

FINAL OFFICIAL STATEMENT DATED MAY 5, 2020

NEW MONEY/REFUNDING ISSUE: Book-Entry-Only

RATINGS: Moody's Investors Service: "Aaa"

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance with certain covenants and procedures relating to requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax. In the opinion of Bond Counsel, based on 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 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 "Tax Matters" herein.



Town of Ridgefield, Connecticut

\$4,465,000

General Obligation Bonds, Issue of 2020, Series A

Dated: *Date of Delivery*

**Due: Serially on July 15,
as detailed on the inside cover**

Interest on the Series A Bonds will be payable January 15, 2021 and semiannually thereafter on July 15 and January 15 in each year until maturity or earlier redemption.

UMB BANK, N.A.

\$7,915,000

General Obligation Refunding Bonds, Issue of 2020, Series B

Dated: *Date of Delivery*

**Due: Serially on July 15,
as detailed on the inside cover**

Interest on the Series B Bonds will be payable on July 15, 2020 and semiannually thereafter on January 15, and July 15 in each year until maturity or earlier redemption.

BNY MELLON CAPITAL MARKETS, LLC

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

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

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

The Registrar, Transfer Agent, Paying Agent, Certifying Agent, and Escrow Agent for the Bonds will be U.S. Bank National Association of Hartford, Connecticut.

The Bonds are offered for delivery when, as and if issued, subject to the approving opinion of Robinson & Cole LLP, Bond Counsel, of Hartford, Connecticut and certain other conditions. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC on or about May 26, 2020.

Town of Ridgefield, Connecticut

\$4,465,000

General Obligation Bonds, Issue of 2020, Series A

Dated: Date of Delivery

Due: Serially on July 15,

<u>Year</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP</u> ¹	<u>Year</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP</u> ¹
2021	\$ 220,000	3.000%	0.950%	765820J71	2031*	\$ 225,000	4.000%	1.700%	765820K95
2022	220,000	3.000%	1.000%	765820J89	2032	225,000	2.000%	2.050%	765820L29
2023	220,000	3.000%	1.050%	765820J97	2033	225,000	2.000%	2.100%	765820L37
2024	220,000	4.000%	1.150%	765820K20	2034	225,000	2.125%	2.150%	765820L45
2025	220,000	4.000%	1.230%	765820K38	2035	225,000	2.150%	2.200%	765820L52
2026	220,000	4.000%	1.300%	765820K46	2036	225,000	2.200%	2.250%	765820L60
2027	220,000	4.000%	1.350%	765820K53	2037	225,000	2.250%	2.300%	765820L78
2028*	225,000	4.000%	1.430%	765820K61	2038	225,000	2.250%	2.350%	765820L86
2029*	225,000	4.000%	1.500%	765820K79	2039	225,000	2.375%	2.400%	765820L94
2030*	225,000	4.000%	1.580%	765820K87	2040	225,000	2.375%	2.450%	765820M28

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

UMB BANK, N.A.

\$7,915,000

General Obligation Refunding Bonds, Issue of 2020, Series B

Dated: Date of Delivery

Due: Serially on July 15,

<u>Year</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP</u> ¹	<u>Year</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP</u> ¹
2021	\$ 2,565,000	5.000%	0.750%	765820M36	2026	\$ 225,000	5.000%	1.080%	765820M85
2022	2,575,000	5.000%	0.840%	765820M44	2027	235,000	5.000%	1.130%	765820M93
2023	710,000	5.000%	0.880%	765820M51	2028*	230,000	3.000%	1.250%	765820N27
2024	710,000	5.000%	0.950%	765820M69	2029*	220,000	2.000%	1.600%	765820N35
2025	230,000	5.000%	1.020%	765820M77	2030*	215,000	2.000%	1.650%	765820N43

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

BNY MELLON CAPITAL MARKETS, LLC

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, salesperson, or other person has been authorized by the Town to give any information or to make any representations not contained in this Official Statement or any supplement which may be issued hereto, and if given or made, such other information or representations must not be relied upon as having been authorized. 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 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 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 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.

The independent auditors for the Town are not passing upon and do not assume responsibility for the accuracy or completeness of the financial information presented in this Official Statement (other than matters expressly set forth in their opinion in Appendix A), and they make no representation that they have independently verified the same.

The Bonds have not been registered under the Securities Act of 1933, as amended, nor have the Bonds been registered under any state securities laws.

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

Other than matters expressly set forth as its opinions in Appendices B-1 and B-2, Bond Counsel is not passing on and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and makes no representation that it has independently verified the same.

The Town currently files its official statements for primary offerings with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system. 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 a notice of the occurrence of certain events within 10 business days of the occurrence of such events as specified in the Continuing Disclosure Agreement. The Continuing Disclosure Agreements shall be executed in substantially the forms attached as Appendices C-1 and C-2 to this Official Statement.

(Remainder of page left blank intentionally)

(This page intentionally left blank)

Table of Contents

	<i>Page</i>		<i>Page</i>
Bond Issue Summary - Series A	1	IV. Tax Base Data	22
Bond Issue Summary - Series B	2	Assessment Practices	22
I. Bond Information	3	Property Tax Collection Procedures	22
Introduction	3	Property Tax Levy and Collection	23
Global Health Emergency Risk	3	Comparative Assessed Valuations	23
Municipal Advisor	4	Ten Largest Taxpayers	24
The Series A Bonds	4	V. Debt Summary	25
The Series B Bonds	4	Principal Amount of Bonded Indebtedness	25
Optional Redemption	5	Short-Term Debt	26
Authorization and Purpose	5	Annual Bonded Debt Maturity Schedule	26
Use of Proceeds - Series A.....	5	Overlapping/Underlying Debt	26
Sources and Uses of Series B Bond Proceeds.....	6	Debt Statement	27
Plan of Refunding.....	6	Current Debt Ratios	27
Verification of Mathematical Computations.....	7	Drinking Water State Revolving Fund Program	28
Book-Entry-Only Transfer System	7	Temporary Financing	28
DTC Practices	8	Limitation of Indebtedness	29
Replacement Bonds	9	Statement of Debt Limitation	30
Security and Remedies	9	Debt Authorized But Unissued	31
Qualification for Financial Institutions	9	Ratios of Long-Term Debt to Valuation, Population and Income	32
Availability of Continuing Disclosure Information ...	10	Principal Amount of Outstanding Debt	32
Ratings	10	Ratio of Debt Service to General Fund Expenditures	32
Tax Matters	10	VI. Financial Administration	33
Original Issue Discount	11	Fiscal Year	33
Original Issue Premium	11	Accounting Policies	33
Bond Insurance	11	Budgetary Procedures	33
II. The Issuer	12	Annual Audit	34
Description of the Municipality	12	Capital Improvement Plan	34
Form of Government	13	Pension Plans	35
Principal Municipal Officials	14	Other Post-Employment Benefits	37
Summary of Municipal Services	14	Investment Policies and Practices	38
Town Employees	15	Comparative Balance Sheets – General Fund	39
Municipal Employee Bargaining Units	15	General Fund Revenues and Expenditures	40
Binding Arbitration	16	Analysis of General Fund Equity	40
School Facilities	17	Municipal General Budget Expenditures Cap	41
School Enrollment	17	VII. Legal and Other Information	42
III. Economic and Demographic Information	18	Litigation	42
Population Trends	18	Transcript and Closing Documents	42
Age Distribution of the Population	18	Concluding Statement	43
Selected Wealth and Income Indicators	18	Appendix A - 2019 General Purpose Financial Statements	
Income Distribution	19	Appendix B-1 - Form of Opinion of Bond Counsel - Series A	
Major Employers	19	Appendix B-2 - Form of Opinion of Bond Counsel - Series B	
Employment Statistics	19	Appendix C-1 - Form of Continuing Disclosure	
Building Permits	20	Agreement - Series A	
Educational Attainment	20	Appendix C-2 - Form of Continuing Disclosure	
Age Distribution of Housing	20	Agreement - Series B	
Housing Inventory	21	Appendix D-1 - Notice of Sale - Series A	
Owner Occupied Housing Values	21	Appendix D-2 - Notice of Sale - Series B	
Land Use Summary	21		

(This page intentionally left blank)

Bond Issue Summary – Series A

The information in this Bond Issue Summary – Series A and on 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:	Tuesday, May 5, 2020 at 11:00 A.M. (Eastern Time).
Location of Sale:	Office of Phoenix Advisors, LLC, 53 River Street, Milford, Connecticut 06460.
Issuer:	Town of Ridgefield, Connecticut (the "Town").
Issue:	\$4,465,000 General Obligation Bonds, Issue of 2020 (the "Series A Bonds").
Dated Date:	May 26, 2020
Interest Due:	Interest due January 15, 2021 and semiannually thereafter on July 15 and January 15 in each year until maturity or earlier redemption.
Principal Due:	Principal due serially, July 15, 2021 through July 15, 2040 as detailed in this Official Statement.
Authorization and Purpose:	The proceeds of the Series A Bonds will be utilized to finance various general purpose and school projects. See "Authorization and Purpose" herein.
Redemption:	The Series A Bonds are subject to redemption prior to maturity. See "Optional Redemption" herein.
Security and Remedies:	The Series A Bonds will be general obligations of the Town, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Series A Bonds when due.
Credit Rating:	The Series A Bonds have been rated "Aaa" by Moody's Investors Service.
Basis of Award:	Lowest True Interest Cost (TIC), as of the dated date.
Bond Insurance:	The Town does not expect to direct purchase a credit enhancement facility.
Tax Exemption:	See "Tax Matters" herein.
Bank Qualification:	The Series A Bonds 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 certain interest expense allocable to the Series A Bonds.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will enter into a Continuing Disclosure Agreement to provide, or cause to be provided, (i) annual financial information and operating data; (ii) notices of the occurrence of certain events within 10 business days of the occurrence of such events 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 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.
Legal Opinion:	Robinson & Cole LLP, of Hartford, Connecticut will act as Bond Counsel.
Municipal Advisor:	Phoenix Advisors, LLC, of Milford, Connecticut, Telephone (203) 878-4945.
Delivery and Payment:	It is expected that delivery of the Series A Bonds in book-entry-only form will be made to The Depository Trust Company on or about May 26, 2020 against payment in Federal Funds.
Issuer Official:	Questions concerning this Official Statement should be directed to Mr. Kevin Redmond, Controller, Town of Ridgefield, Town Hall, 400 Main Street, Ridgefield, Connecticut 06877, Telephone: (203) 431-2721 or Mr. Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, LLC, 53 River Street, Milford, Connecticut, Telephone: (203) 878-4945.

Refunding Bond Issue Summary – Series B

The information in this Refunding Bond Issue Summary – Series B and on 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:	Tuesday, May 5, 2020 at 11:30 A.M. (Eastern Time).
Location of Sale:	Office of Phoenix Advisors, LLC, 53 River Street, Milford, Connecticut 06460.
Issuer:	Town of Ridgefield, Connecticut (the "Town").
Issue:	\$7,915,000 General Obligation Refunding Bonds, Issue of 2020 (the "Series B Bonds").
Dated Date:	May 26, 2020
Interest Due:	Interest due July 15, 2020 and semiannually thereafter on January 15 and July 15 in each year until maturity or earlier redemption.
Principal Due:	Principal due serially, July 15, 2021 through July 15, 2030 as detailed in this Official Statement.
Authorization and Purpose:	The proceeds of the Series B Bonds will be utilized to refund Bonds originally issued to finance various general purpose, school and sewer projects. See "Authorization and Purpose" herein.
Redemption:	The Series B Bonds are subject to redemption prior to maturity. See "Optional Redemption" herein.
Security and Remedies:	The Series B Bonds will be general obligations of the Town, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Series B Bonds when due.
Credit Rating:	The Series B Bonds have been rated "Aaa" by Moody's Investors Service.
Basis of Award:	Lowest True Interest Cost (TIC), as of the dated date.
Bond Insurance:	The Town does not expect to direct purchase a credit enhancement facility.
Tax Exemption:	See "Tax Matters" herein.
Bank Qualification:	The Series B Bonds 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 certain interest expense allocable to the Series B Bonds.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will enter into a Continuing Disclosure Agreement to provide, or cause to be provided, (i) annual financial information and operating data; (ii) notices of the occurrence of certain events within 10 business days of the occurrence of such events 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 to be executed by the Town substantially in the form attached as Appendix C-2 to this Official Statement.
Registrar, Transfer Agent, Certifying Agent, Paying Agent and Escrow Agent:	U.S. Bank National Association, Goodwin Square, 225 Asylum Street, Hartford, Connecticut 06103.
Legal Opinion:	Robinson & Cole LLP, of Hartford, Connecticut will act as Bond Counsel.
Municipal Advisor:	Phoenix Advisors, LLC, of Milford, Connecticut, Telephone (203) 878-4945.
Delivery and Payment:	It is expected that delivery of the Series B Bonds in book-entry-only form will be made to The Depository Trust Company on or about May 26, 2020 against payment in Federal Funds.
Issuer Official:	Questions concerning this Official Statement should be directed to Mr. Kevin Redmond, Controller, Town of Ridgefield, Town Hall, 400 Main Street, Ridgefield, Connecticut 06877, Telephone: (203) 431-2721 or Mr. Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, LLC, 53 River Street, Milford, Connecticut, Telephone: (203) 878-4945.

I. Bond Information

Introduction

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Ridgefield, Connecticut (the "Town"), in connection with the original issuance and sale of its \$4,465,000 General Obligation Bonds, Issue of 2020, Series A (the "Series A Bonds") and \$7,915,000 General Obligation Refunding Bonds, Issue of 2020, Series B (the "Series B Bonds", and together with the Series A Bonds, the "Bonds") of the Town.

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. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstance, create any implication that there has been no change in the affairs of the Town since the date hereof. Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representation of fact. No representation is made that any of such statements will be realized. All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the Town contained in this Official Statement do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof.

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

Global Health Emergency Risk

The outbreak of COVID-19, a respiratory virus caused by a new strain of coronavirus, has been declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, in response to the COVID-19 outbreak, the President of the United States declared a national emergency. The spread of the virus has affected travel, commerce and financial markets globally, and is expected to affect global, national and State economic growth. Financial markets in the United States and throughout the world have seen a significant increase in volatility attributed to COVID-19 concerns, including significant declines in the stock and bond markets.

In the State of Connecticut, the Governor declared a state of emergency on March 10, 2020 as a result of the COVID-19 outbreak. The Governor has issued numerous Executive Orders prohibiting certain activities in an attempt to slow the spread of COVID-19, including cancellation of all public-school classes for all students, restrictions on the number of people who can attend gatherings of all types, reduction and suspension of activity at State offices, agencies and facilities, limiting restaurants to take-out and delivery service only, and the closure of all non-essential businesses.

On April 1, 2020, the Governor issued Executive Order No. 7S entitled "Protection of Public Health and Safety During COVID-19 Pandemic and Response – Safe Stores, Relief for Policyholders, Taxpayers, and Tenants", which was subsequently amended by Executive Order No. 7W issued April 9, 2020 (as amended, "Executive Order No. 7S"). Section 6 of Executive Order 7S established two programs, a "Deferment Program" and a "Low Interest Rate Program". The Deferment Program, for the period April 1, 2020 through and including July 1, 2020, offers eligible taxpayers, businesses, nonprofits, and residents a deferment by three (3) months of any taxes on real property, personal property or motor vehicles, or municipal water, sewer and electric rates, charges or assessments for such tax, rate, charge, or assessment from the time it became due and payable. Eligible taxpayers, businesses, nonprofits, and residents are those that attest to or document significant economic impact by COVID-19, and/or those that document they are providing relief to those significantly affected by the COVID-19 pandemic. The Low Interest Rate Program provides a three percent (3%) per annum interest rate to all taxpayers on the delinquent portion of the principal of any taxes on real property, personal property or motor vehicles, or municipal water, sewer and electric rates, charges or assessments, or part thereof, for three (3) months from the time when it became due and payable until the same is paid, for any such tax, rate, charge, or assessment due and payable from April 1, 2020 through and including July 1, 2020, unless such delinquent portion is subject to interest and penalties at less than three percent (3%) per annum.

Financial institutions and mortgage servicers that hold property tax payments in escrow on behalf of a borrower shall continue to remit property taxes to the municipality, so long as the borrower remains current on their mortgage or is in a forbearance or deferment program, irrespective of the borrower's eligibility for or participation in the Deferment Program or the Low Interest Rate Program. Municipalities are required to participate in one or both programs by vote of its legislative body no later than April 25, 2020. On April 22, 2020, the Board of Selectmen voted to participate in the Deferment Program and the Low Interest Rate Program. The Town does not believe participation in the Deferment Program and the Low Interest Rate Program will have a material adverse effect on its finances or ability to pay debt service on the Bonds.

Additional Executive Orders may be issued from time to time. The State has a dedicated website providing up-to-date information concerning the State's actions in response to the COVID-19 virus, including the Executive Orders, at: CT.Gov/coronavirus. Neither the Town nor any of the other parties involved with the issuance of the Bonds has reviewed the information provided by the State on this website and such parties take no responsibility for the accuracy thereof.

The potential impact of the national and State response to COVID-19 to date, and the continued spread of COVID-19 and the national and State response thereto, cannot be predicted at this time, but could have a materially adverse effect on the economies of the State and its municipalities, including the Town, and the Town's finances, credit ratings and ability to pay the debt service on the Bonds in the future.

Municipal Advisor

Phoenix Advisors, LLC, of Milford, Connecticut the ("Municipal Advisor") has served as Municipal Advisor to the Town with respect to the issuance of the Bonds and has assisted the Town in preparing this Official Statement. 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.

The Series A Bonds

The Series A Bonds will be dated the date of delivery and mature on July 15 in each of the years as set forth on the inside cover page of this Official Statement. Interest on the Series A Bonds will be payable on January 15, 2021 and semiannually thereafter on July 15 and January 15 in each year until maturity or earlier redemption. Interest will be calculated on the basis of twelve 30-day months and a 360-day year. 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 at the address as shown on the registration books of the Town kept for such purpose, or so long as the Series A 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.

The Series B Bonds

The Series B Bonds will be dated the date of delivery and mature on July 15 in each of the years as set forth on the inside cover page of this Official Statement. Interest on the Series B Bonds will be payable on July 15, 2020 and semiannually thereafter on January 15 and July 15 in each year until maturity. Interest will be calculated on the basis of twelve 30-day months and a 360-day year. 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 at the address as shown on the registration books of the Town kept for such purpose, or so long as the Series B 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.

Optional Redemption

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

<u>Period During Which Redeemed</u>	<u>Redemption Prices</u>
July 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 redemption date to the 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 Bonds 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 a book-entry system is used for the Bonds, will send any notice of redemption only to DTC (or successor securities depository) or its nominee. Any failure of DTC to advise any DTC Participant, or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content 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 amounts 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 interest held by DTC 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 DTC Participants. The DTC Participants and Indirect Participants may allocate reductions of the interests in the Bonds to be redeemed held by the Beneficial Owners. Any such allocations 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 the Town, the Registrar or Paying Agent.

Authorization and Purpose

The Series A Bonds are issued pursuant to Title 7, Section 7-369 of the General Statutes of Connecticut, as amended, the Charter of the Town of Ridgefield (the “Charter”), and certain resolutions approved by the voters of the Town of Ridgefield at Town Meetings and Referenda.

The Series B Bonds are issued pursuant to Title 7, Section 7-370c of the General Statutes of Connecticut, as amended, and a resolution approved by the Board of Selectmen on February 19, 2020 authorizing the issuance of refunding bonds in an amount not to exceed \$9,000,000.

Use of Proceeds – Series A

<u>Project</u>	<u>Amount Authorized</u>	<u>This Issue: Series A Bonds</u>
2019-20 Capital Projects:		
Schools.....	\$ 1,608,128	\$ 1,605,000
General Public Improvements.....	2,860,492	2,860,000
Total.....	\$ 4,468,620	\$ 4,465,000

Sources and Uses of Series B Bond Proceeds

Sources:

Par Amount of the Series B Bonds	\$ 7,915,000.00
Net Original Issue Premium	754,394.85
Total Sources	8,669,394.85

Uses:

Deposit to Escrow Deposit Fund	8,563,286.56
Costs of Issuance	84,717.61
Underwriters' Discount	21,390.68
Total Uses	\$ 8,669,394.85

Plan of Refunding

The Series B Bonds are being issued to refund all or any portion of the aggregate principal amount outstanding of certain Town of Ridgefield General Obligation Bonds as set forth below (the "Refunded Bonds"):

<i>Issue</i>	<i>Dated Date</i>	<i>Maturity Date</i>	<i>Interest Rate</i>	<i>Par Amount</i>	<i>Redemption Date</i>	<i>Redemption Price</i>
2010 Series A	8/30/2010	7/15/2021	4.000%	\$ 270,000	7/15/2020	100.00%
		7/15/2022	3.500%	100,000	7/15/2020	100.00%
		7/15/2022	4.000%	170,000	7/15/2020	100.00%
		7/15/2023	3.000%	100,000	7/15/2020	100.00%
		7/15/2023	4.000%	170,000	7/15/2020	100.00%
		7/15/2024	4.000%	270,000	7/15/2020	100.00%
		7/15/2025	4.000%	270,000	7/15/2020	100.00%
		7/15/2026	4.000%	265,000	7/15/2020	100.00%
		7/15/2027	4.000%	270,000	7/15/2020	100.00%
		7/15/2028	4.000%	270,000	7/15/2020	100.00%
		7/15/2029	4.000%	265,000	7/15/2020	100.00%
		7/15/2030	4.000%	265,000	7/15/2020	100.00%
		Sub-Total		\$ 2,685,000		
2010 Series B	8/30/2010	7/15/2021	2.375%	\$ 1,000,000	7/15/2020	100.00%
		7/15/2021	4.000%	875,000	7/15/2020	100.00%
		7/15/2022	4.000%	1,850,000	7/15/2020	100.00%
		Sub-Total		\$ 3,725,000		
2010 Series C	8/30/2010	7/15/2021	4.000%	\$ 515,000	7/15/2020	100.00%
		7/15/2022	4.000%	515,000	7/15/2020	100.00%
		7/15/2023	4.000%	485,000	7/15/2020	100.00%
		7/15/2024	4.000%	480,000	7/15/2020	100.00%
		Sub-Total		\$ 1,995,000		
		Total		\$ 8,405,000		

Upon delivery of the Series B Bonds, a portion of the Series B Bond proceeds will be deposited in an irrevocable escrow fund (the “Escrow Deposit Fund”) established with U.S. Bank National Association, as escrow agent (the “Escrow Agent”) under an Escrow Agreement (the “Escrow Agreement”) dated as of the Date of Delivery between the Escrow Agent and the Town. The Escrow Agent will use such proceeds to purchase a portfolio of non-callable direct obligations of, or obligations guaranteed by the government of the United States of America, including, United States Treasury securities, United States Treasury State and Local Government Series securities (“SLGS”), Federal National Mortgage Association (“FNMA”) and Federal Home Loan Mortgage Corporation (“FHLMC”) securities and any other securities permitted by Section 7-400 of the Connecticut General Statutes, all of which shall not be callable or prepayable at the option of the issuer thereof (the “Escrow Securities”) and needed to pay the principal, interest payments, and redemption prices of the Refunded Bonds. All investment income on and the maturing principal of the Escrow Securities held in the Escrow Deposit Fund will be irrevocably deposited by the Town for payment of the Refunded Bonds. The balance of the proceeds of the Series B Bonds will be used to pay costs of issuance and Underwriter’s discount.

Verification of Mathematical Computations

The accuracy of the mathematical computations regarding the adequacy of maturing principal of and interest earned on the Government Obligations deposited with the Escrow Agent to pay, when due, the principal of, accrued interest and redemption premium on the Refunded Bonds on the redemption dates and net present value savings, will be verified by AMTEC of Avon, Connecticut (the “Verification Agent”). Such verification of the accuracy of the mathematical computations will be based upon information and assumptions supplied to the Verification Agent by the Municipal Advisor. AMTEC will express no opinion on the assumptions provided to them. Bond Counsel in rendering its opinion described herein will rely on the Verification report.

Book-Entry-Only Transfer System

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds 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 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-only 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: 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 under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds 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 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, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 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; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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 may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds 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 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 are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds 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 its 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 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, Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or its 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 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 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 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 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 Bonds

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 for the Bond 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 issue fully registered Bond certificates directly to the Beneficial Owner. A Beneficial Owner of the Bonds, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Bonds.

Security and Remedies

The Bonds 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 when due. Unless paid from other sources, the Bonds are payable from general property tax revenues. The Town has the power under Connecticut 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 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 .

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 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 would also be subject to the applicable provisions of Federal bankruptcy laws and to provisions of other statutes, if any, hereafter enacted by the Congress or the Connecticut General Assembly extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. Under the Federal Bankruptcy Code, the Town may seek relief only, among other requirements, if it is specifically authorized, in its capacity as a municipality or by name, to be a debtor under Chapter 9, Title 11 of the United States Code, or by State law or by a governmental officer or organization empowered by State law to authorize such entity to become a debtor under such Chapter. 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.

Qualification for Financial Institutions

The Bonds 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.

Availability of Continuing Disclosure Information

The Town prepares, in accordance with State law, annual independent audited financial statements and files such financial statements with the State Office of Policy and Management on an annual basis, subject to extension.

In accordance with the requirements of Rule 15c2-12(b)(5) of the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, notice of the occurrence of certain events within ten (10) business days of the occurrence of such events as specified in the Continuing Disclosure Agreements to be executed by the Town substantially in the forms attached as Appendices C-1 and C-2 to this Official Statement.

The Town has previously undertaken in continuing disclosure agreements for the benefit of holders of certain of its bonds and notes to provide certain annual financial information and event notices pursuant to Rule 15c2-12(b)(5). In the last five years, the Town has not failed to comply, in all material respects, with its previous undertakings in such agreements.

The Town is not responsible for any failure by EMMA or any other nationally recognized municipal securities information repository to timely post disclosure submitted to it by the Town or any failure to associate such submitted disclosure to all related CUSIPs.

Ratings

The Bonds have been rated “Aaa” by Moody’s Investors Service, Inc. (“Moody’s”). The ratings reflect only the views of rating agencies and an explanation of the significance of the ratings may be obtained from such rating agencies.

There is no assurance that such ratings will continue for any given period of time or that they will not be revised or withdrawn entirely by such rating agency if in the judgment of such rating agency circumstances so warrant. A downward revision or withdrawal of any such rating may have an adverse effect on the market prices of the Bonds.

Generally, the rating agencies base their rating upon such information and materials furnished to it and upon investigations, studies and assumptions by the rating agencies. There can be no assurance that a rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating agency if in its judgment circumstances so warrant. Any such downward change in or withdrawal of a rating may have an adverse effect on the marketability or market price of the Town’s outstanding bonds and notes, including this issue.

Tax Matters

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements which must be met at and subsequent to delivery of the Bonds in order that interest on the Bonds be and remains excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Tax Regulatory Agreement, which will be executed and delivered by the Town concurrently with the Bonds, contains representations, covenants and procedures relating to the use, expenditure and investment of proceeds of the Bonds in order to comply with such requirements of the Code. Pursuant to the Tax Regulatory Agreement, the Town also covenants and agrees that it shall perform all things necessary or appropriate under any valid provision of law to ensure interest on the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance by the Town with its covenants and the procedures contained in the Tax Regulatory Agreement, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax.

Ownership of the Bonds may also result in certain collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security and Railroad Retirement benefits, taxpayers utilizing the earned income credit and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax exempt obligations, such as the Bonds. Prospective purchasers of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of ownership and disposition of, or receipt of interest on, the Bonds.

In the opinion of Bond Counsel, based on 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 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.

Legislation affecting the exclusion from gross income of interest on State or local bonds, such as the Bonds, is regularly under consideration by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds will not reduce or eliminate the benefit of the exclusion from gross income of interest on the Bonds or adversely affect the market price of the Bonds.

The opinions of Bond Counsel are rendered as of their date and are based on existing law, which is subject to change. Bond Counsel assumes no obligation to update or supplement its opinions to reflect any facts or circumstances that may come to their attention, or to reflect any changes in law that may thereafter occur or become effective.

Prospective purchasers of the Bonds are advised to consult their own tax advisors regarding other State and local tax consequences of ownership and disposition of and receipt of interest on the Bonds.

Original Issue Discount

The initial public offering price of certain maturities of the Bonds may be less than the principal amount payable on such Bonds at maturity. The excess of the principal amount payable at maturity over the initial public offering price at which a substantial amount of these Bonds are sold constitutes original issue discount. The offering prices relating to the yields set forth on the inside cover page of this Official Statement are expected to be the initial public offering prices at which a substantial amount of the Bonds were ultimately sold to the public.

Under Section 1288 of the Code, the amount of original issue discount treated as having accrued with respect to any Bond during each day it is owned by a taxpayer is added to the owner's adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Accrued original issue discount on the Bonds is excluded from gross income for federal income tax purposes. 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 paid 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. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the federal, state and local income tax consequences of the disposition of and receipt of interest on the Bonds.

Original Issue Premium

The initial public offering price of certain maturities of the Bonds may be greater than the principal amount payable on such Bonds at maturity. The excess of the initial public offering price at which a substantial amount of these Bonds are sold over the principal amount payable at maturity or on earlier call date constitutes original issue premium. The offering prices relating to the yields set forth on the inside cover page of this Official Statement are expected to be the initial public offering prices at which a substantial amount of the Bonds were ultimately sold to the public.

Under Sections 1016 and 171 of the Code, the amount of original issue premium treated as amortizing with respect to any Bond during each day it is owned by a taxpayer is subtracted from the owner's adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Amortized original issue premium on the Bonds is not treated as a deduction from gross income for federal income tax purposes. Original issue premium on any bond is treated as amortizing on the basis of the taxpayer's yield to maturity using the taxpayer's cost basis and a constant semiannual compounding method. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the federal, state and local income tax consequences of the disposition of and receipt of interest on the Bonds.

Bond Insurance

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

II. The Issuer



Description of the Municipality

The Town was settled in 1708 by settlers from Norwalk and was incorporated as Connecticut's forty-third town in October 1709. It covers an area of 35 square miles in western Fairfield County on the New York State border and serves a population of 25,125. It is bounded on the north by Danbury, east by Redding and south by Wilton.

U.S. Route 7 and State Route Numbers 33, 35, 102 and 116 traverse the Town. The interchange of Interstate 84 and 684 is conveniently located and accessible to Ridgefield. Passenger transportation is provided by MetroNorth and intrastate buses.

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

Boehringer-Ingelheim, Ltd, a German drug research, development, and manufacturing firm owns a 294-acre campus in the Towns of Ridgefield and Danbury (250 acres in Ridgefield and 44 acres in Danbury). Facilities include administrative buildings, research and development buildings, a day care center and an assessment and administrative support building, totaling an estimated 900,000 square feet in Ridgefield.

Boehringer-Ingelheim continues to expand as they update and retrofit buildings built in the late 70's and early 80's to meet current company demands.

The major expansion of eight projects over several years totaling between \$180 million and \$200 million has been completed.

Residential construction in the form of small to midsized multi-family dwellings is also on the rise in and around the center of Town. These developments are attractive to current residents as well as nearby communities because of Ridgefield's attractive Main Street and retail establishments that fill its side streets. These developments provide welcomed growth to Ridgefield's Grand List.

The values of new homes range from \$975,000 to \$1.8 million and over. Residential lots (one, two and three acres) have a current average value of approximately \$350,000. Approximately 95% of the homes are owner occupied; the median home value was estimated at \$645,000 as compiled from the 2017 Grand List. Subdivision regulations require storm sewers, street sign and recreational area; and water, sanitary sewers, fire hydrants and street lighting when accessible, by the developer. The Town is completely zoned and an active Planning and Zoning Commission meets regularly to guide the development of Ridgefield. The Town employs a full-time professional planner.

Ridgefield has continued to see new commercial and retail development as new smaller retail establishments continue to locate here. Part of this trend is the development of mixed-use (commercial/residential) construction. Recent examples include a new 96 bed memory care facility totaling 80,000 square feet and a mixed use facility with 16 apartments totaling 33,000 square feet under construction in the center of Town. Also, part of the development area is the building of high-end apartments for empty nesters, as well as 1 and 2 bedroom apartments that are meeting a specific demand. In addition, new retail and commercial development continues to expand along Route 35 with plans being developed to revitalize the Branchville section of Route 7 & 35.

The Ridgefield Library, privately endowed, is an important educational facility. The First Selectman appoints 12 of the 16 board members and subsidizes a large percentage of its operations. A major renovation and expansion to the existing facility was completed in 2014. The \$20 million project, paid for by \$5 million in Town funds, and \$15 million in private donations, increased the library floor space from 25,000 square feet to 40,000 square feet. Ridgefield has a Boys/Girls Club, and the Town employs a full-time park superintendent and a recreation director to oversee its parks and administer a comprehensive recreation program. There are over 4,200 acres of State and Town-owned recreational and open space area in Ridgefield.

Form of Government

The Town, pursuant to its home-rule charter, has a Town Meeting form of government with a five-member elected Board of Selectmen and a five-member elected Board of Finance. Elections are held biennially in every odd-numbered year and members of both the Board of Selectmen and Board of Finance serve for four-year terms. Minority representation is guaranteed on all boards and commissions.

The First Selectman is the full-time chief executive and administrative officer of the Town and oversees the execution of all laws and ordinances governing the Town. He presides over the Board of Selectmen and has full voting privileges on the Board. He or his designee is also an ex officio member of all other agencies of the Town.

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

Principal Municipal Officials

Office	Name	Manner of Selection	Years of Service	Current Term
First Selectman.....	Rudolph P. Marconi	Elected	20 years	11/19-11/23
Treasurer.....	Molly McGeehin	Elected	4 years	11/19-11/23
Town Clerk.....	Wendy G. Lionetti	Elected	2 years	11/19-11/23
Tax Collector.....	Jane Berendsen-Hill	Elected	16 years	11/19-11/23
Controller.....	Kevin F. Redmond	Appointed	11 years	Indefinite
Superintendent of Schools.....	Dr. Susie Da Silva	Appointed	< 1 year	Indefinite

Source: Town Officials, Town of Ridgefield.

Summary of Municipal Services

Police Protection: The Ridgefield Police Department provides full-time police services. Its headquarters are located in the former State Police barracks renovated in 1976. The police department employs 42 sworn officers and 7 civilian staff.

Fire Protection: The Ridgefield Fire Department provides fire protection and receives reciprocal assistance in the outlying areas from the Danbury Fire Department and the Fire Departments of Wilton, Redding and South Salem, N.Y. Its headquarters, located in the downtown area, houses two ambulances and seven fire trucks, including an aerial truck, and is manned around the clock. A second station is located in the Ridgebury area of Town. The Fire Department consists of 43 paid members and approximately 60 volunteers.

Sewers: Ridgefield Center is served by a public sewer system. The system was originally constructed in 1902, and was last upgraded and expanded in 1995 to meet federal and State pollution control standards.

The current system offers primary, secondary and tertiary treatment. Service was expanded through the purchase of the Benrus Sewage Treatment Plant to serve the Routes 7 and 35 area as well as commercial and residential residents in the Copps Hill area.

Water: Water for residences and businesses is supplied by wells, either on individual lots or from one of the private water companies operating in Town. The Aquarion Company provides water to most of the center of Ridgefield. Smaller private water supply systems provide service in localized areas of the Town.

Solid Waste: Individual households and businesses contract with private haulers to dispose of solid waste. A small percentage of households bring solid waste directly to the Town's transfer station.

Ridgefield is a member of the 22-municipality Housatonic Resources Recovery Authority ("HRRA"). The HRRA was established in 1986 to address long-term waste disposal needs of its participating communities. In 1991, the Authority entered into a twenty-nine year service contract with Wheelabrator Environmental Systems, Inc. of Hampton, New Hampshire, for the disposal of the HRRA's solid waste. Each community has agreed to deliver all acceptable waste, as defined by the contract.

Ridgefield has a comprehensive recycling program. The Town has entered into an agreement with Winter Bros. to operate the Town's recycling center and historically the recycling program has been managed at no cost to the Town.

Town Employees

	2019	2018	2017	2016	2015
General Government.....	206	213	214	213	213
Education.....	728	714	714	712	711
Total.....	934	927	928	925	924

Note: Numbers above include non-union employees.

Source: Town Officials, Town of Ridgefield.

The following is a breakdown by category of the Town's current full-time equivalent employees:

Department	Paid Positions
Finance and Accounting	3
Public Safety	92
Public Works	26
Health and Human Services	5
Parks, Recreation and Facilities	52
Other Services	28
Education	728
Total	934

Source: Town and School Officials, Town of Ridgefield.

Municipal Employee Bargaining Units

Education Groups	Positions Covered	Current Contract Expiration Date
Teachers - National Education Association - Ridgefield.....	445	6/30/2022
Secretaries - United Public Service Employees Union		
Secretaries, Local 424 - Unit 60.....	33	6/30/2021
Custodians - Ridgefield Custodial and Maintenance Association.....	53	6/30/2021
Paraprofessionals - United Public Service Employees Union		
Paraprofessionals, Local 424 - Unit 64.....	129	6/30/2021
Administrators - Ridgefield Administrators' Association, American Federation of School Administrators.....	28	6/30/2021
Nurses - United Public Service Employees Union		
Nurses, Local 424.....	15	6/30/2020
Sub-total Education Employees.....	703	
General Government		
Police - AFSCME, Council 15.....	39	6/30/2023
Fire - International Association of Firefighters.....	35	6/30/2021
Highway - AFSCME, Council 4.....	36	6/30/2023
Police Clerical and Dispatchers, Town Clerical / Technical - UPSEU....	48	6/30/2021
Sub-total General Government Employees.....	158	
Total.....	861	

Source: Town and School Officials, Town of Ridgefield

Binding Arbitration

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 capacity of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration, in assessing the financial capability of a municipality, there is an irrefutable presumption that a budget reserve of 5% or less for teachers contracts, and 15% or less for municipal employees contracts, is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capacity, 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 wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

(Remainder of page left blank intentionally)

School Facilities

The Town's school system consists of six elementary schools, two middle schools and a high school. The schools are governed by a nine-member Board of Education elected biennially. Members are elected to four-year terms every other election.

The Town's Public Works and Parks and Recreation Departments are responsible for external maintenance of school facilities and grounds.

School	Grades	Date of Construction (Additions, Remodeling)	Number of Classrooms	10/1/2019 Enrollment	Rated Capacity
Barlow Mountain.....	PreK-5	2003	26	296	510
Branchville.....	K-5	1995, 2004	24	353	510
Farmingville.....	K-5	1964, 2003	19	272	465
Ridgebury.....	K-5	1961, 2003	24	349	510
Scotland.....	K-5	1967, 2003	20	342	465
Veterans Park.....	K-5	1955, 1958, 1976, 2003	19	264	510
Scotts Ridge.....	6-8	2002	49	561	650
East Ridge.....	6-8	1966, 1970, 2004	35	562	900
Ridgefield High.....	9-12	1972, 2004	80	1,628	1,800
Total.....			296	4,627	6,320

Source: Town of Ridgefield, Superintendent's Office.

School Enrollment

School Year	Historical			Total
	Pre-K-5	6 - 8	9 - 12	
2010-11	2,293	1,324	1,760	5,377
2011-12	2,232	1,305	1,775	5,312
2012-13	2,201	1,273	1,759	5,233
2013-14	2,219	1,259	1,785	5,263
2014-15	2,139	1,256	1,758	5,153
2015-16	2,068	1,255	1,717	5,040
2016-17	2,024	1,268	1,689	4,981
2017-18	2,022	1,205	1,680	4,907
2018-19	1,980	1,201	1,629	4,810
2019-20	1,876	1,123	1,628	4,627
School Year	Projected			Total
	Pre-School	K - 8	9 - 12	
2020-21	1,888	1,089	1,582	4,559
2021-22	1,906	1,044	1,534	4,484
2022-23	1,919	1,031	1,492	4,442
2023-24	1,920	1,042	1,420	4,382

Source: Town of Ridgefield, Superintendent's Office.

III. Economic and Demographic Information

Population Trends

Year	Actual Population¹	% Increase	Density²
2018 ³	25,070	1.8%	716.3
2010	24,638	4.2%	703.9
2000	23,643	13.0%	675.5
1990	20,919	15.0%	597.7
1980	18,188	122.8%	519.7
1970	8,165	87.4%	233.3

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

² Per square mile: 35.0 square miles.

³ American Community Survey 2014-2018

Age Distribution of the Population

Age	Town of Ridgefield		State of Connecticut	
	Number	Percent	Number	Percent
Under 5 years	1,214	4.8%	184,983	5.2%
5 to 9 years	1,921	7.7	201,006	5.6%
10 to 14 years	2,651	10.6	224,135	6.3%
15 to 19 years	1,608	6.4	247,182	6.9%
20 to 24 years	802	3.2	245,490	6.9%
25 to 34 years	1,301	5.2	439,848	12.3%
35 to 44 years	2,894	11.5	427,023	11.9%
45 to 54 years	4,591	18.3	522,138	14.6%
55 to 59 years	2,029	8.1	266,170	7.4%
60 to 64 years	1,798	7.2	235,949	6.6%
65 to 74 years	2,292	9.1	327,414	9.1%
75 to 84 years	1,276	5.1	170,979	4.8%
85 years and over	693	2.8	89,187	2.5%
Total.....	25,070	100%	3,581,504	100%
Median Age (Years) 2018.....	45.3		40.8	

Source: American Community Survey 2014-2018

Selected Wealth and Income Indicators

	Town of Ridgefield	State of Connecticut
Per Capita Income, 2018.....	\$ 80,859	\$ 43,056
Median Family Income, 2018.....	\$ 187,847	\$ 97,310
Median Household Income, 2018	\$ 158,518	\$ 76,106

Source: American Community Survey 2014-2018

Income Distribution

Income	Town of Ridgefield		State of Connecticut	
	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	53	0.7%	27,787	3.1%
10,000 - 14,999.....	-	0.0	16,143	1.8%
15,000 - 24,999.....	75	1.1	41,072	4.6%
25,000 - 34,999.....	176	2.5	52,218	5.8%
35,000 - 49,999.....	273	3.8	82,371	9.2%
50,000 - 74,999.....	574	8.1	134,356	15.0%
75,000 - 99,999.....	626	8.8	122,244	13.6%
100,000 - 149,999.....	1,092	15.4	186,352	20.8%
150,000 - 199,999.....	860	12.1	100,359	11.2%
200,000 and over.....	3,384	47.6	132,765	14.8%
Total.....	7,113	100.0%	895,667	100.0%

Source: American Community Survey 2014-2018

Major Employers

Employer	Type of Business	Approximate Number of Employees
Boehringer-Ingelheim, Limited.....	Drug Research and Development	2,500
Fairfield County Bankcorp.....	Banking Institution/Insurance Firm	200
Laurel Ridge Health Care Center.....	Senior Housing	183
Ridgefield Crossings.....	Senior Housing	155
Stop & Shop.....	Grocery Store	136
Adam Broderick Salon & Spa.....	Salon & Spa	133
Ridgefield BMW Mazda.....	Automotive Sales/Service	98
Kohl's Department Store.....	Department Store	80
Pamby Motors, Inc.....	Automotive Sales/Service	47
Ullman Devices, Corporation.....	Designer and Manufacturer of Aircraft/ Automotive Industry Equipment	40

Source: Town of Ridgefield

Employment Statistics

Period	Town of Ridgefield		Percentage Unemployed		
	Employed	Unemployed	Town of Ridgefield	Bridgeport/Stamford Labor Market	State of Connecticut
February 2020.....	11,349	344	2.9	4.5	4.4
Annual Average					
2019	11,702	253	2.1	3.7	3.7
2018	11,487	375	3.2	4.1	4.1
2017	11,582	444	3.7	4.7	4.7
2016	11,479	449	3.8	5.2	5.3
2015	11,461	460	3.9	5.5	5.6
2014	11,207	558	4.7	6.4	6.6
2013	10,973	640	5.5	7.5	7.7
2012	11,011	677	5.8	8.0	8.3
2011	11,054	722	6.1	8.5	8.8
2010	10,972	714	6.1	8.7	9.1

Source: Department of Labor, State of Connecticut

Building Permits

<i>Fiscal Year</i>	<i>Residential</i>		<i>Comm./Industrial</i>		<i>Total</i>	
	<i>No.</i>	<i>Value</i>	<i>No.</i>	<i>Value</i>	<i>No.</i>	<i>Value</i>
2019	298	\$ 20,801	71	\$ 18,264	369	\$ 39,065
2018	315	32,104	59	22,783	374	54,887
2017	363	31,567	89	21,384	452	52,951
2016	336	27,132	52	12,466	388	39,598
2015	312	33,396	66	11,675	378	45,071
2014	340	37,662	48	14,177	388	51,839
2013	275	28,435	67	39,050	342	67,485
2012	290	23,227	69	82,887	359	106,114
2011	283	25,727	54	13,635	337	39,362
2010	346	29,084	61	4,378	407	33,462

Source: Town of Ridgefield, Building Department

Educational Attainment

	<i>Town of Ridgefield</i>		<i>State of Connecticut</i>	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Less than 9th grade.....	134	0.8%	101,068	4.1%
9th to 12th grade.....	221	1.3	134,758	5.4
High School graduate.....	1,328	7.9	670,519	27.1
Some college, no degree.....	1,755	10.4	416,267	16.8
Associate's degree	807	4.8	190,869	7.7
Bachelor's degree.....	6,893	40.8	538,924	21.7
Graduate or professional degree.....	5,736	34.0	426,303	17.2
Total.....	16,874	100.0%	2,478,708	100.0%
Total high school graduate or higher (%).....		97.9%		90.5%
Total bachelor's degree or higher (%).....		74.8%		38.9%

Source: American Community Survey 2014-2018

Age Distribution of Housing

<i>Year Built</i>	<i>Town of Ridgefield</i>		<i>State of Connecticut</i>	
	<i>Units</i>	<i>Percent</i>	<i>Units</i>	<i>Percent</i>
1939 or earlier.....	816	8.5%	337,795	22.3%
1940 to 1969.....	3,810	39.7	533,321	35.3
1970 to 1979.....	1,906	19.9	201,360	13.3
1980 to 1989.....	1,108	11.5	191,306	12.6
1990 to 1999.....	926	9.6	115,459	7.6
2000 or 2009.....	714	7.4	103,632	6.9
2010 or later.....	322	3.4	29,432	1.9
Total Housing Units	9,602	100.0%	1,512,305	100.0%

Source: American Community Survey 2014-2018

Housing Inventory

Housing Units	Town of Ridgefield		State of Connecticut	
	Units	Percent	Units	Percent
1-unit, detached.....	7,738	80.6%	892,608	59.0%
1-unit, attached.....	339	3.5	80,684	5.3
2 units.....	144	1.5	123,908	8.2
3 or 4 units.....	504	5.2	130,948	8.7
5 to 9 units.....	302	3.1	84,021	5.6
10 to 19 units.....	226	2.4	57,153	3.8
20 or more units.....	296	3.1	130,872	8.7
Mobile home.....	53	0.6	11,734	0.8
Boat, RV, van, etc.....	-	-	377	0.0
Total Inventory.....	9,602	100.0%	1,512,305	100.0%

Source: American Community Survey 2014-2018

Owner Occupied Housing Values

Specified Owner-Occupied Units	Town of Ridgefield		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000.....	55	0.7%	21,254	2.3%
\$50,000 to \$99,000.....	47	0.6	29,211	3.2
\$100,000 to \$149,999.....	51	0.7	81,446	9.0
\$150,000 to \$199,000.....	143	1.9	139,715	15.4
\$200,000 to \$299,999.....	328	4.3	245,801	27.1
\$300,000 to \$499,999.....	1,598	21.0	240,706	26.5
\$500,000 to \$999,999.....	4,065	53.5	106,993	11.8
\$1,000,000 or more.....	1,307	17.2	42,008	4.6
Total.....	7,594	100.0%	907,134	100.0%
Median Value.....	\$655,900		\$272,700	

Source: American Community Survey 2014-2018

Land Use Summary

Classification	Number of Acres	Percent of Total Town Area
Residential.....	11,212	50.2%
Commercial/Industrial.....	538	2.4%
Open Space ¹	5,757	25.8%
Community Facilities/Institutional.....	434	1.9%
Other (Right of Way, Water Features).....	1,444	6.5%
Total Developed & Committed.....	19,385	86.8%
Vacant.....	2,957	13.2%
Total Area.....	22,342	100.0%

¹ Open space totals may differ slightly since not all space is linked to the Town's GIS and the calculations in this table are based solely on GIS data.

Source: Town of Ridgefield, Planning Department.

IV. Tax Base Data

Assessment Practices

The Town had a general property revaluation by physical inspection of all real estate, effective on the Grand List of October 1, 2017. Under Section 12-62 of the General Statutes the Town must perform a revaluation every five years and the assessor must fully inspect each parcel, including measuring or verifying the exterior dimensions of a building and entering and examining the interior of the building, once every ten years. Section 12-62 also imposes a penalty on municipalities that fail to effect revaluations as required, with certain exceptions. Municipalities may choose to phase-in real property assessment increases resulting from a revaluation, but such phase-in must be implemented in less than five assessment years. The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Town for inclusion on the Grand List are the responsibilities of the Assessor's Office. The Grand List represents the total of assessed values for all taxable real and personal property and motor vehicles located within the Town on October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments for real property are computed at 70 percent of the estimated market value at the time of the last general revaluation.

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 Inspector. A physical inspection is then completed and the structure classified and priced from a schedule developed at the time of the last revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

All personal property (furniture, fixtures, equipment, and machinery) is valued annually. An assessor's check and audit is completed periodically. Assessments for personal property are computed at 70 percent of present value annually.

Connecticut General Statutes Section 12-71e, as amended, allows municipalities to tax motor vehicles at a different rate than other taxable property, but caps the motor vehicle tax rate at 39.00 mills for the assessment year commencing October 1, 2016, and 45.00 mills for the assessment year commencing October 1, 2017, and each assessment year thereafter. Section 4-66l of the General Statutes, as amended, diverts a portion of State collected sales tax revenue to provide funding to municipalities to mitigate the revenue loss attributed to the motor vehicle property tax cap. The Town's motor vehicle tax rates for the current 2018 assessment year (the fiscal year ending June 30, 2020) is 28.12 mills.

Motor vehicle lists are furnished to the Town by the State of Connecticut Department of Motor Vehicles and appraisals of motor vehicles are valued in accordance with an automobile price schedule recommended by the State of Connecticut Office of Policy and Management. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1 are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the proration is based on the number of months of ownership between October 1 and the following July 31. Motor vehicles purchased in August and September are not taxed until the next October 1 Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October 1 Grand List, the taxpayer is entitled to certain credits. Assessments for motor vehicles are computed at 70 percent of the annual appraisal of market value.

Property Tax Collection Procedures

Taxes for the fiscal year are levied on the grand list of the prior October 1, and are payable in four installments due on July 1, October 1, January 1 and April 1. Personal property and motor vehicle taxes are payable in one installment on July 1 with motor vehicle supplemental bills payable on January 1. Payments not received by August 1, November 1, February 1 and May 1, respectively, become delinquent, with interest charged at the rate of 1.50% per month from the due date of the tax. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are 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 at which time they cease to be carried as receivables. Real estate accounts are transferred to suspense 15 years after the due date in accordance with State Statutes.

Section 12-124a of the Connecticut General Statutes permits a municipality, upon approval by its legislative body, to abate property taxes on owner-occupied residence to the extent that the taxes exceed eight percent of the owner's total income, from any source, adjusted for self-employed persons to reflect expenses allowed in determining adjusted gross income. The owner must agree to pay the amount of taxes abated with interest at 6 percent annum, or at such rate approved by the legislative body, at such time that the residence is sold or transferred or on the death of the last surviving owner. A lien for such amounts is recorded in the land records but does not take precedence over any mortgage recorded before the lien. The Town has not approved the use of this abatement provision to date.

The Town has adopted the elderly property tax relief program under Section 12-129n of the Connecticut General Statutes, which provides for a deferral program for certain qualifying homeowners age 65 or over. The Town has also adopted an additional property tax exemption for blind persons pursuant to Connecticut General Statutes Section 12-81(17), and the property tax abatement for qualifying voluntary firefighters pursuant to Connecticut General Statutes Section 12-81(w).

Property Tax Levy and Collection

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List ¹	Mill Rate	Adjusted Annual Levy	Percent of Annual Levy Collected at End of Fiscal Year	Percent of Annual Levy Uncollected at End of Fiscal Year	Percent of Annual Levy Uncollected as of 6/30/2019
2018	2020 ¹	\$ 4,840,022,456	28.12	\$ 135,159,983			
<i>In collection</i>							
2017 ²	2019	4,811,454,985	27.78	131,772,822	99.4	0.6	0.6
2016	2018	4,787,232,514	27.21	129,503,845	99.1	0.9	0.3
2015	2017	4,740,285,696	26.69	125,667,666	99.1	0.9	-
2014	2016	4,711,835,970	26.01	121,415,527	98.9	1.1	0.4
2013	2015	4,700,389,133	26.01	121,507,726	98.8	1.2	0.3
2012 ²	2014	4,618,881,301	25.38	116,316,191	98.7	1.3	-
2011	2013	5,602,283,978	20.37	112,820,333	98.5	1.5	0.6
2010	2012	5,552,991,756	20.61	113,330,243	98.5	1.5	0.6
2009	2011	5,516,834,945	20.40	111,397,853	98.6	1.4	0.5

¹ Unaudited.

² Revaluation.

Source: Town of Ridgefield, Tax Collector

Comparative Assessed Valuations

Grand List As Of 10/1	Real Property (%)	Personal Property (%)	Motor Vehicles (%)	Gross Taxable Grand List	Exemptions, Veterans Relief and Disabled	Net Taxable Grand List
2019	91.3%	3.6%	5.1%	\$ 4,991,772,510	\$107,908,330	\$ 4,883,864,180
2018	91.4%	3.5%	5.1%	4,946,886,981	106,864,525	4,840,022,456
2017 ¹	91.5%	3.4%	5.1%	4,915,357,676	103,902,691	4,811,454,985
2016	91.4%	3.5%	5.1%	4,897,784,036	110,551,522	4,787,232,514
2015	91.2%	3.7%	5.1%	4,874,245,358	133,959,662	4,740,285,696
2014	91.3%	3.7%	5.0%	4,849,726,656	137,890,686	4,711,835,970
2013	91.6%	3.2%	5.2%	4,777,179,373	76,790,240	4,700,389,133
2012 ¹	91.7%	3.2%	5.1%	4,692,754,721	73,873,420	4,618,881,301
2011	93.0%	2.7%	4.3%	5,682,950,200	80,666,222	5,602,283,978
2010	93.2%	2.7%	4.1%	5,631,701,370	78,709,614	5,552,991,756

¹ Revaluation.

Source: Town of Ridgefield, Assessor's Office

Ten Largest Taxpayers

<i>Name of Taxpayer</i>	<i>Nature of Business</i>	<i>Taxable Valuation</i>	<i>Percent of Net Taxable Grand List</i> ¹
Boehringer-Ingelheim Pharmaceuticals, Inc..	Corporate Headquarters	\$ 310,295,495	6.35%
Connecticut Light & Power (Eversource).....	Electric Utility	29,180,130	0.60%
Stephen J. Zemo.....	Real Estate	24,341,119	0.50%
Equity One (Copps Hill) Inc.....	Real Estate	21,862,150	0.45%
Ridgefield Professional Office.....	Real Estate	15,568,400	0.32%
FDG RF Propco, LLC.....	Assisted living Facility	14,490,000	0.30%
Kre-Bsl Husky Ridgefield, LLC	Real Estate	13,184,480	0.27%
Flat Rock Corp	Golf Course	13,171,790	0.27%
Ridgefield Waterside Properties, LLC.....	Real Estate	12,732,060	0.26%
Harrison, E. Hunter.....	Real Estate	10,779,820	0.22%
Total		\$ 465,605,444	9.53%

¹ Net Taxable Grand List October 1, 2019 of \$4,883,864,180.

Source: Town of Ridgefield, Assessor's Office

(Remainder of page left blank intentionally)

V. Debt Summary

Principal Amount of Bonded Indebtedness As of May 26, 2020 (Pro Forma)

Long-Term Debt:

<u>Date</u>	<u>Purpose</u>	<u>Interest Rate Range</u>	<u>Original Issue</u>	<u>Amount Outstanding</u>	<u>Fiscal Year of Maturity</u>
General Purpose					
04/01/09	Refunding Bonds.....	2.25-5.00	\$ 2,760,000	\$ 577,350	2020
08/30/10	Public Improvements - Series A.....	1.75-5.00	5,328,000	308,749	2021
08/30/10	Refunding Bonds - Series B.....	2.375-5.00	10,020,000	755,492	2021
08/30/10	Refunding Bonds - Series C.....	2.00-5.00	6,535,000	471,561	2021
07/01/11	Drinking Water - PLO.....	2.06	529,288	293,324	2031
12/15/12	Public Improvements.....	2.00-4.00	8,854,550	5,580,040	2032
12/17/13	Public Improvements.....	3.00-4.00	7,440,000	5,090,527	2033
06/03/14	Refunding Bonds.....	2.00-5.00	6,010,000	2,916,963	2028
12/15/15	Public Improvements.....	2.00-4.00	7,533,824	6,106,920	2036
12/21/18	Public Improvements.....	2.50-5.00	10,112,766	9,738,000	2038
	Sub-Total General Purpose Debt.....		\$ 65,123,428	\$ 31,838,926	
Schools					
04/01/09	Refunding Bonds.....	2.25-5.00	\$ 25,875,000	\$ 5,412,650	2020
08/30/10	School Improvements - Series A.....	1.75-5.00	1,057,000	61,251	2021
08/30/10	Refunding Bonds - Series B.....	2.375-5.00	13,275,000	988,865	2021
08/30/10	Refunding Bonds - Series C.....	2.00-5.00	645,000	48,439	2021
12/15/12	School Improvements.....	2.00-4.00	1,745,450	1,099,960	2032
12/17/13	School Improvements.....	3.00-4.00	730,000	499,473	2033
06/03/14	Refunding Bonds.....	2.00-5.00	3,985,000	1,934,126	2028
12/15/15	School Improvements.....	2.00-4.00	2,181,176	1,768,080	2036
12/21/18	School Improvements.....	2.50-5.00	2,242,234	2,167,000	2038
	Sub-Total School Debt.....		\$ 51,735,860	\$ 13,979,844	
Sewer					
08/30/10	Refunding Bonds - Series B.....	2.375-5.00	\$ 1,750,000	\$ 135,643	2021
06/03/14	Refunding Bonds.....	2.00-5.00	245,000	118,911	2028
	Sub-Total Sewer Debt.....		\$ 1,995,000	\$ 254,554	
This Issue - Series A					
05/26/20	Public Improvements.....	2.00-4.00	\$ 2,860,000	\$ 2,860,000	2041
05/26/20	School Improvements.....	2.00-4.00	1,605,000	1,605,000	2041
	Sub-Total This Issue - Series A.....		\$ 4,465,000	\$ 4,465,000	
This Issue - Series B					
05/26/20	Refunding Bonds-Public Improvements.....	2.00-5.00	\$ 5,180,000	\$ 5,180,000	2031
05/26/20	Refunding Bonds-Schools.....	2.00-5.00	2,475,000	2,475,000	2031
05/26/20	Refunding Bonds-Sewer.....	2.00-5.00	260,000	260,000	2023
	Sub-Total This Issue - Series B.....		\$ 7,915,000	\$ 7,915,000	
	Grand Total.....		\$ 131,234,288	\$ 58,453,324	

**Short-Term Debt
As of May 26, 2020
(Pro Forma)**

Project	Amount Authorized	Notes To Mature: 8/20/20
WPCA Sewer Project.....	\$ 48,000,000	\$ 10,000,000

**Annual Bonded Debt Maturity Schedule
As of May 26, 2020
(Pro Forma)**

Fiscal Year Ended 6/30	Principal Payments¹	Interest Payments	Total Debt Service¹	This Issue:		Total Principal	Cumulative Principal Retired %
				Series A Bonds	Series B Ref. Bonds		
2020 ²	\$ 2,163	\$ 504	\$ 2,667	\$ -	\$ -	\$ 2,163	0.0%
2021	9,111,252	1,505,301	10,616,553	-	-	9,111,252	15.6%
2022	5,621,798	1,167,230	6,789,028	220,000	2,565,000	8,406,798	30.0%
2023	2,777,355	984,648	3,762,003	220,000	2,575,000	5,572,355	39.5%
2024	2,787,924	872,679	3,660,603	220,000	710,000	3,717,924	45.9%
2025	2,778,505	783,923	3,562,428	220,000	710,000	3,708,505	52.2%
2026	2,769,097	692,830	3,461,927	220,000	230,000	3,219,097	57.7%
2027	2,709,703	626,638	3,336,341	220,000	225,000	3,154,703	63.1%
2028	2,705,320	548,226	3,253,546	220,000	235,000	3,160,320	68.5%
2029	2,210,951	477,840	2,688,791	225,000	230,000	2,665,951	73.1%
2030	2,211,594	411,659	2,623,253	225,000	220,000	2,656,594	77.6%
2031	2,182,662	345,023	2,527,685	225,000	215,000	2,622,662	82.1%
2032	2,180,000	276,781	2,456,781	225,000	-	2,405,000	86.2%
2033	1,625,000	208,544	1,833,544	225,000	-	1,850,000	89.4%
2034	1,195,000	152,506	1,347,506	225,000	-	1,420,000	91.8%
2035	1,195,000	112,175	1,307,175	225,000	-	1,420,000	94.3%
2036	670,000	71,188	741,188	225,000	-	895,000	95.8%
2037	670,000	47,738	717,738	225,000	-	895,000	97.3%
2038	670,000	24,288	694,288	225,000	-	895,000	98.8%
2039	-	-	-	225,000	-	225,000	99.2%
2040	-	-	-	225,000	-	225,000	99.6%
2041	-	-	-	225,000	-	225,000	100.0%
Total.....	\$ 46,073,324	\$ 9,309,721	\$55,383,045	\$ 4,465,000	\$7,915,000	\$ 58,453,324	

¹ Includes all bonded debt and State of Connecticut Drinking Water Fund loans.

² Does not include \$9,578,554 in principal and \$2,302,811 in interest paid between July 1, 2019 and May 26, 2020.

Source: Finance Office, Town of Ridgefield, CT.

Overlapping/Underlying Debt

The Town has no overlapping debt. The Town is also not aware of any underlying debt as of the date of this Official Statement.

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

Debt Statement
As of May 26, 2020
(Pro Forma)

Long-Term Debt Outstanding:

General Purpose (Includes This Issue)	\$ 39,878,926
Schools (Includes This Issue).....	18,059,844
Sewers (Includes This Issue)	514,554
Total Long-Term Debt	<u>58,453,324</u>
Short-Term Debt (Notes Due: 8/20/2020).....	<u>10,000,000</u>
Direct Debt	68,453,324
Underlying Debt	-
Total Overall Debt	<u>68,453,324</u>
Less: Self-Supporting Sewer Debt	<u>(514,554)</u>
Total Overall Net Debt	<u><u>\$ 67,938,770</u></u>

Note: Excludes capital leases and Authorized but Unissued Debt.

Current Debt Ratios
As of May 26, 2020
(Pro Forma)

Population ¹	25,070
Net Taxable Grand List (10/1/19)	\$ 4,883,864,180
Estimated Full Value (70%).....	\$ 6,976,948,829
Equalized Grand List (10/1/17) ²	\$ 6,873,742,407
Money Income per Capita (2018) ¹	\$80,859

	Total Overall Debt	Total Overall Net Debt
	\$68,453,324	\$67,938,770
Per Capita.....	\$ 2,730.49	\$ 2,709.96
Ratio to Net Taxable Grand List.....	1.40%	1.39%
Ratio to Estimated Full Value.....	0.98%	0.97%
Ratio to Equalized Grand List.....	1.00%	0.99%
Debt per Capita to Money Income per Capita (2018)....	3.38%	3.35%

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

² Office of Policy and Management, State of Connecticut.

(Remainder of page left blank intentionally)

Drinking Water State Revolving Fund Program

The Town is a participant in the State of Connecticut’s Drinking Water State Revolving Fund Program (General Statutes Sections 22a-475 et seq., as amended), which provides financial assistance to the Town through loans bearing interest at a rate not exceeding one-half the rate of the average net interest cost as determined by the last previous similar bond issue by the State of Connecticut as determined by the State Bond Commission. In 2009, the Town received funding under the Drinking Water State Revolving Fund Program and the American Recovery and Reinvestment Act (ARRA) as well as stimulus funds. As a result, the Town received both a loan as well as stimulus funds in the form of a subsidy pursuant to the terms of a Project Loan and Subsidy Agreement.

Pursuant to the Project Loan and Subsidy Agreement, the Town is obligated to repay only that amount that it draws down for Loan for the repayment of project costs (Interim Fund Obligation). The Town delivered to the State an obligation secured by the full faith and credit of the Town and/or dedicated source of revenue of such municipality

The amortization requirements, payment schedule and prepayment provisions are the same as under the Clean Water Fund Program.

<u>Project</u>	<u>Original Issue</u>	<u>Amount Outstanding as of May 26, 2020</u>
Water Main Project.....	\$529,288	\$293,324

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 starting at the end of the third and continuing in each subsequent year during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20th (1/30th for school and sewer 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, or, for school and sewer projects, by the amount of time temporary financing has been outstanding.

Temporary notes must be permanently funded no later than ten years from the initial borrowing date except for school and sewer notes issued in anticipation of State and/or Federal grants. If a written commitment exists, the municipality may renew the 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 fifteen 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 (whichever is sooner), and in each year thereafter, the notes must be reduced by at least 1/15 of the total amount of the notes issued by funds derived from certain sources of payment. Temporary notes may be issued in one year maturities for up to fifteen 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).

(Remainder of page left blank intentionally)

Limitation of Indebtedness

Municipalities shall not incur indebtedness through the issuance of bonds which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2.25 times annual receipts from taxation
School Purposes:	4.50 times annual receipts from taxation
Sewer Purposes:	3.75 times annual receipts from taxation
Urban Renewal Purposes:	3.25 times annual receipts from taxation
Unfunded Past Pension Purposes:	3.00 times annual receipts from taxation

“Annual receipts from taxation” (the “base”) are defined as total tax collections including interest and penalties, late payment of taxes and state payments for revenue losses under CGS Section 12-129d and 7-528. In no case shall total indebtedness exceed seven times the base.

The CGS also provide for exclusion from the debt limit calculation debt (i) issued in anticipation of taxes; (ii) issued for the supply of water, gas, electricity, electric demand response, conservation and load management, distributed generation and renewable energy projects; for the construction of subways for cables, wires and pipes; for the construction of underground conduits for cables, wires and pipes; for the construction and operation of a municipal community antenna television system and for two or more of such purposes; (iii) issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement; (iv) issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or for which allocation has been approved by the State Bond Commission or from a contract with the state, state agencies or another municipality providing for the reimbursement of costs but only to the extent such indebtedness can be paid from such proceeds; (v) issued for certain water pollution control projects; and (vi) upon placement in an escrow of the proceeds of refunding bonds, notes or other obligations or other funds of the municipality in an amount sufficient to provide for the payment when due of principal of and interest on such bond, note or other evidence of indebtedness.

(Remainder of page left blank intentionally)

Statement of Debt Limitation
As of May 26, 2020
(Pro Forma)

Total Tax Collections (including interest and lien fees)

Received by the Treasurer as of June 30, 2018..... \$ 129,351,183

Reimbursement For Revenue Loss:

Elderly tax freeze and homeowners' grants 882

Base for Debt Limitation Computation..... \$ 129,352,065

	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension
Debt Limitation:					
2 1/4 times base.....	\$291,042,146	-	-	-	-
4 1/2 times base.....	-	\$582,084,293	-	-	-
3 3/4 times base.....	-	-	\$485,070,244	-	-
3 1/4 times base.....	-	-	-	\$420,394,211	-
3 times base.....	-	-	-	-	\$ 388,056,195
Total Debt Limitation	\$291,042,146	\$582,084,293	\$485,070,244	\$420,394,211	\$ 388,056,195
Indebtedness: ¹					
Bonds Outstanding	31,838,926	13,979,844	254,554	-	-
Series A Bonds - New Money.....	2,860,000	1,605,000	-	-	-
Series B Bonds - Refunding.....	5,180,000	2,475,000	260,000	-	-
Short-Term Debt	-	-	10,000,000	-	-
Debt Authorized But Unissued.....	3,750,649	3,128	38,000,000	-	-
Total Indebtedness	43,629,575	18,062,972	48,514,554	-	-
Less:					
Self Supporting Sewer Debt.....	-	-	(254,554)	-	-
Total Net Indebtedness	43,629,575	18,062,972	48,260,000	-	-
DEBT LIMITATION IN EXCESS OF OUTSTANDING INDEBTEDNESS	\$247,412,571	\$564,021,321	\$436,810,244	\$420,394,211	\$ 388,056,195

¹ Excludes \$295,484 in Drinking Water debt obligation as of May 19, 2020, as allowed under the Connecticut General Statutes.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$905,464,455.

(Remainder of page left blank intentionally)

Debt Authorized but Unissued
As of May 26, 2020
(Pro Forma)

Project	Amount Authorized	Prior Bonds/ Subsidy Grants/ Paydowns	Outstanding Notes Due: 8/20/2020	This Issue: Series A Bonds	Authorized But Unissued Debt
<i>2016-17 Capital Projects</i>					
Transportation Projects:					
Branchville ²	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000
Prospect Ridge ²	548,000	-	-	-	548,000
Sidewalk Construction ²	150,000	-	-	-	150,000
<i>2017-18 Capital Projects:</i>					
Transportation Projects.....	900,000	-	-	-	900,000
<i>2018-19 Capital Projects:</i>					
VPI.....	947,476	945,319	-	-	2,157
General Public Improvements.....	2,428,000	2,278,000	-	-	150,000
<i>2019-20 Capital Projects:</i>					
Schools.....	1,608,128	-	-	1,605,000	3,128
General Public Improvements.....	2,860,492	-	-	2,860,000	492
WPCA Sewer Project.....	48,000,000	-	10,000,000	-	38,000,000 ¹
Total.....	\$ 59,442,096	\$ 3,223,319	\$ 10,000,000	\$ 4,465,000	\$41,753,777

¹ It is anticipated that the cost of the sewer project will be reduced by \$11,500,000 in grants with the remaining costs being split between the direct users (\$28,500,000) and the Town (\$8,000,000).

² The Town does not expect to issue bonds for these projects. The Town anticipates the remaining authorizations will be funded by grants.

(Remainder of page left blank intentionally)

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

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value	Net Long-Term Debt¹	Ratio of Net Long-Term Debt to Assessed Value (%)	Ratio of Net Long-Term Debt to Estimated Full Value (%)	Population²	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Per Capita Income³
2019	\$4,811,454,985	\$ 6,873,507,121	\$ 63,740,000	1.32%	0.93%	25,070	\$ 2,542.48	3.14%
2018	4,787,232,514	6,838,903,591	60,370,000	1.26%	0.88%	25,070	2,408.06	2.98%
2017	4,740,285,696	6,771,836,709	69,455,000	1.47%	1.03%	25,070	2,770.44	3.43%
2016	4,711,835,970	6,731,194,243	78,360,000	1.66%	1.16%	25,070	3,125.65	3.87%
2015	4,700,389,133	6,714,841,619	77,645,000	1.65%	1.16%	25,070	3,097.13	3.83%

¹ Long-Term debt does not include State of Connecticut Clean Water Fund Loans and Water debt.

² American Community Survey 2014-2018 estimates.

³ American Community Survey 2014-2018 estimate: \$80,859.

Source: Town of Ridgefield, Department of Finance and Annual Audited Financial Statements.

Principal Amount of Outstanding Debt

Long-Term Debt	2019	2018	2017	2016	2015
Bonds.....	\$ 63,740,000	\$ 60,370,000	\$ 69,455,000	\$ 78,360,000	\$ 77,645,000
Short-Term Debt					
Bond Anticipation Notes....	-	-	-	450,000	5,000,000
Totals.....	\$ 63,740,000	\$ 60,370,000	\$ 69,455,000	\$ 78,810,000	\$ 82,645,000

¹ Subject to audit.

Source: Town of Ridgefield Financial Reports 2015-2019.

Ratio of Debt Service to General Fund Expenditures (Includes Transfers Out)

Fiscal Year Ended 6/30	Total Debt Service	Total General Fund Expenditures¹	Ratio of Total Debt Service to General Fund Expenditures
2020	\$ 11,315,116	\$ 164,827,683	6.86%
2019	11,056,238	150,707,626	7.34%
2018	11,547,647	161,038,760	7.17%
2017	11,635,749	155,862,041	7.47%
2016	11,896,107	144,987,039	8.20%
2015	13,137,302	143,603,197	9.15%

¹ Includes transfers out.

Source: Town of Ridgefield Financial Statements 2015-2019. Finance Department, 2020.

VI. Financial Administration

Fiscal Year

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

Accounting Policies

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The Town changed its financial reporting to comply with GASB Statement No. 34 beginning with its financial report for Fiscal Year ended June 30, 2003. Please refer to Appendix A "Notes to Basic Financial Statements" herein for compliance and implementation details.

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues.

The reporting model includes the following segments:

Management's Discussion and Analysis – provides introductory information on basic financial statements and an analytical overview of the Town's financial activities.

Government-wide financial statements – consist of a statement of net assets and a statement of activities, which are prepared on the accrual basis of accounting. These statements distinguish between governmental activities and business-type activities and exclude fiduciary (employee retirement system and agency funds). Capital assets, including infrastructure and long-term obligations are included along with current assets and liabilities.

Fund financial statements – provide information about the Town's governmental, proprietary and fiduciary funds. These statements emphasize major fund activity and, depending on the fund type, utilize different basis of accounting.

Required supplementary information – in addition to the MD&A, budgetary comparison schedules are presented for the General Fund.

Please refer to Appendix A ("Notes to Financial Statements") herein for measurement focus and basis of accounting of the government-wide financial statements as well as the fiduciary fund financial statements of the Town.

Budgetary Procedures

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

- On or before the last weekday in March, the Board of Finance submits to a public hearing, at which taxpayer comments are obtained, the proposed operating budget for the year commencing July 1. The budget includes proposed expenditures and the means of financing them.
- The Board of Finance submits their final proposed budget to the annual Town Meeting, which is held on the first Monday of May. Those in attendance at the annual Town Meeting may comment on the proposed budget before it is forwarded to a referendum vote. Appropriations may not be increased. The date of the machine vote is also established by the annual Town Meeting, which must be held not less than seven nor more than fourteen days from the date of the annual Town Meeting. The Board of Selectmen is responsible for establishing the hours of voting. This process is repeated, if necessary, until a budget is approved. If a budget is not passed by July 1, the Town shall operate under the budget authorization of the previous fiscal year until a new budget is passed.
- The Board of Finance, in accordance with the provisions of the Charter and the Connecticut General Statutes, is authorized to transfer unexpended balances from one department's appropriation to another. Management may not authorize any additional appropriations. The Board of Finance may provide any single requesting agency with a special appropriation from General Fund unassigned fund balance a sum not to exceed \$50,000 cumulative and/or

\$250,000 in aggregate to all requesting agencies in any fiscal year. Special appropriations in excess of \$3,000,000 must be taken to referendum.

- Formal budgetary integration is employed as a management control device during the year.
- Except for encumbrance accounting, Ridgefield’s budget is prepared on the modified accrual basis of accounting.
- The legal level of control, the level at which expenditures may not exceed appropriations, is at the department level.
- The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under State law to make any transfers required within its budget at its discretion. Any additional appropriations must have Board of Education and Board of Finance approval and, if over \$50,000, Town Meeting approval.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the capital projects funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

Annual Audit

Pursuant to Connecticut law, the Town is required to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by the State of Connecticut, Office of Policy and Management and a copy of the report must be filed with such Office within six months of the end of the fiscal year. For the fiscal year ended June 30, 2019, the examination was conducted by the firm of Blum Shapiro, independent certified public accountants, of West Hartford, Connecticut.

Certificate of Achievement for Excellence in Financial Reporting: The Government Finance Officers’ Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Ridgefield for its Comprehensive Annual Financial Reports for fiscal year ended June 30, 2018. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such Comprehensive Annual Financial Report must satisfy both generally accepted accounting principles and applicable legal requirements. The Town has been receiving this annual award since 1994.

Capital Improvement Plan

Uses	Fiscal Year					Total
	2020	2021	2022	2023	2024	
Town Facilities.....	\$1,070,550	\$1,558,945	\$ 4,377,700	\$ 32,340,000	\$2,251,000	\$ 41,598,195
Library.....	58,950	45,000	71,000	55,000	40,000	269,950
Police.....	24,774	18,030	-	10,000	66,000	118,804
Fire.....	440,869	363,675	310,980	703,844	915,000	2,734,368
WPCA.....	-	-	8,000,000	-	-	8,000,000
Public Works.....	505,800	1,602,178	1,738,350	1,353,800	343,500	5,543,628
Parks and Recreation..	759,549	1,162,440	1,869,537	923,500	3,533,000	8,248,026
Board of Education.....	1,608,128	2,487,038	3,050,789	2,799,615	2,734,388	12,679,958
Total.....	\$4,468,620	\$7,237,306	\$ 19,418,356	\$ 38,185,759	\$9,882,888	\$ 79,192,929
Sources						
Bonds.....	\$4,468,620	\$7,237,306	\$ 19,418,356	\$ 38,185,759	\$9,882,888	\$79,192,929
Total.....	\$4,468,620	\$7,237,306	\$ 19,418,356	\$ 38,185,759	\$9,882,888	\$79,192,929

Pension Plans

The Town administers three single employer, defined benefit pension plans (Town of Ridgefield Pension Plan, Town of Ridgefield Police Union Pension Plan and Town of Ridgefield Firefighters Union Pension Plan). The pension plans are considered to be part of the Town's financial reporting entity and are included in the Town's financial reports as Pension Trust Funds. The plan's membership was open to substantially all Town employees with the exception of certified teachers, administrative personnel at the Board of Education and elected officials. The Town has migrated new employees to a Defined Contribution Plan.

Town Pension Plan

<i>Fiscal Year</i>	<i>Annual Determined Contribution</i>	<i>Annual Contribution</i>	<i>% of ARC Contributed</i>
6/30/2019	\$1,330,868	\$ 1,232,010	92.6%
6/30/2018	1,302,909	1,443,701	110.8%
6/30/2017	1,426,783	1,507,842	105.7%
6/30/2016	1,693,900	1,709,440	100.9%
6/30/2015	1,452,534	1,594,234	109.8%
6/30/2014	1,468,009	1,550,489	105.6%
6/30/2013	1,454,663	1,589,725	109.3%

Police Union Pension Plan

<i>Fiscal Year</i>	<i>Annual Determined Contribution</i>	<i>Annual Contribution</i>	<i>% of ARC Contributed</i>
6/30/2019	\$ 394,118	\$ 456,882	115.9%
6/30/2018	498,819	541,547	108.6%
6/30/2017	547,767	507,570	92.7%
6/30/2016	655,614	661,629	100.9%
6/30/2015	559,327	666,957	119.2%
6/30/2014	643,297	700,325	108.9%
6/30/2013	650,407	683,842	105.1%

Firefighters Union Pension Plan

<i>Fiscal Year</i>	<i>Annual Determined Contribution</i>	<i>Annual Contribution</i>	<i>% of ARC Contributed</i>
6/30/2019	\$ 171,709	\$ 194,985	113.6%
6/30/2018	221,914	270,896	122.1%
6/30/2017	274,287	271,519	99.0%
6/30/2016	353,931	391,670	110.7%
6/30/2015	395,562	391,809	99.1%
6/30/2014	392,478	427,271	108.9%
6/30/2013	415,095	436,433	105.1%

The Town implemented GASB Statement No. 67 effective in Fiscal Year 2014. The following net pension liability of the Town Plan at June 30, 2019, determined by an actuarial valuation as of July 1, 2018 and based on actuarial assumptions as of that date, were as follows:

Town Pension Plan

Total Pension Liability at June 30, 2019....	\$	64,545,951
Plan Fiduciary Net Position.....		<u>64,482,295</u>
Net Pension (Asset) Liability.....	\$	63,656
Plan Fiduciary Net Position as % of		
Total Pension Liability.....		99.90%

Police Union Pension Plan

Total Pension Liability at June 30, 2019....	\$	20,328,000
Plan Fiduciary Net Position.....		<u>20,589,314</u>
Net Pension (Asset) Liability.....	\$	(261,314)
Plan Fiduciary Net Position as % of		
Total Pension Liability.....		101.29%

Firefighters Union Pension Plan

Total Pension Liability at June 30, 2019....	\$	33,287,703
Plan Fiduciary Net Position.....		<u>33,495,076</u>
Net Pension (Asset) Liability.....	\$	(207,373)
Plan Fiduciary Net Position as % of		
Total Pension Liability.....		100.62%

The following presents the net pension liability, calculated using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease	Current Discount	1% Increase
	(5.75)	(6.75)	(7.75)
Town's Pension Plan's Net Pension (Asset) Liability as of June 30, 2019	\$ 6,689,701	\$ 63,656	\$ (6,900,290)
Police Union Pension Plan's Net Pension (Asset) Liability as of June 30, 2019	\$ 2,023,321	\$ (261,314)	\$ (2,239,129)
Firefighters Pension Plan's Net Pension (Asset) Liability as of June 30, 2019	\$ 3,842,942	\$ (207,373)	\$ (3,578,583)

Connecticut State Teachers' Retirement System

All Town teachers participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut or has attained any age and has accumulated 35 years of credited service, at least 25 of which are service in the public schools of Connecticut. Certain part-time and all full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not and is not legally responsible to contribute to the plan. Prior to completing five years of service, teachers are fully vested in their contributions up to 5% of their earnings. After five years of service, teachers are fully vested in the monthly pension benefit which is payable at the age of sixty. The State of Connecticut contributes based on actuarially determined amounts. The funding level is determined based on actuarial information for the plan as a whole, which does not provide actuarial information on an individual Town basis. The financial statements of the plan are available from the Connecticut Office of the State Comptroller, 55 Elm Street, Hartford, CT 06106. The Town does not and is not legally responsible to contribute to the plan.

Elected officials participate in the Town of Ridgefield Elected Officials Pension Plan. Please refer to Appendix A "Basic Financial Statements" under section "Notes to Financial Statements – Note 4" herein for information on the Town's Pension Plans.

Other Post-Employment Benefits

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

A trust was officially approved by the Board of Selectmen on December 14, 2009. As in prior years, all expenses for postemployment benefits were paid out of the general fund.

As of June 30, 2019:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially Determined Employer Contribution (ADEC)....	\$ 2,289,193	\$ 1,979,000	\$ 1,921,000
Contributions in Relation to the ADEC.....	2,752,413	2,422,087	2,297,418
Contribution Deficiency (Excess).....	\$ (463,220)	\$ (443,087)	\$ (376,418)
Covered Employee Payroll.....	\$ 64,807,000	\$ 63,227,000	\$ 63,551,000
Contributions as a Percentage of			
Covered Employee Payroll.....	4.25%	3.83%	3.62%

The components of the net OPEB Liability of the Town at June 30, 2019 were as follows:

Total OPEB Liability.....	\$ 28,851,029
Plan Fiduciary Net Position.....	<u>5,303,397</u>
Town Net OPEB Liability.....	\$ 23,547,632
Plan Fiduciary Net Position	
as % of Total OPEB Liability.....	18.38%

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 or 1 percentage point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	(5.75)	(6.75)	(7.75)
Town Plan's Net OPEB Liability	\$ 26,569,039	\$ 23,547,632	\$ 20,970,363

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 or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Cost Trend Rate	1% Increase
	6.50%	7.50%	8.50%
Current Percent.....			
Decreasing to.....	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 20,277,070	\$ 23,547,632	\$ 27,430,928

Please refer to Appendix A “Basic Financial Statements” under section “Notes to Financial Statements – Note 4” herein for information on the Town’s Postemployment Healthcare Plan.

Investment Policies and Practices

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

The Town’s operating and working capital funds are invested under the responsibility and authority of the Town Treasurer. The Town’s investment practices are in compliance with its Charter and the Connecticut General Statutes.

The Town’s investment policies and investments related to the Town’s Retirement and Deferred Compensation Funds are available upon request to the Comptroller.

(Remainder of page left blank intentionally)

Comparative Balance Sheet - General Fund

Assets	2018-19	2017-18	2016-17	2015-16	2014-15
Cash and Cash Equivalents.....	\$ 13,440,809	\$ 11,337,583	\$ 21,317,602	\$ 19,909,399	\$ 18,099,006
Investments.....	8,174,113	3,047,931	308,258	305,284	59,504
Receivables, Net.....	2,687,815	3,474,061	3,155,856	3,948,751	4,440,030
Due From Other Funds.....	1,062,800	5,677,591	339,956	192,627	823,260
Other Assets.....	-	-	-	-	-
Total Assets	25,365,537	23,537,166	25,121,672	24,356,061	23,421,800
Liabilities:					
Accounts Payable	2,453,422	2,448,586	2,987,179	1,524,414	1,095,371
Accrued Payroll	1,313,398	1,107,705	850,786	1,151,000	713,602
Due to Other Funds	-	-	-	-	-
Unearned Revenue	895,262	731,609	911,807	772,832	726,160
Other	96,950	74,527	63,595	65,446	65,117
Total Liabilities	4,759,032	4,362,427	4,813,367	3,513,692	2,600,250
Deferred Inflows of Resources:					
Unavailable Revenue-Property Taxes ...	2,634,395	3,278,543	2,829,492	3,767,355	4,322,047
Total	2,634,395	3,278,543	2,829,492	3,767,355	4,322,047
Fund Balances:					
Nonspendable.....	-	-	-	-	-
Restricted.....	-	-	-	-	-
Committed.....	-	-	-	-	-
Assigned.....	2,621,456	1,843,299	2,998,670	3,000,480	3,228,924
Unassigned.....	15,350,654	14,052,897	14,480,143	14,074,534	13,270,579
Total Fund Balance	17,972,110	15,896,196	17,478,813	17,075,014	16,499,503
Total Liabilities, Fund Balances, and Deferred Inflows	\$ 25,365,537	\$ 23,537,166	\$ 25,121,672	\$ 24,356,061	\$ 23,421,800

¹ Estimated and subject to audit.

Source: Annual audited financial statements.

General Fund Revenues and Expenditures
Four Year Summary of Audited Revenues and Expenditures (GAAP Basis)
and Estimated Actual & Adopted Budget (Budgetary Basis)

Revenues:	Adopted Budget ¹ 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
Property Taxes	\$ 135,037,576	\$ 134,110,453	\$ 129,504,590	\$ 127,337,222	\$ 122,758,353
Intergovernmental	18,392,334	9,345,544	20,636,549	19,732,568	13,768,527
Charges For Services.....	8,353,173	8,295,971	8,537,208	8,750,551	8,806,620
Income on Investments.....	750,000	830,364	402,005	208,199	99,035
Contributions.....	-	-	-	-	-
Other	2,294,600	151,625	265,736	181,861	74,572
Total Revenues	164,827,683	152,733,957	159,346,088	156,210,401	145,507,107
Expenditures:					
General Government	12,375,824	11,919,804	12,097,774	11,476,278	11,293,120
Health and Welfare	495,895	472,990	461,710	449,397	441,636
Community Grants	36,250	325,943	245,878	248,935	231,294
Recreation	6,055,040	5,849,588	5,734,769	5,740,133	5,630,366
Public Safety	10,256,611	10,157,976	9,655,517	9,433,266	9,048,215
Public Works	7,040,681	6,841,243	7,011,243	6,380,446	7,091,693
Education	115,193,760	100,848,230	111,106,811	106,929,345	96,082,052
Library	2,058,506	2,008,299	1,927,591	1,910,455	1,833,818
Debt Service	11,315,116	11,056,238	11,547,647	11,635,749	11,896,107
Total Expenditures	164,827,683	149,480,311	159,788,940	154,204,004	143,548,301
Revenues over (under) expenditures	-	3,253,646	(442,852)	2,006,397	1,958,806
Other Financing Sources Uses:					
Operating Transfers In	-	49,583	110,055	55,439	55,443
Operating Transfers (Out)	-	(1,227,315)	(1,249,820)	(1,658,037)	(1,438,738)
Total other Financing Sources (uses) ...	-	(1,177,732)	(1,139,765)	(1,602,598)	(1,383,295)
Revenues and other financing sources over (under) expenditures and other financing (uses)	\$ -	\$ 2,075,914	\$ (1,582,617)	\$ 403,799	\$ 575,511
Fund Balance, July 1.....	17,972,110	15,896,196	17,478,813	17,075,014	16,499,503
Fund Balance, June 30.....	\$ 17,972,110	\$ 17,972,110	\$ 15,896,196	\$ 17,478,813	\$ 17,075,014

¹ Budgetary basis and subject to audit.

Source: Annual audited financial statements and Finance Department.

Analysis of General Fund Equity

Fund Balances:	Adopted Budget 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
Nonspendable.....	N/A	\$ -	\$ -	\$ -	\$ -
Restricted.....	N/A	-	-	-	-
Committed.....	N/A	-	-	-	-
Assigned.....	N/A	2,621,456	1,843,299	2,998,670	3,000,480
Unassigned.....	N/A	15,350,654	14,052,897	14,480,143	14,074,534
Total Fund Balance	\$ -	\$ 17,972,110	\$ 15,896,196	\$ 17,478,813	\$ 17,075,014

¹ Budgetary basis and subject to audit.

Source: Annual audited financial statements and Finance Department.

Municipal General Budget Expenditures Cap

Connecticut General Statutes Section 4-661, as amended (“Section 4-661”), creates certain disincentives on increasing adopted budget expenditures for municipalities in Connecticut. Beginning in fiscal year 2018, the Office of Policy and Management (“OPM”) must reduce the amount of the municipal revenue sharing grant for those municipalities whose increase in its adopted budget expenditures, with certain exceptions, exceeds the previous fiscal year by 2.5% or more or the rate of inflation, whichever is greater (the “expenditure cap”). The reduction to the municipal revenue sharing grant will generally equal 50 cents for every dollar by which the municipality’s adopted budget exceeds the expenditure cap. A municipality whose population increased from the previous fiscal year, as determined by OPM, may increase its adopted budget expenditures over the expenditure cap by an amount proportionate to its population growth. Section 4-661 requires each municipality to annually certify to the Secretary of OPM whether the municipality has exceeded the expenditure cap, and if so, the amount by which the expenditure cap was exceeded.

Under Section 4-661, municipal spending does not include expenditures: (i) for debt service, special education, or costs to implement court orders or arbitration awards; (ii) associated with a major disaster or emergency declaration by the President or disaster emergency declaration issued by the Governor under the civil preparedness law; (iii) for any municipal revenue sharing grant the municipality disburses to a district; or (iv) budgeting for an audited deficit, non-recurring grants, capital expenditures or payments on unfunded pension liabilities.

(Remainder of page left blank intentionally)

VII. Legal and Other Information

Litigation

The Town, its officers, employees, boards and commissions are defendants in various lawsuits. Following consultation with the Town Attorney, Town officials are of the opinion that pending litigation, when and if finally determined, will not result individually or in the aggregate in a final judgment against the Town which would have a materially adverse affect upon its financial position.

Transcript and Closing Documents

The winning bidders will be furnished the following documents when the Bonds are delivered:

1. A signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the levy or collection of taxes to pay them.

2. A certificate on behalf of the Town, signed by the First Selectman and Town Treasurer, 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, at the time bids were accepted on the Bonds the description 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 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, 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. A receipt for the purchase price of the Bonds.

4. Approving Opinions of Robinson & Cole LLP, Bond Counsel, in substantially the forms attached hereto as Appendices B-1 and B-2.

5. Executed Continuing Disclosure Agreements for the Bonds in substantially the forms attached hereto as Appendix C-1 and C-2 to this Official Statement.

The Town of Ridgefield has prepared an Official Statement for the Bonds, which is dated May 5, 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 purchaser of each series of Bonds a reasonable number of copies of the Official Statement at the Town's expense. The copies of the Official Statement will be made available to the winning purchaser within seven business days of the bid opening. If the Town's Municipal Advisor, Phoenix Advisors, LLC, 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 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, and any changes on the Bonds. 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.

A transcript of the proceedings taken by the Town with respect to the Bonds will be kept on file at the offices of U.S. Bank National Association and will be available for examination upon reasonable notice.

Concluding Statement

This Official Statement is not to be construed as a contract or agreement between the Town and the winning purchaser or holders of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representation of fact, and no representation is made that any of 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. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provision of law is subject to repeal or amendment.

Information herein has been derived by the Town from official and other sources and is believed by the Town to be reliable, but such information other than that obtained from official records of the Town has not been independently confirmed or verified by the Town and its accuracy is not guaranteed.

This Official Statement has been duly prepared and delivered by the Town, and executed for and on behalf of the Town by the following officials:

TOWN OF RIDGEFIELD, CONNECTICUT

By: */s/ Rudolph P. Marconi*

Rudolph P. Marconi, *First Selectman*

By: */s/ Molly McGeehin*

Molly McGeehin, *Town Treasurer*

Dated: May 5, 2020

(This page intentionally left blank)

Appendix A

2019 General Purpose Financial Statements (Excerpted from the Town's Comprehensive Annual Financial Report)

The following includes the General Purpose Financial Statements of the Town of Ridgefield, Connecticut for the fiscal year ended June 30, 2019. The supplemental data and letter of transmittal, which were a part of that report, have not been reproduced herein. A copy of the complete report is available upon request from Matthew Spoerndle, Senior Managing Director, Phoenix Advisors, LLC, 53 River Street, Suite #1, Milford, Connecticut. Telephone (203) 878-4945.

(This page intentionally left blank)

Independent Auditors' Report

To the Board of Finance
Town of Ridgefield, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of Ridgefield, Connecticut, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Ridgefield, 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 discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of Ridgefield, 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.

Prior Period Adjustment

As discussed in Note 7 to the financial statements, during the fiscal year ended June 30, 2019, the Town of Ridgefield, Connecticut, recorded a restatement to remove certain activity from its financial statements. The net position of the Town of Ridgefield, Connecticut, has been restated to reflect this adjustment. Our opinion is not modified with respect to this matter.

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, which 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 Ridgefield, 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 17, 2019 on our consideration of the Town of Ridgefield, 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 Ridgefield, 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 Ridgefield, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 17, 2019

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2019

Introduction

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

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

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

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

Overview of the Financial Statements

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

Basic Financial Statements

Government-Wide Financial Statements are designed to provide readers with a broad overview of Ridgefield’s finances in a manner similar to private-sector businesses. They include a *statement of net position* which 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 government’s net position changed during the most recent fiscal year.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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*. The government-wide financial statements include not only the Town itself (known as the *primary government*), but also the legally separate Ridgefield Library and Historical Association, Inc. for which the Town is financially accountable. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself.

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

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

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

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

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

The Town maintains nineteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the capital nonrecurring fund, the bonded projects fund, and the sewer bond repayment fund, all of which are considered to be major funds. Data from the other twelve special revenue governmental funds, two internal service funds, and one permanent fund are combined into single, aggregated presentations. Information for the permanent Ballard Park fund is presented separately. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Town of Ridgefield adopts an annual appropriated budget for its general fund.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

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

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

Notes to Basic Financial Statements

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

Required Supplementary Information (RSI)

General Fund

(RSI-1) - Schedule of Revenues and Other Financing Sources - Budget and Actual

(RSI-2) - Schedule of Expenditures and Other Financing Uses - Budget and Actual

Pension Funds

(RSI-3a) - Schedule of Changes in Net Pension (Asset) Liability and Related Ratios - Town Pension Plan

(RSI-3b) - Schedule of Changes in Net Pension (Asset) Liability and Related Ratios - Firefighters Union Pension Plan

(RSI-3c) - Schedule of Changes in Net Pension (Asset) Liability and Related Ratios - Police Union Pension Plan

(RSI-4a) - Schedule of Employer Contributions - Town Pension Plan

(RSI-4b) - Schedule of Employer Contributions - Firefighters Union Pension Plan

(RSI-4c) - Schedule of Employer Contributions - Police Union Pension Plan

(RSI-5) - Schedule of Investment Returns - Defined Benefit Pension Plans

(RSI-6) - Schedule of the Town's Proportionate Share of the Net Pension Liability - Teachers' Retirement Plan

OPEB Fund

(RSI-7) - Schedule of Changes in Net OPEB Liability and Related Ratios - Retiree Health Plan

(RSI-8) - Schedule of Employer Contributions - Retiree Health Plan

(RSI-9) - Schedule of Investment Returns - Retiree Health Plan

(RSI-10) - Schedule of the Town's Proportionate Share of the Net Pension Liability - Teachers' Retirement OPEB Plan

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

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Financial Highlights

- ❖ The assets of the Town of Ridgefield primary government exceeded its liabilities at the close of the most recent year by \$133,004,354 (net position). Of this amount, \$9,796,922 (*unrestricted*) may be used to meet the government's ongoing obligations to citizens and creditors.
- ❖ The government's total net position grew by \$7,497,221. This result was generated by the following components: a \$11,321,915 increase in total government fund balances (Exhibit IV); an excess of capital outlays (\$5,594,177) over depreciation and other charges (\$4,948,121); and a net \$1,139,209 increase in various pension related changes. Offsetting these increases was a \$2,067,444 drop in various tax revenues, declines in pension assets, and deferred outflows related to pensions. Additional reductions in net position were incurred through various debt transactions for a net decline of \$3,553,229.
- ❖ As of the close of the current fiscal year, the Town's governmental funds reported combining ending fund balances of \$28,306,143, an increase of \$11,321,915 in comparison with the prior year. Of this amount, \$12,699,045 is available for spending at the government's discretion (unassigned fund balance).
- ❖ At the end of the current fiscal year, unassigned fund balance for the general fund was \$15,350,654, or 10.05% of total general fund revenues of \$152,733,957. Total general fund balance of \$17,972,110 represented 11.77% of total general fund revenues.
- ❖ Ridgefield issued \$12,355,000 of new bonds FY 2019 and retired \$8,985,000 of bond principal resulting in total outstanding bonded debt of \$63,740,000. We continued to reduce our 2% drinking water notes from \$342,071 to \$316,878. Leases are considered long-term liabilities and are treated as such on the balance sheet. During the year, the Town signed \$384,800 of new leases while paying off \$537,867 for an ending outstanding lease balance of \$452,387.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Most of Ridgefield's net position (92.61%) reflect its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Table 1. Net Position

	Total Primary Government 2019	Total Primary Government 2018
Current and other assets	\$ 37,948,336	\$ 28,244,394
Capital assets	190,445,705	189,799,649
Total Assets	<u>228,394,041</u>	<u>218,044,043</u>
Deferred outflows of resources	<u>5,301,434</u>	<u>5,812,199</u>
Long-term liabilities	93,744,720	91,312,923
Other liabilities	6,589,680	6,292,270
Total Liabilities	<u>100,334,400</u>	<u>97,605,193</u>
Deferred inflows of resources	<u>356,721</u>	<u>743,916</u>
Net position:		
Net investment in capital assets	123,176,825	125,424,662
Restricted	30,607	29,729
Unrestricted	<u>9,796,922</u>	<u>52,742</u>
Total Net Position	<u>\$ 133,004,354</u>	<u>\$ 125,507,133</u>

The restated net position for June 30, 2019 rose by \$7,479,221 based on a number of factors earlier discussed above.

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, and changes in projected investment earnings. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to either 10 or 20 years depending on the source of the change in the pension liability. The balance of *unrestricted net position*, \$9,796,922, be used to meet the Town's ongoing obligations to citizens and creditors.

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 a deferred inflow of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience and changes in assumptions. These amounts are deferred and included in pension and OPEB expense in a

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

systematic and rational manner over a period equal to either 10 or 20 years depending on the source of the change in the pension liability. 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 several sources: property taxes, special assessments and other receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

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

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

Table 2. Changes in Net Position

	Total Primary Government 2019	Total Primary Government 2018
Revenues:		
Program revenues:		
Charges for services	\$ 13,609,185	\$ 13,105,364
Operating grants and contributions	10,701,871	22,505,905
Capital grants and contributions	150,000	-
General revenues:		
Property taxes	133,376,024	130,037,187
Grants and contributions not restricted to specific purpose	705,511	727,398
Unrestricted investment earnings	837,020	408,126
Miscellaneous	192,670	295,280
Total Revenues	<u>159,572,281</u>	<u>167,079,260</u>
Program Expenses:		
General government	5,773,587	4,804,892
Health and welfare	793,340	797,317
Recreation	7,195,875	8,031,708
Public safety	14,666,864	14,745,772
Public works	12,060,982	12,284,634
Education	107,895,231	117,987,904
Library	2,008,299	1,927,591
Interest	1,680,882	1,699,877
Total Program Expenses	<u>152,075,060</u>	<u>162,279,695</u>
Change in net position	7,497,221	4,799,565
Net Position - July 1	<u>125,507,133</u>	120,769,835
Restatement		<u>(62,267)</u>
Net Position - June 30	<u>\$ 133,004,354</u>	<u>\$ 125,507,133</u>

Governmental activities brought in net general revenues of \$135,111,225 which exceeded its net operating expenses of \$127,614,004 by the amount of the \$7,497,221 net asset increase. Gross expenses of \$152,075,060 were offset by \$13,609,185 in charges for services, \$10,701,871 in operating grants, and \$150,000 of capital grants and contributions. Of the net expenses, \$94,856,068 was accounted for

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

by the Board of Education. Public safety net expenses of \$13,336,001, public works net expenditures of \$8,502,501, general government net expenses of \$4,038,976, and interest expense of \$1,680,882 constituted the majority of the Town’s net expenses. The majority of the Town’s revenues, aside from grants and service charges detailed above, was \$133,376,024 in property tax collections. Other revenue sources were \$705,511 in unrestricted grants and contributions, \$837,020 in investment income, and \$192,670 of miscellaneous revenue.

Property tax collections rose \$3,338,837, or 2.57%, between fiscal year 2018 and 2019. The collection rate was at 99.40%, up 0.18% from last year. Operating grants and contributions decreased by \$11,804,034 because the State of Connecticut revised its assumptions regarding its on-behalf-of contribution to the State Teachers’ Retirement Board OPEB plan. Offsetting this decrease was a \$10,092,673 drop in education expenditures arising from the same change in assumptions.

Overall, gross program expenses fell by \$10,204,635 (6.29%). Education decreased \$10,092,673 (8.55%) and recreation was \$835,833 less than last year at \$7,195,875. General government expended \$968,695 more than last year somewhat offsetting the overall decline in expenditures.

Chart 1 presents the costs of educational services and the four most costly government services as well as each group’s net cost (total cost less revenues and grants generated by the activities).

The Net Cost shows the financial burden that was placed on the Town’s taxpayers by each of these functions.

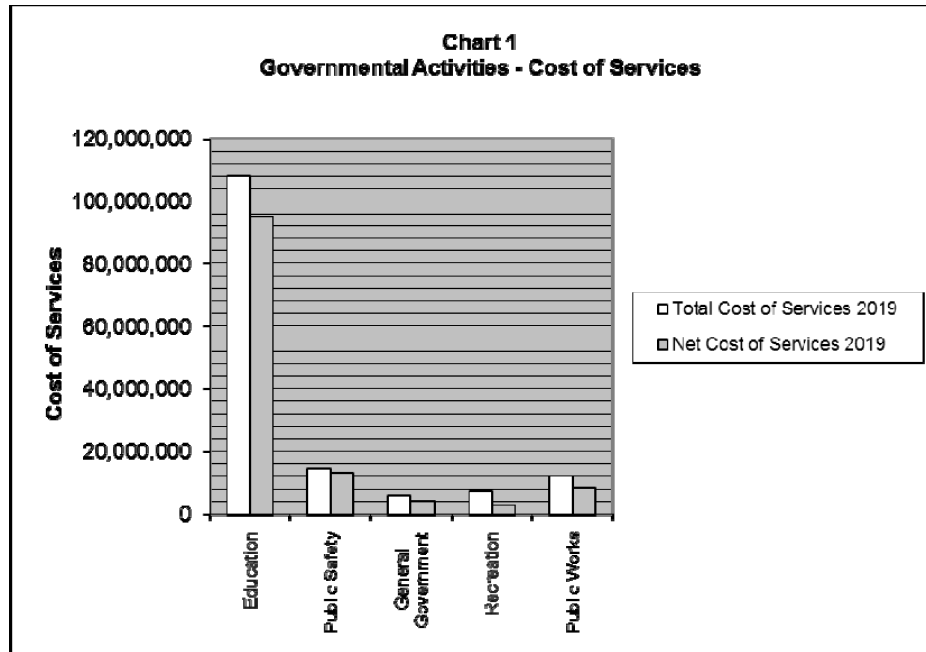
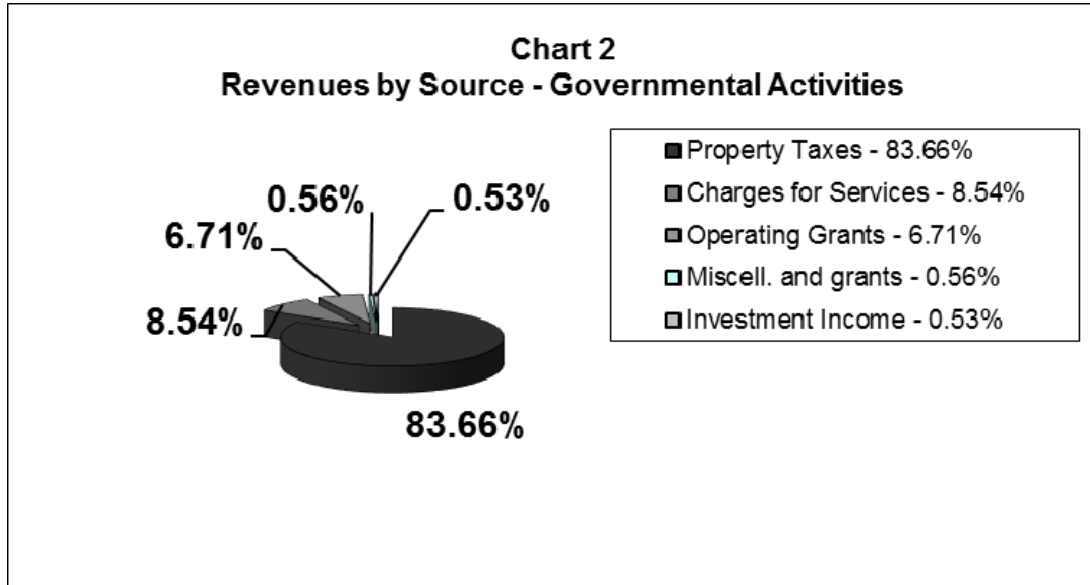


Chart 2 presents in five categories the most significant sources of revenues Ridgefield drew upon to fund its operations during the year and the percentage of total revenues represented by each.



Financial Analysis of the Government's Funds

As noted earlier, Ridgefield uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The Town of Ridgefield’s governmental activities financial position improved over last year with an increase in net position of \$7,497,221.

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 government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town’s governmental funds reported combined ending fund balances of \$28,306,143, an increase of \$11,321,915 from the prior year’s \$16,984,228 (as restated). At June 30, 2019, \$12,699,045 of the governmental funds fund balance constitutes *unassigned fund balance* that is available for spending at the government’s discretion. Included in the combined fund balances of *restricted and committed* are \$12,985,642 of balances with nonspendable balances of \$67,747, restricted balances of \$1,537,793, and committed balances in the amount of \$11,380,102 (includes \$2,142,667 for sewer bond repayment and sewer operations and \$6,039,218 for bonded projects). Assigned fund balances amount to \$2,621,456 of which \$1,675,000 has been allocated to next year’s budget \$946,456 for education encumbrances. Unassigned fund balance closed out at \$12,699,045 after accounting for a capital and nonrecurring fund balance deficit of \$2,609,996. Further detail on the allocation of these different categories may be found in Note 3.F. Fund Balance of the Notes to the Financial Statements herein.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, the total general fund balance amounted to \$17,972,110 with the unassigned general fund balance at \$15,350,654. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned general fund balance and total general fund balance to total general fund revenues. Unassigned general fund balance of \$15,350,654 is 10.05% of general fund revenues of \$152,733,957 and total general fund balance of \$17,972,110 is 11.77% of general fund revenues.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The Town of Ridgefield's governmental funds fund balance increased by \$11,321,915 during the current fiscal year. Key factors in this increase are as follows:

- The General Fund realized revenues of \$152,733,957 and expenditures of \$149,480,311 for a positive operating result of \$3,253,646. Transfers out of \$1,227,315 to other funds and transfers in of \$49,583 generated a net other financing use of \$1,177,732. The net change in fund balance for the general fund was an increase of \$2,075,914 to \$17,972,110.
- The capital nonrecurring fund reflects revenues of \$183,925, primarily in the form of grants in the amount of \$150,000 and capital outlays of \$2,250,886 resulting in a net excess of expenditures over revenues of \$2,066,961. The inclusion of \$384,800 of capital lease proceeds and transfers out of \$19,583 produced a net other financing source of \$365,217. When combined with the operating deficit of \$2,066,961, this fund realized a net drop in fund balance of \$1,701,744 for an ending deficit fund balance of \$2,609,996. We use this fund to account for our various non-bonded capital projects and funds flows will often result in negative balances until future revenues and fund transfers may be applied.
- The bonded projects fund accounts for our debt transactions and capital outlays not paid for from the operating budget. This fund generated no revenue in FY 2019. We recorded \$2,483,429 of capital outlay and debt service of \$196,203 for capital projects for negative operating results of \$2,679,632. We posted the proceeds of a \$12,355,000 bond issue covering a number of general purpose and school projects along with a bond premium of \$361,489. When applied to the prior year deficit fund balance of \$3,997,639, this fund ended the year with a positive fund balance of \$6,039,218. Fund balance fluctuations are expected due to the timing of bond issuances which serve to replenish negative fund balances.
- The sewer bond repayment fund realized \$150,271 in service charges and experienced no direct disbursements. There were no expenditures nor transfers in or out, so the prior year's fund balance of \$1,992,396 improved to a closing fund balance of \$2,142,667.
- Other nonmajor governmental funds collectively realized total revenues of \$7,238,326 and total expenditures of \$7,610,024, the bulk of which was \$2,280,787 for public works and \$4,869,295 for education, generating a combined operating shortfall of \$371,698. Coupled with a net other financing sources and uses transfers in of \$1,162,315 and \$30,000 transfers out, the nonmajor governmental funds fund balance increased a total of \$760,617 to \$4,762,144. For additional detail on the nonmajor governmental funds, see Exhibits B-1 and B-2 on pages 86 - 89 of this report.

General Fund Budgetary Highlights

During the year, there were \$50,000 of additional funds provided for the police department, increasing the original revenue budget of \$144,360,368 to \$144,410,368. The police item represented police private duty revenue more than contemplated. Total actual revenues of \$144,805,357 exceeded budgeted revenues of \$142,780,368 by \$2,024,989. Budgeted fund balance of \$1,600,000 was not used resulting in a net positive revenue variance of \$424,989.

On the expenditure side, general government expenditures were also increased by a net \$50,000 with a number of other lesser line item adjustments. Of note, general government reduced insurance and benefits by \$390,000. Operationally, total general fund expenditures generated a positive budget variance of \$844,306 with meaningful savings in most line items.

There were multiple internal transfers within the education budget that resulted in no net change to its original \$95,000,000 budget but operations did generate a \$50,535 positive variance. (See RSI-1 and RSI-2 on pages 70 – 72 of this report for more detail).

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Capital Asset and Debt Administration

Capital Assets. The Town of Ridgefield’s investment in capital assets for its governmental assets includes land, buildings, and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges. Note 3.C. of Notes to the Financial Statements for June 30, 2019 details our capital asset additions of \$4,431,095, adjustments of \$685,601, and deletions of \$490,944 (before depreciation) of \$465,452 that result in a capital asset balance of \$286,193,773 (before depreciation of \$95,748,068).

The total net increase in the Town’s investment in capital assets for the current fiscal year’s net assets was a net of \$646,056, a .36% increase for governmental activities.

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

- Construction in Progress - \$1,641,766:
 - ❖ Waste water treatment plant upgrade
- Land Improvements - \$449,781
 - ❖ Exterior improvements to Town Hall - \$189,960
 - ❖ Improvements to Old Quarry Road properties (former Schlumberger site) - \$226,303
- Building improvements - \$1,542,329:
 - ❖ Pool resurfacing recreation center - \$98,278
 - ❖ Venus building renovations and reconfiguration - \$382,671
 - ❖ Locker room renovations recreation center - \$505,122
 - ❖ School upgrades - \$313,021
- Machinery, Vehicles, and Equipment - \$797,219:
 - ❖ Board of Ed equipment - \$91,940
 - ❖ Town equipment – Kubota tractor, mowers, Recreation Center wellness equipment, golf aerator, IT servers, Mack truck, PD cruisers, Dodge trucks – \$705,279
- Adjustments – Land Improvements - \$459,298
 - ❖ To adjust prior periods
- Adjustments – Machinery and Equipment - \$226,303
 - ❖ To adjust prior periods

Our dispositions amounted to \$490,944 of machinery and equipment that was either obsolete or fully depreciated.

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

	Total Primary Government	
	2019	2018
Land	\$ 29,612,176	\$ 29,612,176
Land improvements	2,363,101	5,132,267
Buildings	115,372,769	1,502,418
Machinery and equipment	8,307,112	116,280,740
Infrastructure	28,016,514	8,726,222
Construction in progress	6,774,033	28,545,826
Total	\$ 190,445,705	\$ 189,799,649

Additional information on the Town of Ridgefield’s capital assets can be found in Note 3.C., Capital Assets, in the Notes to Financial Statements, June 30, 2019 of this report.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Long-term and Short-term Debt. At the end of the current fiscal year, the Town of Ridgefield had outstanding \$63,740,000 of long-term bonded debt, 56.16% of which will be retired in five years. We also had outstanding \$316,878 of long-term water notes at 2%. We retired \$8,985,000 of bond principal through principal payments and \$25,193 of maturing long-term note principal. All our debt is a general obligation of the Town for which we pledge our full faith and credit for the payment of principal of and interest on our obligations.

Table 4. Long-Term Debt

	Total Primary Government	
	2019	2018
General obligation bonds	\$ 63,740,000	\$ 60,370,000
Notes payable	316,878	342,071
Total	\$ 64,056,878	\$ 60,712,071

The Town of Ridgefield maintains an "Aaa" rating from Moody's Investors Service, Inc., an "AAA" rating from Standard & Poor's, and an "AAA" from FitchRatings for general obligation debt.

Connecticut General Statutes Section 7-374(b) limits the amount of general obligation debt a governmental entity may issue to 7 times its tax collections plus interest and lien fees as of June 30, 2018.

For June 30, 2019, the maximum amount of borrowing permitted under the formula would be \$905,464,455. With net borrowings for debt limit purposes of \$63,264,047, the Town of Ridgefield's outstanding general obligation debt is \$842,200,408 below the maximum debt limitation (see Note 3.E. Long-term Debt in Notes to Financial Statements and Table 10, June 30, 2019 of this report).

The Town of Ridgefield has \$152,157 of debt authorized but unissued which may be funded as Town needs require.

The Town of Ridgefield has no overlapping debt.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for the Town of Ridgefield at June 30, 2019 was 3.4%, 0.5% lower than the 3.9% unemployment rate one year ago. This compares favorably to the state's average unemployment rate of 3.9% and the national average rate of 3.8% for the same period (not seasonally adjusted).
- Inflationary trends in the region compare favorably to the national indices.

The FY 2019 – 2020 budget rose \$3,467,315, or 2.40% over last year, to \$147,827,683. Town and infrastructure operations decreased by 0.01% while school operations increased by 3.36%. The current year (FY 2020) property tax levy was up \$2,415,759 to \$135,037,576 or 1.82% above FY 2019's budget of \$132,621,817. Intergovernmental revenues were budgeted at \$1,392,334 reflecting the \$569,377 reinstatement of the Education Cost Sharing grant. With interest rates expected to rise and the proceeds of a new bond issue, we budgeted a 172.73% increase in estimated investment income to \$750,000 up from \$275,000. The expected use of fund balance was \$1,675,000 from last year's \$1,600,000 (which was not used).

While there were other modest increases and decreases in various revenue sources, in order to minimize the mill rate impact on the taxpayer as much as possible, we budgeted a drawdown of general fund balance by \$1,675,000 to complete balancing the budget as required by state law. We expected our ending general fund balance for FY 2019 to be \$17,972,110 comprising \$946,458 assigned for education, \$1,675,000 assigned for this budget, and \$15,350,654 unassigned which places it in the vicinity of 11.77% of general fund revenues of \$152,733,957, a comparable ratio for Fairfield County Aaa credits. To fund the new budget, the fiscal year 2020 mill rate rose to 28.12 mills from 27.78.

MANAGEMENT DISCUSSION AND ANALYSIS (COMPLETED)

On the expenditure side, Town operations were budgeted at \$36,478,807 (before capital outlays, board of education, and debt service), a \$4,907 or 0.01% decrease from the prior year. School operations increased \$3,193,760 to \$98,193,760,000, a 3.36% rise over last fiscal year. Debt service rose \$278,462, or (2.52%) to \$11,315,116 as we continued to amortize our outstanding bond and note issues. Capital project expenditures for road paving and drainage were again budgeted at \$1,840,000, the same as the previous year, in the operating budget as opposed to the capital budget.

All of these factors contributed to Ridgefield's budget for the 2020 fiscal year.

Requests for Information

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

(This page intentionally left blank)



Basic Financial Statements

**TOWN OF RIDGEFIELD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2019**

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Ridgefield Library</u>
Assets:		
Cash and cash equivalents	\$ 25,717,023	\$ 324,982
Investments	8,205,840	4,067,213
Restricted investments		1,802,635
Receivables, net	3,419,412	28,005
Net pension asset	468,687	
Other assets	42,747	102,819
Due from fiduciary funds	94,627	
Capital assets:		
Assets not being depreciated	36,386,209	246,441
Assets being depreciated, net	154,059,496	17,952,425
Total assets	<u>228,394,041</u>	<u>24,524,520</u>
Deferred Outflows of Resources:		
Deferred charge on refunding	1,639,283	
Deferred outflows related to pensions	1,326,479	
Deferred outflows related to OPEB	2,335,672	
Total deferred outflows of resources	<u>5,301,434</u>	<u>-</u>
Liabilities:		
Accounts payable and accrued items	4,440,658	210,379
Interest payable	1,016,556	
Unearned revenue	1,035,512	
Other liabilities	96,954	
Noncurrent liabilities:		
Due within one year	11,130,150	
Due in more than one year	82,614,570	1,793,000
Total liabilities	<u>100,334,400</u>	<u>2,003,379</u>
Deferred Inflows of Resources:		
Deferred inflows related to pensions	170,554	
Deferred inflows related to OPEB	186,167	
Total deferred inflows of resources	<u>356,721</u>	<u>-</u>
Net Position:		
Net investment in capital assets	123,176,825	18,198,866
Restricted for:		
Endowments		1,897,433
Perpetual trust held by third party		123,379
Permanent Fund:		
Expendable	30,607	
Unrestricted	9,796,922	2,301,463
Total Net Position	<u>\$ 133,004,354</u>	<u>\$ 22,521,141</u>

The accompanying notes are an integral part of the financial statements

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

Functions/Program Activities	Program Revenues			Net Revenues (Expenses) and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Component Unit
Primary Government:						
Governmental Activities:						
General government	\$ 5,773,587	\$ 1,710,345	\$ 24,266	\$	\$ (4,038,976)	\$
Health and welfare	793,340	83,031	192,999		(517,310)	
Recreation	7,195,875	4,484,406	37,502		(2,673,967)	
Public safety	14,666,864	1,252,541	78,322		(13,336,001)	
Public works	12,060,982	3,029,056	379,425	150,000	(8,502,501)	
Education	107,895,231	3,049,806	9,989,357		(94,856,068)	
Library	2,008,299				(2,008,299)	
Interest on long-term debt	1,680,882				(1,680,882)	
Total Primary Government	\$ 152,075,060	\$ 13,609,185	\$ 10,701,871	\$ 150,000	(127,614,004)	
Component Unit:						
Ridgefield Library Association, Inc.	\$ 3,652,876	\$ 49,815	\$ 2,939,739	\$ 248,847		(414,475)
General Revenues:						
Property taxes					133,376,024	
Grants and contributions not restricted to specific programs					705,511	
Investment income					837,020	282,640
Miscellaneous					192,670	33,989
Total General Revenues					135,111,225	316,629
Change in Net Position					7,497,221	(97,846)
Net Position at Beginning of Year, as Restated					125,507,133	22,618,987
Net Position at End of Year					\$ 133,004,354	\$ 22,521,141

The accompanying notes are an integral part of the financial statements

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

	General	Capital Nonrecurring	Bonded Projects	Sewer Bond Repayment	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 13,440,809	\$	\$ 3,043,247	\$ 2,842,667	\$ 6,131,915	\$ 25,458,638
Investments	8,174,113				31,727	8,205,840
Receivables, net	2,687,815	117,861		320,977	104,328	3,230,981
Due from other funds	1,062,800	815,000	3,400,050			5,277,850
Other assets					42,747	42,747
Total Assets	\$ 25,365,537	\$ 932,861	\$ 6,443,297	\$ 3,163,644	\$ 6,310,717	\$ 42,216,056
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 2,453,422	\$ 24,946	\$ 404,079	\$	\$ 234,847	\$ 3,117,294
Accrued payroll	1,313,398					1,313,398
Due to other funds		3,400,050		700,000	1,083,173	5,183,223
Unearned revenue	895,262				140,250	1,035,512
Other	96,950					96,950
Total liabilities	4,759,032	3,424,996	404,079	700,000	1,458,270	10,746,377
Deferred inflows of resources:						
Unavailable revenue - property taxes	2,634,395	117,861		320,977		2,634,395
Unavailable revenue - special assessments					90,303	438,838
Unavailable revenue - other receivables					90,303	90,303
Total deferred inflows of resources	2,634,395	117,861	-	320,977	90,303	3,163,536
Fund balances:						
Nonspendable					67,747	67,747
Restricted			6,039,218	2,142,667	1,537,793	1,537,793
Committed					3,198,217	11,380,102
Assigned	2,621,456				(41,613)	2,621,456
Unassigned	15,350,654	(2,609,996)		2,142,667		12,699,045
Total fund balances	17,972,110	(2,609,996)	6,039,218	2,142,667	4,762,144	28,306,143
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 25,365,537	\$ 932,861	\$ 6,443,297	\$ 3,163,644	\$ 6,310,717	\$ 42,216,056

(Continued on next page)

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

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)	\$ 28,306,143
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	\$ 286,193,773
Less accumulated depreciation	<u>(95,748,068)</u> 190,445,705
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:	
Property tax, sewer use and sewer assessment interest and lien accrual	244,387
Property tax, sewer use, sewer assessment and loan receivable - accrual basis change	3,163,536
Interest and lien allowance for doubtful accounts	(55,956)
Net pension asset	468,687
Deferred outflows related to pensions	1,326,479
Deferred outflows related to OPEB	2,335,672
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.	
	248,419
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds payable	(63,740,000)
Notes payable	(316,878)
Bond premium	(4,398,898)
Deferred charge on refunding	1,639,283
Net OPEB liability	(23,547,632)
Net pension liability	(63,656)
Deferred inflows related to pensions	(170,554)
Deferred inflows related to OPEB	(186,167)
Interest payable on bonds	(1,016,560)
Compensated absences	(1,225,269)
Lease obligations	<u>(452,387)</u>
Net Position of Governmental Activities (Exhibit I)	<u>\$ 133,004,354</u>

The accompanying notes are an integral part of the financial statements

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

	General	Capital Nonrecurring	Bonded Projects	Sewer Bond Repayment	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 134,110,453	\$ -	\$ -	\$ -	\$ -	\$ 134,110,453
Intergovernmental	9,345,544	150,000	-	-	1,786,616	11,282,160
Charges for services	8,295,971	-	-	150,271	5,168,615	13,614,857
Contributions	-	-	-	-	269,394	269,394
Income from investments	830,364	5,768	-	-	888	837,020
Other	151,625	28,157	-	-	12,813	192,595
Total revenues	<u>152,733,957</u>	<u>183,925</u>	<u>-</u>	<u>150,271</u>	<u>7,238,326</u>	<u>160,306,479</u>
Expenditures:						
Current:						
General government	11,919,804	-	-	-	139,902	12,059,706
Health and welfare	472,990	-	-	-	206,302	679,292
Community grants	325,943	-	-	-	-	325,943
Recreation	5,849,588	-	-	-	66,934	5,916,522
Public safety	10,157,976	-	-	-	46,804	10,204,780
Public works	6,841,243	-	-	-	2,280,787	9,122,030
Education	100,848,230	-	-	-	4,869,295	105,717,525
Library	2,008,299	-	-	-	-	2,008,299
Debt service	11,056,238	2,250,886	196,203	-	-	11,252,441
Capital outlay	149,480,311	2,250,886	2,483,429	-	-	162,020,853
Total expenditures	<u>3,253,646</u>	<u>(2,066,961)</u>	<u>(2,679,632)</u>	<u>150,271</u>	<u>(371,698)</u>	<u>(1,714,374)</u>
Excess (Deficiency) of Revenues over Expenditures						
Other Financing Sources (Uses):						
Issuance of capital lease	384,800	-	-	-	-	384,800
Bond issuance	-	12,355,000	-	-	-	12,355,000
Bond premium	-	361,489	-	-	-	361,489
Transfers in	49,583	-	-	-	1,162,315	1,211,898
Transfers out	(1,227,315)	(19,583)	-	-	(30,000)	(1,276,898)
Net other financing sources (uses)	<u>(1,177,732)</u>	<u>365,217</u>	<u>12,716,489</u>	<u>-</u>	<u>1,132,315</u>	<u>13,036,289</u>
Net Change in Fund Balances	2,075,914	(1,701,744)	10,036,857	150,271	760,617	11,321,915
Fund Balances at Beginning of Year, as Restated	15,896,196	(908,252)	(3,997,639)	1,992,396	4,001,527	16,984,228
Fund Balances at End of Year	<u>\$ 17,972,110</u>	<u>\$ (2,609,996)</u>	<u>\$ 6,039,218</u>	<u>\$ 2,142,667</u>	<u>\$ 4,762,144</u>	<u>\$ 28,306,143</u>

(Continued on next page)

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

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) \$ 11,321,915

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

Capital outlay	5,594,177
Less current year depreciation	(4,922,649)
Loss on disposition of capital assets	(25,472)

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

Decrease in property tax, sewer use, sewer assessment and loan receivable - accrual basis change	(657,003)
Decrease in property tax, sewer use and sewer assessment interest and lien revenue	(89,312)
Decrease in property tax and sewer use allowance for doubtful accounts	11,819
Change in net pension asset	(1,093,803)
Change in deferred outflows related to pensions	(657,919)
Change in deferred outflows related to OPEB	418,774

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net 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. The details of these differences in the treatment of long-term debt and related items are as follows:

Issuance of general obligation bonds	(12,355,000)
Issuance of capital leases	(384,800)
Premium on bonds	(361,489)
Payments on general obligations bonds	8,985,000
Payments on notes payable	25,193
Payments on capital leases	537,867

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 net OPEB liability	276,930
Change in compensated absences	(22,798)
Change in accrued interest	(97,970)
Amortization of deferred charge on refunding	(271,620)
Bond premium amortization	930,956
Change in net pension liability	(63,656)
Change in deferred inflows related to pension	359,818
Change in deferred inflows related to OPEB	27,377

The net revenue of the activities of the Internal Service Fund is reported with governmental activities. 10,886

Change in Net Position of Governmental Activities (Exhibit II) \$ 7,497,221

The accompanying notes are an integral part of the financial statements

**TOWN OF RIDGEFIELD, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019**

	Governmental Activities
	Internal Service Funds
	<hr/>
Assets:	
Cash and cash equivalents	\$ 258,385
Liabilities:	
Accounts payable	<hr/> 9,966
Net Position:	
Unrestricted	\$ <u><u>248,419</u></u>

The accompanying notes are an integral part of the financial statements

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

	Governmental Activities
	Internal Service Funds
	<hr/>
Operating Revenues:	
Insurance proceeds	\$ 55,433
Operating Expenses:	
Claims incurred	<hr/> 109,547
Operating Loss	(54,114)
Transfers in	<hr/> 65,000
Change in Net Position	10,886
Net Position at Beginning of Year	<hr/> 237,533
Net Position at End of Year	<hr/> <hr/> \$ 248,419

The accompanying notes are an integral part of the financial statements

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

	Governmental Activities
	Internal Service Funds
Cash Flows from Operating Activities:	
Cash received as insurance proceeds	\$ 55,433
Cash paid for benefits, claims and administration	(103,806)
Net cash provided by (used in) operating activities	<u>(48,373)</u>
Cash Flows Provided by Noncapital Financing Activities:	
Transfers in	<u>65,000</u>
Net Increase (Decrease) in Cash	16,627
Cash and Cash Equivalents at Beginning of Year	<u>241,758</u>
Cash and Cash Equivalents at End of Year	<u>\$ 258,385</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ (54,114)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Increase in accounts payable	<u>5,741</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (48,373)</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF RIDGEFIELD, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2019**

	Pension and Other Employee Benefit Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ <u>409,112</u>	\$ <u>2,099,624</u>
Investments - at fair value:		
Mutual funds:		
Equity	123,837,085	
Certificates of deposit		<u>272,485</u>
Total investments	<u>123,837,085</u>	<u>272,485</u>
Other Assets:		
Accounts receivable	<u>76,581</u>	
Total other assets	<u>76,581</u>	<u>-</u>
Total assets	124,322,778	\$ <u><u>2,372,109</u></u>
Liabilities:		
Due to other funds		94,627
Accounts payable and due to others	<u>2,669</u>	<u>2,277,482</u>
Total liabilities	<u>2,669</u>	\$ <u><u>2,372,109</u></u>
Net Position Restricted for Pensions and Other Postemployment Benefits	\$ <u><u>124,320,109</u></u>	

The accompanying notes are an integral part of the financial statements

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

	Pension and Other Employee Benefit Trust Funds
Additions:	
Contributions:	
Employer	\$ 4,664,725
Plan members	771,002
Total contributions	<u>5,435,727</u>
Net investment income:	
Net change in fair value of investments	1,682,370
Interest and dividends	4,934,427
	<u>6,616,797</u>
Less investment expense	(74,985)
Net investment income	<u>6,541,812</u>
Total additions	<u>11,977,539</u>
Deductions:	
Benefits	7,041,942
Administration	85,532
Total deductions	<u>7,127,474</u>
Change in Net Position	4,850,065
Net Position at Beginning of Year	<u>119,470,044</u>
Net Position at End of Year	<u>\$ 124,320,109</u>

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

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

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

Discretely Presented Component Unit

The Ridgefield Library Association, Inc., a nonprofit, is included in the Town's reporting entity as a component unit because the Town appoints a voting majority of the Library's board and provides significant operating subsidies. The Ridgefield Library Association, Inc., operates a free public library for the Town residents. The Town appoints 9 of the 12 board members and subsidizes approximately 75% of operations.

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

B. Basis of Presentation

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

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues. The primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

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

The Town reports the following major governmental funds:

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

The *Capital Nonrecurring Fund* accounts for the major capital improvements and acquisition of equipment for nonfinancial sources. Capital outlays are financed by the issuance of capital leases and capital grants.

The *Bonded Projects Fund* is used to account for the financial revenues to be used for major capital asset construction and/or purchases. Capital outlays are financed by the issuance of general obligation bonds and capital grants.

The *Sewer Bond Repayment Fund* accounts for assessments for new sewer connections. The major source of revenue for this fund is sewer assessment charges.

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

Additionally, the government reports the following fund types:

The *Internal Service Funds* account for risk financing activities for insurance claims and deductibles as allowed by GASB Statement No. 10 as well as claims involving heart and hypertension compensation under Connecticut General Statutes.

The *Pension and Other Employee Benefit Trust Funds* account for the activities of the Ridgefield Retirement System and Ridgefield Retiree Health Plan, which accumulates resources for pension benefit payments to qualified employees and for health benefit payments to qualified retired employees, respectively.

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

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

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

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

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

Component Unit

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

C. Cash Equivalents

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

D. Investments

Investments are stated at fair value.

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

E. Receivables and Payables

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

All trade, property tax, sewer use and sewer assessment receivables, including those of its component unit, are shown net of an allowance for uncollectibles. The allowance for uncollectibles is based on an analysis of amounts that are not expected to be collected at June 30, 2019.

F. Restricted Assets

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

G. Capital Assets

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

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment of the primary government as well as the component unit are depreciated using the straight-line method over the following estimated useful lives:

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

Component Unit

Inexhaustible Collections and Books

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

H. 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, and changes in projected investment earnings. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to either 10 or 20 years depending on the source of the change in the pension liability.

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 a deferred inflow of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience and changes in assumptions. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to either 10 or 20 years depending on the source of the change in the pension liability. 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 several sources: property taxes, special assessments and other receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

I. Compensated Absences

All employees are granted vacation and sick time based upon contractual provisions. At anniversary year end, unused vacation and sick time do not accumulate or vest (other than Board of Education employees, firefighters and highway union workers); therefore, in the event of termination or retirement, employees are not compensated for unused vacation and sick time.

The Board of Education employees are paid vacation on a fiscal year basis, and, therefore, unused vacation lapses at June 30. The Town employees are paid vacation on a calendar date basis, and, therefore, a liability for unused vacation has been recorded in the government-wide financial statements. Compensated absences are reported in the governmental funds, primarily the General Fund, only if the amount has matured. Matured amounts are defined as unused reimbursable leave still outstanding following an employee's resignation or retirement.

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

J. Net Pension Asset / Liability

The net pension asset/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 asset/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. 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.

L. Long-Term Obligations

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

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.

M. Equity

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

Invested 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.

Restricted Net Position

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

Unrestricted Net Position

This component consists of net position that does not meet the definition of "restricted" or "Invested in Capital Assets."

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

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

Nonspendable Fund Balance

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

Restricted Fund Balance

This 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 represents amounts constrained for a specific purpose by the government using its highest level of decision-making authority (Ridgefield Board of Finance) through the resolution process.

Assigned Fund Balance

This includes amounts constrained to be used for a specific purpose by Executive Management or the Board of Finance, which have been delegated authority to assign amounts by the Town Charter. For the General Fund, this includes the designations of fund balance for subsequent year’s budget. The Board of Finance approves the assignment of fund balance for subsequent year’s budget through a resolution.

Unassigned Fund Balance

This represents fund balance in the General Fund in excess of 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.

N. Property Taxes

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

O. Accounting Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

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

- In April, the Board of Finance submits to a public hearing, at which taxpayer comments are obtained, the proposed operating budget for the year commencing July 1. The budget includes proposed expenditures and the means of financing them.

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

- The Board of Finance submits their final proposed budget to the annual Town Meeting, which is held on the first Monday in May. Those in attendance at the annual Town Meeting may comment on the proposed budget before it is forwarded to a referendum vote. Appropriations may not be increased. The date of the machine vote is also established by the annual Town Meeting, which must be held not less than seven nor more than fourteen days from the date of the annual Town Meeting. The Board of Selectmen is responsible for establishing the hours of voting. This process is repeated, if necessary, until a budget is approved.
- The Board of Finance, in accordance with the provisions of the Charter and the Connecticut General Statutes, is authorized to transfer unexpended balances from one department's appropriation to another. Management may not authorize any additional appropriations. The Board of Finance may provide any single requesting agency with a special appropriation from General Fund unassigned fund balance a sum not to exceed \$50,000 cumulative and/or \$250,000 in the aggregate to all requesting agencies in any fiscal year. Special appropriations in excess of \$3,000,000 must be taken to referendum. There was an additional appropriation of \$50,000 for the fiscal year.
- Formal budgetary integration is employed as a management control device during the year.
- Except for encumbrance accounting, the budget is prepared on the modified accrual basis of accounting.
- The legal level of control, the level at which expenditures may not exceed appropriations, is at the department level.
- The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under state law to make any transfers required within its budget at its discretion. Any additional appropriations must have Board of Education and Board of Finance approval and, if over \$50,000, Town Meeting approval.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year end are reported in budgetary reports (RSI-2) as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the capital projects funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

B. Deficit Fund Equity

The following individual funds had deficit fund balances at June 30, 2019:

Major Fund:		
Capital Nonrecurring	\$	2,609,996
Nonmajor Fund:		
Solid Waste		41,613

The deficit in Capital Nonrecurring and Solid Waste will be funded by future fund transfers and contributions.

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

C. Donor Restricted Endowments

The Town has received an endowment for the maintenance of Ballard Park. The amounts are reflected in net position as non-spendable and restricted for permanent funds. The investment income (including appreciation, if any) is approved for expenditure by the Board of Directors of the Friends of Ballard Park.

D. Capital Projects Authorizations

The following is a summary of bonded projects and capital nonrecurring projects at June 30, 2019:

<u>Project</u>	<u>Authorization</u>	<u>Current Year Expenditures</u>	<u>Cumulative Expenditures</u>	<u>Balance June 30, 2019</u>
School buildings	\$ 9,199,643	\$ 580,074	\$ 7,803,973	\$ 1,395,670
Sewer	6,590,747	1,600,020	5,110,188	1,480,559
Infrastructure	39,578,631	710,639	36,754,605	2,824,026
Municipal buildings	5,942,996	701,870	4,849,052	1,093,944
Motor vehicles	3,613,379	639,638	3,596,430	16,949
Machinery and equipment	<u>7,700,239</u>	<u>938,131</u>	<u>7,441,228</u>	<u>259,011</u>
Total	<u>\$ 72,625,635</u>	<u>\$ 5,170,372</u>	<u>\$ 65,555,476</u>	<u>\$ 7,070,159</u>

3. DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents and Investments

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

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

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

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

Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposit will not be returned. The Town’s investment policy states that no more than 75% of its portfolio may be deposited at any one financial institution in order to limit its risk of default. 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*, \$13,157,529 of the Town’s bank balance of \$14,459,639 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 7,429,953
Uninsured and collateral held by the pledging bank’s trust department, not in the Town’s name	<u>5,727,576</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 13,157,529</u>

At June 30, 2019, the entire balance of the component unit’s deposits was covered by federal depository insurance.

Cash Equivalents

At June 30, 2019, the Town’s cash equivalents amounted to \$15,341,963. The following table provides a summary of the Town’s cash equivalents as rated by nationally recognized statistical rating organizations. The pool has a maturity of less than one year.

	<u>Standard & Poor’s</u>
State Short-Term Investment Fund (STIF)	AAAm
Vanguard	*

*Rating not available

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

Investments

At June 30, 2019, the Town had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1 - 10</u>	<u>More Than 10</u>
Interest-bearing investments:					
Certificates of deposit	*	\$ 366,604	\$ 94,119	\$ 272,485	\$
US Treasury Note		8,111,721	8,111,721		
Total		8,478,325	\$ 8,205,840	\$ 272,485	\$ -
Other investments:					
Mutual funds		123,837,085			
Total Investments		\$ 132,315,410			

*Subject to coverage by Federal Depository Insurance and collateralization.

At June 30, 2019, the component unit's investments include mutual funds of \$269,992 with no rating or maturity, equity securities of \$1,918,465 with no rating or maturity, exchange traded funds of \$539,558 with no rating or maturity, fixed income securities of \$1,339,198 with no rating or maturity, and \$1,802,635 beneficial interest in a perpetual trust.

Interest Rate Risk

The Town's investment policy states that the term structure of investments shall be planned so as to meet expected cash outlays and to mitigate the risk of loss of principle or accrued earnings due to early liquidation of securities or deposits before their scheduled maturities.

Credit Risk - Investments

As indicated above, State Statutes limit the investment options of cities and towns. The Town's investment policy (with the exception of public trusts) limits 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's investment policy for items other than public trusts limits the Town's investments to no more than 75% of the total portfolio at any one time.

The Town has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments related to public trust funds. No more than 5% of the Town's investments were invested in any one issuer.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town has a formal 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.

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

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

The Pension Trust Fund is also authorized to invest in domestic and international corporate bonds, domestic and international equities, and real estate. The investments of this fund are held in trust and managed by an investment management firm selected by the Pension Commission.

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	\$ <u>123,837,085</u>	\$ <u>123,837,085</u>	\$ <u>-</u>	\$ <u>-</u>

Mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. The Town holds no Level 2 or Level 3 inputs.

On June 30, 2019, the component unit held \$3,097,900 in Level 1 investments, \$969,313 in Level 2 investments and \$1,830,640 in Level 3 investments.

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

B. Receivables

Receivables as of June 30, 2019 for the Town's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Capital Non- Recurring</u>	<u>Sewer Bond Repayment</u>	<u>Nonmajor and Other</u>	<u>Total</u>
Receivables:					
Property taxes*	\$ 2,695,795	\$	\$	\$	\$ 2,695,795
Assessments/use charges*			327,128	93,205	420,333
Intergovernmental				13,953	13,953
Loans receivable		117,861			117,861
Other	53,420			76,653	130,073
Gross receivables	<u>2,749,215</u>	<u>117,861</u>	<u>327,128</u>	<u>183,811</u>	<u>3,378,015</u>
Less allowance for uncollectibles**	<u>61,400</u>	<u></u>	<u>6,151</u>	<u>2,902</u>	<u>70,453</u>
Net Total Receivables	<u>\$ 2,687,815</u>	<u>\$ 117,861</u>	<u>\$ 320,977</u>	<u>\$ 180,909</u>	<u>\$ 3,307,562</u>

* Does not include accrued interest on property taxes of \$227,795 and use charges of \$16,592.

** Does not include allowance for uncollectibles on accrued interest on property taxes of \$55,260 and use charges of \$696.

Ridgefield Library, the component unit, has recorded contributions receivable in the amount of \$28,005. Ridgefield Library expects \$13,574 to be collected within one year and \$19,089 to be collected within one to five years. The allowance for uncollectibles was \$1,300. A rate of 2.02% was used for contributions expected to be received in more than one year, resulting in discounts to net present value of \$3,358.

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

C. Capital Assets

Capital asset activity for the year ended June 30, 2019 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 29,612,176	\$	\$	\$	\$ 29,612,176
Construction in progress	5,132,267	1,641,766			6,774,033
Total capital assets not being depreciated	<u>34,744,443</u>	<u>1,641,766</u>	<u>-</u>	<u>-</u>	<u>36,386,209</u>
Capital assets being depreciated:					
Land improvements	6,690,374	449,781		459,298	7,599,453
Buildings	154,937,173	1,542,329			156,479,502
Machinery and equipment	37,586,978	797,219	490,944	226,303	38,119,556
Infrastructure	47,609,053				47,609,053
Total capital assets being depreciated	<u>246,823,578</u>	<u>2,789,329</u>	<u>490,944</u>	<u>685,601</u>	<u>249,807,564</u>
Less accumulated depreciation for:					
Land improvements	5,187,956	109,361		(60,965)	5,236,352
Buildings	38,656,433	2,449,596		704	41,106,733
Machinery and equipment	28,860,756	1,665,696	465,472	(248,536)	29,812,444
Infrastructure	19,063,227	697,996		(168,684)	19,592,539
Total accumulated depreciation	<u>91,768,372</u>	<u>4,922,649</u>	<u>465,472</u>	<u>(477,481)</u>	<u>95,748,068</u>
Total capital assets being depreciated, net	<u>155,055,206</u>	<u>(2,133,320)</u>	<u>25,472</u>	<u>1,163,082</u>	<u>154,059,496</u>
Governmental Activities Capital Assets, Net	<u>\$ 189,799,649</u>	<u>\$ (491,554)</u>	<u>\$ 25,472</u>	<u>\$ 1,163,082</u>	<u>\$ 190,445,705</u>

Adjustments were processed to correct cumulative calculation errors in Town's excel reports.

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

Governmental activities:	
General government	\$ 587,044
Health and welfare	8,080
Public safety	435,902
Public works	1,166,082
Recreation	501,181
Education	<u>2,224,360</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,922,649</u>

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

Component Unit

Activity for the Ridgefield Library Association, Inc., for the year ended June 30, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 246,441	\$ _____	\$ _____	\$ 246,441
Capital assets being depreciated:				
Buildings	19,517,929	13,191		19,531,120
Furnishings and equipment	<u>1,262,154</u>	<u>44,789</u>	<u>20,690</u>	<u>1,286,253</u>
Total capital assets being depreciated	<u>20,780,083</u>	<u>57,980</u>	<u>20,690</u>	<u>20,817,373</u>
Less accumulated depreciation for:				
Buildings	1,644,621	392,106		2,036,727
Furnishings and equipment	<u>717,523</u>	<u>131,388</u>	<u>20,690</u>	<u>828,221</u>
Total accumulated depreciation	<u>2,362,144</u>	<u>523,494</u>	<u>20,690</u>	<u>2,864,948</u>
Total capital assets being depreciated, net	<u>18,417,939</u>	<u>(465,514)</u>	<u>-</u>	<u>17,952,425</u>
Ridgefield Library Association, Inc., Capital Assets, Net	<u>\$ 18,664,380</u>	<u>\$ (465,514)</u>	<u>\$ -</u>	<u>\$ 18,198,866</u>

D. Interfund Receivables, Payables and Transfers

Interfund balances are a result of timing differences between the dates payments occurred for various activities. 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	\$ 968,173
General Fund	Student Activities	94,627
Capital Nonrecurring Fund	Nonmajor governmental funds	115,000
Bonded Projects	Capital Nonrecurring	3,400,050
Capital Nonrecurring Fund	Sewer Bond Repayment	<u>700,000</u>
		<u>\$ 5,277,850</u>

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

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

	<u>Transfers In</u>			<u>Total Transfers Out</u>
	<u>General Fund</u>	<u>Internal Service Funds</u>	<u>Nonmajor Govern- mental Funds</u>	
Transfers out:				
General Fund	\$	\$ 65,000	\$ 1,162,315	\$ 1,227,315
Capital Nonrecurring Fund	19,583			19,583
Nonmajor Governmental	<u>30,000</u>			<u>30,000</u>
 Total Transfers In	 \$ <u>49,583</u>	 \$ <u>65,000</u>	 \$ <u>1,162,315</u>	 \$ <u>1,276,898</u>

E. 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>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 60,370,000	\$ 12,355,000	\$ 8,985,000	\$ 63,740,000	\$ 9,555,000
Unamortized bond premiums	<u>4,968,365</u>	<u>361,489</u>	<u>930,956</u>	<u>4,398,898</u>	
Total bonds payable	65,338,365	12,716,489	9,915,956	68,138,898	9,555,000
Notes payable	342,071		25,193	316,878	25,717
Compensated absences	1,202,471	190,290	167,492	1,225,269	1,225,269
Net pension liability		63,656		63,656	
Net OPEB liability	23,824,562		276,930	23,547,632	
Lease obligations	<u>605,454</u>	<u>384,800</u>	<u>537,867</u>	<u>452,387</u>	<u>324,164</u>
 Total Governmental Activities Long-Term Liabilities	 \$ <u>91,312,923</u>	 \$ <u>13,355,235</u>	 \$ <u>10,923,438</u>	 \$ <u>93,744,720</u>	 \$ <u>11,130,150</u>

All long-term liabilities are generally liquidated by the General Fund.

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

General Obligation Bonds

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

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town.

General obligation bonds currently outstanding are as follows:

<u>Description</u>	<u>Interest Rate (%)</u>	<u>Balance Outstanding June 30, 2019</u>
General purpose:		
General obligation - improvement	1.75-5.0%	\$ 566,989
General obligation - refunding	2.25-5.0%	8,733,434
General obligation - refunding	2.375-5%	3,005,894
General obligation - refunding	2.0-5.0%	2,752,286
General obligation - improvement	2.0-4.0%	6,047,825
General obligation - improvement	3.0-4.0%	5,482,105
General obligation - refunding	2.0-5.0%	3,591,914
General obligation - improvement	2.0-4.0%	6,514,042
General obligation - improvement	2.5-5.0%	<u>10,112,766</u>
Total general purpose		<u>46,807,255</u>
School:		
School improvement - improvement	1.75-5.0%	2,858,011
School improvement - refunding	2.25-5.0%	931,566
School improvement - refunding	2.375-5%	3,934,422
School improvement - refunding	2.0-5.0%	282,714
School improvement - improvement	2.0-4.0%	1,192,175
School improvement - improvement	3.0-4.0%	537,895
School improvement - refunding	2.0-5.0%	2,381,660
School improvement - improvement	2.0-4.0%	1,885,958
School improvement - improvement	2.5-5.0%	<u>2,242,234</u>
Total school		<u>16,246,635</u>
Sewer:		
Sewer - refunding	2.375-5.0%	539,684
Sewer - refunding	2.0-5.0%	<u>146,426</u>
		<u>686,110</u>
Total Outstanding		<u>\$ 63,740,000</u>

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

Notes Payable

Water Main Payable

The State of Connecticut drinking water notes, bearing interest at 2%, will be paid out of General Fund operations and will mature in the year 2031.

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

	<u>General Obligation Bonds</u>		<u>Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 9,555,000	\$ 2,297,029	\$ 25,717	\$ 6,286
2021	9,085,000	1,818,002	26,252	5,751
2022	8,255,000	1,435,402	26,798	5,205
2023	5,385,000	1,155,852	27,355	4,648
2024	3,515,000	977,400	27,924	4,079
2025-2029	14,850,000	3,368,123	148,576	11,439
2030-2034	9,890,000	1,415,301	34,256	413
2035-2038	<u>3,205,000</u>	<u>255,388</u>	<u> </u>	<u> </u>
Total	<u>\$ 63,740,000</u>	<u>\$ 12,722,497</u>	<u>\$ 316,878</u>	<u>\$ 37,821</u>

Capital Lease

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

The asset acquired through the capital leases are as follows:

	<u>Governmental Activities</u>
Asset:	
Equipment	\$ 9,173,699
Less accumulated depreciation	<u>7,672,171</u>
Total	<u>\$ 1,501,528</u>

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

The future minimum lease obligation and the net present value of the minimum lease payments as of June 30, 2019 were as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>
2020	\$ 336,152
2021	132,390
Total minimum lease payments	<u>468,542</u>
Less amount representing interest	<u>16,155</u>
Present Value of Minimum Lease Payments	<u>\$ 452,387</u>

Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2019 is \$152,157. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

Statutory Debt Limitation

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 291,042,146	\$ 41,448,566	\$ 249,593,580
Schools	582,084,293	21,757,481	560,326,812
Sewers	485,070,244	58,000	485,012,244
Urban renewal	420,394,211		420,394,211
Pension deficit	388,056,195		388,056,195

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$905,464,455.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

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

F. Fund Balance

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

	General Fund	Major Capital Project Funds		Major Special Revenue Fund	Nonmajor Governmental Funds	Total
		Capital Nonrecurring Fund	Bonded Projects Fund	Sewer Bond Repayment Fund		
Fund balances:						
Nonspendable:						
Inventory	\$	\$	\$	\$	\$ 42,747	\$ 42,747
Endowment					25,000	25,000
Restricted for:						
Grants					1,134,161	1,134,161
Parks and recreation - donations					282,717	282,717
Branchville Railroad Station					37,227	37,227
Public safety - donations					83,688	83,688
Capital projects						-
Committed to:						
Capital projects			6,039,218			6,039,218
Sewer assessment				2,142,667		2,142,667
Sewer operations					2,423,477	2,423,477
Education					774,740	774,740
Assigned:						
Education - encumbrances	946,456					946,456
Subsequent year's budget	1,675,000					1,675,000
Unassigned	15,350,654	(2,609,996)			(41,613)	12,699,045
Total Fund Balances	\$ 17,972,110	\$ (2,609,996)	\$ 6,039,218	\$ 2,142,667	\$ 4,762,144	\$ 28,306,143

G. Operating Lease

In 1997, the Town signed a lease with the State of Connecticut Department of Transportation Branchville Railroad Station Parking Lot for a 20-year period of time commencing on October 1, 1995 to and including September 30, 2015, with the option to renew for two additional successive five-year periods of time. The Town renewed this lease on July 1, 2016 for five additional years.

In lieu of an annual lease payment, the Town must reinvest all surplus revenue derived from rail parking and rail-related leases into the improvement and maintenance of rail station buildings, rail station parking and mutually agreed upon rail station services. The Town set up a Parking Fund, which collected \$48,797 in fees and permits and spent \$51,086 in parking expenditures during fiscal year ended June 30, 2019. Fund balance at June 30, 2019 is \$37,227.

4. EMPLOYEE RETIREMENT PLANS

A. Pension Plan

Summary

The Town administers three single employer, defined benefit pension plans (Town of Ridgefield Pension Plan, Town of Ridgefield Police Union Pension Plan and Town of Ridgefield Firefighters Union Pension Plan). The plans were established through an ordinance adopted May 7, 1964 and most recently amended and restated July 1, 1993 for the Police and Fire Fighters plans and September 1, 2016 for the Town plan. The plans are considered to be part of the Town's financial reporting entity and are included in the Town's financial reports as Pension Trust Funds. Separate, stand-alone reports are not issued.

Management of the plans rests with the Town's Pension Commission, which consists of seven appointed members, each serving three-year terms.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

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

Valuation of Investments

Investments are valued at fair value. Securities traded on a national exchange are valued at June 30, 2019 quoted market price. The assets of the plan are invested in a well-diversified portfolio in accordance with the plan's investment policy statement. There are no investments of 5% or greater in any one organization.

Plan Description and Benefits Provided

Benefit Provisions

The plans' membership is closed except for certain employees of the Board of Education. Administrative costs are financed from investment earnings.

Employer Contributions

Recommended contributions to each of the three plans are determined each year as part of the actuarial valuation using the entry age normal method. The contributions for the year ended June 30, 2019 represent 10.67% of covered payroll.

Employee Contributions

General employees of the Town have no required contribution. The contribution requirements of other departments are as follows (expressed as a percentage of annual compensation): Police 6%, Fire 5.5%, Highway 4%, Town UPSEU 3% and Board of Education Secretaries 2%.

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

At June 30, 2019, plan membership consisted of the following:

	Town Pension Plan	Police Union Pension Plan	Firefighters Union Pension Plan
Retirees and beneficiaries currently receiving benefits	208	36	22
Vested terminated employees	114	1	1
Active plan members	<u>324</u>	<u>34</u>	<u>24</u>
Total Participants	<u><u>646</u></u> *	<u><u>71</u></u>	<u><u>47</u></u>

* The participants in the Town Pension Plan are comprised of 487 employees from the Board of Education and 159 employees from the Town.

Investments

Investment Policy

The Pension Commission has hired Vanguard Institutional Advisory Services (Vanguard) to determine the asset allocation and the specific assets in which the pension funds will be invested. The Pension Commission oversees Vanguard's allocations and investments and provides it with comments during quarterly meetings. The Commission's goal is to have a broadly diversified portfolio of assets invested in a manner that meets the prudent person standard. The Pension Commission is responsible for allocations among asset classes, and other investment characteristics, including expected return, risk, correlation and the assets' overall role in the portfolio.

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

The plan's target asset allocation as of June 30, 2019 was as follows:

Asset Class	Target Allocation	50th percentile Nominal Return (1)	Return Contribution
U.S. Equities	29.00%	6.80%	2.00%
Non-U.S. Equities (unhedged)	29.00%	8.90%	2.60%
Real Estate	8.00%	5.90%	0.50%
U.S. Bonds	6.00%	3.50%	0.20%
Short-Term Credit Bonds	10.00%	3.80%	0.40%
Short-Term TIPS	5.00%	2.80%	0.10%
Intermediate-Term Credit Bonds	7.00%	4.00%	0.30%
Non-U.S. Bonds	<u>6.00%</u>	<u>2.80%</u>	<u>0.20%</u>
Weighted portfolio return	100.00%		6.20%
Diversification Effect			0.50%
Long-Term Expected Nominal Return			6.70%

(1) Vanguard's expected long-term return for the portfolio, determined using Monte Carlo simulations and its 30-year capital market assumptions as of June 30, 2019

The long-term expected rate of return assumption is determined with reference to Vanguard's analysis using its 30-year capital market assumptions as of March 31, 2019, the latest available as of the valuation date, and the asset allocation above. Vanguard estimated that the expected return will be greater than 5.81% 75% of the time, greater than 6.45% 50% of the time, and greater than 7.08% 25% of the time. Given that the Town's assumption of 6.75% falls into this range, we retained it for the June 30, 2019 valuation.

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 5.48%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

Net Pension (Asset) Liability

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

	<u>Town Pension Plan</u>	<u>Firefighters Union Pension Plan</u>	<u>Police Union Pension Plan</u>
Total pension liability	\$ 64,545,951	\$ 20,328,000	\$ 33,287,703
Plan fiduciary net position	<u>64,482,295</u>	<u>20,589,314</u>	<u>33,495,076</u>
Net Pension (Asset) Liability	<u>\$ 63,656</u>	<u>\$ (261,314)</u>	<u>\$ (207,373)</u>
Plan fiduciary net position as a percentage of the total pension liability	99.90%	101.29%	100.62%

Actuarial Assumptions

The total pension (asset) 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:

Inflation	2.0%
Salary increases	3.25% for police and fire fighters, all other members 3.0%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 Male and Female Pre- and Post-Retirement Mortality Tables projected generationally using the MP-2017 projection scales.

The demographic assumptions used in the July 1, 2018 valuation represent the actuary's best estimate based on plan experience and published actuarial studies. The mortality table used was the latest available, based on large population studies of retirement plan participants with appropriate mortality improvement projections. Experience studies were not performed for demographic assumptions because the results would not be credible due to the small size of the plans' populations. Retirement age assumptions are chosen to represent our best estimate of each participant's expected retirement age, given the type of employment and the available benefits, as well as our historical knowledge of retirement trends for this plan's population.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. 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 RIDGEFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Changes in the Net Pension (Asset) Liability

	Town Pension Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a)-(b)
Balances as of July 1, 2018	\$ 61,308,105	\$ 61,913,833	\$ (605,728)
Changes for the year:			
Service cost	1,360,674		1,360,674
Interest on total pension liability	4,153,322		4,153,322
Employer contributions		1,232,010	(1,232,010)
Member contributions		240,591	(240,591)
Net investment income		3,410,571	(3,410,571)
Benefit payments, including refund to employee contributions	(2,276,150)	(2,276,150)	-
Administrative expenses		(38,560)	38,560
Net changes	<u>3,237,846</u>	<u>2,568,462</u>	<u>669,384</u>
Balances as of June 30, 2019	<u>\$ 64,545,951</u>	<u>\$ 64,482,295</u>	<u>\$ 63,656</u>

	Firefighters Union Pension Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a)-(b)
Balances as of July 1, 2018	\$ 19,469,562	\$ 19,950,675	\$ (481,113)
Changes for the year:			
Service cost	274,979		274,979
Interest on total pension liability	1,308,293		1,308,293
Employer contributions		194,985	(194,985)
Member contributions		102,168	(102,168)
Net investment income		1,078,514	(1,078,514)
Benefit payments, including refund to employee contributions	(724,834)	(724,834)	-
Administrative expenses		(12,194)	12,194
Net changes	<u>858,438</u>	<u>638,639</u>	<u>219,799</u>
Balances as of June 30, 2019	<u>\$ 20,328,000</u>	<u>\$ 20,589,314</u>	<u>\$ (261,314)</u>

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

Police Union Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2018	\$ 31,936,810	\$ 32,412,461	\$ (475,651)
Changes for the year:			
Service cost	519,768		519,768
Interest on total pension liability	2,146,428		2,146,428
Employer contributions		456,882	(456,882)
Member contributions		197,221	(197,221)
Net investment income		1,763,756	(1,763,756)
Benefit payments, including refund to employee contributions	(1,315,303)	(1,315,303)	-
Administrative expenses		(19,941)	19,941
Net changes	<u>1,350,893</u>	<u>1,082,615</u>	<u>268,278</u>
Balances as of June 30, 2019	<u>\$ 33,287,703</u>	<u>\$ 33,495,076</u>	<u>\$ (207,373)</u>

Amounts reported as changes of assumptions resulted from updating the mortality assumption to use white collar and blue collar assumptions where appropriate.

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate

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

<u>Net Pension (Asset) Liability</u>	<u>1% Decrease in Discount Rate (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1% Increase in Discount Rate (7.75%)</u>
Town Pension Plan	\$ 6,689,701	\$ 63,656	\$ (6,900,290)
Firefighters Union Plan	2,023,321	(261,314)	(2,239,129)
Police Union Plan	3,842,942	(207,373)	(3,579,583)

**TOWN OF RIDGEFIELD, 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 \$3,410,350 (\$2,451,182, \$326,116 and \$633,052 for the Town Pension Plan, Firefighters Union Pension Plan and Police Union Pension Plan, respectively). At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Town Pension Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,105,576	\$
Changes of assumptions	94,353	
Net difference between projected and actual earning on pension plan investments	281	
Total	\$ 1,200,210	\$ -

	Firefighters Union Pension Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 5,562
Changes of assumptions		8,199
Net difference between projected and actual earning on pension plan investments	36,551	
Total	\$ 36,551	\$ 13,761

	Police Union Pension Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 114,278
Changes of assumptions		42,515
Net difference between projected and actual earning on pension plan investments	89,718	
Total	\$ 89,718	\$ 156,793

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

	Totals	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,105,576	\$ 119,840
Changes of assumptions	94,353	50,714
Net difference between projected and actual earning on pension plan investments	<u>126,550</u>	
Total	<u>\$ 1,326,479</u>	<u>\$ 170,554</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 Ending June 30,</u>	<u>Town Pension Plan</u>	<u>Firefighters Union Pension Plan</u>	<u>Police Union Pension Plan</u>
2020	\$ 695,638	\$ 70,217	\$ 26,719
2021	(27,360)	(127,897)	(229,212)
2022	241,392	29,808	55,199
2023	290,540	50,662	80,219

B. Elected Officials

Plan Description

The Town administers a single employer, defined contribution plan, which is included in the Town's financial statements in the pension trust fund. The plan, established in July 1983, requires the employer to contribute 9% of each participant's compensation. The Town contributed \$28,435 during the year ended June 30, 2019. Officials are not required to contribute but can make voluntary contributions up to 10% of annual compensation. At June 30, 2019, the net position available for benefits include \$450,027 of assets designated for this plan.

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

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

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

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

C. Plan Financial Statements

Financial statements for each individual pension plan as of and for the year ended June 30, 2019 are as follows:

	<u>Town Pension Plan</u>	<u>Firefighters Union Pension Plan</u>	<u>Police Union Pension Plan</u>	<u>Elected Officials Pension Plan</u>	<u>Total Pension Trust Funds</u>
Assets:					
Cash and cash equivalents	\$ 213,431	\$ 68,149	\$ 110,866	\$ 1,490	\$ 393,936
Investments - at fair value:					
Mutual funds:					
Equity	64,228,820	20,508,379	33,363,408	448,257	118,548,864
Other assets:					
Accounts receivable	41,490	13,248	21,553	290	76,581
Total assets	<u>64,483,741</u>	<u>20,589,776</u>	<u>33,495,827</u>	<u>450,037</u>	<u>119,019,381</u>
Liabilities:					
Due to others	<u>1,446</u>	<u>462</u>	<u>751</u>	<u>10</u>	<u>2,669</u>
Net Position:					
Net Position Restricted for Pension Benefits	<u>\$ 64,482,295</u>	<u>\$ 20,589,314</u>	<u>\$ 33,495,076</u>	<u>\$ 450,027</u>	<u>\$ 119,016,712</u>
	<u>Town Pension Plan</u>	<u>Firefighters Union Pension Plan</u>	<u>Police Union Pension Plan</u>	<u>Elected Officials Pension Plan</u>	<u>Total Pension Trust Funds</u>
Additions:					
Contributions:					
Employer	\$ 1,232,010	\$ 194,985	\$ 456,882	\$ 28,435	\$ 1,912,312
Plan members	240,591	102,168	197,221		539,980
Total contributions	<u>1,472,601</u>	<u>297,153</u>	<u>654,103</u>	<u>28,435</u>	<u>2,452,292</u>
Net investment income:					
Net appreciation in fair value of investments	882,885	279,153	456,579	6,085	1,624,702
Interest and dividends	2,568,433	812,246	1,328,249	17,701	4,726,629
	3,451,318	1,091,399	1,784,828	23,786	6,351,331
Less investment expense	(40,747)	(12,885)	(21,072)	(281)	(74,985)
Net investment income	<u>3,410,571</u>	<u>1,078,514</u>	<u>1,763,756</u>	<u>23,505</u>	<u>6,276,346</u>
Net additions	<u>4,883,172</u>	<u>1,375,667</u>	<u>2,417,859</u>	<u>51,940</u>	<u>8,728,638</u>
Deductions:					
Benefits	2,276,150	724,834	1,315,303	225,249	4,541,536
Administration	38,560	12,194	19,941	266	70,961
Total deductions	<u>2,314,710</u>	<u>737,028</u>	<u>1,335,244</u>	<u>225,515</u>	<u>4,612,497</u>
Change in Net Position	2,568,462	638,639	1,082,615	(173,575)	4,116,141
Net Position at Beginning of Year	<u>61,913,833</u>	<u>19,950,675</u>	<u>32,412,461</u>	<u>623,602</u>	<u>114,900,571</u>
Net Position at End of Year	<u>\$ 64,482,295</u>	<u>\$ 20,589,314</u>	<u>\$ 33,495,076</u>	<u>\$ 450,027</u>	<u>\$ 119,016,712</u>

D. 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.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

**TOWN OF RIDGEFIELD, 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>139,218,030</u>
Total	<u>\$ 139,218,030</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 \$15,624,764 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 2017 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 RIDGEFIELD, 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%
Liquidity fund	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.

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

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.

E. Postemployment Healthcare Plan - Retiree Health Plan

Plan Description

The Retiree Health Plan (RHP) is a single-employer defined benefit healthcare plan administered by the Town of Ridgefield. The RHP provides medical insurance benefits to eligible retirees and their spouses. Certain employees of the Town are eligible to participate in the plan. Benefit provisions are established through negotiations between the Town and the various unions representing the employees. As in prior years, all expenses for postemployment benefits were paid out of the general fund during fiscal year ended June 30, 2019. The plan does not issue a stand-alone financial report.

At July 1, 2017, plan membership consisted of the following:

	Retiree Health Plan
Retired members	148
Active plan members	<u>837</u>
Total Participants	<u><u>985</u></u>

Funding Policy

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

Board of Education - Certified Employees (Teachers and Administrators)

The cost per month for Board of Education employees receiving medical coverage is \$960 per month for retiree only coverage and \$1,838 per month for retiree and spouse coverage to age 65, and \$247 and \$494 per month, respectively, thereafter.

Town Employees

The cost per month for the Town employees receiving medical coverage is \$960 per month for retiree only coverage and \$1,838 per month for retiree and spouse coverage to age 65, and \$247 and \$494 per month, respectively, thereafter.

Police Employees

The cost per month for Board of Education employees receiving medical coverage is \$960 per month for retiree only coverage and \$1,838 per month for retiree and spouse coverage to age 65, and \$247 and \$494 per month, respectively, thereafter.

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

Board of Education - Non-Certified Employees

The cost per month for Board of Education employees receiving medical coverage is \$960 per month for retiree only coverage and \$1,838 per month for retiree and spouse coverage to age 65, and \$247 and \$494 per month, respectively, thereafter.

Employer Contributions

Employer contributions to the plan of \$2,752,413 were made in accordance with actuarially determined requirements. Of this amount \$2,230,768 represents premium payments and \$521,645 was contributed to prefund benefits.

Investments

Investment Policy

The Pension Commission is responsible for investing the assets of the RHP Plan. To that end, it has hired Vanguard Institutional Advisory Services (Vanguard) to determine the asset allocation and the specific assets in which the RHP funds will be invested. The Pension Commission oversees Vanguard's allocations and investments and provides it with comments during quarterly meetings. The Commission's goal is to have a broadly diversified portfolio of assets invested in a manner that meets the prudent person standard.

Rate of Return

For the year ended June 30, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 5.35%. 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 components of the net OPEB liability of the Town at June 30, 2019 were as follows:

Total OPEB liability	\$ 28,851,029
Plan fiduciary net position	<u>5,303,397</u>
Net OPEB Liability	<u>\$ 23,547,632</u>
Plan fiduciary net position as a percentage of the total OPEB liability	18.38%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2017 (and rolled forward to June 30, 2019) 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%
Healthcare cost trend rates	7.5% decreasing by 1.00% each year until it is 4.5%

Mortality rates were based on RP-2014 Adjusted to 2006 Total Dataset Mortality Table to the measurement date with Scale MP-2017.

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

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2016.

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 plan's target allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>50th percentile Nominal Return (1)</u>	<u>Return Contribution</u>
U.S. Equities	29.00%	6.80%	2.00%
Non-U.S. Equities (unhedged)	29.00%	8.90%	2.60%
Real Estate	8.00%	5.90%	0.50%
U.S. Bonds	6.00%	3.50%	0.20%
Short-Term Credit Bonds	10.00%	3.80%	0.40%
Short-Term TIPS	5.00%	2.80%	0.10%
Intermediate-Term Credit Bonds	7.00%	4.00%	0.30%
Non-U.S. Bonds	<u>6.00%</u>	<u>2.80%</u>	<u>0.20%</u>
Weighted portfolio return	100.00%		6.20%
Diversification Effect			0.50%
Long-Term Expected Nominal Return			6.70%

(1) Vanguard's expected long-term return for the portfolio, determined using Monte Carlo simulations and its 30-year capital market assumptions as of June 30, 2019

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 RIDGEFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB (Asset) Liability (a)-(b)
Balances as of July 1, 2018	\$ 28,394,035	\$ 4,569,473	\$ 23,824,562
Changes for the year:			
Service cost	380,818		380,818
Interest on total pension liability	1,859,291		1,859,291
Differences between expected and actual experience	717,291		717,291
Employer contributions		2,752,413	(2,752,413)
Member contributions		231,022	(231,022)
Net investment income		265,466	(265,466)
Benefit payments, including refund to employee contributions	(2,500,406)	(2,500,406)	-
Administrative expenses		(14,571)	14,571
Net changes	456,994	733,924	(276,930)
Balances as of June 30, 2019	\$ 28,851,029	\$ 5,303,397	\$ 23,547,632

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 or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Net OPEB Liability	\$ 26,569,039	\$ 23,547,632	\$ 20,970,363

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 or 1 percentage point higher than the current healthcare cost trend rates:

	Health Cost Trend Rates		
	1% Decrease (6.5% decreasing to 3.5%)	Current (7.5% decreasing to 4.5%)	1% Increase (8.5% decreasing to 5.5%)
Net OPEB Liability	\$ 20,277,070	\$ 23,547,632	\$ 27,430,928

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

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 \$2,029,332. 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	\$ 635,781	\$ 186,167
Changes of assumptions	1,541,790	
Net difference between projected and actual earning on pension plan investments	<u>158,101</u>	
Total	<u>\$ 2,335,672</u>	<u>\$ 186,167</u>

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	\$ 329,665
2021	329,665
2022	329,667
2023	292,572
2024	280,867
Thereafter	587,069

Schedule of OPEB Net Position

	<u>OPEB Trust Fund</u>
Assets:	
Cash and cash equivalents	\$ 15,176
Investments	<u>5,288,221</u>
Total assets	<u>5,303,397</u>
Net Position	<u>\$ 5,303,397</u>

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

Schedule of Changes in OPEB Net Position

Additions:	
Contributions:	
Employer	\$ 2,752,413
TRB Subsidy	231,022
Total additions	<u>2,983,435</u>
Net investment income:	
Net change in fair value of investments	57,668
Interest and dividends	207,798
	<u>265,466</u>
Total additions	<u>3,248,901</u>
Deductions:	
Benefits	2,500,406
Administration	14,571
Total deductions	<u>2,514,977</u>
Change in Net Position	733,924
Net Position at Beginning of Year	<u>4,569,473</u>
Net Position at End of Year	<u>\$ 5,303,397</u>

F. 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 RIDGEFIELD, 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.

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.

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.

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

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>27,830,593</u>
Total	<u>\$ 27,830,593</u>

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 (revenue) of \$(9,245,307) in Exhibit II.

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

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.

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

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.

5. TAX ABATEMENTS

In accordance with Title XII Section 12-65b of the Connecticut General Statutes, the Town of Ridgefield provides abatements on assessment increases attributable to construction or improvements to real property or air space within the Town. The property must be not less than 500,000 square feet of office and/or manufacturing space and construction costs or improvements shall not have a value less than \$75,000,000 or personal property purchases less than \$50,000,000. The abatement received will be 85% of the increased assessment for a period not to exceed 7 years. On June 13, 2018, the Town entered into one agreement under this program. The amount of revenue reduced during the fiscal year for this abatement was \$1,086,122.

6. OTHER INFORMATION

A. Risk Management

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

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

A schedule of changes in the claims liability for heart and hypertension and workers' compensation judgments for the years ended June 30, 2019 and 2018 is presented below:

		Accrued Liability Beginning of Fiscal Year		Current Year Claims and Changes in Estimates		Accrued Liability Claim Payments		Accrued Liability End of Fiscal Year
2019-18	\$	-	\$	109,547	\$	109,547	\$	-
2018-17		-		239,907		239,907		-

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

B. Commitments and Litigation

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

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

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

7. PRIOR PERIOD ADJUSTMENTS AND RESTATEMENTS

The following restatement was recorded to remove Tiger Hollow activity from the financial statements. The entity does not meet the definition of a component unit under GASB Statement No. 14, *The Financial Reporting Entity* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*:

	Nonmajor Governmental Funds	Governmental Activities Net Position
	<u> </u>	<u> </u>
Balance at June 30, 2018, as previously reported	\$ 4,063,794	\$ 125,569,400
Adjustments	<u>(62,267)</u>	<u>(62,267)</u>
Balance at July 1, 2018, as Restated	<u>\$ 4,001,527</u>	<u>\$ 125,507,133</u>

(This page intentionally left blank)



Required Supplementary Information

**TOWN OF RIDGEFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Property Taxes:					
Property taxes	\$ 132,196,817	\$	\$ 132,196,817	\$ 133,476,926	\$ 1,280,109
Interest and lien fees	425,000		425,000	571,161	146,161
Telephone tax	77,000		77,000	62,366	(14,634)
Total property taxes	<u>132,698,817</u>	<u>-</u>	<u>132,698,817</u>	<u>134,110,453</u>	<u>1,411,636</u>
Intergovernmental:					
Education cost sharing				650,296	650,296
School transportation grants	1,994		1,994	650	(1,344)
Education for the blind	9,000		9,000		(9,000)
Tax relief - Disabled	1,000		1,000	882	(118)
Veteran Exemptions	4,000		4,000	2,872	(1,128)
Judicial branch distribution	37,000		37,000	30,097	(6,903)
Elderly circuit freeze	60,000		60,000		(60,000)
Paid in lieu of taxes				22,112	22,112
Municipal revenue sharing bonus pool	561,986		561,986	561,986	-
State stabilization grant				117,659	117,659
Miscellaneous	30,887		30,887	14,455	(16,432)
Total intergovernmental	<u>705,867</u>	<u>-</u>	<u>705,867</u>	<u>1,401,009</u>	<u>695,142</u>
Charges for Services:					
Town Clerk's fees including conveyance taxes	1,060,000		1,060,000	890,039	(169,961)
Building, plumbing and electrical permits	525,000		525,000	553,785	28,785
Planning and zoning commission	73,500		73,500	72,350	(1,150)
Water and septic permits and fees	50,000		50,000	54,715	4,715
Highway permits	7,000		7,000	5,400	(1,600)
Solid waste facility	10,000		10,000		(10,000)
Parking Authority	55,000		55,000	45,368	(9,632)
Police Department	210,000	50,000	260,000	314,808	54,808
Fire Department	865,000		865,000	885,046	20,046
Golf course	1,350,000		1,350,000	1,043,819	(306,181)
Parks and recreation	3,293,926		3,293,926	3,241,033	(52,893)
Animal control	12,000		12,000	7,319	(4,681)
Out of town tuition	140,000		140,000	109,450	(30,550)
Utilities and fuel	283,060		283,060	288,304	5,244
Rental of Town property	861,198		861,198	784,535	(76,663)
Total charges for services	<u>8,795,684</u>	<u>50,000</u>	<u>8,845,684</u>	<u>8,295,971</u>	<u>(549,713)</u>
Investment Income	<u>275,000</u>		<u>275,000</u>	<u>823,874</u>	<u>548,874</u>
Cancellation of Prior Year Encumbrances				22,425	22,425
Miscellaneous	<u>255,000</u>		<u>255,000</u>	<u>151,625</u>	<u>(103,375)</u>
Total revenues	<u>142,730,368</u>	<u>50,000</u>	<u>142,780,368</u>	<u>144,805,357</u>	<u>2,024,989</u>
Other Financing Sources:					
Utilization of fund balance	1,600,000		1,600,000		(1,600,000)
Transfers in:					
Sewer operating fund	30,000		30,000	30,000	-
Total other financing sources	<u>1,630,000</u>	<u>-</u>	<u>1,630,000</u>	<u>30,000</u>	<u>(1,600,000)</u>
Total Revenues and Other Financing Sources	<u>\$ 144,360,368</u>	<u>\$ 50,000</u>	<u>\$ 144,410,368</u>	<u>144,835,357</u>	<u>\$ 424,989</u>

Budgetary revenues are different than GAAP revenues because:

Turf field fund revenues not budgeted for - combination of fund for GASB 54 purposes	6,490
State of Connecticut Teacher's Retirement Plan - pension expense	15,624,764
State of Connecticut Teacher's Retirement Plan - OPEB (revenue) expense	(9,245,307)
Under liquidation of prior year encumbrances is recorded as miscellaneous revenue for budgetary reporting. This amount is excluded for GAAP financial reporting purposes.	(22,425)
Transfers in to the capital nonrecurring funds that were budgeted as a credit to debit service expenditures	19,583
The Board of Education does not budget for a combination of intergovernmental grants, charges for services and other revenue amounts received which are credited against education expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial reporting purposes.	1,565,078

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

\$ 152,783,540

**TOWN OF RIDGEFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	Original Budget	Transfers and Additional Appropriations	Final Budget	Actual			Variance with Final Budget
				Expenditures	Encumbrances	Total	
General Government:							
Selectmen	\$ 377,847	\$	\$ 377,847	\$ 374,063	\$	\$ 374,063	\$ 3,784
Board of Finance	83,996		83,996	82,375		82,375	1,621
Legal counsel	174,800	(7,000)	167,800	111,975		111,975	55,825
Administrative support services	289,823	16,000	305,823	305,089		305,089	734
Finance	451,598	110,000	561,598	556,693		556,693	4,905
Data processing	490,344	25,000	515,344	512,900		512,900	2,444
Registrars	124,646	14,000	138,646	138,098		138,098	548
Assessor	392,377		392,377	360,872		360,872	31,505
Tax Collector	232,874	7,000	239,874	238,513		238,513	1,361
Town Treasurer	32,367		32,367	32,188		32,188	179
Town Clerk	245,130	67,000	312,130	309,909		309,909	2,221
Planning and Zoning	281,924		281,924	255,146		255,146	26,778
Zoning Board of Appeals	74,898		74,898	72,629		72,629	2,269
Building department	234,149	10,000	244,149	243,812		243,812	337
Probate court	6,774		6,774	5,076		5,076	1,698
Conservation Commission	36,349		36,349	33,947		33,947	2,402
Commissions & committees	66,350	2,000	68,350	68,098		68,098	252
Insurance and benefits	8,721,552	(390,000)	8,331,552	8,066,687		8,066,687	264,865
Miscellaneous	31,000		31,000	31,000		31,000	-
Total general government	12,348,798	(146,000)	12,202,798	11,799,070	-	11,799,070	403,728
Health and Welfare:							
Health department	240,063	1,000	241,063	240,849		240,849	214
Social services	233,689		233,689	232,140		232,140	1,549
Total health and welfare	473,752	1,000	474,752	472,989	-	472,989	1,763
Community Grants	325,943		325,943	325,943		325,943	-
Parks and Recreation:							
Parks and recreation	3,721,537	14,000	3,735,537	3,641,115		3,641,115	94,422
Tree care	268,569	7,000	275,569	273,004		273,004	2,565
Golf course	1,054,930		1,054,930	1,022,156		1,022,156	32,774
Athletic fields	552,982		552,982	512,818		512,818	40,164
School grounds	442,767	13,000	455,767	455,496		455,496	271
Total parks and recreation	6,040,785	34,000	6,074,785	5,904,589	-	5,904,589	170,196
Public Safety:							
Police Department	5,436,480	70,000	5,506,480	5,495,911		5,495,911	10,569
Fire Department	4,510,367	25,000	4,535,367	4,531,722		4,531,722	3,645
Emergency management	54,450	(27,000)	27,450	5,709		5,709	21,741
Animal control	93,104		93,104	88,585		88,585	4,519
Parking Authority	40,550		40,550	36,050		36,050	4,500
Total public safety	10,134,951	68,000	10,202,951	10,157,977	-	10,157,977	44,974
Public Works:							
Highway Department	2,884,555	40,000	2,924,555	2,764,931		2,764,931	159,624
Roads/ADA - CP Financing	1,944,750		1,944,750	1,940,824		1,940,824	3,926
Town buildings	821,546	11,000	832,546	829,058		829,058	3,488
Utilities	931,931	42,000	973,931	973,248		973,248	683
Solid waste	60,500		60,500	55,961		55,961	4,539
School buildings	57,200		57,200	56,350		56,350	850
Total public works	6,700,482	93,000	6,793,482	6,620,372	-	6,620,372	173,110

(Continued on next page)

**TOWN OF RIDGEFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Original Budget	Transfers and Additional Appropriations	Final Budget	Actual			Variance with Final Budget
				Expenditures	Encumbrances	Total	
Contingency	\$ 61,200	\$ -	\$ 61,200	\$ 61,200	\$ -	\$ 61,200	\$ -
Education:							
Certified salaries	46,163,544	(590,443)	45,573,101	45,573,101		45,573,101	-
Noncertified salaries	10,934,652	439,631	11,374,283	11,370,056	3,580	11,373,636	647
Fringe benefits	18,431,570	(439,972)	17,991,598	17,974,978	1,969	17,976,947	14,651
Professional services	3,086,787	195,002	3,281,789	3,191,334	66,871	3,258,205	23,584
Utility services - sewer and water	175,087	(14,967)	160,120	157,969	2,150	160,119	1
Equipment repair and maintenance	524,252	273,001	797,253	636,787	160,241	797,028	225
Building repairs	1,537,732	97,462	1,635,194	1,446,848	188,328	1,635,176	18
Transportation services	5,434,576	(2,377)	5,432,199	5,412,002	20,051	5,432,053	146
Insurance - property and liability	378,127	14,321	392,448	392,448		392,448	-
Communications - telephone	277,881	74,630	352,511	351,343	1,132	352,475	36
Advertising services	5,500	(2,775)	2,725	2,725		2,725	-
Printing services	19,490	(10,038)	9,452	9,452		9,452	-
Food management services	21,000	30,622	51,622	51,577		51,577	45
Travel, mileage and training	179,400	(57,065)	122,335	108,140	12,581	120,721	1,614
Other purchased services	288,870	40,347	329,217	238,091	89,448	327,539	1,678
Tuition - out of district facilities	2,243,682	(165,838)	2,077,844	1,931,952	144,346	2,076,298	1,546
Supplies and materials	1,407,620	(35,889)	1,371,731	1,288,465	80,849	1,369,314	2,417
Energy - electricity, gas and fuel	2,111,591	5,045	2,116,636	2,065,928	47,064	2,112,992	3,644
Books	385,906	57,746	443,652	416,339	27,117	443,456	196
Equipment	137,690	117,712	255,402	161,763	93,616	255,379	23
Dues and fees - memberships	75,943	(9,450)	66,493	63,718	2,774	66,492	1
Miscellaneous	79,785	(16,705)	63,080	58,678	4,339	63,017	63
Athletics program	1,099,315		1,099,315	1,099,315		1,099,315	-
Total education	95,000,000	-	95,000,000	94,003,009	946,456	94,949,465	50,535
Library	2,008,299		2,008,299	2,008,299		2,008,299	-
Debt Service	11,036,654		11,036,654	11,036,654		11,036,654	-
Total expenditures	144,130,864	50,000	144,180,864	142,390,102	946,456	143,336,558	844,306
Other Financing Uses:							
Transfers out:							
Tiger Hollow Fund	63,000		63,000	63,000		63,000	-
Heart and Hypertension Fund	65,000		65,000	65,000		65,000	-
Revaluation Fund	101,504		101,504	101,504		101,504	-
Total other financing uses	229,504	-	229,504	229,504	-	229,504	-
Total Expenditures and Other Financing Uses	\$ 144,360,368	\$ 50,000	\$ 144,410,368	\$ 142,619,606	\$ 946,456	143,566,062	\$ 844,306

Budgetary expenditures are different than GAAP expenditures because:

Revaluation and Turf field fund expenses not budgeted for - combination of fund for GASB 54 purposes	59,532
Transfers to the revaluation and turf field funds that are collapsed under GASB 54 - not a GAAP expenditure	(156,504)
State of Connecticut Teacher's Retirement Board Plan - pension expense	15,624,764
State of Connecticut Teacher's Retirement Board Plan - OPEB (revenue) expense	(9,245,307)
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for GAAP financial reporting purposes.	(946,456)
Encumbrances for purchases and commitments ordered in the previous year that were received and liquidated in the current year are reported for GAAP financial statement reporting purposes.	220,874
Transfers in to the capital nonrecurring funds that were budgeted as a credit to debit service expenditures.	19,583
The Board of Education does not budget for a combination of intergovernmental grants, charges for services and other revenue amounts received which are credited against education expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial reporting purposes.	1,565,078

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

\$ 150,707,626

**TOWN OF RIDGEFIELD, CONNECTICUT
TOWN PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY AND RELATED RATIOS
LAST SIX FISCAL YEARS**

	2019	2018	2017	2016	2015	2014
Total pension liability:						
Service cost	\$ 1,360,674	\$ 1,330,704	\$ 1,439,793	\$ 1,543,202	\$ 1,469,904	\$ 1,447,332
Interest	4,153,322	3,872,068	3,661,312	3,092,338	3,122,207	2,840,427
Differences between expected and actual experience	304,477	798,073	(862,615)	(436,794)	1,585,644	221
Changes of assumptions	(2,276,150)	(1,937,475)	(1,672,858)	(1,475,202)	(1,384,009)	(1,288,272)
Benefit payments, including refunds of member contributions	3,237,846	4,306,109	3,363,705	3,052,752	5,505,430	2,999,708
Net change in total pension liability	61,308,105	57,001,996	53,638,291	50,585,539	45,080,109	42,080,401
Total pension liability - beginning	64,545,951	61,308,105	57,001,996	53,638,291	50,585,539	45,080,109
Total pension liability - ending	125,854,056	118,310,101	110,640,287	104,223,830	95,665,648	87,160,510
Plan fiduciary net position:						
Contributions - employer	1,232,010	1,443,701	1,507,842	1,709,440	1,594,234	1,550,489
Contributions - member	240,591	249,539	249,239	249,518	253,567	240,371
Net investment income	3,410,571	4,201,824	6,099,575	300,620	433,446	7,963,970
Benefit payments, including refunds of member contributions	(2,276,150)	(1,937,475)	(1,672,858)	(1,475,202)	(1,384,009)	(1,288,272)
Administrative expense	(38,560)	(22,692)	(48,725)	(37,252)	(30,601)	(33,036)
Other	390,274	390,274	390,274	390,274	390,274	390,274
Net change in plan fiduciary net position	2,568,462	3,934,897	6,135,073	747,124	866,637	8,823,796
Plan fiduciary net position - beginning	61,913,833	57,978,936	51,843,863	51,096,739	50,230,102	41,406,306
Plan fiduciary net position - ending	64,482,295	61,913,833	57,978,936	51,843,863	51,096,739	50,230,102
Net Pension (Asset) Liability - Ending	\$ 63,656	\$ (605,728)	\$ (976,940)	\$ 1,794,428	\$ (511,200)	\$ (5,149,993)
Plan fiduciary net position as a percentage of the total pension liability	99.90%	100.99%	101.71%	96.65%	101.01%	111.42%
Covered payroll	\$ 13,232,365	\$ 13,376,184	\$ 13,160,842	\$ 13,301,228	\$ 14,219,170	\$ 14,309,518
Net pension (asset) liability as a percentage of covered payroll	0.48%	-4.53%	-7.42%	13.49%	-3.60%	-35.99%

Notes to Schedule:

Changes of assumptions. In 2015, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2000 Healthy Annuitant Mortality Table for purposes of developing mortality rates.

Changes of assumptions. In 2016, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2014 Blue Collar Male and Female Pre- and Post-Retirement Mortality Tables for purposes of developing mortality rates.

Changes of assumptions. In 2017, salary increases were reduced from 3.25% to 3.00%

This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

**TOWN OF RIDGEFIELD, CONNECTICUT
FIREFIGHTERS UNION PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY AND RELATED RATIOS
LAST SIX FISCAL YEARS**

	2019	2018	2017	2016	2015	2014
Total pension liability:						
Service cost	\$ 274,979	\$ 283,603	\$ 297,527	\$ 305,631	\$ 287,805	\$ 279,175
Interest	1,308,293	1,259,322	1,219,442	1,175,734	1,118,848	1,062,259
Differences between expected and actual experience		(42,640)	(78,254)	29,731	(160,952)	24,583
Changes of assumptions		(62,858)	(155,226)	(243,324)	127,273	
Benefit payments, including refunds of member contributions	(724,834)	(681,763)	(675,734)	(548,575)	(568,834)	(520,379)
Net change in total pension liability	858,438	755,664	607,755	719,197	804,140	845,638
Total pension liability - beginning	19,469,562	18,713,898	18,106,143	17,386,946	16,582,806	15,737,168
Total pension liability - ending	<u>20,328,000</u>	<u>19,469,562</u>	<u>18,713,898</u>	<u>18,106,143</u>	<u>17,386,946</u>	<u>16,582,806</u>
Plan fiduciary net position:						
Contributions - employer	194,985	270,896	271,519	353,931	391,809	427,271
Contributions - member	102,168	101,875	105,470	108,610	110,292	107,813
Net investment income	1,078,514	1,355,597	2,000,068	100,180	146,879	2,745,052
Benefit payments, including refunds of member contributions	(724,834)	(681,763)	(675,734)	(548,575)	(568,834)	(520,379)
Administrative expense	(12,194)	(10,775)	(15,977)	(12,414)	(10,369)	(11,387)
Net change in plan fiduciary net position	638,639	1,035,830	1,685,346	1,732	69,777	2,748,370
Plan fiduciary net position - beginning	19,950,675	18,914,845	17,229,499	17,227,767	17,157,990	14,409,620
Plan fiduciary net position - ending	<u>20,589,314</u>	<u>19,950,675</u>	<u>18,914,845</u>	<u>17,229,499</u>	<u>17,227,767</u>	<u>17,157,990</u>
Net Pension (Asset) Liability - Ending	<u>\$ (261,314)</u>	<u>\$ (481,113)</u>	<u>\$ (200,947)</u>	<u>\$ 876,644</u>	<u>\$ 159,179</u>	<u>\$ (575,184)</u>
Plan fiduciary net position as a percentage of the total pension liability	101.29%	102.47%	101.07%	95.16%	99.08%	103.47%
Covered payroll	\$ 1,620,790	\$ 1,620,790	\$ 1,662,933	\$ 1,655,514	\$ 1,691,743	\$ 1,631,953
Net pension (asset) liability as a percentage of covered payroll	-16.12%	-29.68%	-12.08%	52.95%	9.41%	-35.25%

Notes to Schedule:

Changes of assumptions. In 2015, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2000 Healthy Annuitant Mortality Table for purposes of developing mortality rates.

Changes of assumptions. In 2016, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2014 Blue Collar Male and Female Pre- and Post-Retirement Mortality Tables for purposes of developing mortality rates.

This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

**TOWN OF RIDGEFIELD, CONNECTICUT
POLICE UNION PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY AND RELATED RATIOS
LAST SIX FISCAL YEARS**

	2019	2018	2017	2016	2015	2014
Total pension liability:						
Service cost	\$ 519,768	\$ 509,227	\$ 536,936	\$ 526,306	\$ 525,652	\$ 522,253
Interest	2,146,428	2,085,592	1,995,723	1,929,739	1,825,216	1,744,572
Differences between expected and actual experience	(382,866)	219,291	344,394	160,007	344,394	(258,928)
Changes of assumptions	(101,746)	(255,090)	198,703	(505,637)	198,703	(1,043,728)
Benefit payments, including refunds of member contributions	(1,315,303)	(1,123,646)	(1,151,891)	(1,135,109)	(1,073,671)	(1,043,728)
Net change in total pension liability	1,350,893	986,561	1,344,969	975,306	1,820,294	964,169
Total pension liability - beginning	31,936,810	30,950,249	29,605,280	28,629,974	26,809,680	25,845,511
Total pension liability - ending	33,287,703	31,936,810	30,950,249	29,605,280	28,629,974	26,809,680
Plan fiduciary net position:						
Contributions - employer	456,882	541,547	507,570	661,629	666,957	700,325
Contributions - member	197,221	206,383	201,517	195,006	197,840	194,230
Net investment income	1,763,756	2,200,914	3,230,569	162,498	239,025	4,548,876
Benefit payments, including refunds of member contributions	(1,315,303)	(1,123,646)	(1,151,891)	(1,135,109)	(1,073,671)	(1,043,728)
Administrative expense	(19,941)	(10,942)	(25,807)	(20,136)	(16,874)	(18,870)
Other						(390,274)
Net change in plan fiduciary net position	1,082,615	1,814,256	2,761,958	(136,112)	13,277	3,990,559
Plan fiduciary net position - beginning	32,412,461	30,598,205	27,836,247	27,972,359	27,959,082	23,968,523
Plan fiduciary net position - ending	33,495,076	32,412,461	30,598,205	27,836,247	27,972,359	27,959,082
Net Pension (Asset) Liability - Ending	\$ (207,373)	\$ (475,651)	\$ 352,044	\$ 1,769,033	\$ 657,615	\$ (1,149,402)
Plan fiduciary net position as a percentage of the total pension liability	100.62%	101.49%	98.86%	94.02%	97.70%	104.29%
Covered payroll	\$ 2,818,569	\$ 2,818,569	\$ 2,753,273	\$ 2,824,325	\$ 2,725,530	\$ 2,786,130
Net pension (asset) liability as a percentage of covered payroll	-7.36%	-16.88%	12.79%	62.64%	24.13%	-41.25%

Notes to Schedule:

Changes of assumptions. In 2015, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2000 Healthy Annuitant Mortality Table for purposes of developing mortality rates.

Changes of assumptions. In 2016, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2014 Blue Collar Male and Female Pre- and Post-Retirement Mortality Tables for purposes of developing mortality rates.

This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

**TOWN OF RIDGEFIELD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS - TOWN PENSION PLAN
LAST TEN FISCAL YEARS**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 1,330,868	\$ 1,302,909	\$ 1,426,783	\$ 1,693,900	\$ 1,452,534	\$ 1,468,009	\$ 1,454,663	\$ 1,522,605	\$ 1,573,625	\$ 1,556,663
Contributions in relation to the actuarially determined contribution	1,232,010	1,443,701	1,507,842	1,709,440	1,594,234	1,550,489	1,589,725	1,553,553	1,523,632	1,543,653
Contribution Deficiency (Excess)	\$ 98,858	\$ (140,792)	\$ (81,059)	\$ (15,540)	\$ (141,700)	\$ (82,480)	\$ (135,062)	\$ (30,948)	\$ 49,993	\$ 13,010
Covered payroll	\$ 13,232,365	\$ 13,376,184	\$ 13,160,842	\$ 13,301,228	\$ 14,219,170	\$ 14,309,518	\$ 14,251,512	\$ 13,535,316	\$ 13,748,035	\$ 13,617,621
Contributions as a percentage of covered payroll	9.31%	10.79%	11.46%	12.85%	11.21%	10.84%	11.15%	11.48%	11.08%	11.34%

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 Normal
 Amortization method: Level dollar
 Remaining amortization period: 20 years on initial 2014, unfunded liability plus 10-20 for losses thereafter
 Asset valuation method: 5-year smoothed market
 Inflation: 2.0%
 Salary increases: 3.00%
 Investment rate of return: 6.75%, net of pension plan investment expense, including inflation

Retirement age

Normal Retirement Date

Mortality - Actives / Retirees

RP-2014 Male and Female Pre and Post Retirement Mortality Tables
 projected generationally using the MP-2016 projection scales

**TOWN OF RIDGEFIELD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS - FIREFIGHTERS UNION PENSION PLAN
LAST TEN FISCAL YEARS**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 171,709	\$ 221,914	\$ 274,287	\$ 353,931	\$ 395,562	\$ 392,478	\$ 415,095	\$ 385,234	\$ 418,651	\$ 385,142
Contributions in relation to the actuarially determined contribution	194,985	270,896	270,896	350,713	391,809	427,271	436,433	412,385	391,172	367,843
Contribution Deficiency (Excess)	<u>\$ (23,276)</u>	<u>\$ (48,982)</u>	<u>\$ 3,391</u>	<u>\$ 3,218</u>	<u>\$ 3,753</u>	<u>\$ (34,793)</u>	<u>\$ (21,338)</u>	<u>\$ (27,151)</u>	<u>\$ 27,479</u>	<u>\$ 17,299</u>
Covered payroll	\$ 1,620,790	\$ 1,620,790	\$ 1,662,933	\$ 1,655,514	\$ 1,691,743	\$ 1,631,953	\$ 1,585,620	\$ 1,642,192	\$ 1,716,216	\$ 1,820,999
Contributions as a percentage of covered payroll	12.03%	16.71%	16.29%	21.18%	23.16%	26.18%	27.52%	25.11%	22.79%	20.20%

Notes to Schedule

Valuation date:

Measurement date:

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

July 1, 2018

June 30, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Amortization method

Remaining amortization period

Asset valuation method

Inflation

Salary increases

Investment rate of return

Entry Age Normal

Level dollar

20 years on initial 2014 unfunded liability plus 10-20 for losses thereafter

5-year smoothed market

2.0%

3.25%

6.75%, net of pension plan investment expense, including inflation

Retirement age

Normal Retirement Date

Mortality - Actives / Retirees

RP-2014- Blue collar adjustment projected generationally with MP-2017

**TOWN OF RIDGEFIELD, CONNECTICUT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS - POLICE UNION PENSION PLAN
 LAST TEN FISCAL YEARS**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 394,118	\$ 498,819	\$ 547,767	\$ 655,614	\$ 559,327	\$ 643,297	\$ 650,407	\$ 592,451	\$ 658,822	\$ 647,992
Contributions in relation to the actuarially determined contribution	456,882	541,547	507,570	661,629	666,957	700,325	683,842	724,062	615,578	618,886
Contribution Deficiency (Excess)	\$ (62,764)	\$ (42,728)	\$ 40,197	\$ (6,015)	\$ (107,630)	\$ (57,028)	\$ (33,435)	\$ (131,611)	\$ 43,244	\$ 29,106
Covered payroll	\$ 2,818,569	\$ 2,818,569	\$ 2,753,273	\$ 2,824,325	\$ 2,725,530	\$ 2,786,130	\$ 2,772,407	\$ 2,719,721	\$ 2,701,960	\$ 2,950,860
Contributions as a percentage of covered payroll	16.21%	19.21%	18.44%	23.43%	24.47%	25.14%	24.67%	26.62%	22.78%	20.97%

Notes to Schedule

Valuation date:

Measurement date:

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

July 1, 2018

June 30, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Amortization method

Remaining amortization period

Asset valuation method

Inflation

Salary increases

Investment rate of return

Retirement age

Mortality - Actives / Retirees

Entry Age Normal

Level dollar

20 years on initial 2014, unfunded liability plus 10-20 for losses thereafter

5-year smoothed market

2.0%

3.25%

6.75%, net of pension plan investment expense, including inflation

Normal Retirement Date

RP-2014- Blue collar adjustment projected generationally with MP-2017

**TOWN OF RIDGEFIELD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
DEFINED BENEFIT PENSION PLANS
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*	5.48%	7.19%	11.64%	0.62%	0.85%	18.83%

*The annual money-weighted rate of return, net of investment expense is identical for the Town, Firefighters and Police Union Pension plans.

This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

**TOWN OF RIDGEFIELD, 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>139,218,030</u>	<u>141,512,195</u>	<u>149,296,449</u>	<u>112,430,005</u>	<u>103,919,009</u>
Total	<u>\$ 139,218,030</u>	<u>\$ 141,512,195</u>	<u>\$ 149,296,449</u>	<u>\$ 112,430,005</u>	<u>\$ 103,919,009</u>
Town's covered payroll	\$ 40,477,574	\$ 39,970,733	\$ 45,168,781	\$ 43,138,957	\$ 39,494,735
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
Changes of assumptions

Beginning January 1, 2018, member contributions increased from 6% to 7% of salary. 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
Amortization method
Single equivalent amortization period
Asset valuation method
Investment rate of return

Entry age
Level percent of salary, closed
17.6 years
4-year smoothed market
8.00%, net of investment-related expense

This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

**TOWN OF RIDGEFIELD, CONNECTICUT
 RETIREE HEALTH PLAN
 SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
 LAST THREE FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:			
Service cost	\$ 380,818	\$ 427,639	\$ 419,244
Interest	1,859,291	1,752,881	1,724,956
Differences between expected and actual experience	717,291	(240,921)	609,405
Changes of assumptions		1,995,258	
Benefit payments, including refunds of member contributions	<u>(2,500,406)</u>	<u>(2,128,808)</u>	<u>(1,970,927)</u>
Net change in total OPEB liability	456,994	1,806,049	782,678
Total OPEB liability - beginning	<u>28,394,035</u>	<u>26,587,986</u>	<u>25,805,308</u>
Total OPEB liability - ending	<u>28,851,029</u>	<u>28,394,035</u>	<u>26,587,986</u>
Plan fiduciary net position:			
Contributions - employer	2,752,413	2,422,087	2,297,418
Contributions - TRB subsidy	231,022	221,721	233,543
Net investment income	265,466	99,391	213,248
Benefit payments, including refunds of member contributions	(2,500,406)	(2,128,808)	(1,970,927)
Administrative expense	<u>(14,571)</u>	<u>(23,092)</u>	
Net change in plan fiduciary net position	733,924	591,299	773,282
Plan fiduciary net position - beginning	<u>4,569,473</u>	<u>3,978,174</u>	<u>3,204,892</u>
Plan fiduciary net position - ending	<u>5,303,397</u>	<u>4,569,473</u>	<u>3,978,174</u>
Net OPEB Liability - Ending	<u>\$ 23,547,632</u>	<u>\$ 23,824,562</u>	<u>\$ 22,609,812</u>
Plan fiduciary net position as a percentage of the total OPEB liability	18.38%	16.09%	14.96%
Covered payroll	\$ 64,807,000	\$ 63,227,000	\$ 63,551,000
Net OPEB liability as a percentage of covered payroll	36.34%	37.68%	35.58%

This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

**TOWN OF RIDGEFIELD, CONNECTICUT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 RETIREE HEALTH PLAN
 LAST TEN FISCAL YEARS**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 2,289,193	\$ 1,979,000	\$ 1,921,000	\$ 1,942,000	\$ 1,869,000	\$ 2,193,000	\$ 2,059,000	\$ 1,876,000	\$ 1,784,000	\$ 1,630,300
Contributions in relation to the actuarially determined contribution	2,752,413	2,422,087	2,297,418	2,160,000	1,898,000	1,780,000	2,105,000	1,774,000	1,578,438	1,382,440
Contribution Deficiency (Excess)	\$ (463,220)	\$ (443,087)	\$ (376,418)	\$ (218,000)	\$ (29,000)	\$ 413,000	\$ (46,000)	\$ 102,000	\$ 205,562	\$ 247,860
Covered payroll	\$ 64,807,000	\$ 63,227,000	\$ 63,551,000	\$ 61,700,000	\$ 61,700,000	\$ 57,316,000	\$ 57,216,000	\$ 52,746,000	\$ 52,746,000	\$ 18,389,480
Contributions as a percentage of covered payroll	4%	4%	4%	4%	3%	3%	4%	3%	3%	8%

Notes to Schedule

Valuation date:

July 1, 2017
2019

Measurement date:

Actuarial cost method
Inflation 2.5%
Salary increases 2.5%
Mortality Tables RP-2014 Adjusted to 2006 total Dataset Mortality Table projected to the measurement date with Scale MP-2017

**TOWN OF RIDGEFIELD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
RETIREE HEALTH PLAN
LAST THREE FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	5.35%	2.25%	5.74%

This schedule is intended to show information for ten years.
Additional information will be added as it becomes available.

**TOWN OF RIDGEFIELD, CONNECTICUT
TEACHERS RETIREMENT PLAN
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
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>27,830,593</u>	<u>36,423,621</u>
Total	<u>\$ 27,830,593</u>	<u>\$ 36,423,621</u>
Town's covered payroll	\$ 40,477,574	\$ 39,970,733
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

This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

Appendix B-1

Form of Opinion of Bond Counsel – Series A

(This page intentionally left blank)

[FORM OF OPINION OF BOND COUNSEL FOR THE SERIES A BONDS]

May __, 2020

Town of Ridgefield,
 Ridgefield, Connecticut

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Town of Ridgefield, Connecticut (the “Town”), a Tax Regulatory Agreement of the Town, dated May __, 2020 (the “Tax Regulatory Agreement”), and other proofs submitted to us relative to the issuance and sale of \$4,465,000 Town of Ridgefield, Connecticut General Obligation Bonds, Issue of 2020, Series A, dated May __, 2020 (the “Bonds”), maturing on July 15 in each of the years, in the principal amounts and bearing interest payable on January 15, 2021 and semiannually thereafter on July 15 and January 15 in each year until maturity or earlier redemption, at the rates per annum as follows:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
2021	\$220,000	3.000%	2031	\$225,000	4.000%
2022	220,000	3.000	2032	225,000	2.000
2023	220,000	3.000	2033	225,000	2.000
2024	220,000	4.000	2034	225,000	2.125
2025	220,000	4.000	2035	225,000	2.150
2026	220,000	4.000	2036	225,000	2.200
2027	220,000	4.000	2037	225,000	2.250
2028	225,000	4.000	2038	225,000	2.250
2029	225,000	4.000	2039	225,000	2.375
2030	225,000	4.000	2040	225,000	2.375

with principal payable at the principal office of U.S. Bank National Association, in Hartford, Connecticut, and with interest 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 such registered owner at his address as shown on the registration books of the Town kept for such purpose. The Bonds are subject to redemption prior to maturity as therein provided.

The Bonds are originally registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), to effect a book-entry system for the ownership and transfer of the Bonds. So long as DTC or its nominee is the registered owner, principal and interest payments on the Bonds will be made to DTC.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds, and we express no opinion relating thereto, excepting only the matters set forth as our opinion in the Official Statement.

We are of the opinion that such proceedings and proofs show lawful authority for the issuance and sale of the Bonds under authority of the Constitution and General Statutes of Connecticut and that the Bonds are a valid general obligation of the Town the principal of and interest on which is payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property, such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. We are further of the opinion that the Tax Regulatory Agreement is a valid and binding agreement of the Town.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income for federal income tax purposes. The Town has covenanted in the Tax Regulatory Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In our opinion, under existing statutes and court decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax. We express no opinion regarding any other federal income tax consequences caused by ownership or disposition of, or receipt of interest on, the Bonds.

In rendering the foregoing opinions regarding the federal tax treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and expectations, and certifications of fact contained in the Tax Regulatory Agreement, and (ii) the compliance by the Town with the covenants and procedures set forth in the Tax Regulatory Agreement as to such tax matters.

We are further of the opinion 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 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. We express no opinion regarding any other State or local tax consequences caused by the ownership or disposition of the Bonds.

Legislation affecting the exclusion from gross income of interest on State or local bonds, such as the Bonds, is regularly under consideration by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds will not reduce or eliminate the benefit of the exclusion from gross income of interest on the Bonds or adversely affect the market price of the Bonds.

These opinions are rendered as of the date hereof and are based on existing law, which is subject to change. We assume no obligation to update or supplement these opinions to reflect any facts or circumstances that may come to our attention, or to reflect any changes in law that may hereafter occur or become effective.

The rights of owners of the Bonds and the enforceability of the Bonds and the Tax Regulatory Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by application of equitable principles, whether considered at law or in equity.

Respectfully,

Appendix B-2

Form of Opinion of Bond Counsel – Series B

(This page intentionally left blank)

[FORM OF OPINION OF BOND COUNSEL FOR THE SERIES B BONDS]

May __, 2020

Town of Ridgefield,
 Ridgefield, Connecticut

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Town of Ridgefield, Connecticut (the “Town”), a Tax Regulatory Agreement of the Town, dated May __, 2020 (the “Tax Regulatory Agreement”), and other proofs submitted to us relative to the issuance and sale of \$7,915,000 Town of Ridgefield, Connecticut General Obligation Refunding Bonds, Issue of 2020, Series B, dated May __, 2020 (the “Bonds”), maturing on July 15 in each of the years, in the principal amounts and bearing interest payable on July 15, 2020 and semiannually thereafter on January 15 and July 15 in each year until maturity or earlier redemption, at the rates per annum as follows:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
2021	\$2,565,000	5.000%	2026	\$225,000	5.000%
2022	2,575,000	5.000	2027	235,000	5.000
2023	710,000	5.000	2028	230,000	3.000
2024	710,000	5.000	2029	220,000	2.000
2025	230,000	5.000	2030	215,000	2.000

with principal payable at the principal office of U.S. Bank National Association, in Hartford, Connecticut, and with interest 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 such registered owner at his address as shown on the registration books of the Town kept for such purpose. The Bonds are subject to redemption prior to maturity as therein provided.

The Bonds are originally registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), to effect a book-entry system for the ownership and transfer of the Bonds. So long as DTC or its nominee is the registered owner, principal and interest payments on the Bonds will be made to DTC.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds, and we express no opinion relating thereto, excepting only the matters set forth as our opinion in the Official Statement.

We are of the opinion that such proceedings and proofs show lawful authority for the issuance and sale of the Bonds under authority of the Constitution and General Statutes of Connecticut and that the Bonds are a valid general obligation of the Town the principal of and interest on which is payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property, such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly

persons of low income or of qualified disabled persons taxable at limited amounts. We are further of the opinion that the Tax Regulatory Agreement is a valid and binding agreement of the Town.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income for federal income tax purposes. The Town has covenanted in the Tax Regulatory Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In our opinion, under existing statutes and court decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax. We express no opinion regarding any other federal income tax consequences caused by ownership or disposition of, or receipt of interest on, the Bonds.

In rendering the foregoing opinions regarding the federal tax treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and expectations, and certifications of fact contained in the Tax Regulatory Agreement, and (ii) the compliance by the Town with the covenants and procedures set forth in the Tax Regulatory Agreement as to such tax matters.

We are further of the opinion 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 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. We express no opinion regarding any other State or local tax consequences caused by the ownership or disposition of the Bonds.

Legislation affecting the exclusion from gross income of interest on State or local bonds, such as the Bonds, is regularly under consideration by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds will not reduce or eliminate the benefit of the exclusion from gross income of interest on the Bonds or adversely affect the market price of the Bonds.

These opinions are rendered as of the date hereof and are based on existing law, which is subject to change. We assume no obligation to update or supplement these opinions to reflect any facts or circumstances that may come to our attention, or to reflect any changes in law that may hereafter occur or become effective.

The rights of owners of the Bonds and the enforceability of the Bonds and the Tax Regulatory Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by application of equitable principles, whether considered at law or in equity.

Respectfully,

Appendix C-1

Form of Continuing Disclosure Agreement – Series A

(This page intentionally left blank)

[FORM OF CONTINUING DISCLOSURE AGREEMENT]

CONTINUING DISCLOSURE AGREEMENT

Town of Ridgefield, Connecticut
\$4,465,000 General Obligation Bonds, Issue of 2020, Series A
dated May __, 2020

May __, 2020

WHEREAS, the Town of Ridgefield, Connecticut (the “Town”) has heretofore authorized the issuance of \$4,465,000 in aggregate principal amount of its General Obligation Bonds, Issue of 2020, Series A, dated May __, 2020 (the “Bonds”), maturing on the dates and in the amounts set forth in the Town’s Official Statement dated May 5, 2020 describing the Bonds (the “Official Statement”); and

WHEREAS, the Bonds have been sold by a competitive bid pursuant to a Notice of Sale, dated April 28, 2020 (the “Notice of Sale”); and

WHEREAS, in the Notice of Sale, the Town has heretofore acknowledged that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the Town has undertaken in a written agreement for the benefit of the beneficial owners of the Bonds to provide certain continuing disclosure information as required by Securities and Exchange Commission Rule 15c2-12(b)(5), as amended from time to time (the “Rule”), and the Town desires to assist the underwriter of the Bonds in complying with the Rule; and

WHEREAS, the Town is authorized pursuant to Section 3-20e of the General Statutes of Connecticut to make such representations and agreements for the benefit of the beneficial owners of the Bonds to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriter of the Bonds in complying with the Rule, this Continuing Disclosure Agreement (this “Agreement”) is to be made, executed and delivered by the Town in connection with the issuance of the Bonds and to be described in the Official Statement, all for the benefit of the beneficial owners of the Bonds, as they may be from time to time;

NOW, THEREFORE, the Town hereby represents, covenants and agrees as follows:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

“Annual Report” shall mean any Annual Report provided by the Town pursuant to, and as described in, Sections 2 and 3 of this Agreement.

“Financial Obligation” shall mean any (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or source of payment for, an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). Municipal securities as to which a final official statement has been filed with the Repository, consistent with the Rule, shall not be considered a Financial Obligation.

“Fiscal Year End” shall mean the last day of the Town’s fiscal year, currently June 30.

“Listed Events” shall mean any of the events listed in Section 4 of this Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” shall mean the Electronic Municipal Market Access (EMMA) system as described in 1934 Act Release No. 57577 for purposes of the Rule, the MSRB or any other nationally recognized municipal securities information repository or organization recognized by the SEC from time to time for purposes of the Rule.

“SEC” shall mean the Securities and Exchange Commission of the United States or any successor thereto.

Section 2. Annual Reports.

(a) The Town shall provide or cause to be provided to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, the following annual financial information and operating data regarding the Town:

(i) Audited financial statements as of and for the year ending on its Fiscal Year End prepared in accordance with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time; and

(ii) Financial information and operating data as of and for the year ending on its Fiscal Year End of the following type to the extent not included in the audited financial statements described in (i) above:

(A) the amounts of the gross and net taxable grand list;

(B) a listing of the ten largest taxpayers on the grand list, together with each such taxpayer's taxable valuation thereon;

(C) the percentage and amount of the annual property tax levy collected and uncollected;

(D) a schedule of the annual debt service on outstanding long-term bonded indebtedness;

(E) a calculation of the net direct debt, total direct debt, and total overall net debt (reflecting overlapping and underlying debt);

(F) the total direct debt, total net direct debt and total overall net debt of the Town per capita;

(G) the ratios of total direct debt and total overall net debt of the Town to the Town's net taxable grand list;

(H) a statement of statutory debt limitations and debt margins; and

(I) the funding status of the Town's pension benefit obligations.

(b) The above-referenced information is expected to be provided by the filing of and cross reference to the Town's audited financial statements. The information may be provided in whole or in part by cross-reference to other documents previously provided to the Repository, including official statements of the Town which will be available from the MSRB.

(c) Subject to the requirements of Section 8 hereof, the Town reserves the right to modify from time to time the type of financial information and operating data provided or the format of the presentation of such financial information and operating data, to the extent necessary or appropriate; provided that the Town agrees that any such modification will be done in a manner consistent with the Rule. The Town also reserves the right to modify the preparation and presentation of financial statements described herein as may be required to conform with changes in Connecticut law applicable to municipalities or any changes in generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time.

Section 3. Timing. The Town shall provide the financial information and operating data referenced in Section 2(a) not later than eight months after each Fiscal Year End subsequent to the date of issuance of the Bonds, provided, however, that if such financial information and operating data for the Fiscal Year End preceding the date of issuance of the Bonds is not contained in the Official Statement for the Bonds or has not otherwise been previously provided, the Town shall provide such financial information and operating data no later than eight months after the close of such preceding Fiscal Year End. The Town agrees that if audited financial statements are not available eight

months after the close of any Fiscal Year End, it shall submit unaudited financial statements by such time and will submit audited financial statements information when and if available.

Section 4. Event Notices. The Town agrees to provide, or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, of the occurrence of any of the following events:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) 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;
- (vii) modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership, or similar event of any obligated person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving any obligated person or the sale of all or substantially all of the assets of any obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake any such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if any, if material;
- (xv) incurrence of a Financial Obligation by any obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of any obligated person, any of which affect Bondholders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of any obligated person, any of which reflect financial difficulties.

Section 5. Notice of Failure. The Town agrees to provide, or cause to be provided, in a timely manner to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, notice of any failure by the Town to provide the annual financial information described in Section 2(a) of this Agreement on or before the date described in Section 3 of this Agreement.

Section 6. Termination of Reporting Obligation. The Town's obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Agent. The Town may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the Town 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 in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Town, 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) this Agreement, as so amended, would have complied with the requirements of the Rule as of the date of this Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the Repository in electronic format. The Annual Report 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 financial information or operating data provided.

Section 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the Town from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or providing notice of the occurrence of any other event, in addition to that which is required by this Agreement. If the Town chooses to include any other information in any Annual Report or provide notice of the occurrence of any other event in addition to that which is specifically required by this Agreement, the Town shall have no obligation under this Agreement to update such information or include or provide such information or notice of the occurrence of such event in the future.

Section 10. Indemnification. The Town agrees, pursuant to applicable law, to indemnify and save its officials, officers and employees harmless against any loss, expense or liability which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any loss, expense or liability due to any such person's malicious, wanton, or willful act. The obligations of the Town under this Section shall survive termination of this Agreement.

Section 11. Enforceability. The Town agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the Town shall fail to perform its duties hereunder, the Town shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. In the event the Town does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the Town's obligations hereunder. No monetary damages shall arise or be payable hereunder, nor shall any failure to comply with this Agreement constitute a default of the Town with respect to the Bonds.

IN WITNESS WHEREOF, the Town has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

TOWN OF RIDGEFIELD, CONNECTICUT

By: _____
Name: Rudolph P. Marconi
Title: First Selectman

By: _____
Name: Molly McGeehin
Title: Town Treasurer

(This page intentionally left blank)

Appendix C-2

Form of Continuing Disclosure Agreement – Series B

(This page intentionally left blank)

[FORM OF CONTINUING DISCLOSURE AGREEMENT]

CONTINUING DISCLOSURE AGREEMENT

Town of Ridgefield, Connecticut
\$7,915,000 General Obligation Refunding Bonds, Issue of 2020, Series B
dated May __, 2020

May __, 2020

WHEREAS, the Town of Ridgefield, Connecticut (the “Town”) has heretofore authorized the issuance of \$7,915,000 in aggregate principal amount of its General Obligation Refunding Bonds, Issue of 2020, Series B, dated May __, 2020 (the “Bonds”), maturing on the dates and in the amounts set forth in the Town’s Official Statement dated May 5, 2020 describing the Bonds (the “Official Statement”); and

WHEREAS, the Bonds have been sold by a competitive bid pursuant to a Notice of Sale, dated April 28, 2020 (the “Notice of Sale”); and

WHEREAS, in the Notice of Sale, the Town has heretofore acknowledged that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the Town has undertaken in a written agreement for the benefit of the beneficial owners of the Bonds to provide certain continuing disclosure information as required by Securities and Exchange Commission Rule 15c2-12(b)(5), as amended from time to time (the “Rule”), and the Town desires to assist the underwriter of the Bonds in complying with the Rule; and

WHEREAS, the Town is authorized pursuant to Section 3-20e of the General Statutes of Connecticut to make such representations and agreements for the benefit of the beneficial owners of the Bonds to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriter of the Bonds in complying with the Rule, this Continuing Disclosure Agreement (this “Agreement”) is to be made, executed and delivered by the Town in connection with the issuance of the Bonds and to be described in the Official Statement, all for the benefit of the beneficial owners of the Bonds, as they may be from time to time;

NOW, THEREFORE, the Town hereby represents, covenants and agrees as follows:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

“Annual Report” shall mean any Annual Report provided by the Town pursuant to, and as described in, Sections 2 and 3 of this Agreement.

“Financial Obligation” shall mean any (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or source of payment for, an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). Municipal securities as to which a final official statement has been filed with the Repository, consistent with the Rule, shall not be considered a Financial Obligation.

“Fiscal Year End” shall mean the last day of the Town’s fiscal year, currently June 30.

“Listed Events” shall mean any of the events listed in Section 4 of this Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” shall mean the Electronic Municipal Market Access (EMMA) system as described in 1934 Act Release No. 57577 for purposes of the Rule, the MSRB or any other nationally recognized municipal securities information repository or organization recognized by the SEC from time to time for purposes of the Rule.

“SEC” shall mean the Securities and Exchange Commission of the United States or any successor thereto.

Section 2. Annual Reports.

(a) The Town shall provide or cause to be provided to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, the following annual financial information and operating data regarding the Town:

(i) Audited financial statements as of and for the year ending on its Fiscal Year End prepared in accordance with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time; and

(ii) Financial information and operating data as of and for the year ending on its Fiscal Year End of the following type to the extent not included in the audited financial statements described in (i) above:

(A) the amounts of the gross and net taxable grand list;

(B) a listing of the ten largest taxpayers on the grand list, together with each such taxpayer's taxable valuation thereon;

(C) the percentage and amount of the annual property tax levy collected and uncollected;

(D) a schedule of the annual debt service on outstanding long-term bonded indebtedness;

(E) a calculation of the net direct debt, total direct debt, and total overall net debt (reflecting overlapping and underlying debt);

(F) the total direct debt, total net direct debt and total overall net debt of the Town per capita;

(G) the ratios of total direct debt and total overall net debt of the Town to the Town's net taxable grand list;

(H) a statement of statutory debt limitations and debt margins; and

(I) the funding status of the Town's pension benefit obligations.

(b) The above-referenced information is expected to be provided by the filing of and cross reference to the Town's audited financial statements. The information may be provided in whole or in part by cross-reference to other documents previously provided to the Repository, including official statements of the Town which will be available from the MSRB.

(c) Subject to the requirements of Section 8 hereof, the Town reserves the right to modify from time to time the type of financial information and operating data provided or the format of the presentation of such financial information and operating data, to the extent necessary or appropriate; provided that the Town agrees that any such modification will be done in a manner consistent with the Rule. The Town also reserves the right to modify the preparation and presentation of financial statements described herein as may be required to conform with changes in Connecticut law applicable to municipalities or any changes in generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time.

Section 3. Timing. The Town shall provide the financial information and operating data referenced in Section 2(a) not later than eight months after each Fiscal Year End subsequent to the date of issuance of the Bonds, provided, however, that if such financial information and operating data for the Fiscal Year End preceding the date of issuance of the Bonds is not contained in the Official Statement for the Bonds or has not otherwise been previously provided, the Town shall provide such financial information and operating data no later than eight months after the close of such preceding Fiscal Year End. The Town agrees that if audited financial statements are not available eight

months after the close of any Fiscal Year End, it shall submit unaudited financial statements by such time and will submit audited financial statements information when and if available.

Section 4. Event Notices. The Town agrees to provide, or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, of the occurrence of any of the following events:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) 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;
- (vii) modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership, or similar event of any obligated person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving any obligated person or the sale of all or substantially all of the assets of any obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake any such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if any, if material;
- (xv) incurrence of a Financial Obligation by any obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of any obligated person, any of which affect Bondholders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of any obligated person, any of which reflect financial difficulties.

Section 5. Notice of Failure. The Town agrees to provide, or cause to be provided, in a timely manner to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, notice of any failure by the Town to provide the annual financial information described in Section 2(a) of this Agreement on or before the date described in Section 3 of this Agreement.

Section 6. Termination of Reporting Obligation. The Town's obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Agent. The Town may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the Town 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 in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Town, 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) this Agreement, as so amended, would have complied with the requirements of the Rule as of the date of this Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the Repository in electronic format. The Annual Report 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 financial information or operating data provided.

Section 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the Town from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or providing notice of the occurrence of any other event, in addition to that which is required by this Agreement. If the Town chooses to include any other information in any Annual Report or provide notice of the occurrence of any other event in addition to that which is specifically required by this Agreement, the Town shall have no obligation under this Agreement to update such information or include or provide such information or notice of the occurrence of such event in the future.

Section 10. Indemnification. The Town agrees, pursuant to applicable law, to indemnify and save its officials, officers and employees harmless against any loss, expense or liability which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any loss, expense or liability due to any such person's malicious, wanton, or willful act. The obligations of the Town under this Section shall survive termination of this Agreement.

Section 11. Enforceability. The Town agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the Town shall fail to perform its duties hereunder, the Town shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. In the event the Town does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the Town's obligations hereunder. No monetary damages shall arise or be payable hereunder, nor shall any failure to comply with this Agreement constitute a default of the Town with respect to the Bonds.

IN WITNESS WHEREOF, the Town has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

TOWN OF RIDGEFIELD, CONNECTICUT

By: _____
Name: Rudolph P. Marconi
Title: First Selectman

By: _____
Name: Molly McGeehin
Title: Town Treasurer

(This page intentionally left blank)

Appendix D-1

Notice of Sale – Series A

(This page intentionally left blank)

NOTICE OF SALE
\$4,465,000
TOWN OF RIDGEFIELD, CONNECTICUT

GENERAL OBLIGATION BONDS, ISSUE OF 2020, SERIES A

Electronic bids (as described herein) will be received by the **TOWN OF RIDGEFIELD, CONNECTICUT** (the “Town”), until 11:00 A.M. (E.T.) Tuesday,

MAY 5, 2020

(the “Sale Date”) for the purchase of all, but not less than all, of the \$4,465,000 Town of Ridgefield, Connecticut General Obligation Bonds, Issue of 2020, Series A (the “Bonds”). Electronic bids must be submitted via **PARITY®**. (See “Electronic Bidding Procedures”).

The Town reserves the right to make changes to the provisions of this Notice of Sale, including the date and time of the sale, prior to the date and time of sale set forth above. Any such changes will be posted through **PARITY®**. Prospective bidders are advised to check for such **PARITY®** postings prior to the above stated sale time.

The Bonds

The Bonds will be dated May 26, 2020, mature in the principal amounts of \$220,000 on July 15 in each of the years 2021 to 2027, both inclusive, and \$225,000 on July 15 in each of the years 2028 to 2040, both inclusive, bear interest payable on January 15, 2021 and semiannually thereafter on July 15 and January 15 in each year until maturity or earlier redemption, as further described in the Preliminary Official Statement for the Bonds dated April 28, 2020 (the “Preliminary Official Statement”).

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

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

Nature of Obligation

The full faith and credit of the Town will be pledged for the prompt payment of the principal of and interest on the Bonds when due. The Bonds will be general obligations of the Town payable, unless paid from other sources, from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts.

Bank Qualification

The Bonds 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 (the “Code”), for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Registration

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, New York, New York (“DTC”), registered in the name of its nominee, Cede & Co., and immobilized in their custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 and integral multiples 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 winning bidder, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, or its custodian, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable by the Town or its agent in Federal funds to DTC or its nominee as registered owner of the Bonds. Principal and interest payments 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 to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Electronic Bidding Procedures

Any prospective bidder intending to submit an electronic bid must submit its electronic bid through the facilities of **PARITY**®. Subscription to i-Deal LLC’s BiDCOMP Competitive Bidding System is required in order to submit an electronic bid and the Town will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of **PARITY**® shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Town. 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.

All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale. If any provisions of this Notice of Sale shall conflict with information provided by **PARITY**® as the approved provider of electronic bidding services, this Notice of Sale shall control. 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).

Bid Specifications/Basis of Award

Each bid must be for the entire \$4,465,000 of Bonds and must specify the rate or rates of interest therefor in a multiple of 1/20 or 1/8 of 1% per annum. Bids shall not state more than one interest rate for any Bonds having the same maturity date. The highest interest rate bid for a maturity and the lowest rate bid for any other maturity may not differ by more than three (3%) percentage points. Interest shall be computed on the basis of twelve 30-day months and a 360 day year. No bid for less than all of the Bonds or for less than par and accrued interest, if any, will be considered.

For purposes of the electronic bidding process, the time as maintained by **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, computed and rounded to six decimal places.

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 May 26, 2020, the date of the Bonds, results in an amount equal to the purchase price for the Bonds, not including interest accrued, if any, to May 26, 2020, the delivery date of the Bonds. It is requested that each bid be accompanied by a statement of the percentage of true interest cost computed and rounded to six decimal places. Such statement shall not be considered as a part of the bid. The Bonds will be awarded or all bids will be rejected promptly after the bid opening, but not later than 4:00 P.M. (E.T.) on the Sale Date. The purchase price must be paid in Federal funds.

The Town reserves the right to reject any and all bids and to waive any irregularity or informality with respect to any bid. The Town further reserves the right to postpone the sale to another time and date in its sole and absolute discretion for any reason, including, without limitation, internet difficulties. The Town will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Unless all bids are rejected or the bid is postponed, the Bonds will be awarded to the bidder offering to purchase them at the lowest true interest cost.

Closing Documents and Legal Opinion

The Bonds will be certified by U.S. Bank National Association, Hartford, Connecticut. The legality of the Bonds will be passed upon by Robinson & Cole LLP, Hartford, Connecticut (“Bond Counsel”), and the winning bidder will be furnished with their opinion without charge. The winning bidder will also be furnished with a signature and no litigation certificate, a receipt of payment satisfactory in form to Bond Counsel, a signed copy of the final Official Statement prepared for the Bonds, a certificate signed by the appropriate officials of the Town relating to the accuracy and completeness of information contained in the final Official Statement, and an executed Continuing Disclosure Agreement.

The legal opinion will further state that (i) under existing statutes and court decisions, interest on the Bonds is excluded from gross income for federal income tax purposes, (ii) such interest is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax, (iii) 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 (iv) such interest is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay federal alternative minimum tax. In rendering its legal opinion, Bond Counsel will rely upon and assume the material accuracy of the representations and statements of expectation contained in the Tax Regulatory Agreement entered into by the Town for the benefit of the owners of the Bonds, and further, will assume compliance by the Town with the covenants and procedures set forth in such Tax Regulatory Agreement. A copy of the opinion will be printed upon each of the Bonds, and a signed opinion and transcript of proceedings will be filed with U.S. Bank National Association, Hartford, Connecticut, and will be available for examination upon request.

Obligation to Deliver Issue Price Certificate

Pursuant to the Code and applicable Treasury Regulations, the Town must establish the “issue price” of the Bonds. In order to assist the Town, the winning bidder is obligated to deliver to the Town a certificate (an “Issue Price Certificate”) and such additional information satisfactory to Bond Counsel described below, prior to the delivery of the Bonds. The Town will rely on the Issue Price Certificate and such additional information in determining the issue price of the Bonds. The form of Issue Price Certificate is available by contacting Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, LLC, Email: mspoerndle@muniadvisors.com, Telephone: (203) 878-4945, municipal advisor to the Town (the “Municipal Advisor”).

By submitting a bid, each bidder is certifying that (i) it is an underwriter of municipal bonds which has an established industry reputation for underwriting new issuances of municipal bonds, (ii) its bid is a firm offer to purchase the Bonds, (iii) its bid is a good faith offer which the bidder believes reflects current market conditions, and (iv) its bid is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale rule relating to the establishment of the issue price of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal

bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Rule”).

The Municipal Advisor will advise the winning bidder if the Competitive Sale Rule was met at the same time it notifies the winning bidder of the award of the Bonds. **Bids will not be subject to cancellation in the event that the Competitive Sale Rule is not satisfied.**

Competitive Sale Rule Met. If the Municipal Advisor advises the winning bidder that the Competitive Sale Rule has been met, the winning bidder shall, within one (1) hour after being notified of the award of the Bonds, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial offering price to the public of each maturity of the Bonds as of the Sale Date.

Competitive Sale Rule Not Met. By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Rule is not met, it will satisfy either the **10% Sale Rule** or the **Hold the Offering Price Rule** described below with respect to each maturity of the Bonds prior to the delivery date of the Bonds. The rule selected with respect to each maturity of the Bonds shall be set forth on an Issue Price Rule Selection Certificate, the form of which is attached hereto, which shall be sent to the winning bidder promptly after the award of the Bonds. The winning bidder shall complete and execute the Issue Price Rule Selection Certificate and email it to Bond Counsel and the Municipal Advisor by 5:00 P.M. on the day after the Sale Date. **If the Issue Price Rule Selection Certificate is not returned by this deadline, or if no selection is made with respect to a maturity, the winning bidder agrees that the Hold the Offering Price Rule shall apply to such maturities.**

10% Sale Rule. To satisfy the 10% Sale Rule for any maturity of the Bonds, the winning bidder:

(i) will make a bona fide offering to the public of all of the Bonds at the initial offering prices and provide the Town with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

(ii) will report to the Town information regarding the actual prices at which at least 10 percent (10%) of the Bonds of each maturity have been sold to the public;

(iii) will provide the Town with reasonable supporting documentation or certifications of such sale prices, the form of which is acceptable to Bond Counsel. If the 10% Sale Rule is used with respect to a maturity of the Bonds, this reporting requirement will continue, beyond the closing date of the Bonds, if necessary, until such date that at least 10 percent (10%) of such maturity of the Bonds has been sold to the public; and

(iv) has or will include in any agreement among underwriters, selling group agreement or third party distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

Hold the Offering Price Rule. To satisfy the Hold the Offering Price Rule for any maturity of the Bonds, the winning bidder:

(i) will make a bona fide offering to the public of all of the Bonds at the initial offering prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

(ii) will neither offer nor sell to any person any Bonds of such maturity at a price that is higher than the initial offering price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least ten percent (10%) of the Bonds of such maturity at a price that is no higher than the initial offering price of such maturity or (ii) the close of business on the fifth (5th) business day after the Sale Date of the Bonds; and

(iii) has or will include within any agreement among underwriters, selling group agreement or third party distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Bonds as set forth above.

For purposes of the 10% Sale Rule or the Hold the Offering Price Rule, a “maturity” refers to Bonds that have the same interest rate, credit and payment terms.

If the winning bidder has purchased any maturity of 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 Rule was met, the Issue Price Certificate will recite such facts and identify the price or prices at which such maturity of the Bonds was purchased.

For purposes of this Notice of Sale, the “public” does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Bonds to the public (such as a third party distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Bonds to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any “derivative products” (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Bonds.

Settlement of the Bonds

The Bonds will be available for delivery on or about May 26, 2020. The deposit of the Bonds with DTC or its custodian under a book-entry system requires the assignment of CUSIP numbers prior to delivery. The Municipal Advisor shall obtain CUSIP numbers for the Bonds prior to delivery, and the Town will not be responsible for any delay occasioned by the failure of the winning bidder to obtain such numbers and to supply them to the Town in a timely manner. The Town assumes no responsibility for any CUSIP Service Bureau 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 winning bidder.

The Preliminary Official Statement is in a form “deemed final” by the Town for purposes of SEC Rule 15c2-12(b)(1). The winning bidder will be furnished 25 copies of the final Official Statement prepared for the Bonds at the Town’s expense. Additional copies may be obtained by the winning bidder at its own expense by arrangement with the printer. The copies of the final Official Statement will be made available to the winning bidder no later than seven business days after the bid opening at the office of the Town’s Municipal Advisor. If the Municipal Advisor is provided with the necessary information from the winning bidder by 12:00 p.m. (noon) on the day after the bid opening, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, ratings, yields or reoffering prices, the name of the managing underwriter, and the name of the insurer, if any, of the Bonds.

Continuing Disclosure

The Town will undertake in a Continuing Disclosure Agreement entered into in accordance with the requirements of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission, to provide (i) certain annual financial information and operating data, including audited financial statements; (ii) notice of the occurrence of certain events within 10 business days of the occurrence of such events with respect to the Bonds; and (iii) timely notice of its failure to provide such annual financial information. 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 the Bonds.

Related Information

For more information regarding the Bonds and the Town, reference is made to the Preliminary Official Statement. Copies of the Preliminary Official Statement and the Issue Price Certificate may be obtained from the undersigned, or from Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, LLC, Email: mspoerndle@muniadvisors.com, Telephone: (203) 878-4945, municipal advisor to the Town.

RUDOLPH P. MARCONI
First Selectman

MOLLY MCGEEHIN
Town Treasurer

April 28, 2020

ISSUE PRICE RULE SELECTION CERTIFICATE

Town of Ridgefield, Connecticut
 \$4,465,000 General Obligation Bonds, Issue of 2020, Series A

The undersigned, on behalf of [NAME OF UNDER/REP], [on behalf of itself and [OTHER UNDER], hereby certifies that it will use the rule selected below for the respective maturity of the above-captioned bonds (the “Bonds”), as described in the Notice of Sale for the Bonds, dated April 28, 2020 (the “Notice of Sale”). For a description of the requirements of each rule, please refer to the section “Obligation to Deliver Issue Price Certificate” in the Notice of Sale. Capitalized terms used but not defined herein are defined in the Notice of Sale.

<u>Date of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	10% Sale Rule (Underwriter has or will comply with 10% Sale Price Rule for this Maturity)		Hold the Offering Price Rule (Underwriter will comply with Hold the Offering Price Rule for this Maturity)	
			<u>Check Box</u>	<u>Sales Price</u>	<u>Check Box</u>	<u>Initial Offering Price</u>
07/15/2021	\$220,000	_____ %	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2022	220,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2023	220,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2024	220,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2025	220,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2026	220,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2027	220,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2028	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2029	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2030	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2031	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2032	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2033	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2034	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2035	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2036	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2037	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2038	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2039	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2040	225,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____

(All Sales Prices or Initial Offering Prices must be completed prior to the delivery date of the Bonds.)

[NAME OF UNDER/REP]

By: _____
 Name:
 Title:

Email this completed and executed certificate to the following by 5:00 P.M. on May 6, 2020:

Bond Counsel: atamzoke@rc.com

Municipal Advisor: mspoerndle@muniadvisors.com

(This page intentionally left blank)

Appendix D-2

Notice of Sale – Series B

(This page intentionally left blank)

NOTICE OF SALE
\$8,185,000*
TOWN OF RIDGEFIELD, CONNECTICUT

GENERAL OBLIGATION REFUNDING BONDS, ISSUE OF 2020, SERIES B

Electronic bids (as described herein) will be received by the **TOWN OF RIDGEFIELD, CONNECTICUT** (the “Town”), until 11:30 A.M. (E.T.) Tuesday,

MAY 5, 2020

(the “Sale Date”) for the purchase of all, but not less than all, of the \$8,185,000* Town of Ridgefield, Connecticut General Obligation Refunding Bonds, Issue of 2020, Series B (the “Bonds”). Electronic bids must be submitted via **PARITY**[®]. (See “Electronic Bidding Procedures”).

The Town reserves the right to make changes to the provisions of this Notice of Sale, including the date and time of the sale, prior to the date and time of sale set forth above. Any such changes will be posted through **PARITY**[®]. Prospective bidders are advised to check for such **PARITY**[®] postings prior to the above stated sale time.

The Bonds

The Bonds will be dated May 26, 2020, mature in the principal amounts of \$2,635,000* on July 15 in the year 2021, \$2,620,000* on July 15 in the year 2022, \$740,000* on July 15 in the year 2023, \$730,000* on July 15 in the year 2024, \$250,000* on July 15 in the year 2025, \$245,000* on July 15 in the year 2026, \$250,000* on July 15 in the year 2027, \$245,000* on July 15 in the year 2028, and \$235,000* on July 15 in each of the years 2029 to 2030, both inclusive, bear interest payable on July 15, 2020 and semiannually thereafter on January 15 and July 15 in each year until maturity or earlier redemption, as further described in the Preliminary Official Statement for the Bonds dated April 28, 2020 (the “Preliminary Official Statement”).

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

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

Nature of Obligation

The full faith and credit of the Town will be pledged for the prompt payment of the principal of and interest on the Bonds when due. The Bonds will be general obligations of the Town payable, unless paid from other sources, from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts.

*Preliminary, subject to change.

Bank Qualification

The Bonds 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 (the “Code”), for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Registration

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, New York, New York (“DTC”), registered in the name of its nominee, Cede & Co., and immobilized in their custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 and integral multiples 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 winning bidder, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, or its custodian, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable by the Town or its agent in Federal funds to DTC or its nominee as registered owner of the Bonds. Principal and interest payments 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 to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Electronic Bidding Procedures

Any prospective bidder intending to submit an electronic bid must submit its electronic bid through the facilities of **PARITY®**. Subscription to i-Deal LLC’s BiDCOMP Competitive Bidding System is required in order to submit an electronic bid and the Town will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of **PARITY®** shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Town. 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.

All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale. If any provisions of this Notice of Sale shall conflict with information provided by **PARITY®** as the approved provider of electronic bidding services, this Notice of Sale shall control. 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).

Bid Specifications/Basis of Award

Each bid must be for the entire \$8,185,000* of Bonds and must specify the rate or rates of interest therefor in a multiple of 1/20 or 1/8 of 1% per annum. Bids shall not state more than one interest rate for any Bonds having the same maturity date. The highest interest rate bid for a maturity and the lowest rate bid for any other maturity may not differ by more than three (3%) percentage points. Interest shall be computed on the basis of twelve 30-day months and a 360 day year. No bid for less than all of the Bonds or for less than par and accrued interest, if any, will be considered.

*Preliminary, subject to change.

For purposes of the electronic bidding process, the time as maintained by **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, computed and rounded to six decimal places.

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 May 26, 2020, the date of the Bonds, results in an amount equal to the purchase price for the Bonds, not including interest accrued, if any, to May 26, 2020, the delivery date of the Bonds. It is requested that each bid be accompanied by a statement of the percentage of true interest cost computed and rounded to six decimal places. Such statement shall not be considered as a part of the bid. The Bonds will be awarded or all bids will be rejected promptly after the bid opening, but not later than 4:00 P.M. (E.T.) on the Sale Date. The purchase price must be paid in Federal funds.

The Town reserves the right to reject any and all bids and to waive any irregularity or informality with respect to any bid. The Town further reserves the right to postpone the sale to another time and date in its sole and absolute discretion for any reason, including, without limitation, internet difficulties. The Town will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Unless all bids are rejected or the bid is postponed, the Bonds will be awarded to the bidder offering to purchase them at the lowest true interest cost. The Town reserves the right to award the Bonds, if issued, to any bidder in an amount less than the principal amount of the Bonds bid for in any proposal, in which event any premium bid shall be proportionately reduced.

Adjustment of Principal Amount and Maturity Schedule for the Bonds

Phoenix Advisors, municipal advisor to the Town, reserves the right to adjust the principal amount of each maturity of the Bonds and the aggregate principal amount of the Bonds after the determination of the winning bidder. The final aggregate principal amount of the Bonds shall not increase or decrease by more than 10%. All calculations will be rounded to the nearest \$5,000. The Town anticipates that the final maturity schedule will be communicated to the successful bidder within three (3) hours of the Town's receipt of the reoffering prices and yields for the Bonds from the successful bidder. The dollar amount bid by the bidder will be adjusted to reflect any adjustments in the final maturity schedule and the aggregate principal amount of the Bonds to be issued. The adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and original issue discount/premium, if any, but will not change the per bond underwriter's discount as calculated from the bid and the initial reoffering prices required to be delivered to the Town as stated herein. **The successful bidder may not withdraw its bid or change the interest rates bid or initial reoffering prices for any Bonds as a result of any changes made to the principal amounts within these limits.**

Closing Documents and Legal Opinion

The Bonds will be certified by U.S. Bank National Association, Hartford, Connecticut. The legality of the Bonds will be passed upon by Robinson & Cole LLP, Hartford, Connecticut ("Bond Counsel"), and the winning bidder will be furnished with their opinion without charge. The winning bidder will also be furnished with a signature and no litigation certificate, a receipt of payment satisfactory in form to Bond Counsel, a signed copy of the final Official Statement prepared for the Bonds, a certificate signed by the appropriate officials of the Town relating to the accuracy and completeness of information contained in the final Official Statement, and an executed Continuing Disclosure Agreement.

The legal opinion will further state that (i) under existing statutes and court decisions, interest on the Bonds is excluded from gross income for federal income tax purposes, (ii) such interest is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax, (iii) 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 (iv) such interest is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay federal alternative minimum tax. In rendering its legal opinion, Bond Counsel will rely upon and assume the material accuracy of the representations and statements of expectation contained in the Tax Regulatory Agreement

entered into by the Town for the benefit of the owners of the Bonds, and further, will assume compliance by the Town with the covenants and procedures set forth in such Tax Regulatory Agreement. A copy of the opinion will be printed upon each of the Bonds, and a signed opinion and transcript of proceedings will be filed with U.S. Bank National Association, Hartford, Connecticut, and will be available for examination upon request.

Obligation to Deliver Issue Price Certificate

Pursuant to the Code and applicable Treasury Regulations, the Town must establish the “issue price” of the Bonds. In order to assist the Town, the winning bidder is obligated to deliver to the Town a certificate (an “Issue Price Certificate”) and such additional information satisfactory to Bond Counsel described below, prior to the delivery of the Bonds. The Town will rely on the Issue Price Certificate and such additional information in determining the issue price of the Bonds. The form of Issue Price Certificate is available by contacting Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, LLC, Email: mspoerndle@muniadvisors.com, Telephone: (203) 878-4945, municipal advisor to the Town (the “Municipal Advisor”).

By submitting a bid, each bidder is certifying that (i) it is an underwriter of municipal bonds which has an established industry reputation for underwriting new issuances of municipal bonds, (ii) its bid is a firm offer to purchase the Bonds, (iii) its bid is a good faith offer which the bidder believes reflects current market conditions, and (iv) its bid is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale rule relating to the establishment of the issue price of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Rule”).

The Municipal Advisor will advise the winning bidder if the Competitive Sale Rule was met at the same time it notifies the winning bidder of the award of the Bonds. **Bids will not be subject to cancellation in the event that the Competitive Sale Rule is not satisfied.**

Competitive Sale Rule Met. If the Municipal Advisor advises the winning bidder that the Competitive Sale Rule has been met, the winning bidder shall, within one (1) hour after being notified of the award of the Bonds, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial offering price to the public of each maturity of the Bonds as of the Sale Date.

Competitive Sale Rule Not Met. By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Rule is not met, it will satisfy either the **10% Sale Rule** or the **Hold the Offering Price Rule** described below with respect to each maturity of the Bonds prior to the delivery date of the Bonds. The rule selected with respect to each maturity of the Bonds shall be set forth on an Issue Price Rule Selection Certificate, the form of which is attached hereto, which shall be sent to the winning bidder promptly after the award of the Bonds. The winning bidder shall complete and execute the Issue Price Rule Selection Certificate and email it to Bond Counsel and the Municipal Advisor by 5:00 P.M. on the day after the Sale Date. **If the Issue Price Rule Selection Certificate is not returned by this deadline, or if no selection is made with respect to a maturity, the winning bidder agrees that the Hold the Offering Price Rule shall apply to such maturities.**

10% Sale Rule. To satisfy the 10% Sale Rule for any maturity of the Bonds, the winning bidder:

(i) will make a bona fide offering to the public of all of the Bonds at the initial offering prices and provide the Town with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

(ii) will report to the Town information regarding the actual prices at which at least 10 percent (10%) of the Bonds of each maturity have been sold to the public;

(iii) will provide the Town with reasonable supporting documentation or certifications of such sale prices, the form of which is acceptable to Bond Counsel. If the 10% Sale Rule is used with respect to a maturity of the Bonds, this reporting requirement will continue, beyond the closing date of the Bonds, if necessary, until such date that at least 10 percent (10%) of such maturity of the Bonds has been sold to the public; and

(iv) has or will include in any agreement among underwriters, selling group agreement or third party distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

Hold the Offering Price Rule. To satisfy the Hold the Offering Price Rule for any maturity of the Bonds, the winning bidder:

(i) will make a bona fide offering to the public of all of the Bonds at the initial offering prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

(ii) will neither offer nor sell to any person any Bonds of such maturity at a price that is higher than the initial offering price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least ten percent (10%) of the Bonds of such maturity at a price that is no higher than the initial offering price of such maturity or (ii) the close of business on the fifth (5th) business day after the Sale Date of the Bonds; and

(iii) has or will include within any agreement among underwriters, selling group agreement or third party distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Bonds as set forth above.

For purposes of the 10% Sale Rule or the Hold the Offering Price Rule, a “maturity” refers to Bonds that have the same interest rate, credit and payment terms.

If the winning bidder has purchased any maturity of 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 Rule was met, the Issue Price Certificate will recite such facts and identify the price or prices at which such maturity of the Bonds was purchased.

For purposes of this Notice of Sale, the “public” does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Bonds to the public (such as a third party distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Bonds to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any “derivative products” (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Bonds.

Settlement of the Bonds

The Bonds will be available for delivery on or about May 26, 2020. The deposit of the Bonds with DTC or its custodian under a book-entry system requires the assignment of CUSIP numbers prior to delivery. The Municipal Advisor shall obtain CUSIP numbers for the Bonds prior to delivery, and the Town will not be responsible for any delay occasioned by the failure of the winning bidder to obtain such numbers and to supply them to the Town in a timely manner. The Town assumes no responsibility for any CUSIP Service Bureau 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 winning bidder.

The Preliminary Official Statement is in a form “deemed final” by the Town for purposes of SEC Rule 15c2-12(b)(1). The winning bidder will be furnished 25 copies of the final Official Statement prepared for the Bonds at the Town’s expense. Additional copies may be obtained by the winning bidder at its own expense by arrangement with the printer. The copies of the final Official Statement will be made available to the winning bidder no later than seven business days after the bid opening at the office of the Town’s Municipal Advisor. If the Municipal Advisor is provided with the necessary information from the winning bidder by 12:00 p.m. (noon) on the day after the bid opening, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, ratings, yields or reoffering prices, the name of the managing underwriter, and the name of the insurer, if any, of the Bonds.

Continuing Disclosure

The Town will undertake in a Continuing Disclosure Agreement entered into in accordance with the requirements of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission, to provide (i) certain annual financial information and operating data, including audited financial statements; (ii) notice of the occurrence of certain events within 10 business days of the occurrence of such events with respect to the Bonds; and (iii) timely notice of its failure to provide such annual financial information. 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 the Bonds.

Related Information

For more information regarding the Bonds and the Town, reference is made to the Preliminary Official Statement. Copies of the Preliminary Official Statement and the Issue Price Certificate may be obtained from the undersigned, or from Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, LLC, Email: mspoerndle@muniadvisors.com, Telephone: (203) 878-4945, municipal advisor to the Town.

RUDOLPH P. MARCONI
First Selectman

MOLLY MCGEEHIN
Town Treasurer

April 28, 2020

ISSUE PRICE RULE SELECTION CERTIFICATE

Town of Ridgefield, Connecticut
 \$8,185,000* General Obligation Refunding Bonds, Issue of 2020, Series B

The undersigned, on behalf of [NAME OF UNDER/REP], [on behalf of itself and [OTHER UNDER], hereby certifies that it will use the rule selected below for the respective maturity of the above-captioned bonds (the “Bonds”), as described in the Notice of Sale for the Bonds, dated April 28, 2020 (the “Notice of Sale”). For a description of the requirements of each rule, please refer to the section “Obligation to Deliver Issue Price Certificate” in the Notice of Sale. Capitalized terms used but not defined herein are defined in the Notice of Sale.

<u>Date of Maturity</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	10% Sale Rule (Underwriter has or will comply with 10% Sale Price Rule for this Maturity)		Hold the Offering Price Rule (Underwriter will comply with Hold the Offering Price Rule for this Maturity)	
			<u>Check Box</u>	<u>Sales Price</u>	<u>Check Box</u>	<u>Initial Offering Price</u>
07/15/2021	\$2,635,000	_____ %	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2022	2,620,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2023	740,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2024	730,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2025	250,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2026	245,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2027	250,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2028	245,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2029	235,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
07/15/2030	235,000	_____	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____

(All Sales Prices or Initial Offering Prices must be completed prior to the delivery date of the Bonds.)

[NAME OF UNDER/REP]

By: _____
 Name:
 Title:

Email this completed and executed certificate to the following by 5:00 P.M. on May 6, 2020:

Bond Counsel: atamzoke@rc.com **Municipal Advisor:** mspoerndle@muniadvisors.com

*Preliminary, subject to change.

(This page intentionally left blank)