2).

The basic governmental fund financial statements can be found on Exhibits III and IV.

Overview of the Basic Financial Statements (continued)

Proprietary Funds

The Town maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses an enterprise fund to account for the operations of the Wintonbury Hills Golf Course. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions.

The Town uses an internal service fund to account for its employees' self-insured medical benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statement provides information for the Wintonbury Hills Golf Course operations, which is considered to be a major fund of the Town.

The basic proprietary fund financial statements can be found on Exhibits V, VI, and VII.

Fiduciary Funds

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

The basic fiduciary fund financial statements can be found on Exhibits VIII and IX.

Notes to The Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found immediately following the notes to the financial statements.

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position. At June 30, 2019, the Town of Bloomfield's assets exceeded liabilities by \$31.7 million.

NET POSITION (THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current assets and other assets	\$ 57,427	\$ 51,926	\$ 457	\$ 518	\$ 57,884	\$ 52,444
Capital assets, net of accumulated depreciation	188,711	168,858	8,771	9,050	197,482	177,908
Total assets	<u>246,138</u>	<u>220,784</u>	<u>9,228</u>	<u>9,568</u>	<u>255,366</u>	<u>230,352</u>
Deferred outflows of resources	<u>5,600</u>	<u>5,418</u>			<u>5,600</u>	<u>5,418</u>
Current liabilities	14,871	6,845	166	283	15,037	7,128
Noncurrent liabilities	196,464	188,431			196,464	188,431
Total liabilities	<u>211,335</u>	<u>195,276</u>	<u>166</u>	<u>283</u>	<u>211,501</u>	<u>195,559</u>
Deferred inflows of resources	<u>17,727</u>	<u>4,605</u>			<u>17,727</u>	<u>4,605</u>
Net Position:						
Net investment in capital assets	128,523	123,663	8,771	9,050	137,294	132,713
Unrestricted	<u>(105,848)</u>	<u>(97,342)</u>	<u>290</u>	<u>235</u>	<u>(105,558)</u>	<u>(97,107)</u>
Total Net Position	<u>\$ 22,675</u>	<u>\$ 26,321</u>	<u>\$ 9,061</u>	<u>\$ 9,285</u>	<u>\$ 31,736</u>	<u>\$ 35,606</u>

By far the largest portion of the Town's net position (\$137 million) is its investment in capital assets (e.g., land, construction in progress, buildings, land improvements, furniture and equipment, and infrastructure), less any related outstanding debt used to acquire those assets. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is (\$105) million.

- The Town's net position total of \$31.7 million decreased by \$3.8 million during the current fiscal year. Of the net position total, \$22.7 million is attributable to the government activities category and \$9.0 million for business-type activities.

Governmental Activities

Governmental activities decreased the Town's net position by \$3.6 million.

Business-Type Activities

The net position of business-type activities, which is entirely comprised of the operations of the Wintonbury Hills Golf Course, decreased by \$225 thousand.

Revenues

Governmental activities revenues totaled \$110.8 million for fiscal year 2019. This represents a decrease of \$3.34 million from the prior year, with almost all of the decrease attributable to prior year's payment for school construction projects that were officially closeout during FY 2018 and therefore was a one-time revenue source. Property taxes are the largest revenue source for the Town and represent 73.02% of total revenues. Operating grants and contributions total \$19.146 million or 17.27% of revenue of which the major portion is attributable to education grants, including the on-behalf teachers' retirement contribution (has an offsetting expense). Capital grants and contributions totaled \$3.32 million or 3.0% of governmental revenues. Charges for services totaled \$5.82 million, or 5.2% of total revenues.

The most significant variances from the prior year as outlined in the "Changes in Net Position" schedule are as follows:

- Charges for services, which total \$5.8 million, increased by \$1 million over the prior year. This was mainly driven by a \$664 thousand increase in the real estate conveyance revenue. This was an unprecedented year and a result of record-breaking real estate sales. Police private duty fees were also up about \$250 thousand from the prior year which was driven by major construction jobs in the area.
- Operating grants and contributions decreased \$5.8 million as a result of a decrease in the on-behalf teachers' retirement contribution of \$1.5 million and an offset to the contribution of \$3.1 million to recognize State of Connecticut OPEB revenue received.
- Capital grants and contributions, which total \$3.3 million, decreased by \$3.48 million due primarily to school construction grants received during fiscal year 2018 related to the major school renovations of Arace, Bloomfield High and Metacomet schools.
- Property taxes, which comprise 73.02% of total revenue, or \$80.94 million, increased by \$4.78 million due primarily to the increase in the tax levy for the 2018-2019 fiscal year as well as higher-than-anticipated collections.
- Unrestricted investment earnings increased by \$308 thousand as a result of robust return on investment rates.

Expenses

Governmental expenses totaled \$114 million for the 2019 fiscal year, an increase of \$2.4 million over the prior year. The largest category of expenses related to Education, which represents \$66 million or 57.65% of total expenses. This is a decrease of \$2.3 million from the prior year because this figure includes the on-behalf teachers' retirement contribution expenditure which was significantly less than FY 2018. The driver for this is a result of a \$1.5 million decrease in the expense and the expenditure was offset this year by revenue received as contributions to the State OPEB fund of \$3.1 million. A supplemental appropriation was done for \$975 thousand in FY 2019 for the Board of Education to help assist with unanticipated, unbudgeted expenditures.

Public safety expenses comprise the next largest expense category at \$17.19 million or 15.00% of total expenses, an increase of \$794 thousand. This is primarily due to the actuarial results of the OPEB liability for FY 2019 increasing when compared to prior year expectations and therefore creating an increase in deferred outflows. An increase in the compensated absences liability for this department also contributed to this increase. Public Works is the third largest category of expenses and amounted to \$9.7 million or 8.48% of total expenses, an increase of \$1.0 million from the prior year due to an increase in deferred outflows. Contributions to the pension and medical claims, coupled with contractual increases in salaries added also contributed to this increase.

**CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018
(THOUSANDS)**

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 5,820	\$ 4,852	\$ 1,700	\$ 1,641	\$ 7,520	\$ 6,493
Operating grants and contributions	19,146	25,018			19,146	25,018
Capital grants and contributions	3,320	6,800			3,320	6,800
General revenues:						
Property taxes	80,939	76,157			80,939	76,157
Grants and contributions (not restricted)	521	576			521	576
Unrestricted investment earnings	789	481			789	481
Miscellaneous	304	295			304	295
Total revenues	<u>110,839</u>	<u>114,179</u>	<u>1,700</u>	<u>1,641</u>	<u>112,539</u>	<u>115,820</u>
Expenses:						
Administration	7,080	6,585			7,080	6,585
Planning and development	3,159	2,493			3,159	2,493
Public Safety	17,184	16,390			17,184	16,390
Public Works	9,704	8,789			9,704	8,789
Leisure Services	1,821	1,715			1,821	1,715
Public Libraries	3,868	3,368			3,868	3,368
Human Services	3,981	3,421			3,981	3,421
Education	66,006	68,350			66,006	68,350
Interest expense	1,682	929			1,682	929
Wintonbury Hills Golf Course			1,924	1,891	1,924	1,891
Total expenses	<u>114,485</u>	<u>112,040</u>	<u>1,924</u>	<u>1,891</u>	<u>116,409</u>	<u>113,931</u>
Increase (Decrease) in Net Position	(3,646)	2,139	(224)	(250)	(3,870)	1,889
Net Position July 1	<u>26,321</u>	<u>24,182</u>	<u>9,285</u>	<u>9,535</u>	<u>35,606</u>	<u>33,717</u>
Net Position June 30	<u>\$ 22,675</u>	<u>\$ 26,321</u>	<u>\$ 9,061</u>	<u>\$ 9,285</u>	<u>\$ 31,736</u>	<u>\$ 35,606</u>

Business-Type Activities

Business-type activities, which for the Town includes the operation of Wintonbury Hills Golf Course, decreased the Town's net position by \$225 thousand mainly attributable to an increase in depreciation expense.

Financial Analysis of the Town's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the Town's governmental funds (as presented in the balance sheet Exhibit III) reported combined ending fund balances of \$27.14 million, a decrease of \$7.66 million in comparison with the prior year.

The General Fund component of the combined fund balance is \$22.69 million. Of the total General Fund balance, \$18.76 million constitutes unassigned fund balance; the difference between the total fund balance and unassigned fund balance is the assigned and nonspendable fund balance components in the amount of \$3.93 million. This balance is assigned for the following specific purposes: \$183 thousand for FY 19 encumbrances, \$1.4 million assigned as revenue to mitigate the mill rate for the 2019-2020 fiscal year, \$1.73 million for future capital projects and \$621 thousand to stabilize future debt service payments. There is \$8 thousand of fund balance that is deemed nonspendable because it relates to prepaid expenses.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures (budgetary). Unassigned fund balance represents 21.0% of total 2018-2019 General Fund expenditures, while total fund balance represents 25.4% of that same amount.

Nonrecurring Capital Projects Fund

This fund accounts for financial resources to be used for the acquisition of major equipment, construction of facilities and infrastructure improvements; this includes the \$94.6 million Town-wide school renovation project begun in 2006 and completed in fiscal year 2017. The nonrecurring capital projects fund's fiscal year 2019 expenditures exceeded revenues by just over \$9 million. This is because of the two major building projects making significant strides in FY 2019 while funding for these projects was in its first phase of a three-year phase in.

Non-Major Governmental Funds

Non-major governmental funds account for all other grant programs for education, social services, recreation, school cafeteria, public safety that do not fall into a major category and to account for specific revenues restricted to expenditures for specific purposes. There was an increase in this fund during the year with fund balance increasing by \$70 thousand which increased the fund balance at June 30, 2019 to a total of \$5.93 million.

Proprietary Funds

The Town has two proprietary funds, a business-type fund to account for the operations of the Wintonbury Hills Golf Course, and an internal service fund used to account for costs related to employee health insurance. In fiscal year 2019, the golf course had an operating loss of \$225 thousand and, therefore, total net position decreased to \$9.06 million at June 30, 2019. Its unrestricted net position increased slightly from \$235 thousand to \$290 thousand at year end.

The internal service fund for employee health insurance had an operating loss of \$816 thousand due to an increase in claims and the intended use of fund balance to help offset higher than anticipated expenditures in other areas for the Board of Education. Fiscal year 2019's net position finished the year at \$5.83 million dollars. The Self-Insurance Fund Balance policy recommends a 3 to 6 month claims average and while the net position decreased, it was still well above the recommended level.

General Fund Budgetary Highlights

There was one supplemental appropriation in fiscal year 2018-2019 of \$975 thousand. The Board of Education experienced unbudgeted, unanticipated costs in areas of special education and transportation that were beyond the control of administration. Although the Board of Education implemented a budget freeze in the middle of the fiscal year, the savings did not provide enough relief to cover the mandatory costs. The adjusted town-wide year end budget for fiscal year 2019 was increased from \$89,520,557 to \$90,495,557. Actual General Fund revenues, on a budgetary basis, totaled \$91,265,674, which exceeded the original budget by \$3.10 million (note that the original revenue budget included \$1,400,000 of assigned fund balance; this amount did not need to be used). The favorable revenue variance was mostly driven by the Property Taxes category which was over budget by \$1.61 million due primarily to settlements of assessment appeals which increase the grand list and favorable collections. Real Estate Conveyance has a strong fiscal year 2019, collecting over \$755 thousand more than the budgeted amount of \$450 thousand.

Fiscal year 2018-2019 actual expenditures were \$89,471,778 as compared to the final budget of \$90,495,557, creating a favorable variance of \$1,023,779. Favorable expenditure variances were realized in almost every town department, due to fiscal conservatism and effective management. A transfer to the OPEB trust of \$765 thousand was approved by Council when there were recognized savings in other departments to offset this transfer.

The Board of Education budget of \$42,160,165 was increased to \$43,135,165 in the fourth quarter of the fiscal year and all but \$139 thousand was expended.

Overall, fiscal year 2019 was a very positive year for the Town of Bloomfield due to continued cost savings efforts, maintenance of high tax collections rates, and general conservative fiscal management. All of these efforts were combined with strategic plans to continue to fund capital improvements; fund 100% of the actuarially-recommended defined benefit pension contribution; and implement a ten-year phase-in plan to address the OPEB liability.

Capital Asset and Debt Administration

Capital Assets

The Town's investment in capital assets (net of depreciation) for its governmental and business-type activities as of June 30, 2019 amounts to \$188.7 million and \$8.7 million, respectively, for a total of \$197.4 million or an increase of 19.6 million. This investment in capital assets includes land, construction in progress, buildings, land improvements, furniture and equipment, and infrastructure. The increase was driven by the building projects, but offset slightly by the change in depreciation. Capital assets for Business-type activities for the Wintonbury Hills Golf Course, decreased by \$279 thousand from the prior year, again mainly due to normal depreciation.

CAPITAL ASSETS (Net of Depreciation) (THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 41,482	\$ 41,373	\$ 1,000	\$ 1,000	\$ 42,482	\$ 42,373
Construction in progress	22,919	2,177			22,919	2,177
Buildings	106,252	108,210	1,150	1,183	107,402	109,393
Land Improvements	2,978	2,478	6,288	6,478	9,266	8,956
Furniture and equipment	5,619	5,948	333	389	5,952	6,337
Infrastructure	9,461	8,672			9,461	8,672
Total	\$ 188,711	\$ 168,858	\$ 8,771	\$ 9,050	\$ 197,482	\$ 177,908

Additional information on the Town’s capital assets can be found in Note 3.B.

Debt Administration

Long Term Debt

At the beginning of the fiscal year, the Town had total debt outstanding of \$42.83 million. During FY 2019, the Town paid down \$3.93 million of principal and there was a new bond issuance of \$12 million to fund a portion of the building projects. At the end of June 30, 2019, the Town has \$50.90 million total debt outstanding. All bonded debt is general obligation debt backed by the full faith and credit of the Town.

**OUTSTANDING DEBT
JUNE 30, 2019 AND 2018
(THOUSANDS)**

	Governmental Activities	
	2019	2018
General Obligation Bonds	\$ 50,900	\$ 42,830

At June 30, 2019, the Town’s outstanding debt was rated “Aa2” by Moody’s Investor Service and “AA+” by Standard & Poor’s Rating Group. Standard & Poor’s rating was affirmed in fiscal year 2019, with an upgrade from “Good” to “Strong” in the management category. Bloomfield has maintained its strong ratings due to conservative fiscal management and high levels of unassigned fund balance.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total tax collections including interest and lien fees and the tax relief for elderly freeze grant. The Town’s debt limitation at June 30, 2019 for the Town is \$557.7 million which far exceeds the Town’s total indebtedness (including underlying and overlapping debt) of \$145.3 million.

Additional information on the Town’s long-term debt can be found in Note 3.D and Statistical Section Table 11.

Economic Factors and Next Year’s Budgets and Rates

The Town has again successfully managed its budgetary operations through prudent, conservative fiscal management. The 2018-2019 results show the Town’s General Fund unassigned fund balance increasing to \$18.76 million or approximately 20.7% of the fiscal 2019 budget and 20.4% of the fiscal 2020 budget. During fiscal year 2017, the Town Council adopted a Fund Balance Policy which sets a goal for unassigned fund balance at 15-20% of the budget; therefore, the Town is at the upper end of its desired range and is in a very good position compared to other Connecticut municipalities and the State. For the past 4 years, Bloomfield has seen extraordinary economic development. This has helped to attract commercial and residential developers to the area which is a good indication of a growing local economy. To keep the Town financially strong, growth in the tax base is crucial. This will ensure that the Town continues to have a strong tax base while facing economic uncertainty regarding future financial support from the State of Connecticut.

The Town's adopted 2019-2020 General Fund appropriations total \$91.8 million, an increase of 2.60% from the 2018-19 originally adopted budget. The mill rate decreased by .06 mills from 37.52 to 37.46 because there was a substantial increase in the grand list of \$45 million or 2.17% attributable mainly to new construction and the personal property that it encompasses. The next mandated property tax revaluation will occur in fiscal year 2019-2020. As of June 30, 2019, the tax collection rate was 98.43%, and the assumed collection rate used in the FY 2019-2020 budget is 98.5%.

Despite a strong FY 2019 finish and a steady, solid tax collection rate, the Town of Bloomfield continues to be faced with difficulty in generating new revenues to offset growing costs. Like other towns, there is still a heavy reliance on property tax collection because of state statutes that limit Connecticut municipalities' ability to raise revenue. Every year, the challenge to raise revenue to offset rising costs increases. While the Town's FY 2019-2020 budget had an increase in the taxable grand list and a modest expenditure increase, there are still challenges in the current economic climate. As of June 2019, the Town's unemployment rate was 4.1%, which is above the state-wide average of 3.7%. Furthermore, the reliance on State Aid is continuing to be a source of uncertainty. The State continues to face deficits and while there has not been any major changes to state aid under the new leadership, continued structural changes are expected which could have substantial impact on Bloomfield in the years to come. Currently, general fund grants from the State total 6.7% of the total revenue budget, which is its lowest in years. The Town of Bloomfield is fortunate and maintains a strong fund balance while not being too reliant on state funding. The Town has collected unprecedented amounts of building permit revenue for the past four years to offset declining state revenue, but that will not be sustainable forever. With the long term bonding obligations for the Human Services and Public Works building needed and the increase in OPEB liabilities, the Town will continue to face challenges.

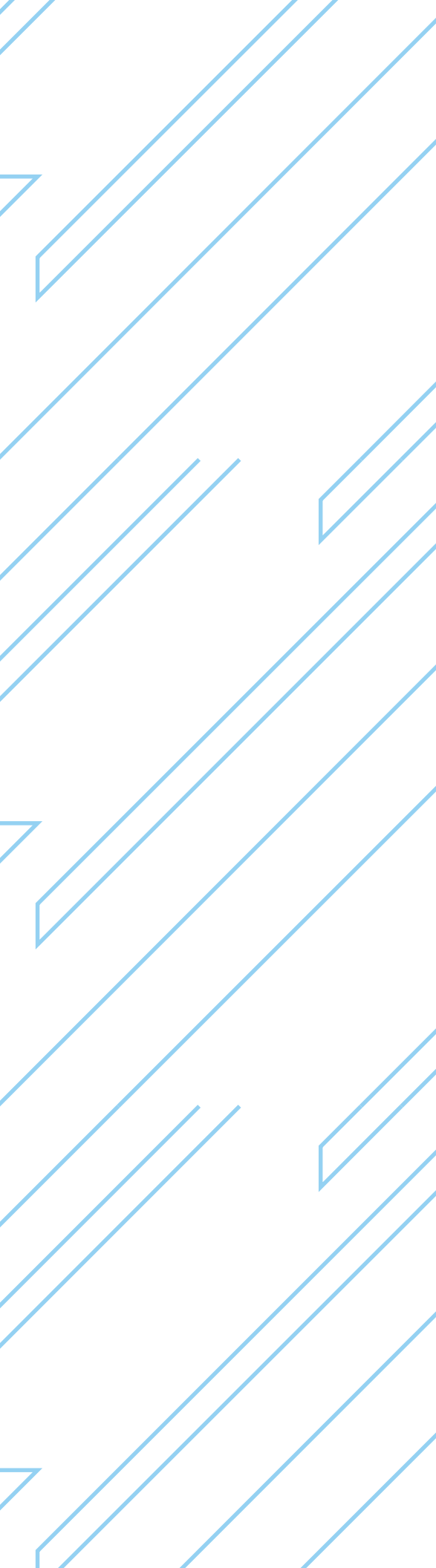
The FY 2020 budget incorporates a draw from the Town's Unassigned General Fund balance of \$1.4 million, remaining consistent with prior year's budget. Even with this assignment, the Town maintains a very strong level of unassigned General Fund balance. These strong reserves will help navigate the Town through the potential challenging times to come.

To face the future challenges, the Town's elected officials and management team must continue to work to maintain fiscal discipline, expand its economic development activities and exercise cost control while expanding operating efficiencies.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, 800 Bloomfield Avenue, Bloomfield, Connecticut 06002.

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Basic Financial Statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2019

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 48,222,951	\$ 383,512	\$ 48,606,463
Receivables:			
Property taxes	1,202,140		1,202,140
Interest receivable	447,615		447,615
Accounts receivable	767,892		767,892
Intergovernmental	1,066,119		1,066,119
Loans	644,400		644,400
Inventory	25,374	61,158	86,532
Other assets		11,927	11,927
Due from trust funds	5,050,207		5,050,207
Capital assets not being depreciated	64,401,232	1,000,000	65,401,232
Capital assets being depreciated, net	124,309,324	7,771,100	132,080,424
Total assets	<u>246,137,254</u>	<u>9,227,697</u>	<u>255,364,951</u>
Deferred Outflows of Resources:			
Deferred outflows related to pensions	2,235,817		2,235,817
Deferred outflows related to OPEB	936,793		936,793
Deferred amount on refunding	2,427,609		2,427,609
Total deferred outflows of resources	<u>5,600,219</u>	<u>-</u>	<u>5,600,219</u>
Liabilities:			
Accounts payable	4,349,310	66,819	4,416,129
Accrued liabilities	2,131,482	99,536	2,231,018
Accrued interest payable	562,804		562,804
Due to fiduciary funds	428,600		428,600
Bond anticipation notes	7,000,000		7,000,000
Unearned revenue	399,130		399,130
Noncurrent liabilities, due within one year	5,277,329		5,277,329
Noncurrent liabilities, due in more than one year	191,186,176		191,186,176
Total liabilities	<u>211,334,831</u>	<u>166,355</u>	<u>211,501,186</u>
Deferred Inflows of Resources:			
Deferred inflows related to pensions	190,267		190,267
Deferred inflows related to OPEB	9,494,561		9,494,561
Advance property tax collections	8,042,358		8,042,358
Total deferred inflows of resources	<u>17,727,186</u>	<u>-</u>	<u>17,727,186</u>
Net Position:			
Net investment in capital assets	128,523,168	8,771,100	137,294,268
Unrestricted	<u>(105,847,712)</u>	<u>290,242</u>	<u>(105,557,470)</u>
Total Net Position	<u>\$ 22,675,456</u>	<u>\$ 9,061,342</u>	<u>\$ 31,736,798</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue And Changes In Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities
Governmental activities:						
Administration	\$ 7,079,740	\$ 1,435,756	\$	\$	\$ (5,643,984)	\$ (5,643,984)
Planning and development	3,159,071	1,022,389			(2,136,682)	(2,136,682)
Public safety	17,183,782	1,032,223	364,500		(15,787,059)	(15,787,059)
Public works	9,704,065	14	343,998	3,084,145	(6,275,908)	(6,275,908)
Leisure services	1,820,882	59,605	117,344	235,800	(1,408,133)	(1,408,133)
Public libraries	3,868,115	14,356	36,778		(3,816,981)	(3,816,981)
Human services	3,981,379	66,542	9,293		(3,905,544)	(3,905,544)
Education	66,005,945	2,188,748	18,274,422		(45,542,775)	(45,542,775)
Interest expense	1,682,127				(1,682,127)	(1,682,127)
Total governmental activities	114,485,106	5,819,633	19,146,335	3,319,945	(86,199,193)	(86,199,193)
Business-type activities:						
Wintonbury Hills Golf Course	1,924,069	1,700,284			(223,785)	(223,785)
Total	\$ 116,409,175	\$ 7,519,917	\$ 19,146,335	\$ 3,319,945	(86,199,193)	(86,422,978)
General revenues:						
Property taxes					80,939,204	80,939,204
Grants and contributions not restricted to specific programs					521,232	521,232
Unrestricted investment earnings					788,834	788,834
Miscellaneous					304,302	304,302
Total general revenues					82,553,572	82,553,572
Change in net position					(3,645,621)	(3,869,406)
Net Position at Beginning of Year					26,321,077	35,606,204
Net Position at End of Year					\$ 22,675,456	\$ 31,736,798

The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	<u>General Fund</u>	<u>Nonrecurring Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 37,956,606	\$	\$ 3,084,695	\$ 41,041,301
Receivables:				
Property taxes	1,862,140			1,862,140
Intergovernmental			1,066,119	1,066,119
Accounts receivable	670,366		97,526	767,892
Loans			654,922	654,922
Due from other funds	8,488,342	7,078,293	5,814,384	21,381,019
Other assets	<u>7,878</u>		<u>17,496</u>	<u>25,374</u>
Total Assets	<u>\$ 48,985,332</u>	<u>\$ 7,078,293</u>	<u>\$ 10,735,142</u>	<u>\$ 66,798,767</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,833,761	\$ 1,519,574	\$ 495,625	\$ 3,848,960
Accrued liabilities	1,337,690	29,250	8,211	1,375,151
Due to other funds	13,321,277		3,345,604	16,666,881
Bond anticipation notes		7,000,000		7,000,000
Unearned revenue	94,830	500	303,800	399,130
Total liabilities	<u>16,587,558</u>	<u>8,549,324</u>	<u>4,153,240</u>	<u>29,290,122</u>
Deferred inflows of resources:				
Unavailable revenue - property taxes	1,665,949			1,665,949
Unavailable revenue - loans receivable			654,922	654,922
Advance property tax collections	<u>8,042,358</u>			<u>8,042,358</u>
Total deferred inflows of resources	<u>9,708,307</u>	<u>-</u>	<u>654,922</u>	<u>10,363,229</u>
Fund balances:				
Nonspendable	7,878		17,496	25,374
Restricted		19,431,251	4,836,695	24,267,946
Committed			1,356,259	1,356,259
Assigned	3,925,697			3,925,697
Unassigned	<u>18,755,892</u>	<u>(20,902,282)</u>	<u>(283,470)</u>	<u>(2,429,860)</u>
Total fund balances	<u>22,689,467</u>	<u>(1,471,031)</u>	<u>5,926,980</u>	<u>27,145,416</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 48,985,332</u>	<u>\$ 7,078,293</u>	<u>\$ 10,735,142</u>	<u>\$ 66,798,767</u>

(Continued on next page)

TOWN OF BLOOMFIELD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2019

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position:

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

Fund balances - total governmental funds (Exhibit III)	\$ 27,145,416
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 240,921,645	
Less accumulated depreciation	<u>(52,211,089)</u>	
Net capital assets		188,710,556

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

Deferred outflows related to pensions	2,235,817
Deferred outflows related to OPEB	936,793
Property taxes and assessments receivable greater than 60 days	1,665,949
Loan receivables greater than 60 days	654,922
Interest receivable on property taxes	447,615
Allowance for uncollectible accounts	(670,522)

Internal service funds are used by management to charge the costs of health benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

5,832,438

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

Deferred inflows related to pensions	(190,267)
Deferred inflows related to OPEB	(9,494,561)
Bonds payable	(50,900,000)
Premium on bonds payable	(4,209,747)
Deferred charge on refunding	2,427,609
Interest payable on bonds	(562,804)
Capital lease obligations	(505,250)
Net OPEB liability	(82,467,918)
Net pension liability	(37,224,613)
Compensated absences	(4,525,727)
Landfill closure costs	<u>(16,630,250)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 22,675,456</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	<u>General Fund</u>	<u>Nonrecurring Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes, interest and lien fees	\$ 80,621,613	\$	\$	\$ 80,621,613
Intergovernmental	9,237,517		13,536,796	22,774,313
Interest income	684,288		43,982	728,270
Charges for services	3,008,250		2,884,566	5,892,816
Contributions			208,066	208,066
Other	260,643	1,750	50,958	313,351
Total revenues	<u>93,812,311</u>	<u>1,750</u>	<u>16,724,368</u>	<u>110,538,429</u>
Expenditures:				
Current:				
Administration	3,252,096			3,252,096
Boards and agencies	163,835			163,835
Planning and development	1,194,451			1,194,451
Public safety	7,760,470		659,344	8,419,814
Public works	3,106,586			3,106,586
Leisure services	798,191		184,211	982,402
Public libraries	1,733,695			1,733,695
Human services	1,620,017		93,824	1,713,841
Facilities	1,590,269			1,590,269
Fixed charges	17,767,465			17,767,465
Miscellaneous	207,429			207,429
Education	46,334,201		12,496,343	58,830,544
Debt service	5,687,779			5,687,779
Capital outlay		22,556,758	3,172,161	25,728,919
Total expenditures	<u>91,216,484</u>	<u>22,556,758</u>	<u>16,605,883</u>	<u>130,379,125</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,595,827</u>	<u>(22,555,008)</u>	<u>118,485</u>	<u>(19,840,696)</u>
Other Financing Sources (Uses):				
Transfers in	150,000	1,485,110	102,000	1,737,110
Transfers out	(1,587,110)		(150,000)	(1,737,110)
Bond proceeds		12,000,000		12,000,000
Premium on BAN	41,906			41,906
Premium on bond issuance	143,778			143,778
Total other financing sources (uses)	<u>(1,251,426)</u>	<u>13,485,110</u>	<u>(48,000)</u>	<u>12,185,684</u>
Net Change in Fund Balances	1,344,401	(9,069,898)	70,485	(7,655,012)
Fund Balances at Beginning of Year	<u>21,345,066</u>	<u>7,598,867</u>	<u>5,856,495</u>	<u>34,800,428</u>
Fund Balances at End of Year	<u>\$ 22,689,467</u>	<u>\$ (1,471,031)</u>	<u>\$ 5,926,980</u>	<u>\$ 27,145,416</u>

(Continued on next page)

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019

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 of the following:

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (7,655,012)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	24,104,937
Depreciation expense	(4,131,415)
Loss on disposal of capital assets	(121,453)

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

Property taxes and assessments collected after 60 days	171,089
Interest income on property taxes	42,357
Changes in deferred outflows related to pensions	(449,221)
Changes in deferred outflows related to OPEB	936,793
Change in CDBG loan receivable	(14,860)

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

Bond proceeds	(12,000,000)
Principal payments on bonds and notes	3,930,000
Premium on new bond	(143,778)
Amortization of premiums	499,787
Amortization of deferred charge on refunding	(304,958)
Accrued interest on bonds	(146,178)
Principal payments on capital leases	27,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in other post employment benefit liability	2,393,618
Change in net pension liability	(2,768,689)
Change in compensated absences	(329,432)
Landfill closure and postclosure liability	359,450
Changes in deferred inflows related to pensions	943,563
Changes in deferred inflows related to OPEB	(8,172,250)

The net expense of certain activities of internal service funds is reported in governmental activities	<u>(816,969)</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ (3,645,621)</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2019

	Business-Type Activities Enterprise Fund Wintonbury Hills Golf Course	Governmental Activities Employee Health Insurance
Assets:		
Current assets:		
Cash and cash equivalents	\$ 383,512	\$ 7,181,650
Inventory	61,158	
Accounts receivable		
Prepaid items	11,927	
Total current assets	<u>456,597</u>	<u>7,181,650</u>
Noncurrent assets:		
Capital assets not being depreciated	1,000,000	
Capital assets being depreciated, net	7,771,100	
Total noncurrent assets	<u>8,771,100</u>	<u>-</u>
Total assets	<u>9,227,697</u>	<u>7,181,650</u>
Liabilities:		
Current liabilities:		
Accounts payable	66,819	500,350
Accrued liabilities	99,536	
Claims payable		756,331
Due to other funds		92,531
Total current liabilities	<u>166,355</u>	<u>1,349,212</u>
Net Position:		
Net investment in capital assets	8,771,100	
Unrestricted	<u>290,242</u>	<u>5,832,438</u>
Total Net Position	<u>\$ 9,061,342</u>	<u>\$ 5,832,438</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Business-Type Activities Enterprise Fund Wintonbury Hills Golf Course	Governmental Activities Employee Health Insurance
Operating Revenues:		
Premiums	\$	\$ 9,871,722
Charges for services	1,700,284	
Total operating revenues	<u>1,700,284</u>	<u>9,871,722</u>
Operating Expenses:		
Golf operations	392,854	
Maintenance operations	527,849	
General and administrative	407,933	
Food and beverage operations	288,336	
Marketing	28,331	
Depreciation	278,766	
Claims		9,901,176
Administration		848,079
Total operating expenses	<u>1,924,069</u>	<u>10,749,255</u>
Operating Loss	(223,785)	(877,533)
Nonoperating Revenues:		
Investment income	<u>-</u>	<u>60,564</u>
Change in Net Position	(223,785)	(816,969)
Net Position at Beginning of Year	<u>9,285,127</u>	<u>6,649,407</u>
Net Position at End of Year	<u>\$ 9,061,342</u>	<u>\$ 5,832,438</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Business-Type Activities Enterprise Fund Wintonbury Hills Golf Course	Governmental Activities Employee Health Insurance
Cash Flows from Operating Activities:		
Receipts from customers and users	\$ 1,700,284	\$ 10,771,120
Cash paid to employees	(725,015)	
Cash paid to vendors	(1,009,334)	(347,729)
Cash paid to beneficiaries		(9,919,403)
Net cash provided by (used in) operating activities	<u>(34,065)</u>	<u>503,988</u>
Cash Flows from Investing Activities:		
Investment income	<u>-</u>	<u>60,564</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(34,065)	564,552
Cash and Cash Equivalents at Beginning of Year	<u>417,577</u>	<u>6,617,098</u>
Cash and Cash Equivalents at End of Year	<u>\$ 383,512</u>	<u>\$ 7,181,650</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Operating income (loss)	\$ (223,785)	\$ (877,533)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	278,766	
(Increase) decrease in inventory	(2,001)	
(Increase) decrease in accounts receivable		439,773
(Increase) decrease in prepaid expenses	29,442	
(Increase) decrease in due from other funds		367,094
Increase (decrease) in accounts payable	(56,051)	500,350
Increase (decrease) in accrued liabilities	(60,436)	
Increase (decrease) in claims payable		(18,227)
Increase (decrease) in due to other funds		<u>92,531</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (34,065)</u>	<u>\$ 503,988</u>

The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2019

	Pension and Other Employee Benefit Trust Funds	Agency Funds
Assets:		
Cash and cash equivalents	\$ 136,220	\$ 243,473
Accounts receivable	1,281,029	
Due from other funds		428,600
Investments - mutual funds, at fair value	93,996,824	
Total assets	<u>95,414,073</u>	<u>672,073</u>
Liabilities:		
Claims payable	225,212	
Due to other funds	5,050,207	
Due to participants		52,081
Due to student groups		183,892
Due to developers		436,100
Total liabilities	<u>5,275,419</u>	<u>672,073</u>
Net Position:		
Restricted for Pension and Other Post Employment Benefits	<u>\$ 90,138,654</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Pension and Other Employee Benefit Trust Funds
Additions:	
Contributions:	
Employer	\$ 9,039,739
Plan members	1,095,585
Total contributions	<u>10,135,324</u>
Investment income:	
Change in fair value of investments	2,322,991
Interest and dividends	2,060,076
	<u>4,383,067</u>
Less investment expenses:	
Investment management fees	106,182
Net investment income	<u>4,276,885</u>
Total additions	<u>14,412,209</u>
Deductions:	
Benefits	11,264,782
Administration	63,280
Total deductions	<u>11,328,062</u>
Change in Net Position	3,084,147
Net Position - Beginning of Year	<u>87,054,507</u>
Net Position - End of Year	<u>\$ 90,138,654</u>

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Bloomfield, Connecticut (the Town) adopted its first charter on October 5, 1959, effective January 1, 1960. The Charter provides for a Town Council-Town Manager form of government and provides such services as are authorized by the Charter. Among these services are general administrative services, public safety, planning and development, public works, parks and recreation, public libraries, health and social services and education.

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government and its component units, entities for which the government is considered to be financially accountable, all organizations for which the primary government is financially accountable, and other organizations that by the nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded. Blended component units, although legally separate entities, are, in substance, part of the government's operations; therefore, data from these units are combined with data of the primary government. Based on these criteria, there are no component units requiring inclusion in these financial statements.

B. Basis of Presentation

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

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position 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. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those expenses 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, proprietary 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.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

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. Agency funds 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 after the end of the current fiscal period.

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to capital leases, compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

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

The *Nonrecurring Capital Projects Fund* accounts for financial resources to be used for capital expenditures or for the acquisition or construction of capital facilities, improvements and/or equipment. The major sources of revenues in this fund are bonding and grant funding.

Additionally, the Town reports the following fund types:

The *Wintonbury Hills Golf Course Fund* is a major proprietary (enterprise) fund used to account for the operation and maintenance of the Wintonbury Hills Golf Course, which is owned by the Town and is primarily supported through charges to customers.

The *Internal Service Fund* is used to account for the Town's self-insurance program for accident and health insurance coverage of Town and Board of Education employees.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

The *Pension and Other Employee Benefit Trust Funds* are used to account for the activities of the Bloomfield Employees' Retirement System, which accumulates resources for pension benefit payments to qualified employees and also the Town's other post-employment benefit coverage, and to accumulate resources for health insurance coverage of retired Town and Board of Education employees.

The *Agency Funds* account for monies held on behalf of employees, students and citizens.

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

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

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

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

C. Cash Equivalents

For purposes of reporting cash flows, all savings, checking, money market accounts and certificates of deposit with an original maturity of less than 90 days are considered to be cash equivalents.

D. Investments

Investments are stated at fair value.

E. Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of United States Department of Agriculture donated commodities are stated at fair market value. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

**TOWN OF BLOOMFIELD, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019**

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is 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.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

In the government-wide financial statements, all trade and property tax receivables are shown net of an allowance for uncollectible accounts of \$670,552 as of June 30, 2019.

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition 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 lives are not capitalized.

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

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

<u>Assets</u>	<u>Years</u>
Infrastructure:	
Roadways	30
Signage	7
Walkways and paths	30
Land and Buildings:	
Land	-
Buildings	50
Improvements	20
Construction in progress	-
Equipment:	
Computer equipment	5
Contractor’s equipment	8-15
Furniture and fixtures	20
Miscellaneous equipment	5-20
Vehicles	3-10

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows related to pensions and OPEB in the government-wide statement of net position and advance property tax collections in the government-wide statement of net position and in the governmental funds balance sheet. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period with which the revenue is associated. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from two sources: property taxes and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

I. Net Pension Liability

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

J. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

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.

L. Compensated Absences and Termination Benefits

The Town's personnel policies provide for a carryover of unused vacation days up to twice the employee's current vacation entitlement. Sick leave for union employees is accumulated and paid out to union employees as per the terms of their collective bargaining agreements. In addition, sick leave for nonunion employees may be accumulated as follows:

- Employees hired prior to July 1, 1999 are paid out 100% of sick leave accrued up to a maximum of 150 days at the time of termination of employment.
- Employees hired between July 1, 1999 and June 30, 2011 are paid a percentage of their sick time depending upon their years of service at the time of termination of employment up to a maximum of 30 days.
- Employees hired after June 30, 2011 do not receive any payout for accrued sick time at the time of termination of employment.

Such sick days may be used in the event of sickness and are paid out at the employee's current salary rate at the time of termination.

The Board of Education's personnel policies allow for non-teachers to accumulate unused sick time up to a maximum number of days stated by individual union contracts. Of the total days accumulated, only a percentage of the total days, as noted in the union contracts, will be paid to employees upon retirement. Under the terms of various union contracts, teachers may be eligible for early retirement benefits.

M. Equity

Equity in the government-wide financial statements is defined as "net position" and is classified in the following categories:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Restricted Net Position

Restricted net position contains assets subject to restrictions that are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Town currently has no restricted net position.

Unrestricted Net Position

This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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

Nonspendable Fund Balance

This component represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance

This component represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance

This component represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town Council). The Town Council can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Assigned Fund Balance

This balance represents amounts constrained for the intent to be used for a specific purpose by the Town Council that has been delegated authority to assign amounts by the Town Charter.

Unassigned Fund Balance

This component represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

The Town Council adopted a fund balance policy during fiscal year 2017, setting a targeted range for the General Fund balance at 15-20% of the budget.

N. Property Taxes

The Town’s property tax is levied on the Grand List of October 1 each year and is due and payable in two installments on the following July 1 and January 1.

The Town files liens against property if taxes that are due July 1 remain unpaid on the following June 30.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The Town defines the current period to mean within 60 days after year end. Property taxes receivable not expected to be collected during the available period are reflected in unavailable revenue in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent years' assessment are reflected as advance tax collections in both the fund financial statements and the government-wide financial statements.

O. 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

General Budget Policies - The Town follows these procedures in establishing the budgetary data reflected in the financial statements of the General Fund, the only fund with a legally adopted annual budget:

- (1) At least 120 days prior to the fiscal year-end, each department head, with the exception of the Chairman of the Board of Education, submits to the Town Manager itemized estimates of expenditures and nontax revenue for the upcoming fiscal year.
- (2) At least 90 days prior to the fiscal year-end, the Chairman of the Board of Education submits to the Town Manager itemized estimates of expenditures and nontax revenue for the upcoming fiscal year.
- (3) Not later than 90 days prior to year end, the Town Manager must submit the budget to the Town Council.
- (4) Not later than 15 days after the Town Manager submits the budget to the Town Council, the Council must hold a public hearing on the proposed budget.
- (5) An annual Town Meeting is held the first Monday in May for public comment. Following the Town Meeting, the budget shall be adopted by a majority vote of all members of the Town Council, no later than the second Monday in May.
- (6) If, within seven days of the adoption of the budget, a petition signed by at least 7.5% of the total number of registered voters in the Town (as verified by the Town Clerk) is submitted, the adopted budget shall be submitted to the eligible electors of the Town for a "yes" or "no" vote to approve the budget.

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- (7) The Town Manager may transfer unencumbered funds within a department. The Town Council may transfer unencumbered funds between departments within the last three months of the fiscal year and is authorized to make additional appropriations up to .1% of the total annual budget of the Town. Additional appropriations in excess of .1% of the total annual budget must be presented at a public hearing. The Town approved \$975,000 of additional appropriations from fund balance during the year.
- (8) The legal level of control is at the department level.
- (9) The Board of Education, which is not a separate legal entity, but a function of the Town, is authorized under state law to make any transfers required within its budget at its discretion. Any additional appropriations must have the approval of the Board of Education and Town Council.
- (10) Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or commitment is issued, and, accordingly, encumbrances outstanding at year end are reflected in budgetary reports as expenditures of the current year.

B. Deficit Fund Equity

The following funds had deficit fund balances at year end:

Major Special Revenue Fund:	
Nonrecurring Capital Projects Fund	\$ 1,471,031
Nonmajor Special Revenue Funds:	
Miscellaneous Education Grants	38,269
Cafeteria Fund	227,700
Local Capital Improvement Program	5

These deficits will be eliminated in future years by charges for services, grants and other revenues.

3. DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents and Investments

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

**TOWN OF BLOOMFIELD, CONNECTICUT
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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). 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 deposits will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the State of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk-based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$44,637,777 of the Town’s bank balance of \$46,178,948 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 40,048,999
Uninsured and collateral held by the pledging bank’s trust department, not in the Town’s name	<u>4,588,778</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 44,637,777</u></u>

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Cash Equivalents

At June 30, 2019, the Town's cash equivalents amounted to \$1,320,534. 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.

	<u>Standard & Poor's</u>	<u>Fitch Ratings</u>
State Short-Term Investment Fund (STIF)	AAAm	

Investments

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2019:

	<u>June 30, 2019</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
Mutual funds	\$ 93,996,824	\$ 93,996,824	\$ -	\$ -
Total Investments by Fair Value Level	<u>\$ 93,996,824</u>	<u>\$ 93,996,824</u>	<u>\$ -</u>	<u>\$ -</u>

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Commercial and residential mortgage-backed securities classified in Level 3 are valued using discounted cash flow techniques. Collateralized debt obligations classified in Level 3 are valued using consensus pricing.

Venture capital investments classified in Level 3 are valued using either a discounted cash flow or market comparable companies' technique.

Interest Rate Risk

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

Credit Risk - Investments

The Town does not have an investment policy that would limit its investment choices due to credit risk, other than State Statutes governing investments in obligations of any State or political subdivision or in obligations of the State of Connecticut or political subdivision.

Concentration of Credit Risk

The Town has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments.

TOWN OF BLOOMFIELD, CONNECTICUT
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Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2019, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent, that were not in the Town's name.

B. Capital Assets

	<u>Beginning Balance July 1, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance June 30, 2019</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 41,373,302	\$ 109,000	\$	\$ 41,482,302
Construction in progress	<u>2,177,497</u>	<u>20,741,433</u>		<u>22,918,930</u>
Total capital assets not being depreciated	<u>43,550,799</u>	<u>20,850,433</u>	<u>-</u>	<u>64,401,232</u>
Capital assets being depreciated:				
Buildings	122,756,144	471,357	67,194	123,160,307
Land improvements	6,539,793	666,612	24,716	7,181,689
Furniture and equipment	14,915,525	789,429	378,867	15,326,087
Infrastructure	<u>29,525,224</u>	<u>1,327,106</u>		<u>30,852,330</u>
Total capital assets being depreciated	<u>173,736,686</u>	<u>3,254,504</u>	<u>470,777</u>	<u>176,520,413</u>
Total capital assets	<u>217,287,485</u>	<u>24,104,937</u>	<u>470,777</u>	<u>240,921,645</u>
Less accumulated depreciation for:				
Buildings	14,546,676	2,371,011	9,049	16,908,638
Land improvements	4,061,767	161,810	19,555	4,204,022
Furniture and equipment	8,967,283	1,060,954	320,720	9,707,517
Infrastructure	<u>20,853,272</u>	<u>537,640</u>		<u>21,390,912</u>
Total accumulated depreciation	<u>48,428,998</u>	<u>4,131,415</u>	<u>349,324</u>	<u>52,211,089</u>
Total capital assets being depreciated, net	<u>125,307,688</u>	<u>(876,911)</u>	<u>121,453</u>	<u>124,309,324</u>
Governmental Activities Capital Assets, Net	<u>\$ 168,858,487</u>	<u>\$ 19,973,522</u>	<u>\$ 121,453</u>	<u>\$ 188,710,556</u>

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

	Beginning Balance July 1, 2018	Increases	Decreases	Ending Balance June 30, 2019
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
Total capital assets not being depreciated	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Capital assets being depreciated:				
Buildings	1,654,680			1,654,680
Land improvements	9,131,758			9,131,758
Equipment	1,115,445			1,115,445
Total capital assets being depreciated	<u>11,901,883</u>	<u>-</u>	<u>-</u>	<u>11,901,883</u>
Total capital assets	<u>12,901,883</u>	<u>-</u>	<u>-</u>	<u>12,901,883</u>
Less accumulated depreciation for:				
Buildings	471,781	33,094		504,875
Land improvements	2,653,788	189,357		2,843,145
Equipment	726,448	56,315		782,763
Total accumulated depreciation	<u>3,852,017</u>	<u>278,766</u>	<u>-</u>	<u>4,130,783</u>
Total capital assets being depreciated, net	<u>8,049,866</u>	<u>(278,766)</u>	<u>-</u>	<u>7,771,100</u>
Business-Type Activities Capital Assets, Net	<u>\$ 9,049,866</u>	<u>\$ (278,766)</u>	<u>\$ -</u>	<u>\$ 8,771,100</u>

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

Governmental activities:	
Administration	\$ 44,378
Public safety	248,754
Public works	955,467
Leisure services	40,659
Public libraries	13,284
Human services	61,755
Education	<u>2,767,118</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,131,415</u>
Business-type activities:	
Wintonbury Hills Golf Course	<u>\$ 278,766</u>

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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C. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2019 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 3,345,604
	Internal Service Fund	92,531
	Trust Funds	5,050,207
		<u>8,488,342</u>
Nonrecurring Capital Projects Fund	General Fund	7,078,293
Nonmajor Governmental Funds	General Fund	5,814,384
Agency Funds	General Fund	<u>428,600</u>
Total		<u>\$ 21,809,619</u>

Interfund balances are a result of temporary loans to various funds.

Interfund transfers for the year ended June 30, 2019 are as follows:

	<u>Transfers In</u>			
	<u>General Fund</u>	<u>Nonrecurring Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Transfers Out</u>
Transfers out:				
General Fund	\$	\$ 1,485,110	\$ 102,000	\$ 1,587,110
Nonmajor governmental funds	<u>150,000</u>			<u>150,000</u>
Total Transfers In	<u>\$ 150,000</u>	<u>\$ 1,485,110</u>	<u>\$ 102,000</u>	<u>\$ 1,737,110</u>

Interfund transfers arose from appropriating General Fund amounts to the Nonrecurring Capital Projects Fund and various nonmajor governmental funds.

**TOWN OF BLOOMFIELD, CONNECTICUT
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D. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 42,830,000	\$ 12,000,000	\$ 3,930,000	\$ 50,900,000	\$ 4,505,000
Premium	4,565,756	143,778	499,787	4,209,747	
Total bonds payable	<u>47,395,756</u>	<u>12,143,778</u>	<u>4,429,787</u>	<u>55,109,747</u>	<u>4,505,000</u>
Capital leases	532,250		27,000	505,250	29,000
Net OPEB Liability	84,861,536		2,393,618	82,467,918	
Net pension liability	34,455,924	2,768,689		37,224,613	
Compensated absences	4,196,295	1,168,385	838,953	4,525,727	188,987
Landfill	<u>16,989,700</u>		<u>359,450</u>	<u>16,630,250</u>	<u>554,342</u>
 Total Governmental Activities Long-Term Liabilities	 <u>\$ 188,431,461</u>	 <u>\$ 16,080,852</u>	 <u>\$ 8,048,808</u>	 <u>\$ 196,463,505</u>	 <u>\$ 5,277,329</u>

Compensated absences are generally liquidated by the General Fund. The net pension liability and the net OPEB liability are generally liquidated by the Pension and OPEB Trust funds, respectively.

General Obligation Bonds

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

**TOWN OF BLOOMFIELD, CONNECTICUT
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General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. The Town is liable for all outstanding bonds. General obligation bonds currently outstanding are as follows:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Annual Principal</u>	<u>Principal Outstanding June 30, 2019</u>
General Obligation Bonds	10/20/2010	25,000,000	1.50%-5.00%	10/15/2030	\$ 1,250,000	\$ 2,500,000
General Obligation Refunding Bonds	10/20/2010	12,400,000	1.50%-5.00%	10/15/2022	530,000-1,140,000	3,845,000
General Obligation Refunding Bonds	2/12/2013	10,240,000	1.50%-4.00%	12/15/2027	200,000-830,000	7,310,000
General Obligation Bonds	10/21/2014	5,000,000	2.00%-3.13%	10/15/2034	250,000	4,000,000
General Obligation Bonds	11/30/2016	8,745,000	2.00%-4.00%	6/30/2028	65,000-1,270,000	8,680,000
General Obligation Refunding Bonds	7/25/2017	13,050,000	3.00%-5.00%	8/1/2031	475,000-1,995,000	12,565,000
General Obligation Bonds	1/29/2019	12,000,000	2.00%-5.00%	1/15/2039	600,000	<u>12,000,000</u>
Total						<u>\$ 50,900,000</u>

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

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 4,505,000	\$ 1,871,771	\$ 6,376,771
2021	4,670,000	1,709,200	6,379,200
2022	4,690,000	1,514,625	6,204,625
2023	4,105,000	1,327,825	5,432,825
2024	3,575,000	1,164,625	4,739,625
2025-2029	17,125,000	3,745,538	20,870,538
2030-2034	8,980,000	1,118,219	10,098,219
2035-2039	<u>3,250,000</u>	<u>297,156</u>	<u>3,547,156</u>
	<u>\$ 50,900,000</u>	<u>\$ 12,748,959</u>	<u>\$ 63,648,959</u>

**TOWN OF BLOOMFIELD, CONNECTICUT
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The total of authorized but unissued bonds at June 30, 2019 is \$26,038,252. Of this amount \$4,055,252 relates to school projects for which the Town authorized the total project cost of the project; this figure is net of \$30,460,351 school construction grants that have been received from the State of Connecticut. The remaining balance of \$21,983,000 represents the balance of two projects approved at referendum in November 2016; \$22,300,000 for a new Human Services Facility and \$11,683,000 for Public Works Complex renovation and Expansion. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

The Town's indebtedness does not exceed the legal debt limitation of \$557,711,000 as required by the Connecticut General Statutes.

Capital Leases

The Town has entered into lease agreements as lessee for financing the acquisition of building improvements. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Asset:	
Building improvements	\$ 570,250
Less accumulated depreciation	<u>(24,710)</u>
Total	<u>\$ 545,540</u>

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>
2020	\$ 43,250
2021	44,406
2022	47,491
2023	48,476
2024	51,389
Thereafter	<u>366,674</u>
Total minimum lease payments	601,686
Less amount representing interest	<u>96,436</u>
Present Value of Minimum Lease Payments	<u>\$ 505,250</u>

Landfill Post-Closure Care Costs

In 1973, the Town entered into an agreement with the Town of Windsor for a joint sanitary landfill development. The Town agreed to contribute \$247,400 for one-half of the initial site development costs. The Town has also contributed \$15,000 to \$50,000 a year for replacement of landfill equipment. The Town of Windsor issued bonds for the project.

In February 1988, the Town amended the agreement with the Town of Windsor so that the landfill operation will pay for the debt service costs and equipment replacement contribution through the fees charged for dumping. Thus, the Town does not make a direct contribution for the two purposes but is still contingently liable for them.

The Town entered into another agreement dated November 1993 that defines the terms for payment of closure costs, which states that the two towns shall contribute equally, on an annual basis, for all closure, post-closure and monitoring expenses until all federal and state requirements are met. Landfill closure and post-closure care liability and Subtitle D as of June 30, 2019 was reported at \$10,430,500 and \$22,830,000, respectively. The post-closure care liability was calculated based on two portions of the landfill. Subtitle D of the landfill has estimated monitoring costs for 30 years at \$761,000 per year for a total of \$22,830,000. The post-closure care liability for Subtitle D of the landfill is reported as \$22,830,000 based on the use of 100.0% of the estimated capacity of the landfill. These amounts are based on what it would cost to perform all closure and post-closure care in 2019. The towns closed the landfill effective July 1, 2014. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The Town's portion of the total liability of \$16,630,250 has been included as a liability in the Town's governmental activities.

As indicated above, the landfill serves the towns of Bloomfield and Windsor. An agreement, dated November 19, 1993, exists between the two communities. This agreement establishes the terms and conditions for the payment of closure costs. The agreement states, "The two towns shall contribute equally, on an annual basis, for said purposes and shall be equally responsible for closure, post-closure and monitoring expenses until all Federal and State requirements are met." The contributions made by both towns are reported in the Landfill Fund, a proprietary-type fund that is held by the Town of Windsor.

**TOWN OF BLOOMFIELD, CONNECTICUT
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Overlapping Debt

The Town is a member of the Metropolitan District Commission, a regional sewer and water authority. Total outstanding debt of the Metropolitan District Commission at June 30, 2019 was \$922,227,080. The estimated Town's share of the debt at June 30, 2019 was 7.24% or \$66,769,241. The estimated percentage is calculated based upon proration of tax collection from the eight member towns.

Bond Anticipation Notes

The following is a schedule of changes in bond anticipation notes for the year ended June 30, 2019:

<u>Project</u>	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rate (%)</u>	<u>Balance July 1, 2018</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2019</u>
Public Works Renovation / Expansion	1/29/2019	1/28/2020	3.00	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
Human Services Facility	7/10/2018	1/29/2019	2.50	-	10,500,000	10,500,000	-
Human Services Facility	1/29/2019	1/28/2020	3.00	-	6,000,000	-	6,000,000
				<u>\$ -</u>	<u>\$ 17,500,000</u>	<u>\$ 10,500,000</u>	<u>\$ 7,000,000</u>

The purpose of the bond anticipation notes was to provide resources for the above detailed capital construction or improvement projects. The amounts are accounted for in the Nonrecurring Capital Projects Fund.

**TOWN OF BLOOMFIELD, CONNECTICUT
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4. FUND BALANCE

The components of fund balance for the governmental funds as of June 30, 2019 are as follows:

	<u>General Fund</u>	<u>Nonrecurring Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:				
Nonspendable:				
Inventory	\$	\$	\$ 17,496	\$ 17,496
Prepaid expenditures	7,878			7,878
Restricted for:				
Capital projects		19,431,251		19,431,251
General government			11,084	11,084
Education			9,318	9,318
Youth service			54,090	54,090
Police services			230,095	230,095
Social services			101,782	101,782
Small cities program			62,982	62,982
Prosser library			86,939	86,939
Municipal aid program grant			4,278,119	4,278,119
Farm viability grant			2,286	2,286
Committed to:				
Police services			702,180	702,180
Recreation			308,686	308,686
Senior services			143,118	143,118
Education			187,205	187,205
Filley house restoration			12,659	12,659
Saxton Beautification			2,411	2,411
Assigned to:				
Boards and agencies	22,223			22,223
Planning and development	12,900			12,900
Human services	8,841			8,841
Leisure services	13,664			13,664
Public works	16,660			16,660
Miscellaneous	3,712			3,712
Public safety	52,698			52,698
Subsequent year's budget	1,400,000			1,400,000
Education	51,930			51,930
Future capital projects	1,722,028			1,722,028
Debt service	621,041			621,041
Unassigned	18,755,892	(20,902,282)	(283,470)	(2,429,860)
Total Fund Balances	\$ 22,689,467	\$ (1,471,031)	\$ 5,926,980	\$ 27,145,416

Encumbrances of \$182,628, \$10,272,186 and \$2,030,045 at June 30, 2019 are contained in the above table in the assigned categories of the General Fund, the restricted category of the Nonrecurring Capital Projects fund, and the restricted and committed categories of the Nonmajor Governmental funds, respectively.

5. EMPLOYEE RETIREMENT PLAN

A. Pension Trust Funds

The Town is the administrator of two single-employer, defined benefit, public employee retirement systems (PERS) - The Town of Bloomfield Retirement Income Plan and The Town of Bloomfield Police Retirement Income Plan. Both plans are considered to be part of the Town of Bloomfield, Connecticut's financial reporting entity and are included in the Town's financial reports as Pension Trust Funds. Separate, stand-alone financial statements are not issued for these plans.

Management of the plans rests with the Plans' Administrators, which consists of three members including the Town Manager, Finance Director and Director of Human Resources.

The Town of Bloomfield Retirement Income Plan covers all full-time employees except participants in the International City Management Association (ICMA) program, teachers, police officers and non-Board of Education employees hired after June 30, 2003. The Plan provides retirement benefits as well as death and disability benefits. Employees are eligible to participate in the plan upon attaining the age of 18. All benefits vest after 10 years of service. Employees who retire at or after the point when age plus years of service equals 75 are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2% of final earnings times credited service. Final earnings are the highest of the average of the three highest consecutive calendar year salaries multiplied by years of service. Employees are eligible to retire at age 55 with 15 years of service or at age 62 with 10 years of service. The benefit is not reduced for early retirement if previous conditions were met. Benefits and contributions are established by contract and may be amended through union negotiation for those employees covered by a collective bargaining agreement, or by the Town for those employees not so covered.

The Town of Bloomfield Police Retirement Income Plan covers all full-time police employees hired before January 1, 2002, except those such employees covered by the ICMA program. The plan provides retirement benefits as well as death and disability benefits. Employees classified as a police officer or dispatcher whose customary employment is 30 hours or more per week hired before January 1, 2002 are eligible to participate. All benefits vest after 10 years of service. Employees who retire after 25 years of credited service as police officers are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 1/2% of final earnings multiplied by years of credited service (maximum 30 years). Final earnings are the employee's average earnings over the 3 highest consecutive calendar years of employment or the final 36 months of employment. Employees with 10 years of service may retire within 10 years of normal retirement and receive a reduced retirement benefit. Benefits and contributions are established by the Town and may be amended by the Town.

**TOWN OF BLOOMFIELD, CONNECTICUT
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Plan membership consisted of the following at January 1, 2018:

	<u>Retirement Income Plan</u>	<u>Police Retirement Income Plan</u>
Retirees, disabled and beneficiaries currently receiving benefits	176	78
Terminated employees entitled to benefits but not yet receiving them	49	2
Active plan members	<u>185</u>	<u>5</u>
Total	<u>410</u>	<u>85</u>

Summary of Significant Accounting Policies

Basis of Accounting

The Town of Bloomfield Retirement Income Plan and Police Retirement Income Plan financial statements are prepared using the accrual basis of accounting. Plan member and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

Funding Policy and Benefits Provided

Retirement Income Plan

Covered employees are required by statute to contribute 5.75% of earnings to the PERS. If any employee leaves covered employment or dies before ten years of service, accumulated employee contributions plus interest at a rate specified in the plan are refunded. The Town contributes the remaining amounts necessary to finance the benefits for its employees. The Town has the authority to establish and amend the benefit provisions of the plan through union negotiation for those employees covered by a collective bargaining agreement.

Administrative costs of the plan are financed through investment earnings.

Police Retirement Income Plan

Police employees are required to contribute 6.4% of earnings to the PERS. If any employee leaves covered employment or dies before ten years of service, accumulated employee contributions plus interest at a rate specified in the plan are refunded. The Town is required to contribute the remaining amounts necessary to finance the benefits for its police employees. The Town has the authority to establish and amend the benefit provisions of the plan through union negotiation.

Administrative costs of the plan are financed through investment earnings.

**TOWN OF BLOOMFIELD, CONNECTICUT
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The individual plan net position at June 30, 2019 and changes in net position for the year then ended are as follows:

	Pension Trust Funds		
	Retirement Income Plan	Police Retirement Income Plan	Total
Assets:			
Investments, at fair value	\$ 52,936,371	\$ 27,348,003	\$ 80,284,374
Net Position:			
Restricted for Pension Benefits	\$ 52,936,371	\$ 27,348,003	\$ 80,284,374
	Pension Trust Funds		
	Retirement Income Plan	Police Retirement Income Plan	Total
Additions:			
Contributions:			
Employer	\$ 3,085,827	\$ 2,096,000	\$ 5,181,827
Plan members	652,363	25,662	678,025
Total contributions	3,738,190	2,121,662	5,859,852
Investment income:			
Change in fair value of investments	1,021,336	536,541	1,557,877
Interest and dividends	1,330,364	722,808	2,053,172
	2,351,700	1,259,349	3,611,049
Less investment expenses:			
Investment management fees	54,457	51,725	106,182
Net investment income	2,297,243	1,207,624	3,504,867
Total additions	6,035,433	3,329,286	9,364,719
Deductions:			
Benefits	3,985,606	3,887,290	7,872,896
Administration	31,410	20,910	52,320
Total deductions	4,017,016	3,908,200	7,925,216
Change in Net Position	2,018,417	(578,914)	1,439,503
Net Position - Beginning of Year	50,917,954	27,926,917	78,844,871
Net Position - End of Year	\$ 52,936,371	\$ 27,348,003	\$ 80,284,374

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Investments

Investment Policy

The pension plan’s policy, which was adopted on November 24, 2010, with regard to the allocation of invested assets, may be amended by the Plan’s Administrators. Consistent with its investment policy, it pursues an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The allocation of invested assets is reviewed by the Town and its investment advisors annually in order to ensure that the allocation remains consistent with the Town’s goals and objectives as well as the plan’s investment return assumptions. The following was the Board’s adopted asset allocation policy as of June 30, 2019:

<u>Asset Class</u>	<u>Target Allocations</u>	
	<u>Retirement Income Plan</u>	<u>Police Retirement Income Plan</u>
Guaranteed Deposit Fund	12.50 %	12.50 %
Short Term Fixed Income	2.50	2.50
Core Fixed Income	17.50	17.50
High Yield	2.50	2.50
Domestic Large Cap Equity	23.00	23.00
Domestic Small Cap Equity	7.00	7.00
International Equity	30.00	30.00
Real Estate	5.00	5.00
Total	<u>100.00 %</u>	<u>100.00 %</u>

Rate of Return

For the year ended June 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.48% and 4.42% for the Retirement Income Plan and the Police Retirement Income Plan, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2019 were as follows:

	<u>Retirement Income Plan</u>	<u>Police Retirement Income Plan</u>	<u>Total</u>
Total pension liability	\$ 71,663,735	\$ 45,845,252	\$ 117,508,987
Plan fiduciary net position	<u>52,936,371</u>	<u>27,348,003</u>	<u>80,284,374</u>
Net Pension Liability	<u>\$ 18,727,364</u>	<u>\$ 18,497,249</u>	<u>\$ 37,224,613</u>
Plan fiduciary net position as a percentage of the total pension liability	73.87%	59.65%	68.32%

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Actuarial Assumptions

The total pension liability for both plans was determined by an actuarial valuation as of January 1, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.50%, average, including inflation
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Retirement income plan mortality rates were based on the RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to valuation date with Scale MP-2017.

Police retirement income plan mortality rates were based on the RP-2014 Adjusted to 2006 Mortality Table, with blue collar adjustment, projected to valuation date with Scale MP-2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included in the pension plan’s target asset allocation as of June 30, 2019 and are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	
	<u>Retirement Income Plan</u>	<u>Police Retirement Income Plan</u>
Guaranteed Deposit Fund	0.30 %	0.30 %
Short Term Fixed Income	0.60	0.60
Short Term Liquidity	0.35	0.35
Core Fixed Income	1.65	1.65
High Yield	3.05	3.05
Domestic Large Cap Equity	5.55	5.55
Domestic Small Cap Equity	6.00	6.00
International Equity	5.55	5.55
Real Estate	4.20	4.20

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The discount rate was changed from the previous valuation of 7.00% to 6.75% for the valuation as of January 1, 2018. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Town, calculated using the discount rate of 6.75%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Retirement Income Plan - Net Pension Liability	\$ 25,699,384	\$ 18,727,364	\$ 12,785,894
Police Retirement Income Plan - Net Pension Liability	18,497,249	18,497,249	14,672,957

Retirement Income Plan

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Balances as of July 1, 2018	\$ 68,223,265	\$ 50,917,954	\$ 17,305,311
Changes for the year:			
Service cost	1,431,110		1,431,110
Interest on total pension liability	4,569,352		4,569,352
Differences between expected and actual experience	815,838		815,838
Changes in assumptions	609,776		609,776
Employer contributions		3,085,827	(3,085,827)
Member contributions		652,363	(652,363)
Net investment income		2,297,243	(2,297,243)
Benefit payments, including refund to employee contributions	(3,985,606)	(3,985,606)	-
Administrative expenses		(31,410)	31,410
Net changes	<u>3,440,470</u>	<u>2,018,417</u>	<u>1,422,053</u>
Balances as of June 30, 2019	\$ <u>71,663,735</u>	\$ <u>52,936,371</u>	\$ <u>18,727,364</u>

Police Retirement Income Plan

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Balances as of July 1, 2018	\$ 45,077,530	\$ 27,926,917	\$ 17,150,613
Changes for the year:			
Service cost	153,310		153,310
Interest on total pension liability	2,924,027		2,924,027
Differences between expected and actual experience	900,470		900,470
Changes in assumptions	677,205		677,205
Employer contributions		2,096,000	(2,096,000)
Member contributions		25,662	(25,662)
Net investment income		1,207,624	(1,207,624)
Benefit payments, including refund to employee contributions	(3,887,290)	(3,887,290)	-
Administrative expenses		(20,910)	20,910
Net changes	<u>767,722</u>	<u>(578,914)</u>	<u>1,346,636</u>
Balances as of June 30, 2019	\$ <u>45,845,252</u>	\$ <u>27,348,003</u>	\$ <u>18,497,249</u>

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2019, the Town recognized pension expense of \$7,456,174. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Retirement Income Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 796,746	\$ 190,267
Changes of assumptions	1,221,292	
Net difference between projected and actual earning on pension plan investments	<u>153,393</u>	
Total	<u>\$ 2,171,431</u>	<u>\$ 190,267</u>

	<u>Police Retirement Income Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earning on pension plan investments	<u>\$ 64,386</u>	<u>\$ -</u>
Total	<u>\$ 64,386</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	<u>Retirement Income Plan</u>	<u>Police Retirement Income Plan</u>
2020	\$ 1,404,419	\$ 120,577
2021	160,913	(248,891)
2022	189,738	69,072
2023	226,094	123,628

B. Connecticut Teachers Retirement System - Pension

Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

Benefit Provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the State of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>47,360,415</u>
Total	<u>\$ 47,360,415</u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2019, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2019, the Town recognized pension expense and revenue of \$5,315,370 in Exhibit II.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increase	3.25-6.50%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increased rates (5% for females and 8% for males) over age 80 for the period after service retirement and for dependent beneficiaries as well as for active members. The RPH-2014 Disabled Mortality Table projected to 2018 with Scale BB is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007 and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large cap U.S. equities	21.0%	5.8%
Developed non-U.S. equities	18.0%	6.6%
Emerging markets (Non-U.S.)	9.0%	8.3%
Core fixed income	7.0%	1.3%
Inflation linked bond fund	3.0%	1.0%
Emerging market bond	5.0%	3.7%
High yield bonds	5.0%	3.9%
Real estate	7.0%	5.1%
Private equity	11.0%	7.6%
Alternative investments	8.0%	4.1%
Cash	6.0%	0.4%
Total	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The Town's proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

6. OTHER POST EMPLOYMENT BENEFITS PLAN

A. OPEB Plan

Plan Description

The Town administers one single-employer, post retirement healthcare plan for the Town, Police and Board of Education, the Town of Bloomfield Other Post Employment Benefits (OPEB) Plan. The other post employment benefit plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the OPEB Trust fund. The Town does not issue a separate stand-alone financial statement for this program.

The Town plan provides for medical, dental and life insurance benefits for all eligible Town, Police and Board of Education retirees and their spouses. Benefits and contributions are established by contract and may be amended by union negotiations. Administration costs are financed from investment earnings.

The Town contracts with a financial advisor and actuary who assist in monitoring the plan. Meetings are held at least quarterly with the Town Manager, Finance Director and investment advisor to review the plan. The Town Manager and the Finance Director also periodically provide information regarding the post-employment benefits plan to the Finance Subcommittee of the Town Council. The full Town Council would be consulted in the event of any major plan change.

Funding Policy

The Town's contributions are actuarially determined on an annual basis using the projected unit credit method. The Town's total plan contribution was \$3,857,912.

Retiree contributions are dependent on the covered group. There are no employee contributions for the Town, Police or Board of Education employees, with the exception of some retirees who pay for spousal coverage. Teachers are required to pay 100% of the costs.

At July 1, 2018, plan membership consisted of the following:

Active employees	537
Retired Employees	<u>215</u>
Total	<u><u>752</u></u>

Investments

Investment Policy

OPEB Benefits Plan's policy in regard to the allocation of invested assets is established and may be amended by agreement of the Town Manager and Director of Finance, in consultation with the Finance Subcommittee of the Town Council if necessary. The Town's investment advisor provides the necessary information to assist the Town Manager and Director of Finance to make prudent investment decisions. It is the policy of the Town to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes, taking into consideration the discount rate. The Town's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The Town reviews its investment policy at least annually.

**TOWN OF BLOOMFIELD, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
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Rate of Return

For the year ended June 30, 2019, the annual money-weighted rate of return on investments, net of investment expense, was -3.99%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Town

The Town's net OPEB liability was measured as of June 30, 2019. The components of the net OPEB liability of the Town at June 30, 2019 were as follows:

Total OPEB liability	\$	92,322,198
Plan fiduciary net position		<u>9,854,280</u>
Net OPEB Liability	\$	<u><u>82,467,918</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability		10.67%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	2.50%, average, including inflation
Investment rate of return	6.75%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	7.00% for 2018, decreasing 0.5% per year to an ultimate rate of 4.50% for 2023 and later years

For Police, mortality rates were based on the RP-2014 Adjusted to 2006 Blue Collar Mortality Table projected to the valuation date with Scale MP-2018.

For all other employees, mortality rates were based on the RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to the valuation date with Scale MP-2018.

The actuarial assumptions used in the July 1, 2018 valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor. A full actuarial experience study has not been completed.

**TOWN OF BLOOMFIELD, CONNECTICUT
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JUNE 30, 2019**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Fixed Income	35 %	1.65 %
Domestic Large Cap Equity	28	5.55
Domestic Small Cap Equity	17	6.00
International Equity	<u>20</u>	5.55
Total	<u><u>100 %</u></u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2018	\$ 93,071,172	\$ 8,209,636	\$ 84,861,536
Changes for the year:			
Service cost	4,231,795		4,231,795
Interest on total pension liability	6,694,500		6,694,500
Differences between expected and actual experience	(9,345,082)		(9,345,082)
Changes of assumptions	1,061,699		1,061,699
Employer contributions		3,857,912	(3,857,912)
Member contributions		417,560	(417,560)
Net investment income		772,018	(772,018)
Benefit payments, including refund to employee contributions	(3,391,886)	(3,391,886)	-
Administrative expenses		(10,960)	10,960
Net changes	<u>(748,974)</u>	<u>1,644,644</u>	<u>(2,393,618)</u>
Balances as of June 30, 2019	\$ <u>92,322,198</u>	\$ <u>9,854,280</u>	\$ <u>82,467,918</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB Liability	\$ 94,651,679	\$ 82,467,918	\$ 72,490,794

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Town, as well as what the Town’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.25% decreasing to 3.75%) or 1 percentage point higher (9.25% decreasing to 5.75%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 72,254,895	\$ 82,467,918	\$ 95,013,606

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the Town recognized OPEB expense of \$8,699,751. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ 9,149,954
Changes in assumptions	936,793	
Net difference between projected and actual earning on pension plan investments		344,607
Total	<u>\$ 936,793</u>	<u>\$ 9,494,561</u>

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30

2020	\$	(1,215,244)
2021		(1,215,244)
2022		(1,215,244)
2023		(1,144,991)
2024		(1,111,529)
Thereafter		(2,655,516)

The following schedule presents the net position held in trust for OPEB benefits at June 30, 2019 and the changes in net position for the year ended June 30, 2019:

	<u>OPEB Trust Fund</u>
Assets:	
Cash	\$ 136,220
Accounts receivable	1,281,029
Investments, at fair value	<u>13,712,450</u>
Total assets	<u>15,129,699</u>
Liabilities:	
Claims payable	225,212
Due to other funds	<u>5,050,207</u>
Total liabilities	<u>5,275,419</u>
Net Position:	
Restricted for Other Post Employment Benefits	<u>\$ 9,854,280</u>

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

	<u>OPEB Trust Fund</u>
Additions:	
Contributions:	
Employer	\$ 3,857,912
Plan members	<u>417,560</u>
Total contributions	<u>4,275,472</u>
Investment income:	
Change in fair value of investments	765,114
Interest and dividends	<u>6,904</u>
Net investment income	<u>772,018</u>
Total additions	<u>5,047,490</u>
Deductions:	
Benefits	3,391,886
Administration	<u>10,960</u>
Total deductions	<u>3,402,846</u>
Change in Net Position	1,644,644
Net Position - Beginning of Year	<u>8,209,636</u>
Net Position - End of Year	<u>\$ 9,854,280</u>

B. Other Post Employment Benefit - Connecticut State Teachers Retirement Plan

Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other post employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

Benefit Provisions

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost and contributes at least \$220 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

Those participants electing vision, hearing and/or dental are required by the System's funding policy to pay the full cost of coverage for these benefits, and no liability is assumed by the plan for these benefits.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

Eligibility

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, State employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

**TOWN OF BLOOMFIELD, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019**

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

Employees

Each member is required to contribute 1.25% of their annual salary up to \$500,000. Contributions in excess of \$500,000 will be credited to the Retiree Health Insurance Plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2019, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's proportionate share of the net OPEB liability	\$	-
State's proportionate share of the net OPEB liability associated with the Town		<u>9,467,616</u>
Total	\$	<u><u>9,467,616</u></u>

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2018. At June 30, 2019, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2019, the Town recognized OPEB expense and revenue of (\$3,145,136) in Exhibit II.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Health care costs trend rate	
Pre-Medicare	5.95% decreasing to 4.75% by 2025
Medicare	5.00% decreasing to 4.75% by 2028
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2019

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) over age 80. For disabled retirees, mortality rates were based on the RPH-2014 Disabled Mortality Table projected to 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.27%).

Discount Rate

The discount rate used to measure the total OPEB liability was 3.87%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2019 and, as a result, the Municipal Bond Index Rate was used in the determination.

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate

The Town's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the State of Connecticut.

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

7. OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2019.

The Town has chosen to establish a Self-Insurance Fund for risks associated with the employees' health insurance plan. This fund is accounted for as an Internal Service Fund where assets are set aside for claim settlements. Additionally, the Town has chosen to establish an OPEB Trust Fund for risks associated with the retiree health insurance plan. This fund is accounted for as a Trust Fund where assets are set aside for claim settlement and to accumulate resources for health insurance coverage of retired Town and Board of Education employees. A premium is charged to each fund that accounts for full or part-time employees. The total charge allocated to each of the funds is calculated using employee rates determined by the self-insurance administrator.

A third party administers the medial insurance plans for which the Town pays a fee. The Town has purchased a stop loss policy for individual claims exceeding \$225,000.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that has been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount, as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs) and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for salvage or subrogation, are another component of the claims liability estimate. The entire liability is considered to be a current liability because the Town has determined through past experience that materially all of the claims outstanding at year end are liquidated within the subsequent fiscal year. Changes in the claims liability for the past two years are as follows:

	<u>Accrued Liability Beginning of Fiscal Year</u>		<u>Current Year Claims and Changes in Estimates</u>		<u>Accrued Liability Claim Payments</u>		<u>Accrued Liability End of Fiscal Year</u>
Employee Health Insurance Fund:							
2017-18	\$ 791,386	\$	9,345,976	\$	9,428,816	\$	708,546
2018-19	708,546		9,901,176		9,853,391		756,331
OPEB Trust Fund:							
2017-18	\$ 178,705	\$	2,736,726	\$	2,722,947	\$	192,484
2018-19	192,484		3,391,886		3,359,158		225,212

The Town is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), a nonprofit association of Connecticut Municipalities, which was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-479a et seq. of the Connecticut General Statutes.

The Town is also a member of CIRMA's 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 coverage is subject to an incurred loss retrospective rating plan, and losses incurred in a coverage period will be evaluated at 18, 30 and 42 months after the effective date of coverage. CIRMA's Workers' Compensation Pool retains \$1,000,000 per occurrence and purchases reinsurance above that amount to the limit of liability of \$10 million per occurrence.

B. Contingent Liabilities and Commitments

Contingent Liabilities

Litigation and Unasserted Claims

Claims for which preliminary judgment has been rendered against the Town have been recorded as a liability in the government-wide financial statements. There are various suits and claims pending against the Town, involving, but not limited to, breach of contract and alleged age, sexual and racial discrimination in the terms and conditions of employment.

The final outcome of these suits and claims and their impact on the Town's financial position cannot be determined at this time.

**TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Federal and State Assistance Programs - Compliance Audits

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

Rebate Penalties

The Town may be subject to rebate penalties to the federal government relating to various bond and note issues. The Town does not expect this to occur due to low level of interest rates over the past several years.

8. TAX ABATEMENTS

The Town has entered into Tax Assessment Agreements which provide real property tax abatements for real property improvements pursuant to Connecticut General Statutes Section 12-65b. The Town has four agreements as of June 30, 2019 with the last reduction in assessment occurring during the fiscal years ending June 30, 2022, June 30, 2023 and June 30, 2024.

Program	Commercial Development
Purpose	Designed to encourage specific business to open or expand facilities in Town.
Tax being abated	Real Estate
Authority under which agreements are entered into	Section 12.65b. Of the Connecticut General Statutes.
Eligibility criteria for tax abatement	Owner agrees to continuously own the property, for a period of time in excess of the abatement period.
How recipient's tax are reduced	As a credit against Real Estate Taxes.
How the tax abatement is determined	Decreasing reduction on assessment on improvements over a set period, specific to each agreement.
Provisions for recapturing abated taxes, if any	Breach of the agreement

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Required Supplementary Information

**TOWN OF BLOOMFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF BUDGETED AND ACTUAL REVENUES -
BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Property Taxes:				
Current levy	\$ 77,183,384	\$ 77,183,384	\$ 78,402,068	\$ 1,218,684
Interest and liens	485,000	485,000	532,593	47,593
Prior years collection	750,000	750,000	849,773	99,773
Supplemental motor vehicle	525,000	525,000	752,730	227,730
Telephone line tax	64,000	64,000	84,449	20,449
Total Property Taxes	<u>79,007,384</u>	<u>79,007,384</u>	<u>80,621,613</u>	<u>1,614,229</u>
Interest on Investments	<u>130,000</u>	<u>130,000</u>	<u>684,288</u>	<u>554,288</u>
Intergovernmental:				
Educational Assistance Grants:				
ECS grant	5,489,084	5,489,084	5,304,823	(184,261)
Nonpublic school health	37,560	37,560	47,220	9,660
Total Educational Assistance Grants	<u>5,526,644</u>	<u>5,526,644</u>	<u>5,352,043</u>	<u>(174,601)</u>
Town Assistance Grants:				
PILOT - State property	13,330	13,330	13,651	321
Mashantucket Pequot fund grant	94,314	94,314	94,314	-
PILOT - enterprise zone			104,145	104,145
Tax relief - disabled	1,300	1,300	1,159	(141)
PILOT - colleges and hospitals	107,502	107,502	110,126	2,624
Municipal revenue sharing	280,060	280,060	291,027	10,967
PILOT - veterans' exemption	10,500	10,500	10,955	455
Dial-A-Ride	17,500	17,500	29,349	11,849
Town road aid	336,373	336,373	336,171	(202)
Police grants	100,000	100,000	106,071	6,071
Town clerk recording grant	10,000	10,000	7,827	(2,173)
Total Town Assistance Grants	<u>970,879</u>	<u>970,879</u>	<u>1,104,795</u>	<u>133,916</u>
Total Intergovernmental	<u>6,497,523</u>	<u>6,497,523</u>	<u>6,456,838</u>	<u>(40,685)</u>

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**TOWN OF BLOOMFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF BUDGETED AND ACTUAL REVENUES -
BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Charges for Services:				
Tower rent	\$ 80,000	\$ 80,000	\$ 74,619	\$ (5,381)
10 Lisa Lane Rent	3,000	3,000	2,250	(750)
Service charges:				
Police permits	10,000	10,000	10,469	469
Right of way permits	1,100	1,100	1,510	410
Blueprints	500	500	275	(225)
Building/demolition permits	950,000	950,000	1,022,389	72,389
Dog licenses	2,500	2,500	2,352	(148)
Hunting/fishing licenses	300	300	106	(194)
Inland/wetland permits	3,000	3,000	17,743	14,743
Zoning commission	8,000	8,000	10,140	2,140
Zoning Board of Appeals	800	800	405	(395)
State/FBI background checks	500	500	(527)	(1,027)
Ambulance service	480,000	480,000	449,915	(30,085)
Library receipts	18,000	18,000	13,657	(4,343)
Town clerk fees	115,000	115,000	110,268	(4,732)
Real estate trans tax	450,000	450,000	1,205,622	755,622
Summer program	15,000	15,000	32,768	17,768
School year	5,500	5,500	7,450	1,950
Swimming pool	15,000	15,000	15,294	294
Mini bus passes	9,000	9,000	11,543	2,543
Accident reports	5,500	5,500	5,504	4
Zoning violation	1,500	1,500	5,943	4,443
Postcards/Stickers	150	150	14	(136)
Parking fines	15,000	15,000	8,634	(6,366)
Animal control	1,300	1,300	(93)	(1,393)
Total Charges for Services	<u>2,190,650</u>	<u>2,190,650</u>	<u>3,008,250</u>	<u>817,600</u>
Other Revenues:				
Miscellaneous income	145,000	145,000	302,779	157,779
Total Revenues	<u>87,970,557</u>	<u>87,970,557</u>	<u>91,073,768</u>	<u>3,103,211</u>
Other Financing Sources:				
Bond premium			41,906	41,906
Transfers in*	150,000	150,000	150,000	-
Total Other Financing Sources	<u>150,000</u>	<u>150,000</u>	<u>191,906</u>	<u>41,906</u>
Total Revenues and Other Financing Sources	<u>\$ 88,120,557</u>	<u>\$ 88,120,557</u>	91,265,674	<u>\$ 3,145,117</u>

Budgetary revenues are different than GAAP revenues because:

State of Connecticut pension expense in the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.	5,315,370
State of Connecticut OPEB revenues in the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.	(3,145,136)
Cancellation of prior year encumbrances are recognized as budgetary revenue	(42,136)
The Town does not budget for bond premiums.	143,778
Some grants are budgeted net of their expenditures and are reported gross under GAAP.	610,445
	<u>610,445</u>

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

\$ 94,147,995

* \$125,000 of original budget, final budget and actual were originally part of the Charges for Services budget, and represent amounts transferred from the Police Extra Duty Fund.

TOWN OF BLOOMFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Administration:				
General government admin	\$ 163,280	\$ 163,280	\$ 153,012	\$ 10,268
Town council	28,025	38,525	31,163	7,362
Town manager	467,963	467,963	448,963	19,000
Town clerk	397,111	397,561	386,020	11,541
Administration	138,820	112,643	112,495	148
Assessor	340,906	330,906	328,971	1,935
Tax collector	259,960	253,960	251,478	2,482
Central office	57,011	57,011	51,711	5,300
Human resources	509,608	483,608	466,528	17,080
Information systems	640,107	615,007	573,521	41,486
Accounting	295,600	282,600	282,488	112
Town attorney	187,337	181,137	177,270	3,867
Town treasurer	10,800	10,800	10,699	101
Total Administration	<u>3,496,528</u>	<u>3,395,001</u>	<u>3,274,319</u>	<u>120,682</u>
Boards and Agencies:				
Town planning and zoning	4,504	4,504	4,248	256
Zoning board of appeals	1,296	1,296	637	659
Board of tax review	2,253	2,253	1,848	405
Registrar of Voters	115,329	119,906	118,678	1,228
Elections	29,660	29,660	26,518	3,142
Inland/wetland	3,715	3,715	2,323	1,392
Economic development committee	2,315	2,315	1,972	343
Commission on aging	3,590	3,590	2,469	1,121
Youth adult council	3,000	3,000	3,000	-
Advisory committee on handicapped	250	250		250
Conservation, energy and environment committee	1,500	1,500	1,250	250
Beautification committee	3,400	3,400	892	2,508
Fair rent commission	500	500		500
Ethics commission	100	100		100
Total Boards and Agencies	<u>171,412</u>	<u>175,989</u>	<u>163,835</u>	<u>12,154</u>
Planning and Development	<u>1,202,556</u>	<u>1,245,556</u>	<u>1,207,351</u>	<u>38,205</u>
Public Safety	<u>8,187,760</u>	<u>7,794,360</u>	<u>7,705,977</u>	<u>88,383</u>
Public Works	<u>3,336,462</u>	<u>3,238,462</u>	<u>3,122,314</u>	<u>116,148</u>
Leisure Services	<u>815,679</u>	<u>822,217</u>	<u>810,831</u>	<u>11,386</u>
Public Libraries	<u>1,750,555</u>	<u>1,744,555</u>	<u>1,724,790</u>	<u>19,765</u>

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**TOWN OF BLOOMFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS - BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Human Services:				
Health services	\$ 225,823	\$ 225,823	\$ 225,823	\$ -
Social services	646,889	646,889	631,905	14,984
Senior services	772,930	776,430	765,943	10,487
Total Human Services	<u>1,645,642</u>	<u>1,649,142</u>	<u>1,623,671</u>	<u>25,471</u>
Facilities Maintenance*	<u>1,811,326</u>	<u>1,772,326</u>	<u>1,589,268</u>	<u>183,058</u>
Fixed Charges	<u>17,247,042</u>	<u>17,827,354</u>	<u>17,767,465</u>	<u>59,889</u>
Miscellaneous Charges	<u>445,500</u>	<u>220,500</u>	<u>211,141</u>	<u>9,359</u>
Education *	<u>42,160,165</u>	<u>43,135,165</u>	<u>42,995,927</u>	<u>139,238</u>
Debt Service	<u>5,887,820</u>	<u>5,887,820</u>	<u>5,687,779</u>	<u>200,041</u>
Total Expenditures	88,158,447	88,908,447	87,884,668	1,023,779
Other Financing Uses:				
Transfer out *	<u>1,362,110</u>	<u>1,587,110</u>	<u>1,587,110</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 89,520,557</u>	<u>\$ 90,495,557</u>	89,471,778	<u>\$ 1,023,779</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut pension expense in the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.			5,315,370	
State of Connecticut OPEB revenues in the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.			(3,145,136)	
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 report purposes.			551,137	
Some grants are budgeted net of their expenditures and are reported gross under GAAP.			<u>610,445</u>	
Total Expenditures and Other Financing Uses as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 92,803,594</u>	

* \$42,036 and \$2,000 of original budget, final budget and actual were originally part of the facilities and education budgets, respectively, and represent amounts transferred to the CNR fund.

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
RETIREMENT INCOME PLAN
LAST SIX FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:						
Service cost	\$ 1,431,110	\$ 1,357,032	\$ 1,183,480	\$ 1,065,982	\$ 1,029,935	\$ 1,008,317
Interest	4,569,352	4,528,155	4,332,646	4,316,094	4,143,122	4,026,413
Changes of benefit terms						
Differences between expected and actual experience	815,838	(462,077)	1,708,574	(846,524)	734,371	
Changes of assumptions	609,776	1,475,092	1,405,787	1,339,300		
Benefit payments, including refunds of member contributions	<u>(3,985,606)</u>	<u>(3,944,906)</u>	<u>(3,808,712)</u>	<u>(3,749,386)</u>	<u>(3,528,979)</u>	<u>(3,472,507)</u>
Net change in total pension liability	3,440,470	2,953,296	4,821,775	2,125,466	2,378,449	1,562,223
Total pension liability - beginning	<u>68,223,265</u>	<u>65,269,969</u>	<u>60,448,194</u>	<u>58,322,728</u>	<u>55,944,279</u>	<u>54,382,056</u>
Total pension liability - ending	<u>71,663,735</u>	<u>68,223,265</u>	<u>65,269,969</u>	<u>60,448,194</u>	<u>58,322,728</u>	<u>55,944,279</u>
Plan fiduciary net position:						
Contributions - employer	3,085,827	2,930,717	2,597,743	2,572,003	2,629,167	2,477,045
Contributions - member	652,363	628,600	596,025	577,917	560,042	552,671
Net investment income	2,297,243	3,729,524	5,859,346	96,053	1,353,957	5,961,312
Benefit payments, including refunds of member contributions	<u>(3,985,606)</u>	<u>(3,944,906)</u>	<u>(3,808,712)</u>	<u>(3,749,386)</u>	<u>(3,528,979)</u>	<u>(3,472,507)</u>
Administrative expense	<u>(31,410)</u>	<u>(25,730)</u>	<u>(27,600)</u>	<u>(20,330)</u>	<u>(79,399)</u>	<u>(51,099)</u>
Net change in plan fiduciary net position	2,018,417	3,318,205	5,216,802	(523,743)	934,788	5,467,422
Plan fiduciary net position - beginning	<u>50,917,954</u>	<u>47,599,749</u>	<u>42,382,947</u>	<u>42,906,690</u>	<u>41,971,902</u>	<u>36,504,480</u>
Plan fiduciary net position - ending	<u>52,936,371</u>	<u>50,917,954</u>	<u>47,599,749</u>	<u>42,382,947</u>	<u>42,906,690</u>	<u>41,971,902</u>
Net Pension Liability - Ending	<u>\$ 18,727,364</u>	<u>\$ 17,305,311</u>	<u>\$ 17,670,220</u>	<u>\$ 18,065,247</u>	<u>\$ 15,416,038</u>	<u>\$ 13,972,377</u>
Plan fiduciary net position as a percentage of the total pension liability	73.87%	74.63%	72.93%	70.11%	73.57%	75.02%
Covered payroll	\$ 10,830,406	\$ 10,402,954	\$ 10,265,665	\$ 9,157,561	\$ 9,333,616	\$ 9,417,217
Net pension liability as a percentage of covered payroll	172.91%	166.35%	172.13%	197.27%	165.17%	148.37%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE RETIREMENT INCOME PLAN
LAST SIX FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:						
Service cost	\$ 153,310	\$ 222,940	\$ 296,714	\$ 418,531	\$ 404,379	\$ 416,093
Interest	2,924,027	2,995,523	3,004,652	2,986,948	2,923,044	2,896,006
Differences between expected and actual experience	900,470	241,350	852,171	842,770	695,533	
Changes of assumptions	677,205	989,764	981,190	946,336		
Benefit payments, including refunds of member contributions	<u>(3,887,290)</u>	<u>(3,819,946)</u>	<u>(3,604,107)</u>	<u>(3,309,655)</u>	<u>(3,064,901)</u>	<u>(2,819,289)</u>
Net change in total pension liability	767,722	629,631	1,530,620	1,884,930	958,055	492,810
Total pension liability - beginning	<u>45,077,530</u>	<u>44,447,899</u>	<u>42,917,279</u>	<u>41,032,349</u>	<u>40,074,294</u>	<u>39,581,484</u>
Total pension liability - ending	<u>45,845,252</u>	<u>45,077,530</u>	<u>44,447,899</u>	<u>42,917,279</u>	<u>41,032,349</u>	<u>40,074,294</u>
Plan fiduciary net position:						
Contributions - employer	2,096,000	2,093,000	2,048,807	2,051,670	2,073,888	1,882,292
Contributions - member	25,662	51,940	76,633	109,221	129,128	147,642
Net investment income	1,207,624	2,138,285	3,391,652	108,128	859,608	3,737,496
Benefit payments, including refunds of member contributions	<u>(3,887,290)</u>	<u>(3,819,946)</u>	<u>(3,604,107)</u>	<u>(3,309,655)</u>	<u>(3,064,901)</u>	<u>(2,819,289)</u>
Administrative expense	<u>(20,910)</u>	<u>(19,240)</u>	<u>(18,925)</u>	<u>(14,265)</u>	<u>(51,764)</u>	<u>(33,175)</u>
Net change in plan fiduciary net position	(578,914)	444,039	1,894,060	(1,054,901)	(54,041)	2,914,966
Plan fiduciary net position - beginning	<u>27,926,917</u>	<u>27,482,878</u>	<u>25,588,818</u>	<u>26,643,719</u>	<u>26,697,760</u>	<u>23,782,794</u>
Plan fiduciary net position - ending	<u>27,348,003</u>	<u>27,926,917</u>	<u>27,482,878</u>	<u>25,588,818</u>	<u>26,643,719</u>	<u>26,697,760</u>
Net Pension Liability - Ending	<u>\$ 18,497,249</u>	<u>\$ 17,150,613</u>	<u>\$ 16,965,021</u>	<u>\$ 17,328,461</u>	<u>\$ 14,388,630</u>	<u>\$ 13,376,534</u>
Plan fiduciary net position as a percentage of the total pension liability	59.65%	61.95%	61.83%	59.62%	64.93%	66.62%
Covered payroll	\$ 608,380	\$ 1,119,348	\$ 1,603,104	\$ 1,768,489	\$ 2,378,489	\$ 2,456,234
Net pension liability as a percentage of covered payroll	3040.41%	1532.20%	1058.26%	979.85%	604.95%	544.60%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
RETIREMENT INCOME PLAN
LAST TEN FISCAL YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 1,468,017	\$ 1,590,800	\$ 1,926,516	\$ 2,152,730	\$ 2,477,043	\$ 2,629,169	\$ 2,571,995	\$ 2,597,773	\$ 2,930,717	\$ 3,085,827
Contributions in relation to the actuarial determined contribution	1,468,017	1,590,800	1,956,542	2,152,293	2,477,045	2,629,167	2,572,003	2,597,743	2,930,717	3,085,827
Contribution Deficiency (Excess)	\$ -	\$ -	\$ (30,026)	\$ 437	\$ (2)	\$ 2	\$ (8)	\$ 30	\$ -	\$ -
Covered payroll	\$ 9,429,411	\$ 10,225,097	\$ 9,580,867	\$ 9,033,986	\$ 9,417,217	\$ 9,333,616	\$ 9,157,561	\$ 10,265,665	\$ 10,402,954	\$ 10,830,406
Contributions as a percentage of covered payroll	15.57%	15.56%	20.42%	23.82%	26.30%	28.17%	28.09%	25.31%	28.17%	28.49%

Notes to Schedule

Valuation Date: January 1, 2018
Measurement Date: June 30, 2019
Actuarially determined contribution rates are calculated as of January 1, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit Actuarial Cost Method
Amortization method	The January 1, 2010 unfunded actuarial liability was established as a separate base and will be amortized to completion over 25 years. Future changes in the unfunded actuarial liability will be amortized separately. These bases will be accumulated into a single base every 5 years and again amortized over a set 25-year period. In the interim years, the payment on these bases will be calculated assuming a fresh 25-year amortization each year.
Remaining amortization period	25 years
Asset valuation method	Capital appreciation is recognized over a five-year period at 20% per year for assets held in equity accounts. The fixed income account is carried at book value.
Inflation	2.75%
Salary increases	3.50%
Investment rate of return	6.75%
Retirement age	Board of Education: 100% Rule of 75 Town: 33-1/3% Rule of 75 33-1/3% Age 62 with 10 years of service 33-1/3% Age 65 with 10 years of service
Mortality	RP-2014 adjusted to 2006 Total Dataset Mortality Table, projected to valuation date with Scale MP-2017.
Changes in assumptions	For the January 1, 2018 valuation, the mortality table was updated from RP-2000 to RP-2014, and the discount rate was decreased from 7.00% to 6.75%.

**TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE RETIREMENT INCOME PLAN
LAST TEN FISCAL YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 1,188,459	\$ 1,541,815	\$ 1,485,520	\$ 1,671,613	\$ 1,882,291	\$ 2,073,888	\$ 2,051,665	\$ 2,048,807	\$ 2,092,998	\$ 2,095,770
Contributions in relation to the actuarial determined contribution	1,188,459	1,541,812	1,485,522	1,671,000	1,882,292	2,073,888	2,051,670	2,048,807	2,093,000	2,096,000
Contribution Deficiency (Excess)	\$ -	\$ 3	\$ (2)	\$ 613	\$ (1)	\$ -	\$ (5)	\$ -	\$ (2)	\$ (230)
Covered payroll	\$ 3,679,774	\$ 3,443,451	\$ 3,374,774	\$ 2,854,880	\$ 2,456,234	\$ 2,378,489	\$ 1,768,489	\$ 1,603,104	\$ 1,119,348	\$ 608,380
Contributions as a percentage of covered payroll	32.30%	44.78%	44.02%	58.53%	76.63%	87.19%	116.01%	127.80%	186.98%	344.52%

Notes to Schedule

Valuation Date: January 1, 2018

Measurement Date: June 30, 2019

Actuarially determined contribution rates are calculated as of January 1, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Projected Unit Credit

Amortization method

The January 1, 2010 unfunded actuarial liability was established as a separate base and will be amortized to completion over 25 years. Future changes in the unfunded actuarial liability will be amortized separately. These bases will be accumulated into a single base every 5 years and again amortized over a set 25-year period. In the interim years, the payment on these bases will be calculated assuming a fresh 25-year amortization each year.

Remaining amortization period

25 years

Asset valuation method

Capital appreciation is recognized over a five-year period at 20% per year for assets held in equity accounts.

The fixed income account is carried at book value.

Inflation

2.75%

Salary increases

3.50%

Investment rate of return

6.75%

Retirement age

Average cost obtained from two assumed retirement ages:

25 years of service, but at least age 55

20 years of service, with no age requirement

Mortality

RP-2014 Adjusted to 2006 Mortality Table, with blue collar adjustment, projected to valuation date with Scale MP-2017

Changes in assumptions

For the January 1, 2018 valuation, the mortality table was updated from RP-2000 to RP-2014, and the discount rate was decreased from 7.00% to 6.75%.

**TOWN OF BLOOMFIELD, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS
 RETIREMENT INCOME PLAN
 LAST SIX FISCAL YEARS***

	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	4.48%	7.78%	13.75%	0.22%	3.08%	16.32%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
POLICE RETIREMENT INCOME PLAN
LAST SIX FISCAL YEARS***

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	4.42%	7.93%	13.45%	0.41%	3.11%	15.90%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST FIVE FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>47,360,415</u>	<u>59,617,244</u>	<u>62,896,649</u>	<u>51,248,617</u>	<u>47,307,730</u>
Total	<u>\$ 47,360,415</u>	<u>\$ 59,617,244</u>	<u>\$ 62,896,649</u>	<u>\$ 51,248,617</u>	<u>\$ 47,307,730</u>
Town's covered payroll	\$ 18,301,000	\$ 16,693,227	\$ 17,536,393	\$ 17,536,393	\$ 18,081,818
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule

Changes in benefit terms Beginning January 1, 2018, member contributions increased from 6% to 7% of salary.
Changes of assumptions During 2016, rates of withdrawal, disability, retirement, mortality and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2015.

Actuarial cost method Entry age
Amortization method Level percent of salary, closed
Single equivalent amortization period 17.6 years
Asset valuation method 4-year smoothed market
Investment rate of return 8.00%, net of investment-related expense

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OPEB
LAST THREE FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:			
Service cost	\$ 4,231,795	\$ 3,981,748	\$ 3,875,181
Interest	6,694,500	6,256,888	5,793,509
Changes of benefit terms			
Differences between expected and actual experience	(9,345,082)	(1,178,321)	(1,035,303)
Changes of assumptions	1,061,699		
Benefit payments	<u>(3,391,886)</u>	<u>(2,736,726)</u>	<u>(2,525,163)</u>
Net change in total OPEB liability	(748,974)	6,323,589	6,108,224
Total OPEB liability - beginning	<u>93,071,172</u>	<u>86,747,583</u>	<u>80,639,359</u>
Total OPEB liability - ending	<u>92,322,198</u>	<u>93,071,172</u>	<u>86,747,583</u>
Plan fiduciary net position:			
Contributions - employer	3,857,912	3,132,615	2,911,267
Contributions - member	417,560	383,932	352,927
Net investment income	772,018	839,597	828,292
Benefit payments	(3,391,886)	(2,736,726)	(2,525,163)
Administrative expense	<u>(10,960)</u>	<u>(5,470)</u>	<u>(15,021)</u>
Net change in plan fiduciary net position	1,644,644	1,613,948	1,552,302
Plan fiduciary net position - beginning	<u>8,209,636</u>	<u>6,595,688</u>	<u>5,043,386</u>
Plan fiduciary net position - ending	<u>9,854,280</u>	<u>8,209,636</u>	<u>6,595,688</u>
Net OPEB Liability - Ending	<u>\$ 82,467,918</u>	<u>\$ 84,861,536</u>	<u>\$ 80,151,895</u>
Plan fiduciary net position as a percentage of the total OPEB liability	10.67%	8.82%	7.60%
Covered payroll	\$ 37,684,405	\$ 39,408,526	\$ 38,353,797
Net OPEB liability as a percentage of covered payroll	218.84%	215.34%	208.98%

Notes to Schedule

Changes of Assumptions: In 2019, the discount rate was decreased from 7.00% to 6.75%, the rates of compensation and inflation were decreased from 2.75% to 2.50%, and the mortality tables were updated from the RP-2000 tables to the RP-2014 tables. Additionally, the medical trend rates were decreased to 7.00% in 2018 decreasing by 0.5% per year, to an ultimate rate of 4.50% for 2023 and later, and from 8.25% in 2016 decreasing by 0.5% per year to an ultimate rate of 4.75% for 2023 and later.

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**TOWN OF BLOOMFIELD, CONNECTICUT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 OPEB
 LAST TEN FISCAL YEARS**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actuarially determined contribution (1)	\$ 8,429,763	\$ 8,726,992	\$ 8,889,935	\$ 9,059,394	\$ 10,476,981	\$ 10,681,456	\$ 8,016,863	\$ 8,247,357	\$ 9,394,587	\$ 8,247,357
Contributions in relation to the actuarially determined contribution	<u>2,198,597</u>	<u>1,635,647</u>	<u>1,668,436</u>	<u>1,606,090</u>	<u>2,131,871</u>	<u>5,175,867</u>	<u>3,475,807</u>	<u>2,911,267</u>	<u>3,132,615</u>	<u>3,857,912</u>
Contribution Deficiency	\$ <u>6,231,166</u>	\$ <u>7,091,345</u>	\$ <u>7,221,499</u>	\$ <u>7,453,304</u>	\$ <u>8,345,110</u>	\$ <u>5,505,589</u>	\$ <u>4,541,056</u>	\$ <u>5,336,090</u>	\$ <u>6,261,972</u>	\$ <u>4,389,445</u>
Covered payroll	\$ 33,361,601	\$ 36,549,683	\$ 36,549,683	\$ 34,856,264	\$ 34,856,264	\$ 40,249,105	\$ 40,249,105	\$ 38,353,797	\$ 39,408,526	\$ 37,684,405
Contributions as a percentage of covered payroll	6.59%	4.48%	4.56%	4.61%	6.12%	12.86%	8.64%	7.59%	7.95%	10.24%

(1) Actuarially Determined Contributions prior to fiscal year ended June 30, 2017 are based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule

Valuation date: July 1, 2018
 Measurement date: June 30, 2019
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll
Amortization period	28 years
Asset valuation method	Market value of assets
Inflation	2.50%
Healthcare cost trend rates	7.00% initial, decreasing 0.5% per year to an ultimate rate of 4.50%
Salary increases	2.50%, average, including inflation
Investment rate of return	6.75%, net of pension plan investment expense, including inflation
Retirement age	Town non-Police and BOE non-Certified - 33 1/3% Rule of 75, 33 1/3% Age 62 with 10 years of service, 33 1/3% Age 65 with 10 years of service
Mortality	Police - 50% 25 years of service, but at least age 55, 50% 20 years of service, with no age requirement For Police mortality rates were based on RP-2014 Adjusted to 2006 Blue Collar Mortality Table projected to valuation date with Scale MP-2018. For all others, mortality rates were based on RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to valuation date with Scale MP-2018

Other Information:

Changes of Assumptions: In 2019, the discount rate was decreased from 7.00% to 6.75%, the rates of compensation and inflation were decreased from 2.75% to 2.50%, and the mortality tables were updated from the RP-2000 tables to the RP-2014 tables. Additionally, the medical trend rates were decreased to 7.00% in 2018 decreasing by 0.5% per year, to an ultimate rate of 4.50% for 2023 and later, and from 8.25% in 2016 decreasing by 0.5% per year to an ultimate rate of 4.75% for 2023 and later.

**TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OPEB
LAST THREE FISCAL YEARS***

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	-3.99%	9.87%	12.65%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST TWO FISCAL YEARS*

	<u>2019</u>	<u>2018</u>
Town's proportion of the net OPEB liability	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>9,467,616</u>	<u>15,344,791</u>
Total	<u>\$ 9,467,616</u>	<u>\$ 15,344,791</u>
Town's covered payroll	\$ 18,301,000	\$ 16,693,227
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.49%	1.79%

Notes to Schedule

Changes in benefit terms	Effective July 1, 2018, Medicare Advantage Plan was added to available options, changed the base plan to the Medicare Advantage Plan for the purposes of determining retiree subsidies and/or cost sharing amounts, and introduced a two-year waiting period for re-enrollment in a System-sponsored Plan for those who cancel their coverage or choose not to enroll after the effective date.
Changes of assumptions	<p>The expected rate of return on assets was changed from 2.75% to 3.00% to better reflect the anticipated returns on cash and other high quality short-term fixed income investments.</p> <p>Based on the procedure described in GASB 75, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2018 was updated to equal the Municipal Bond Index Rate as of June 30, 2018. The System selected the 3.87% discount rate used to measure the Total OPEB Liability as of the June 30, 2018 measurement date.</p> <p>Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on July 1, 2018.</p> <p>The assumed age-related annual percentage increases in expected annual per capita health care claim costs were updated to better reflect the expected differences between the Medicare Supplement and Medicare Advantage Plan amounts as part of the plan change that became effective on July 1, 2018.</p> <p>Long-term health care cost trend rates were updated to better reflect the anticipated impact of changes in medical inflation, utilization, leverage in the plan design, improvements in technology, and fees and charges on expected claims and retiree contributions in future periods.</p> <p>The percentage of retired members who are not currently participating in the Plan, but are expected to elect coverage for themselves and their spouses under a System-sponsored health care plan option in the future, was updated to better reflect anticipated plan experience.</p> <p>The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options, as well as the portion who are expected to migrate to the Medicare Advantage Plan over the next several years, were updated to better reflect anticipated plan experience after the plan change that became effective on July 1, 2018.</p> <p>The post-disability mortality table was updated to extend the period of projected mortality improvements from 2017 to 2020. This change was made to better reflect anticipated post-disablement plan experience.</p> <p>The percentages of deferred, vested members who will become ineligible for future health care benefits because they are expected to withdraw their contributions from the System was updated to better reflect anticipated plan experience.</p>
Actuarial cost method	Entry age
Amortization method	Level percent of payroll
Remaining amortization period	30 years, open
Asset valuation method	Market value of assets
Investment rate of return	4.25%, net of investment -related expense including price inflation

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Appendix B

Opinion of Bond Counsel and Tax Status

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APPENDIX B - OPINION OF BOND COUNSEL AND TAX STATUS

The following information has been prepared by Bond Counsel in connection with this bond and note issue. Bond Counsel are not passing upon and do not assume responsibility for the accuracy or completeness of the statements made in the Official Statement (other than matters in this Appendix), and they make no representation that they have independently verified the same.

BOND COUNSEL OPINION

The legal opinion of the firm of Day Pitney LLP of Hartford, Connecticut, Bond Counsel, will be furnished to the successful bidder when the Bonds and Notes are delivered, and a copy of the legal opinion will be included in the record of proceedings of the Town authorizing the Bonds and Notes. The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds and Notes to the successful bidder.

The opinion of Day Pitney LLP with respect to the Bonds and Notes will be substantially in the following form:

[FORM OF BOND COUNSEL OPINION]

(date of closing)

Town of Bloomfield
Bloomfield, Connecticut

We have represented the Town of Bloomfield, Connecticut as Bond Counsel in connection with the issuance by the Town of \$12,000,000 General Obligation Bonds, Issue of 2020, dated as of January 28, 2020, and \$9,730,000 Bond Anticipation Notes, dated as of January 28, 2020.

We have examined a record of proceedings authorizing the Bonds and Notes, and based on our examination, we are of the opinion that the Town of Bloomfield is authorized to issue the Bonds and Notes; the Town is duly and legally organized; all proper proceedings for the issuance and delivery of the Bonds and Notes have been taken; no limitation of indebtedness under the laws of the State of Connecticut has been exceeded in the issuance of the Bonds and Notes; the Bonds and Notes will be valid and binding general obligations of the Town when certified as provided thereon by a duly authorized official of U.S. Bank National Association; and the Town has the power to levy ad valorem taxes to pay the Bonds and Notes against all the taxable property in the Town without limit as to rate or amount except certified forest land taxable at a limited rate and dwelling houses of qualified elderly people of low income or of qualified disabled persons taxable at limited amounts.

It is to be understood that the rights of the holders of the Bonds and Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met in order that interest on the Bonds and Notes is excluded from gross income for Federal income tax purposes. The Town officials authorized to issue the Bonds and Notes have executed written representations and agreements on behalf of the Town relating to compliance with such provisions of the Code to ensure that the interest on the Bonds and Notes will be excluded from gross income for Federal income tax purposes.

Based on such representations and agreements and on the record of proceedings authorizing the Bonds and Notes, and assuming the accuracy of such representations and compliance with such agreements, it is our opinion that, under existing statutes: (1) interest on the Bonds and Notes is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Code; and (2) the Bonds and Notes are not "private activity bonds" and

interest on the Bonds and Notes is not treated as a preference item for purposes of calculating the Federal alternative minimum tax.

Based on the record of proceedings authorizing the Bonds and Notes, it is our opinion that, under existing statutes: (1) interest on the Bonds and Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and (2) interest on the Bonds and Notes is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax.

Very truly yours,

Day Pitney LLP

FEDERAL INCOME TAX.

Interest Excluded From Gross Income. The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements that must be met in order that interest on the Bonds and Notes is excluded from the gross income of the owners thereof for federal income tax purposes. Some of these requirements must be continuously met subsequent to delivery of the Bonds and Notes. Failure to comply with any of these requirements may cause the interest on the Bonds and Notes to be includable in gross income for federal income tax purposes retroactively to the date of their issuance irrespective of the date on which such noncompliance occurs.

The Town officials authorized to issue the Bonds and Notes will enter into a Tax Compliance Agreement in connection with the delivery of the Bonds and Notes, which will contain certain representations and covenants on behalf of the Town relating to compliance with such requirements of the Code to ensure that the interest on the Bonds and Notes will be excluded from the gross income of the owners thereof for federal income tax purposes.

Alternative Minimum Tax. The Code imposes an alternative minimum tax on individuals. The alternative minimum tax is imposed on alternative minimum taxable income, which includes preference items. The interest on certain tax-exempt "private activity bonds" is treated as a preference item. The Town's Tax Compliance Agreement will contain certain representations and covenants to ensure that the Bonds and Notes are not "private activity bonds" so that interest on the Bonds and Notes will not be treated as a preference item for individuals.

Financial Institutions. The Code provides that commercial banks, thrift institutions and certain other financial institutions may not deduct the portion of their interest expense allocable to tax-exempt obligations acquired after August 7, 1986, other than "qualified tax-exempt obligations". The Bonds and Notes will **not** be "qualified tax-exempt obligations" for purposes of the deduction for federal income tax purposes by financial institutions of a portion of interest expense allocable to tax-exempt obligations.

Additional Federal Income Tax Matters. Notice 94-84, 1994-2 C.B. 559, states that the Internal Revenue Service (the "IRS") is studying whether the amount of the payment at maturity on short-term debt obligations (i.e., debt obligations with a stated fixed rate of interest which mature not more than one year from the date of issue) that is excluded from gross income for federal income tax purposes is (i) the stated interest payable at maturity ("qualified stated interest"), or (ii) the difference between the issue price of the short-term debt obligations and the aggregate amount to be paid at maturity ("original issue discount"). For this purpose, the issue price of the short-term debt obligations is the first price at which a substantial amount of the short-term debt obligations is sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). Until the IRS provides further guidance with respect to short-term debt obligations, taxpayers holding such obligations may treat the stated interest payable at maturity either as qualified stated interest or as included in the stated redemption price at maturity of the obligation. However, taxpayers must treat the amount to be paid at maturity on all tax-exempt short-term debt obligations in a consistent manner. Prospective purchasers of the Bonds and Notes should consult their own tax advisors with respect to the tax consequences of ownership of the Bonds and Notes and the treatment elected.

In addition to the matters addressed above, prospective purchasers of the Bonds and Notes should be aware that the ownership of tax-exempt obligations, such as the Bonds and Notes, may result in collateral federal income tax consequences to certain taxpayers, including without limitation, taxpayers otherwise eligible for the earned income credit, recipients of Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, certain insurance companies, certain S corporations and foreign corporations subject to the branch profits tax. Prospective purchasers of the Bonds and Notes may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

STATE OF CONNECTICUT TAX ON INTEREST.

The opinion of Bond Counsel will state in substance that, based on the record of proceedings authorizing the Bonds and Notes, under existing statutes: (1) interest on the Bonds and Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts, and estates; and (2) interest on the Bonds and Notes is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

Interest on the Bonds and Notes is included in gross income for purposes of the Connecticut corporation business tax.

Owners of the Bonds and Notes should consult their tax advisors with respect to other applicable state and local tax consequences of ownership of the Bonds and Notes and the disposition thereof, including the extent to which gains and losses from the sale or exchange of the Bonds and Notes held as capital assets reduce and increase, respectively, amounts taken into account in computing the Connecticut income tax on individuals, trusts and estates and may affect the net Connecticut minimum tax on such taxpayers who are also required to pay the federal alternative minimum tax.

ORIGINAL ISSUE DISCOUNT.

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

The discussion in this paragraph applies to those Bonds having original issue discount. Under Section 1288 of the Code, the amount of original issue discount treated as having accrued with respect to any such bond during each day it is owned by a taxpayer is added to the cost basis of such owner for purposes of determining gain or loss upon the sale or other disposition of such bond by such owner. Accrued original issue discount on a bond is excluded from gross income of the owners thereof for federal income tax purposes. Accrued original issue discount on a bond is also excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Original issue discount on any bond is treated as accruing on the basis of economic accrual for such purposes, computed by a constant semiannual compounding method using the yield to maturity on such bond. The original issue discount attributable to any bond for any particular semiannual period is equal to the excess of the product of (i) one-half of the yield to maturity of such bond and (ii) the amount which would be the adjusted basis of the bond at the beginning of such semiannual period if held by the original owner and purchased by such owner at the initial public offering price, over the interest payable on such bond during such period. The amount so treated as accruing during each semiannual period is apportioned in equal amounts among the days in that period to determine the amount of original issue discount accruing for such purposes during each such day. Owners of Bonds having original issue discount, and especially any owner who is not an original owner of a bond who bought the bond at its initial public offering price, should consult their tax advisors with respect to the federal and state income tax consequences of the disposition of such bonds.

ORIGINAL ISSUE PREMIUM.

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

The discussion in this paragraph applies to those Bonds and Notes having original issue premium. Under Sections 1016 and 171 of the Code, the amount of original issue premium treated as having amortized with respect to any bond during each day it is owned by a taxpayer is subtracted from the cost basis of such owner for purposes of determining gain or loss upon the sale or other disposition of such bond by such owner. Original issue premium on any bond is treated as amortizing on the basis of the taxpayer's yield to maturity on such bond using the taxpayer's cost basis and a constant semiannual compounding method. As a consequence of the resulting cost basis reduction, under certain circumstances an owner of a bond acquired with original issue premium may realize a taxable gain upon disposition thereof even though it is sold or redeemed for an amount equal to or less than such owner's original cost of acquiring the bond. Amortized original issue premium on a bond is not allowed as a deduction from gross income for federal income tax purposes. Amortized original issue premium on a bond also does not reduce Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and does not reduce amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Owners of the Bonds and Notes having original issue premium, and especially any owner who is not an original owner of a bond or note who bought the bond or note at its initial public offering price, should consult their tax advisors with respect to the federal and state income tax consequences of the disposition of such bonds and notes.

GENERAL.

The opinion of Bond Counsel is rendered as of its date and Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to its attention, or any changes in law or the interpretation thereof that may occur after the date of its opinion. Legislation affecting municipal bonds is regularly under consideration by the United States Congress. No assurance can be given that pending federal legislation, if any, or federal legislation enacted or proposed after the date of issuance of the Bonds and Notes will not have an effect on the federal tax status or the market price of the Bonds and Notes or will not change the effect of other federal tax law consequences, including those discussed above, of owning and disposing of the Bonds and Notes, and Bond Counsel expresses no opinion thereon. No assurance can be given that future legislation or amendments to the income tax law of the State of Connecticut, if enacted into law, will not contain provisions that could, directly or indirectly, reduce the benefit of the exclusion of the interest on the Bonds and Notes or any gain made on the sale or exchange thereof from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and Bond Counsel expresses no opinion thereon. Prospective owners of the Bonds and Notes are advised to consult their tax advisors regarding the potential tax consequences of proposed federal or State of Connecticut tax legislation, if any, affecting municipal bonds.

The discussion above does not purport to address all aspects of federal, state, or local taxation that may be relevant to a particular owner of the Bonds and Notes. Prospective owners of the Bonds and Notes, particularly those who may be subject to special rules, are advised to consult their tax advisors regarding the federal, state, and local tax consequences of owning and disposing of the Bonds and Notes, including any tax consequences arising under the laws of any other state or other taxing jurisdiction.

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Appendix C-1

Form of Continuing Disclosure Agreement - Bonds

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APPENDIX C-1 - FORM OF CONTINUING DISCLOSURE AGREEMENT FOR BONDS

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree, pursuant to a Continuing Disclosure Agreement for Bonds to be executed by the Town substantially in the following form, to provide, or cause to be provided, (i) annual financial information and operating data, (ii) in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of certain events with respect to the Bonds and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement for Bonds.

Continuing Disclosure Agreement for Bonds

This Continuing Disclosure Agreement for Bonds ("Agreement") is made as of January 28, 2020 by the Town of Bloomfield, Connecticut (the "Issuer") acting by its undersigned officers, duly authorized, in connection with the issuance of \$12,000,000 General Obligation Bonds, Issue of 2020, dated as of January 28, 2020 (the "Bonds"), for the benefit of the beneficial owners from time to time of the Bonds.

Section 1. Definitions. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"Final Official Statement" means the official statement of the Issuer dated January 15, 2020 prepared in connection with the Bonds.

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

"Repository" means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

"Rule" means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Annual Financial Information.

(a) The Issuer agrees to provide or cause to be provided to each Repository, in accordance with the provisions of the Rule and of this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2020) as follows:

(i) Financial statements of the Issuer's general fund and any capital projects or special revenue funds for the prior fiscal year which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer prepares its financial statements in accordance with generally accepted accounting principles. The financial statements will be audited.

(ii) The following financial information and operating data to the extent not included in the financial statements described in (i) above:

- (A) amounts of the gross and the net taxable grand list applicable to the fiscal year,
- (B) listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon,

- (C) percentage of the annual property tax levy uncollected as of the close of the fiscal year,
- (D) schedule of annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year,
- (E) calculation of total direct debt, total net direct debt, and total overall net debt (reflecting overlapping and underlying debt), as of the close of the fiscal year,
- (F) total direct debt, total net direct debt and total overall net debt of the Issuer per capita,
- (G) ratios of the total direct debt, total net direct debt and total overall net debt of the Issuer to the Issuer's net taxable grand list,
- (H) statement of statutory debt limitation as of the close of the fiscal year, and
- (I) funding status of the Issuer's pension benefit obligation.

(b) The financial information and operating data described above will be provided on or before the date eight months after the close of the fiscal year for which such information is being provided (the "Filing Due Date"). The Issuer's fiscal year currently ends on June 30. The Issuer reserves the right to provide unaudited financial statements if audited financial statements are not available as of the Filing Due Date, provided that the Issuer shall promptly provide audited financial statements when available.

(c) Annual financial information and operating data may be provided in whole or in part by cross-reference to other documents available to the public on the MSRB's Internet Web site referenced in the Rule as amended from time to time or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report.

(d) The Issuer reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format of the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

Section 3. Notice of Certain Events.

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository notice of the occurrence of any of the following events with respect to the Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or

determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the Bonds;

- (g) modifications to rights of holders of the Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

Events (d) and (e). The Issuer does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds, unless the Issuer applies for or participates in obtaining the enhancement.

Event (f). Event (f) is relevant only to the extent interest on the Bonds is excluded from gross income for federal income tax purposes.

Event (h). The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not *otherwise* contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the Bonds will be redeemed in the case of a partial redemption, (C) notice of redemption is given to the holders of the Bonds to be redeemed as required under the terms of the Bonds, and (D) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced due to prior optional redemptions or Bond purchases.

Events (o) and (p). The term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with MSRB pursuant to the Rule.

Section 4. Notice of Failure to Provide Annual Financial Information.

The Issuer agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the Issuer to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

Section 5. Use of Agents.

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

Section 6. Termination.

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Bonds, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Bonds within the meaning of the Rule.

Section 7. Enforcement.

The Issuer acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding 30 days with respect to the undertakings set forth in Section 2 of this Agreement or five business days with respect to the undertakings set forth in Sections 3 and 4 of this Agreement) from the time the Issuer's Town Manager, or a successor, receives written notice from any beneficial owner of the Bonds of such failure. The present address of the Town Manager is Bloomfield Town Hall, 800 Bloomfield Avenue, Bloomfield, Connecticut 06002-0337.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Bonds shall be entitled only to the remedy of specific performance. The parties expressly acknowledge and agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Bonds.

Section 8. Miscellaneous.

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Sections 2, 3 and 4 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Issuer from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Bonds. If the Issuer elects to provide any such additional information, data or notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(c) This Agreement shall be governed by the laws of the State of Connecticut.

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

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

TOWN OF BLOOMFIELD

By _____
Robert E. Smith
Town Manager

By _____
Shawn Samuels
Treasurer

By _____
Keri J. Rowley
Director of Finance

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Appendix C-2

Form of Continuing Disclosure Agreement - Notes

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APPENDIX C-2 - FORM OF CONTINUING DISCLOSURE AGREEMENT FOR NOTES

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree, pursuant to a Continuing Disclosure Agreement for Notes to be executed by the Town substantially in the following form, to provide, or cause to be provided, notice of the occurrence of certain events with respect to the Notes:

Continuing Disclosure Agreement For Notes

This Continuing Disclosure Agreement for Notes ("Agreement") is made as of January 28, 2020 by the Town of Bloomfield, Connecticut (the "Issuer") acting by its undersigned officers, duly authorized, in connection with the issuance of \$9,730,000 Bond Anticipation Notes, dated as of January 28, 2020 of the Issuer (the "Notes"), for the benefit of the beneficial owners from time to time of the Notes.

Section 1. Definitions. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

"Repository" means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

"Rule" means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Notice of Certain Events.

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository, notice of the occurrence of any of the following events with respect to the Notes:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the notes, or other material events affecting the tax status of the Notes;
- (g) modifications to rights of holders of the Notes, if material;
- (h) Note calls, if material, and tender offers;
- (i) Note defeasances;

- (j) release, substitution, or sale of property securing repayment of the Notes, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the Issuer, any of which reflect financial difficulties.

Events (d) and (e). The Issuer does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes, unless the Issuer applies for or participates in obtaining the enhancement.

Event (f). Event (f) is relevant only to the extent interest on the Notes is excluded from gross income for federal income tax purposes.

Event (h). The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not otherwise contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the Notes will be redeemed in the case of a partial redemption, (C) notice of redemption is given to the holders of the Note to be redeemed as required under the terms of the Notes, and (D) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced due to prior optional redemptions or Note purchases.

Events (o) and (p). The term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with MSRB pursuant to the Rule.

Section 3. Use of Agents.

Notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

Section 4. Termination.

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Notes, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Notes within the meaning of the Rule.

Section 5. Enforcement.

The Issuer acknowledges that the undertakings set forth in Section 2 of this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Notes. In the event the Issuer

shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding five business days with respect to the undertakings set forth in Section 2 of this Agreement) from the time the Issuer's Town Manager, or a successor, receives written notice from any beneficial owner of the Notes of such failure. The present address of the Town Manager is Bloomfield Town Hall, 800 Bloomfield Avenue, Bloomfield, Connecticut 06002-0337.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Notes shall be entitled only to the remedy of specific performance. The parties expressly acknowledge and agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Notes.

Section 6. Miscellaneous.

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Section 2 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Issuer from providing such information, data or additional notices from time to time as it deems appropriate in connection with the Notes. If the Issuer elects to provide any such information, data or additional notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further information, data or additional notices of the type so provided.

(c) This Agreement shall be governed by the laws of the State of Connecticut.

(d) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Notes, and (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver. A copy of any such amendment or waiver will be filed in a timely manner with each Repository.

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

TOWN OF BLOOMFIELD

By: _____
Robert E. Smith
Town Manager

By: _____
Shawn Samuels
Treasurer

By: _____
Keri J. Rowley
Director of Finance

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Appendix D-1

Notice of Sale - Bonds

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NOTICE OF SALE
\$12,000,000
Town of Bloomfield, Connecticut
General Obligation Bonds
(BOOK-ENTRY)

ELECTRONIC BIDS via PARITY® will be received by the Town of Bloomfield, Connecticut at the Bloomfield Town Hall, 800 Bloomfield Avenue, Bloomfield, Connecticut, until **12:00 Noon Eastern Time on WEDNESDAY,**

JANUARY 15, 2020

for the purchase, when issued, at not less than par and accrued interest from the date of the Bonds to the date of delivery, of the whole of

\$12,000,000 General Obligation Bonds, Issue of 2020
Payable annually on January 15 as follows:

\$600,000 in 2021 through 2040

The Bonds will be dated January 28, 2020, with interest payable on July 15, 2020 and thereafter semiannually on each January 15th and July 15th.

The Bonds will be general obligations of the Town payable from ad valorem taxes levied on all taxable property in the Town without limitation as to rate or amount except classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts.

DTC Book Entry. The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company ("DTC"), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its Participants pursuant to rules and procedures adopted by DTC and its Participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Town or its agent to DTC or its nominee as registered owner of the Bonds. Principal, redemption premium, if any, and interest payments by DTC to Participants of DTC will be the responsibility of DTC; principal, redemption premium, if any, and interest payments to Beneficial Owners by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The Town will not be responsible or liable for payments by DTC to its Participants or by DTC Participants or Indirect Participants to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Town fails to identify another qualified securities depository to replace DTC, or (b) the Town determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Town will authenticate and deliver replacement Bonds in the form of fully registered certificates. Any such replacement Bonds will provide that interest will be payable by check mailed by the Paying Agent to the registered owner whose name appears on the registration books of the Town as of the close of business on the record date preceding each interest payment date. The record dates will be the last business day of June and December.

Optional Redemption. Bonds maturing on or before January 15, 2027 are not subject to redemption prior to maturity. Bonds maturing on January 15, 2028 and thereafter are subject to redemption prior to maturity, at the option of the Town, on or after January 15, 2027, at any time either in whole or in part, in such amounts and in such

order of maturity (but by lot within a maturity) as the Town may determine, following notice mailed by first class mail at least 30 days prior to the redemption date to the registered owners of the Bonds to be redeemed, at the following redemption price or prices (expressed as a percentage of the principal amount to be redeemed) plus accrued and unpaid interest to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
January 15, 2027 and thereafter	100%

Proposals. Each proposal must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of one-twentieth or one eighth of one percent the rate or rates of interest per annum which the Bonds are to bear, but shall not specify (a) more than one interest rate for any Bonds having a like maturity, or (b) any interest rate for any Bonds which exceeds the interest rate specified in such proposal for any other Bonds by more than three (3%) percentage points. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery. For the purpose of the bidding process, the time as maintained on PARITY® shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the Town, as described under "Basis of Award" below, represented by the rate or rates of interest and the bid price specified in their respective bids.

Electronic Proposals Bidding Procedure. Electronic bids for the purchase of the Bonds must be submitted through the facilities of PARITY®. Any prospective bidder must be a subscriber of I-Deal's Bidcomp competitive bidding system. Further information about PARITY®, including any fee charged, may be obtained from PARITY®, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Service Department (telephone: (212) 849-5021 - email notice: parity@i-deal.com). The Town neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of PARITY® is communicated to the Town, it shall constitute an irrevocable offer, in response to this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Town. By submitting a bid for the Bonds via PARITY®, the bidder represents and warrants to the Town that such bidder's bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Town will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice of Sale. **The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY®, the use of such facilities being the sole risk of the prospective bidder.**

Disclaimer - Each PARITY® prospective electronic bidder shall be solely responsible to make necessary arrangements to access PARITY® for the purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Town nor PARITY® shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Town nor PARITY® shall be responsible for a bidder's failure to make a bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The Town is using PARITY® as a communication mechanism, and not as the Town's agent, to conduct the electronic bidding for the Bonds. The Town is not bound by any advice and determination of PARITY® to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via PARITY® are the sole responsibility of the bidders; and the Town is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Bonds, the prospective bidder should telephone PARITY® at (212) 849-5021. If any provision of this Notice of Sale shall conflict with information provided by PARITY®, this Notice of Sale shall control.

All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale.

Basis of Award. As between proposals which comply with this Notice of Sale, the Bonds will be sold to the responsible bidder offering to purchase the Bonds at the lowest true interest cost to the Town. For the purpose of determining the successful bidder, the true interest cost to the Town will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds to January 28, 2020, the date of the Bonds, results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one responsible bidder making said offer at the same lowest true interest cost, the Bonds will be sold to the responsible bidder whose proposal is selected by the Town by lot from among all such proposals. It is requested that each proposal be accompanied by a statement of the percentage of true interest cost completed to four decimal places. Such statement shall not be considered as part of the proposal.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Town further reserves the right to postpone the sale to another time and date in its sole discretion for any reason, including internet difficulties. The Town will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. If the sale is postponed, an alternative bid date will be published on Bloomberg at least 48 hours prior to such alternative bid date. Upon the establishment of an alternative bid date, any bidder may submit proposals for the purchase of the Bonds in accordance with the provisions of this Notice of Sale.

Certifying and Paying Agent. The Bonds will be authenticated by U.S. Bank National Association, Hartford, Connecticut. U.S. Bank National Association will also act as Registrar and Paying Agent.

Delivery. At or prior to the delivery of the Bonds the successful bidder shall be furnished, without cost, with (a) the approving opinion of Day Pitney LLP of Hartford, Connecticut, Bond Counsel, substantially in the form set out in Appendix B to the Official Statement; (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Bonds, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Bonds or the power of the Town to levy and collect taxes to pay them; (c) a signed copy of the Official Statement prepared for this bond issue; (d) a certificate of Town Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Bonds. U.S. Bank National Association will keep the original opinion and certificates and copies of the supporting documents, which may be examined at its principal office in Hartford, Connecticut, upon reasonable notice.

Establishment of Issue Price. The winning bidder shall assist the Town in establishing the issue price of the Bonds and shall execute and deliver to the Town at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the applicable form set out in the Appendix hereto, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder and Bond Counsel. All actions to be taken by the Town under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the Town by the Town’s Municipal Advisor identified herein and any notice or report to be provided to the Town may be provided to the Town’s Municipal Advisor.

By submitting a bid for the Bonds, a bidder represents that it has an established industry reputation for underwriting new issuances of municipal obligations.

If the winning bidder has purchased the Bonds for its own account and not with a view to distribution or resale to the Public, then, whether or not the Competitive Sale Requirements, as herein defined, were met, the certificate will recite such facts and identify the price or prices at which the purchase of the Bonds was made.

The Town intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Requirements”) because:

1. the Town shall disseminate this Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
2. all bidders shall have an equal opportunity to bid;
3. the Town may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
4. the Town anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the Competitive Sale Requirements are not satisfied, the Town shall so advise the winning bidder. The Town shall treat the first price at which 10% of a maturity of the Bonds (the "10% Test") is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Town if any maturity of the Bonds satisfies the 10% Test as of the date and time of the award of the Bonds. The Town will not require bidders to comply with the "Hold-The-Offering-Price Rule", as described in Treasury Regulations Section 1.148-1(f)(2)(ii), and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Bonds as the issue price of that maturity. **Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.**

If the Competitive Sale Requirements are not satisfied, then until the 10% Test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the Town the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the earlier to occur of the satisfaction of the 10% Test as to the Bonds of that maturity or the sale of all Bonds of that maturity.

By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among Underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

1. "Public" means any person other than an Underwriter or a Related Party,
2. "Underwriter" means (A) any person that agrees pursuant to a written contract with the Town (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a

written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public),

3. a purchaser of any of the Bonds is a "Related Party" to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
4. "Sale Date" means the date that the Bonds are awarded by the Town to the winning bidder.

Bond Counsel Opinion. The opinion of Bond Counsel will cover the following matters: (1) that the Bonds will be valid general obligations of the Town when duly certified; (2) that, assuming the accuracy of and compliance by the Town with its representations and covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended, under existing statutes, interest on the Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Code; and the Bonds are not "private activity bonds" and interest on the Bonds is not treated as a preference item for purposes of calculating the Federal alternative minimum tax; and (3) that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and interest on the Bonds is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax.

The Bonds will *not* be "qualified tax-exempt obligations" for purposes of the deduction by financial institutions of interest expense that is allocable to tax-exempt obligations.

Municipal Advisor. The Town of Bloomfield has retained Phoenix Advisors, LLC, 53 River Street, Suite 1, Milford, Connecticut 06460 (the "Municipal Advisor"), to serve as its municipal advisor in connection with the issuance of the Bonds. The Municipal Advisor has not independently verified any of the information contained in the Notice of Sale and its appendices and makes no guarantee as to their completeness or accuracy.

Official Statement. The Town of Bloomfield has prepared a preliminary Official Statement for the Bond issue which is dated January 7, 2020. The Town deems such preliminary Official Statement final as of its date for purposes of SEC Rule 15c2-12(b)(1), but it is subject to revision or amendment. The Town will make available to the winning purchaser twenty-five copies of the Official Statement as prepared by the Town at the Town's expense. The copies of the Official Statement will be made available to the winning purchaser at the office of the Town's Municipal Advisor by the delivery of the Bonds or by the seventh business day after the day bids on the Bonds are received if earlier. If the Town's Municipal Advisor is provided with the necessary information from the winning purchaser by noon of the day following the day bids on the Bonds are received, the copies of the Official Statement will include an additional or revised cover page and other pages indicating the interest rates, ratings, yields or reoffering prices, the name of the managing underwriter, the name of the insurer, if any, on the Bonds and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the Official Statement to the purchaser. Additional copies of the Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

Continuing Disclosure Agreement. The Town will enter into a Continuing Disclosure Agreement with respect to the Bonds, substantially in the form attached as Appendix C-1 to the Official Statement (the "Continuing Disclosure Agreement for Bonds"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, (i) annual financial information and operating data, (ii) timely notice of the occurrence of certain events with

respect to the Bonds, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement for Bonds. The winning bidder's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement for Bonds.

CUSIP Numbers. The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the Municipal Advisor to apply for CUSIP numbers for the Bonds. Neither the failure to print such CUSIP number on any bond, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Town; provided, however, that the Town assumes no responsibility for any CUSIP Global Services charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

Delivery Date and Payment. It is expected that the closing on the Bonds will occur on or about January 28, 2020 through the facilities of the Depository Trust Company, New York, New York, against payment in immediately available Federal funds.

More Information. For more information regarding this issue and the Town reference is made to the Official Statement. Copies of the Official Statement may be obtained from Mr. Barry J. Bernabe, Phoenix Advisors, LLC, 53 River Street, Suite 1, Milford, Connecticut 06460 (telephone: (203) 283-1110) or from Keri J. Rowley, Director of Finance, Town of Bloomfield, Bloomfield Town Hall, 800 Bloomfield Avenue, Bloomfield, Connecticut 06002-0337 (telephone: (860) 769-3536).

ROBERT E. SMITH,
Town Manager

SHAWN SAMUELS,
Treasurer

KERI J. ROWLEY,
Director of Finance

January 7, 2020

**APPENDIX TO NOTICE OF SALE
FORM OF ISSUE PRICE CERTIFICATE**

Competitive Sale Requirements Satisfied

**TOWN OF BLOOMFIELD, CONNECTICUT
\$12,000,000 GENERAL OBLIGATION BONDS, ISSUE OF 2020**

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Name of the Underwriter ("Underwriter Short Name"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds").

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by Underwriter Short Name are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by Underwriter Short Name in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by Underwriter Short Name to purchase the Bonds.

(b) Underwriter Short Name was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by Underwriter Short Name constituted a firm offer to purchase the Bonds.

2. ***Defined Terms.***

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is January 15, 2020.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(e) *Issuer* means the Town of Bloomfield, Connecticut.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Underwriter Short Name's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Compliance Agreement and with respect to compliance with the federal income tax rules affecting the Bonds, and by Day Pitney LLP, as bond counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the

Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Name of the Underwriter

By: _____
Name: _____

Dated: __/__/2020

Attachments:

**SCHEDULE A
EXPECTED OFFERING PRICES**

**SCHEDULE B
COPY OF UNDERWRITER'S BID**

[Remainder of page intentionally left blank]

Competitive Sale Requirements Not Satisfied - 10% Test Applied

**TOWN OF BLOOMFIELD, CONNECTICUT
\$12,000,000 GENERAL OBLIGATION BONDS, ISSUE OF 2020**

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Name of the Underwriter (“Underwriter Short Name”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. **Sale of the Bonds.** As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. **Defined Terms.**

(a) “**Issuer**” means the Town of Bloomfield, Connecticut.

(b) “**Maturity**” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) “**Public**” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) “**Underwriter**” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Underwriter Short Name’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Compliance Agreement and with respect to compliance with the federal income tax rules affecting the Bonds, and by Day Pitney LLP, as bond counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Name of the Underwriter

By: _____

Name: _____

Dated: __/__/2020

Attachment:

**SCHEDULE A
SALE PRICES**

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Appendix D-2

Notice of Sale - Notes

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NOTICE OF SALE
\$9,730,000
Town of Bloomfield, Connecticut
Bond Anticipation Notes
(BOOK-ENTRY)

TELEPHONE BIDS and ELECTRONIC BIDS via PARITY® will be received by the Town of Bloomfield, Connecticut at the Bloomfield Town Hall, 800 Bloomfield Avenue, Bloomfield, Connecticut until **11:30 A.M. Eastern Time on WEDNESDAY,**

JANUARY 15, 2020

for the purchase of \$9,730,000 Bond Anticipation Notes of the Town of Bloomfield, dated January 28, 2020, maturing on January 27, 2021 (the "Notes").

The Notes will be payable with interest at maturity. Interest shall be computed on the basis of a 30-day month and a 360-day year. The Notes are not subject to redemption prior to maturity.

The Notes will be general obligations of the Town payable from ad valorem taxes levied on all taxable property in the Town without limitation as to rate or amount except classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts.

DTC Book-Entry. The Notes will be issued by means of a book-entry system with no physical distribution of note certificates made to the public. The Notes will be issued in registered form and one note certificate for each interest rate will be issued to The Depository Trust Company ("DTC"), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Notes in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its Participants pursuant to rules and procedures adopted by DTC and its Participants. The purchaser, as a condition to delivery of the Notes, will be required to deposit the note certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Notes will be payable by the Town or its agent to DTC or its nominee as registered owner of the Notes. Principal and interest payments by DTC to Participants of DTC will be the responsibility of DTC; principal and interest payments to Beneficial Owners by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The Town will not be responsible or liable for payments by DTC to its Participants or by DTC Participants or Indirect Participants to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Notes and the Town fails to identify another qualified securities depository to replace DTC, or (b) the Town determines to discontinue the book-entry system of evidence and transfer of ownership of the Notes, the Town will authenticate and deliver replacement Notes in the form of fully registered certificates. Any such replacement Notes, will provide that principal of and interest on the Notes will be payable to the registered owner upon presentation and surrender of the Notes at the principal office of the Paying Agent, or of its successors as paying agent for the Notes.

Proposals. Proposals may be made for all or any part of the Notes. No proposal for less than the minimum denomination or for less than par and accrued interest will be entertained. Each proposal must state one rate of interest in a multiple of one-hundredth (1/100) of one-percent (1%) per annum for each part of the Notes bid for in the proposal, and may, at the option of the bidder, include a premium. For the purpose of the bidding process, the time as maintained on PARITY® shall constitute the official time. For information purposes only, bidders are requested to state in their bids the net interest rate to the Town, as described under "Basis of Award" below, represented by the rate or rates of interest and the bid price specified in their respective bids.

Telephone Proposals Bidding Procedure. Telephone bids for the purchase of the Notes will be received on behalf of the Town by telephone call to a representative of Phoenix Advisors, LLC, the Town's Municipal Advisor at (203) 283-1110.

Electronic Proposals Bidding Procedure. Electronic bids for the purchase of the Notes must be submitted through the facilities of PARITY®. Any prospective bidder must be a subscriber of I-Deal's Bidcomp competitive bidding system. Further information about PARITY®, including any fee charged, may be obtained from PARITY®, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Service Department (telephone: (212) 849-5021, email notice: parity@i-deal.com). The Town neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of PARITY® is communicated to the Town, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Town. By submitting a bid for the Notes via PARITY®, the bidder represents and warrants to the Town that such bidder's bid for the purchase of the Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Town will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Notes on the terms described in this Notice. **The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY®, the use of such facilities being the sole risk of the prospective bidder.**

Disclaimer - Each PARITY® prospective electronic bidder shall be solely responsible to make necessary arrangements to access PARITY® for the purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Town nor PARITY® shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Town nor PARITY® shall be responsible for a bidder's failure to make a bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The Town is using PARITY® as a communication mechanism, and not as the Town's agent, to conduct the electronic bidding for the Notes. The Town is not bound by any advice and determination of PARITY® to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via PARITY® are the sole responsibility of the bidders; and the Town is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Notes, the prospective bidder should telephone PARITY® at (212) 849-5021. If any provision of this Notice of Sale shall conflict with information provided by PARITY®, this Notice of Sale shall control.

All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale.

Basis of Award. As between proposals which comply with this Notice of Sale, the Notes will be sold to the responsible bidder or bidders offering to purchase the Notes at the lowest net interest rate, which will be determined for each interest rate stated in the proposal based on the total interest to be payable at such rate and deducting therefrom any premium. If there is more than one responsible bidder making said offer at the same lowest net interest rate, the Notes will be sold to the responsible bidder with a proposal for the highest principal amount of Notes specified or, if the same principal amount of Notes is specified in such proposals, to the responsible bidder whose proposal is selected by the Town by lot from among all such proposals. If a bidder is awarded only a part of the Notes, any premium offered in such proposal will be proportionately reduced so that the resulting net interest rate with respect to the Notes awarded is the same as that contained in the bidder's proposal with respect to the entire amount bid at such rate, carried to four places.

The Town reserves the right to award to any bidder all or any part of the Notes bid for in its proposal. The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Town further reserves the right to postpone the sale to another time and date in its sole discretion for any reason, including internet difficulties. The Town will use its best efforts to notify prospective bidders in a timely

manner of any need for a postponement. If the sale is postponed, an alternative bid date will be published on Bloomberg at least 48 hours prior to such alternative bid date. Upon the establishment of an alternative bid date, any bidder may submit proposals for the purchase of the Notes in accordance with the provisions of this Notice of Sale.

Certifying and Paying Agent. The Notes will be authenticated by U.S. Bank National Association, Hartford, Connecticut. U.S. Bank National Association also will act as Registrar and Paying Agent.

Delivery. At or prior to the delivery of the Notes the successful bidder shall be furnished, without cost, with (a) the approving opinion of Day Pitney LLP of Hartford, Connecticut, Bond Counsel, substantially in the form set out in Appendix B to the Official Statement; (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Notes and receipt of payment therefor, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Notes or the power of the Town to levy and collect taxes to pay them; (c) a signed copy of the Official Statement prepared for this Note issue; (d) a certificate of Town Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Notes. U.S. Bank National Association will keep the original opinion and certificates and copies of the supporting documents, which may be examined at its principal office in Hartford, Connecticut, upon reasonable notice.

Establishment of Issue Price. The winning bidder shall assist the Town in establishing the issue price of the Notes and shall execute and deliver to the Town at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications, substantially in the applicable form set out in the Appendix hereto, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder and Bond Counsel. All actions to be taken by the Town under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the Town by the Town’s Municipal Advisor identified herein and any notice or report to be provided to the Town may be provided to the Town’s Municipal Advisor.

By submitting a bid for the Notes, a bidder represents that it has an established industry reputation for underwriting new issuances of municipal obligations.

If the winning bidder has purchased the Notes for its own account and not with a view to distribution or resale to the Public, then, whether or not the Competitive Sale Requirements, as herein defined, were met, the certificate will recite such facts and identify the price or prices at which the purchase of the Notes was made.

The Town intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the “Competitive Sale Requirements”) because:

1. the Town shall disseminate this Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
2. all bidders shall have an equal opportunity to bid;
3. the Town may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
4. the Town anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid.

In the event that the Competitive Sale Requirements are not satisfied, the Town shall so advise the winning bidder. The Town shall treat the first price at which 10% of a maturity of the Notes (the “10% Test”) is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Town if any maturity of the Notes satisfies the 10% Test as of the date and time of the award of the Notes. The Town will not require bidders to comply with the “Hold-The-Offering-Price Rule”, as described in Treasury Regulations Section 1.148-1(f)(2)(ii), and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Notes as the issue price of that maturity. **Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.**

If the Competitive Sale Requirements are not satisfied, then until the 10% Test has been satisfied as to each maturity of the Notes, the winning bidder agrees to promptly report to the Town the prices at which the unsold Notes of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the earlier to occur of the satisfaction of the 10% Test as to the Notes of that maturity or the sale of all Notes of that maturity.

By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the Public the unsold Notes of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the Public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among Underwriters relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the Public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the Public the unsold Notes of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% Test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the Public, if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

1. “Public” means any person other than an Underwriter or a Related Party,
2. “Underwriter” means (A) any person that agrees pursuant to a written contract with the Town (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public),
3. a purchaser of any of the Notes is a “Related Party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

4. "Sale Date" means the date that the Notes are awarded by the Town to the winning bidder.

Bond Counsel Opinion. The opinion of Bond Counsel will cover the following matters: (1) that the Notes will be valid general obligations of the Town when duly certified; (2) that, assuming the accuracy of and compliance by the Town with its representations and covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended, under existing statutes, interest on the Notes is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Code; the Notes are not "private activity bonds" and interest on the Notes is not treated as a preference item for purposes of calculating the Federal alternative minimum tax; and (3) that, under existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and interest on the Notes is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. The Notes will *not* be "qualified tax-exempt obligations" for purposes of the deduction by financial institutions of interest expenses that is allocable to tax-exempt obligations.

Municipal Advisor. The Town of Bloomfield has retained Phoenix Advisors, LLC, 53 River Street, Suite 1, Milford, Connecticut 06460, to serve as its municipal advisor (the "Municipal Advisor") in connection with the issuance of the Notes. The Municipal Advisor has not independently verified any of the information contained in the Notice of Sale and its appendices and makes no guarantee as to their completeness or accuracy.

Official Statement. The Town of Bloomfield has prepared a preliminary Official Statement for the Note issue which is dated January 7, 2020. The Town deems such preliminary Official Statement final as of its date for purposes of SEC Rule 15c2-12(b)(1) but it is subject to revision or amendment. The Town will make available to each winning purchaser bonds five copies of the Official Statement as prepared by the Town at the Town's expense. The copies of the Official Statement will be made available to the winning purchaser(s) at the office of the Town's Municipal Advisor by the delivery of the Notes or by the seventh business day after the day bids on the Notes are received if earlier. If the Town's Municipal Advisor is provided with the necessary information from the winning purchaser by noon of the day following the day bids on the Notes are received, the copies of the Official Statement will include an additional or revised cover page and other pages indicating the interest rates, ratings, yields or reoffering prices, the name of the managing underwriter, the name of the insurer, if any, on the Notes and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the Official Statement to the purchaser. Additional copies of the Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

Continuing Disclosure Agreement. The Town will enter into a Continuing Disclosure Agreement with respect to the Notes, substantially in the form attached as Appendix C-1 to the Official Statement (the "Continuing Disclosure Agreement for Notes"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, timely notice of the occurrence of certain events with respect to the Notes. The winning bidder's obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to the delivery of the Notes, an executed copy of the Continuing Disclosure Agreement for Notes.

CUSIP Numbers. The deposit of the Notes with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the Municipal Advisor to apply for CUSIP numbers for the Notes. Neither the failure to print such CUSIP number on any note, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the Town; provided, however, that the Town assumes no responsibility for any CUSIP Global Services charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

Delivery Date and Payment. The Notes will be delivered against payment in immediately available Federal funds through the facilities of The Depository Trust Company, New York, New York on January 28, 2020.

More Information. For more information regarding this issue and the Town reference is made to Official Statement. Copies of the Official Statement may be obtained from Mr. Barry J. Bernabe, Phoenix Advisors, LLC, 53 River Street, Suite 1, Milford, Connecticut 06460 (telephone: (203) 283-1110) or from Mr. Robert E. Smith, Town Manager, Town of Bloomfield, Bloomfield Town Hall, 800 Bloomfield Avenue, , Bloomfield, Connecticut 06002-0337 (telephone: (860) 769-3536).

ROBERT E. SMITH,
Town Manager

SHAWN SAMUELS,
Treasurer

KERI J. ROWLEY,
Director of Finance

January 7, 2020

**APPENDIX TO NOTICE OF SALE
FORM OF ISSUE PRICE CERTIFICATE**

Competitive Sale Requirements Satisfied

**TOWN OF BLOOMFIELD, CONNECTICUT
\$9,730,000 BOND ANTICIPATION NOTES, DATED JANUARY 28, 2020**

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Name of the Underwriter ("Underwriter Short Name"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Notes").

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Notes to the Public by Underwriter Short Name are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Notes used by Underwriter Short Name in formulating its bid to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by Underwriter Short Name to purchase the Notes.

(b) Underwriter Short Name was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by Underwriter Short Name constituted a firm offer to purchase the Notes.

2. ***Defined Terms.***

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is January 15, 2020.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public).

(e) *Issuer* means the Town of Bloomfield, Connecticut.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Underwriter Short Name's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Compliance Agreement and with respect to compliance with the federal income tax rules affecting the Notes, and by Day Pitney LLP, as bond counsel, in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the

Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Name of the Underwriter

By: _____

Name: _____

Dated: __/__/2020

Attachments:

**SCHEDULE A
EXPECTED OFFERING PRICES**

**SCHEDULE B
COPY OF UNDERWRITER'S BID**

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Competitive Sale Requirements Not Satisfied - 10% Test Applied

**TOWN OF BLOOMFIELD, CONNECTICUT
\$9,730,000 BOND ANTICIPATION NOTES, DATED JANUARY 28, 2020**

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of *Name of the Underwriter* (“*Underwriter Short Name*”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Notes”).

1. **Sale of the Notes.** As of the date of this certificate, for each Maturity of the Notes, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in Schedule A.

2. **Defined Terms.**

(a) “*Issuer*” means the Town of Bloomfield, Connecticut.

(b) “*Maturity*” means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents *Underwriter Short Name*’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Compliance Agreement and with respect to compliance with the federal income tax rules affecting the Notes, and by Day Pitney LLP, as bond counsel, in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Name of the Underwriter

By: _____
Name: _____

Dated: __/__/2020

Attachment:

**SCHEDULE A
SALE PRICES**

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