

# **TOWN OF RIDGEFIELD, CONNECTICUT**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2019**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**of the**

**TOWN OF RIDGEFIELD,  
CONNECTICUT**

**FOR THE YEAR ENDED  
JUNE 30, 2019**

**PREPARED BY:**

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

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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**JUNE 30, 2019**

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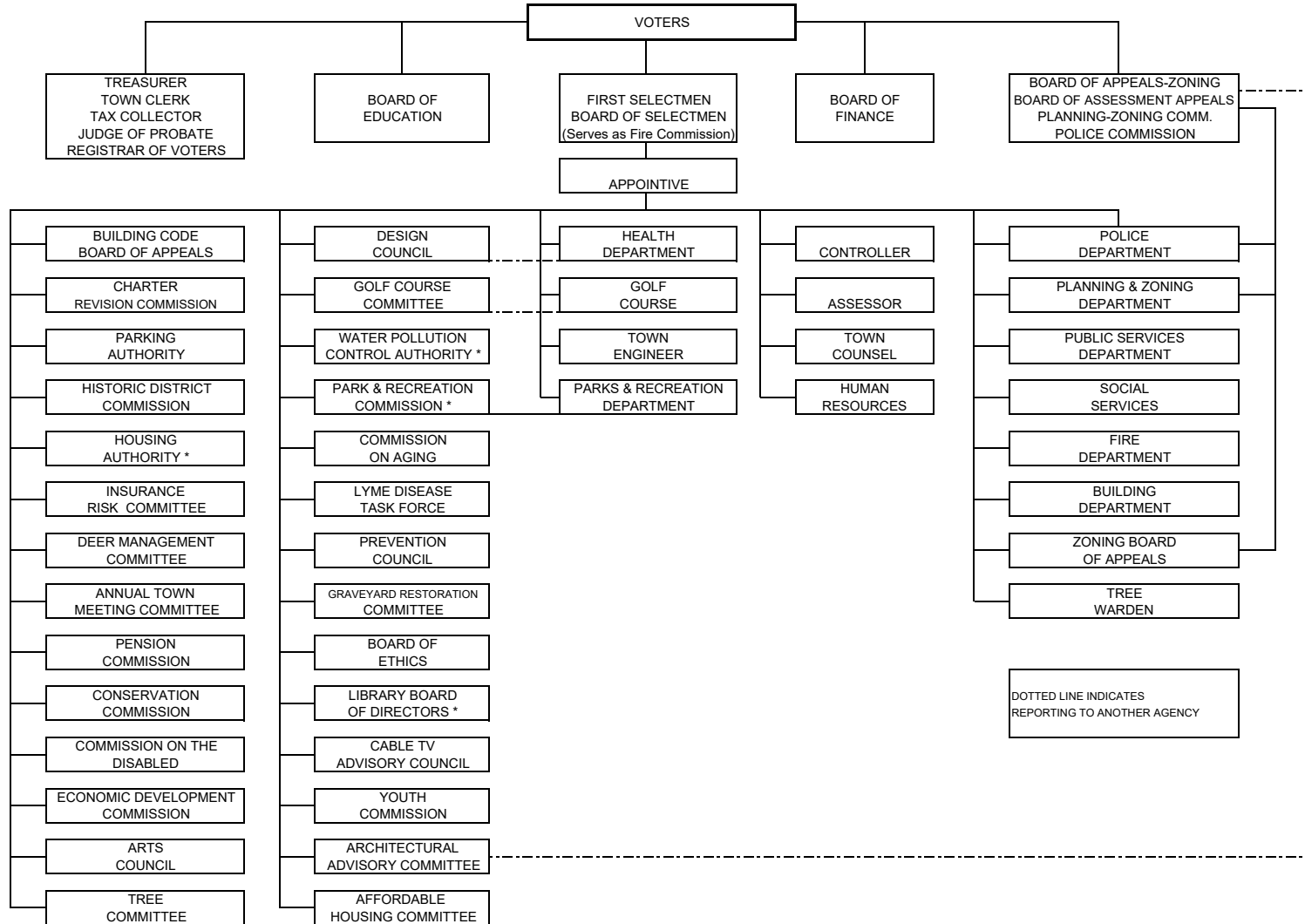
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## **Introductory Section**

# TOWN OF RIDGEFIELD, CONNECTICUT

## ORGANIZATIONAL CHART



\* Appointed by Board of Selectmen but no direct reporting control



# **TOWN OF RIDGEFIELD**

## **Finance Department**

December 17, 2019

Board of Finance  
Town of Ridgefield  
Ridgefield, Connecticut 06877

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Town of Ridgefield, Connecticut, for the fiscal year ended June 30, 2019.

This report consists of management's representations concerning the finances of the Town of Ridgefield. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Ridgefield has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town of Ridgefield's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefit, the Town of Ridgefield's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Ridgefield's financial statements have been audited by Blum, Shapiro & Company, P.C. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Ridgefield for the fiscal year ended June 30, 2019 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Ridgefield's financial statements for the fiscal year ended June 30, 2019 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Ridgefield was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies and a similar State Single Audit. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of major federal and state awards. These reports are available in the Town of Ridgefield’s separately issued Federal and State Single Audit Reports. GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Ridgefield’s MD&A can be found immediately following the independent auditors’ report.

### **Profile of the Government**

The Town of Ridgefield was settled in 1708 by settlers from Norwalk and was incorporated as Connecticut’s forty-third town in October 1709. It covers an area of 35 square miles in western Fairfield County on the New York State border and serves a population of approximately 25,000. The Town of Ridgefield is empowered to levy a property tax on both real and personal properties located within its boundaries. U.S. Route 7 and State Route Numbers 33, 35, 102 and 116 traverse the Town. The interchange of Interstate Routes 84 and 684 is conveniently located and accessible to Ridgefield. MetroNorth and intrastate buses provide passenger transportation.

The Town of Ridgefield, pursuant to its 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 every four years for both the Board of Selectmen and Board of Finance. Minority representation is guaranteed on all boards and commissions. The inhabitants also have the powers and privileges conferred and granted to Towns and Cities under the Constitution and the General Statutes of the State of Connecticut.

The First Selectman is the full-time chief executive and administrative officer of the Town and oversees the execution of all laws and ordinances governing the Town. He presides over the Board of Selectmen and has full voting privileges on the Board. He or his designee is also an ex-officio member of all Town boards, commissions and agencies, but without power to vote.

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



## **Profile of the Government (continued)**

The Town of Ridgefield provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, public works, health and welfare, education and recreational activities. In addition to general Town activities, the governing body is financially accountable for the Ridgefield Library Association, Inc., a discretely presented component unit. Information regarding the activity of the Ridgefield Library Association, Inc., has been included as an integral part of the Town of Ridgefield's financial statements. Additional information about each entity can be found in the notes to the basic financial statements.

The annual budget serves as the foundation for the Town of Ridgefield's financial planning and control. The general fund is the only fund for which a legal budget is adopted. The budget policy and procedures are described in Note 2.A. of the notes to the basic financial statements. Budget to actual comparisons are provided in this report on Required Supplementary Information Schedules 1 and 2.

## **Factors Affecting Financial Condition**

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

**Local Economy.** Boehringer-Ingelheim, Ltd., a German drug research, development and manufacturing firm, owns 250 acres in the Town of Ridgefield. Facilities include an administrative office building, a research and development center, and an assessment and administrative support facility, totaling approximately 900,000 square feet.

Ridgefield continues to see new commercial and retail development as new smaller retail establishments locate here. Part of this trend is the development of mixed-use (commercial/residential) construction, as well as building high end apartments for empty nesters, as well as one- and two-bedroom apartments that are meeting a specific demand. In addition, new commercial development continues to expand along Route 35 with plans being developed to revitalize the Branchville section of Route 7 and 35.

**Long-Term Financial Planning.** The cooperative relationship between Boehringer-Ingelheim and the Town is the model of future relationships envisioned by the Ridgefield Economic Development Commission. Boehringer-Ingelheim has initiated a multi-million dollar plan to expand its facilities in Ridgefield with upgrades to its manufacturing, research and development plant. To foster a favorable investment environment, the Town granted a seven-year tax incentive plan to Boehringer-Ingelheim upon obtaining its certificate of occupancy. The future tax benefit to Ridgefield will represent a significant increase to its commercial tax base.

Residential construction in the form of small to midsized multi-family dwellings is 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.

## **Factors Affecting Financial Condition (continued)**

**General Fund Balance.** The unassigned fund balance of the General Fund increased by 9% in 2019. The current undesignated fund balance provides the Town with the equivalence of approximately 37 working days of expenditures. This significantly reduces the likelihood of the Town entering the short-term debt market to pay for current operating expenditures.

**Pension Trust Fund Operations.** The net assets held in trust increased \$4,116,141 to \$119,016,712 at June 30, 2019 primarily as a result favorable results and current year contributions. The Pension Trust Fund experienced a trust yield of 5.48% on a time weighted market value basis for this same period. Additional information on the Town of Ridgefield's pension arrangements can be found in the notes to the basic financial statements.

## **Relevant Financial Policies**

**General Fund Balance.** The Town's Board of Finance has established a Fund Balance percentage guideline. The goal is to maintain an unassigned Fund Balance range at between 8% to 9% of the following years' expenditures. Fund Balances in excess of the high end of the range are generally used to supplement subsequent years' budgets.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Ridgefield for its Comprehensive Annual Financial Report for the year ended June 30, 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 accounting principles generally accepted in the United States of America and applicable legal requirements.

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

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

Sincerely yours,



Kevin F. Redmond  
Town Controller

## **TOWN OF RIDGEFIELD, CONNECTICUT**

### **LIST OF PRINCIPAL OFFICIALS JUNE 30, 2019**

#### **BOARD OF SELECTMEN**

Rudolph Marconi, First Selectman  
Robert J. Herbert, Selectman  
Maureen Kozlark, Selectman  
Barbara Manners, Selectman  
Steven Zemo, Selectman

#### **BOARD OF FINANCE**

David Ulmer, Chairman  
Jessica Mancini, Vice Chairman  
Sean Connelly, Member  
Amy Freidenrich, Member  
Richard Moccia, Member

#### **TOWN DEPARTMENTS**

Molly McGeehin, Treasurer  
Kevin F. Redmond, Controller  
Alfred Garzi, Tax Assessor  
Jane Berendsen-Hill, Tax Collector  
JeanAnn Paddyfote, Superintendent of Schools  
Dawn Norton, Business Manager of Schools  
Peter Hill, Superintendent of Highways  
Wendy Gannon Lionetti, Town Clerk  
Jeffrey Kreitz, Chief of Police  
Jerry Myers, Fire Chief  
Jason Celestino, Building Official  
Richard Baldelli, Planning & Zoning  
Edward Briggs, Health Department  
Dennis DiPinto, Parks & Recreation Director  
Tony Phillips, Social Services Director

#### **AUDITORS**

Blum, Shapiro & Company, P.C.



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Town of Ridgefield  
Connecticut**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO



# Financial Section

## **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

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### **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)

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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)

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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)

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### **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**

	<b>Total Primary Government 2019</b>	<b>Total Primary Government 2018</b>
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:

<b>Table 2. Changes in Net Position</b>			
	<b>Total Primary Government 2019</b>	<b>Total Primary Government 2018</b>	
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		(62,267)	
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.

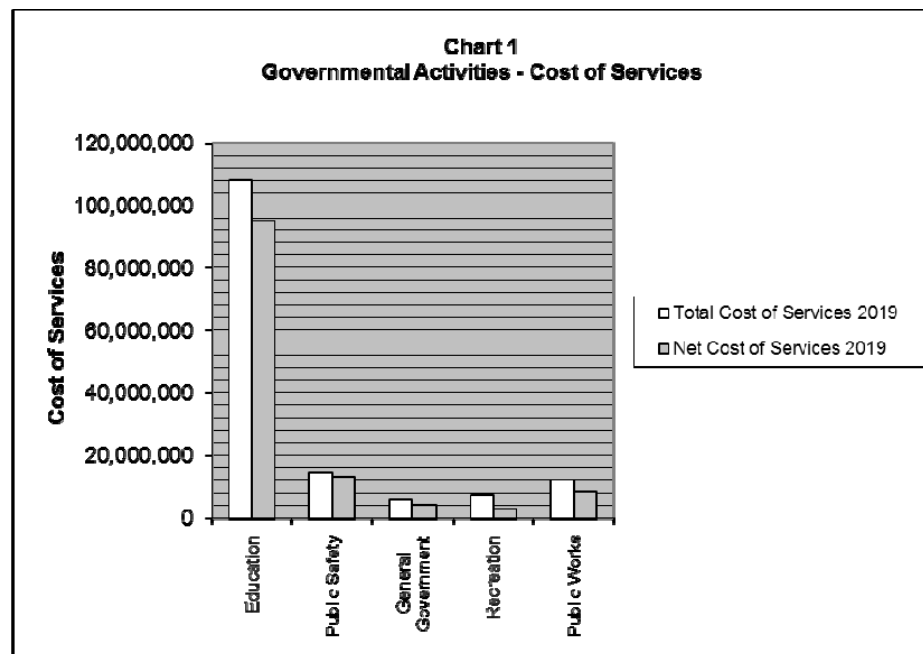
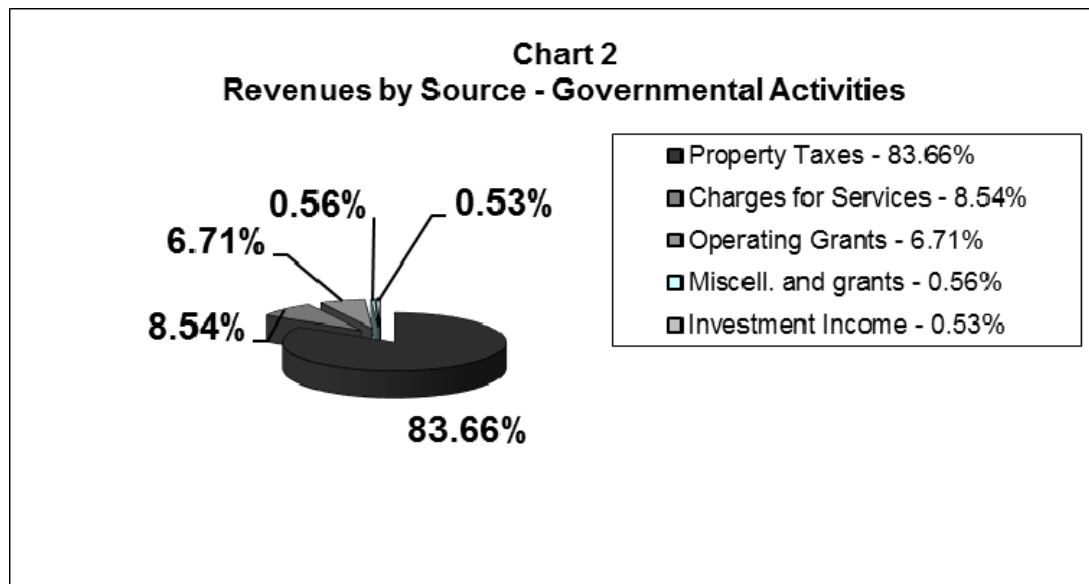


Chart 2 presents in five categories the most significant sources of revenues Ridgefield drew upon to fund its operations during the year and the percentage of total revenues represented by each.



### **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)

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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 and 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)**

	<b>Total Primary Government</b>	
	<b>2019</b>	<b>2018</b>
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	<u>\$ 190,445,705</u>	<u>\$ 189,799,649</u>

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**

	<b>Total Primary Government</b>	
	<b>2019</b>	<b>2018</b>
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)

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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.



## **Basic Financial Statements**

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

	<b>Primary Government Governmental Activities</b>	<b>Component Unit Ridgefield Library</b>
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	<u>9,796,922</u>	<u>2,301,463</u>
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	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position	
		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	<u>\$ 152,075,060</u>	<u>\$ 13,609,185</u>	<u>\$ 10,701,871</u>	<u>\$ 150,000</u>	<u>(127,614,004)</u>	
Component Unit:						
Ridgefield Library Association, Inc.	<u>\$ 3,652,876</u>	<u>\$ 49,815</u>	<u>\$ 2,939,739</u>	<u>\$ 248,847</u>		<u>(414,475)</u>
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					<u>135,111,225</u>	<u>316,629</u>
Change in Net Position					7,497,221	(97,846)
Net Position at Beginning of Year, as Restated					<u>125,507,133</u>	<u>22,618,987</u>
Net Position at End of Year					<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**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2019**

	<u>General</u>	<u>Capital Nonrecurring</u>	<u>Bonded Projects</u>	<u>Sewer Bond Repayment</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
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	<u>\$ 25,365,537</u>	<u>\$ 932,861</u>	<u>\$ 6,443,297</u>	<u>\$ 3,163,644</u>	<u>\$ 6,310,717</u>	<u>\$ 42,216,056</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
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	<u>4,759,032</u>	<u>3,424,996</u>	<u>404,079</u>	<u>700,000</u>	<u>1,458,270</u>	<u>10,746,377</u>
Deferred inflows of resources:						
Unavailable revenue - property taxes	2,634,395					2,634,395
Unavailable revenue - special assessments		117,861		320,977		438,838
Unavailable revenue - other receivables					90,303	90,303
Total deferred inflows of resources	<u>2,634,395</u>	<u>117,861</u>	<u>-</u>	<u>320,977</u>	<u>90,303</u>	<u>3,163,536</u>
Fund balances:						
Nonspendable					67,747	67,747
Restricted					1,537,793	1,537,793
Committed			6,039,218	2,142,667	3,198,217	11,380,102
Assigned	2,621,456					2,621,456
Unassigned	15,350,654	(2,609,996)			(41,613)	12,699,045
Total fund balances	<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>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 25,365,537</u>	<u>\$ 932,861</u>	<u>\$ 6,443,297</u>	<u>\$ 3,163,644</u>	<u>\$ 6,310,717</u>	<u>\$ 42,216,056</u>

(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><u>133,004,354</u></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**

	<u>General</u>	<u>Capital Nonrecurring</u>	<u>Bonded Projects</u>	<u>Sewer Bond Repayment</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 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		196,203			11,252,441
Capital outlay		2,250,886	2,483,429			4,734,315
Total expenditures	<u>149,480,311</u>	<u>2,250,886</u>	<u>2,679,632</u>	<u>-</u>	<u>7,610,024</u>	<u>162,020,853</u>
Excess (Deficiency) of Revenues over 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>
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	<u>15,896,196</u>	<u>(908,252)</u>	<u>(3,997,639)</u>	<u>1,992,396</u>	<u>4,001,527</u>	<u>16,984,228</u>
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.	<u>10,886</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 7,497,221</u>
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The accompanying notes are an integral part of the financial statements

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

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

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**

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

The accompanying notes are an integral part of the financial statements

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

	<b>Governmental Activities</b>
	<b>Internal Service Funds</b>
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><u>\$ 258,385</u></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><u>\$ (48,373)</u></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**

	<b>Pension and Other Employee Benefit Trust Funds</b>	<b>Agency Funds</b>
<b>Assets:</b>		
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		272,485
Total investments	<u>123,837,085</u>	<u>272,485</u>
Other Assets:		
Accounts receivable	76,581	
Total other assets	<u>76,581</u>	<u>-</u>
Total assets	124,322,778	\$ <u><u>2,372,109</u></u>
<b>Liabilities:</b>		
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**

	<b>Pension and Other Employee Benefit Trust Funds</b>
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**

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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**

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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**

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**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."

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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.

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- 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.



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**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:

<b>Project</b>	<b>Authorization</b>	<b>Current Year Expenditures</b>	<b>Cumulative Expenditures</b>	<b>Balance June 30, 2019</b>
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.

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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.

	<b>Standard &amp; Poor's</b>
State Short-Term Investment Fund (STIF)	AAAm
Vanguard	*

\*Rating not available

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**Investments**

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

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

\*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**  
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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:

	<b>June 30, 2019</b>	<b>Fair Value Measurements Using</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
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**  
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**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>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**  
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**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>

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**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	1,262,154	44,789	20,690	1,286,253
Total capital assets being depreciated	20,780,083	57,980	20,690	20,817,373
Less accumulated depreciation for:				
Buildings	1,644,621	392,106		2,036,727
Furnishings and equipment	717,523	131,388	20,690	828,221
Total accumulated depreciation	2,362,144	523,494	20,690	2,864,948
Total capital assets being depreciated, net	18,417,939	(465,514)	-	17,952,425
Ridgefield Library Association, Inc., Capital Assets, Net	\$ 18,664,380	\$ (465,514)	\$ -	\$ 18,198,866

**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	700,000
		<u>\$ 5,277,850</u>

**TOWN OF RIDGEFIELD, CONNECTICUT**  
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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:

	<b>Transfers In</b>			
	<b>General Fund</b>	<b>Internal Service Funds</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Transfers Out</b>
Transfers out:				
General Fund	\$	\$ 65,000	\$ 1,162,315	\$ 1,227,315
Capital Nonrecurring Fund	19,583			19,583
Nonmajor Governmental	30,000			30,000
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:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
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	4,968,365	361,489	930,956	4,398,898	
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	605,454	384,800	537,867	452,387	324,164
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**  
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**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%	10,112,766
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%	2,242,234
Total school		<u>16,246,635</u>
Sewer:		
Sewer - refunding	2.375-5.0%	539,684
Sewer - refunding	2.0-5.0%	146,426
		<u>686,110</u>
Total Outstanding		<u>\$ 63,740,000</u>

**TOWN OF RIDGEFIELD, CONNECTICUT**  
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**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:

	<b>General Obligation Bonds</b>		<b>Notes Payable</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
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	3,205,000	255,388		
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:

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

**TOWN OF RIDGEFIELD, CONNECTICUT**  
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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.

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**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 Capital Nonrecurring Fund	Bonded Projects Fund	Major Special Revenue Fund Sewer Bond Repayment Fund	Nonmajor Governmental Funds	Total
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**  
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At June 30, 2019, plan membership consisted of the following:

	<b><u>Town Pension Plan</u></b>	<b><u>Police Union Pension Plan</u></b>	<b><u>Firefighters Union Pension Plan</u></b>
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>646</u> *	<u>71</u>	<u>47</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**  
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The plan's target asset allocation as of June 30, 2019 was as follows:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>50th percentile Nominal Return (1)</b>	<b>Return Contribution</b>
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	6.00%	2.80%	0.20%
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**  
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**Net Pension (Asset) Liability**

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

	<b>Town Pension Plan</b>	<b>Firefighters Union Pension Plan</b>	<b>Police Union Pension Plan</b>
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**  
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**Changes in the Net Pension (Asset) Liability**

<b>Town Pension Plan</b>			
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension (Asset) Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a)-(b)</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>
<b>Firefighters Union Pension Plan</b>			
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension (Asset) Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a)-(b)</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**  
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<b>Police Union Pension Plan</b>			
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a)-(b)</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	1,350,893	1,082,615	268,278
Balances as of June 30, 2019	\$ 33,287,703	\$ 33,495,076	\$ (207,373)

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:

<b>Net Pension (Asset) Liability</b>	<b>1% Decrease in Discount Rate (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1% Increase in Discount Rate (7.75%)</b>
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**  
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**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:

	<b>Town Pension Plan</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
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	<u>\$ 1,200,210</u>	<u>\$ -</u>

	<b>Firefighters Union Pension Plan</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
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	<u>\$ 36,551</u>	<u>\$ 13,761</u>

	<b>Police Union Pension Plan</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
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	<u>\$ 89,718</u>	<u>\$ 156,793</u>

**TOWN OF RIDGEFIELD, CONNECTICUT**  
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	<b>Totals</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
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	126,550	
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:

<b><u>Year Ending June 30,</u></b>	<b><u>Town Pension Plan</u></b>	<b><u>Firefighters Union Pension Plan</u></b>	<b><u>Police Union Pension Plan</u></b>
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**  
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**C. Plan Financial Statements**

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

	<b>Town Pension Plan</b>	<b>Firefighters Union Pension Plan</b>	<b>Police Union Pension Plan</b>	<b>Elected Officials Pension Plan</b>	<b>Total Pension Trust Funds</b>
<b>Assets:</b>					
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	64,483,741	20,589,776	33,495,827	450,037	119,019,381
<b>Liabilities:</b>					
Due to others	1,446	462	751	10	2,669
<b>Net Position:</b>					
Net Position Restricted for Pension Benefits	\$ 64,482,295	\$ 20,589,314	\$ 33,495,076	\$ 450,027	\$ 119,016,712
	<b>Town Pension Plan</b>	<b>Firefighters Union Pension Plan</b>	<b>Police Union Pension Plan</b>	<b>Elected Officials Pension Plan</b>	<b>Total Pension Trust Funds</b>
<b>Additions:</b>					
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	1,472,601	297,153	654,103	28,435	2,452,292
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	3,410,571	1,078,514	1,763,756	23,505	6,276,346
Net additions	4,883,172	1,375,667	2,417,859	51,940	8,728,638
<b>Deductions:</b>					
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	2,314,710	737,028	1,335,244	225,515	4,612,497
Change in Net Position	2,568,462	638,639	1,082,615	(173,575)	4,116,141
Net Position at Beginning of Year	61,913,833	19,950,675	32,412,461	623,602	114,900,571
Net Position at End of Year	\$ 64,482,295	\$ 20,589,314	\$ 33,495,076	\$ 450,027	\$ 119,016,712

**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](http://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**  
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**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**  
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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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
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.



## **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:

	<b>Retiree Health Plan</b>
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**

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**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><u>23,547,632</u></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**  
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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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>50th percentile Nominal Return (1)</b>	<b>Return Contribution</b>
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	6.00%	2.80%	0.20%
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**  
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**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**  
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**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:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
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**

	<b>OPEB Trust Fund</b>
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**  
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**Schedule of Changes in OPEB Net Position**

Additions:		
Contributions:		
Employer	\$	2,752,413
TRB Subsidy		<u>231,022</u>
Total additions		<u>2,983,435</u>
Net investment income:		
Net change in fair value of investments		57,668
Interest and dividends		<u>207,798</u>
		<u>265,466</u>
Total additions		<u>3,248,901</u>
Deductions:		
Benefits		2,500,406
Administration		<u>14,571</u>
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><u>5,303,397</u></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](http://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**

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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**  
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**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><u>27,830,593</u></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**

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**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**  
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**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](http://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:

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

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**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*:

	<b>Nonmajor Governmental Funds</b>	<b>Governmental Activities Net Position</b>
	<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><u>4,001,527</u></u>	\$ <u><u>125,507,133</u></u>



## **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**

	Original Budget	Adjustments	Final Budget	Actual	Variance with Final Budget
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**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
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	329,208	1,585,644	221
Changes of assumptions		736,335	(862,615)	(436,794)	711,684	
Benefit payments, including refunds of member contributions	<u>(2,276,150)</u>	<u>(1,937,475)</u>	<u>(1,672,858)</u>	<u>(1,475,202)</u>	<u>(1,384,009)</u>	<u>(1,288,272)</u>
Net change in total pension liability	3,237,846	4,306,109	3,363,705	3,052,752	5,505,430	2,999,708
Total pension liability - beginning	<u>61,308,105</u>	<u>57,001,996</u>	<u>53,638,291</u>	<u>50,585,539</u>	<u>45,080,109</u>	<u>42,080,401</u>
Total pension liability - ending	<u>64,545,951</u>	<u>61,308,105</u>	<u>57,001,996</u>	<u>53,638,291</u>	<u>50,585,539</u>	<u>45,080,109</u>
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	<u>(2,276,150)</u>	<u>(1,937,475)</u>	<u>(1,672,858)</u>	<u>(1,475,202)</u>	<u>(1,384,009)</u>	<u>(1,288,272)</u>
Administrative expense	<u>(38,560)</u>	<u>(22,692)</u>	<u>(48,725)</u>	<u>(37,252)</u>	<u>(30,601)</u>	<u>(33,036)</u>
Other						<u>390,274</u>
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	<u>61,913,833</u>	<u>57,978,936</u>	<u>51,843,863</u>	<u>51,096,739</u>	<u>50,230,102</u>	<u>41,406,306</u>
Plan fiduciary net position - ending	<u>64,482,295</u>	<u>61,913,833</u>	<u>57,978,936</u>	<u>51,843,863</u>	<u>51,096,739</u>	<u>50,230,102</u>
Net Pension (Asset) Liability - Ending	<u>\$ 63,656</u>	<u>\$ (605,728)</u>	<u>\$ (976,940)</u>	<u>\$ 1,794,428</u>	<u>\$ (511,200)</u>	<u>\$ (5,149,993)</u>
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	20,328,000	19,469,562	18,713,898	18,106,143	17,386,946	16,582,806
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	20,589,314	19,950,675	18,914,845	17,229,499	17,227,767	17,157,990
Net Pension (Asset) Liability - Ending	\$ (261,314)	\$ (481,113)	\$ (200,947)	\$ 876,644	\$ 159,179	\$ (575,184)
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**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
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	160,007	344,394	(258,928)
Changes of assumptions		(101,746)	(255,090)	(505,637)	198,703	
Benefit payments, including refunds of member contributions	<u>(1,315,303)</u>	<u>(1,123,646)</u>	<u>(1,151,891)</u>	<u>(1,135,109)</u>	<u>(1,073,671)</u>	<u>(1,043,728)</u>
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	<u>31,936,810</u>	<u>30,950,249</u>	<u>29,605,280</u>	<u>28,629,974</u>	<u>26,809,680</u>	<u>25,845,511</u>
Total pension liability - ending	<u>33,287,703</u>	<u>31,936,810</u>	<u>30,950,249</u>	<u>29,605,280</u>	<u>28,629,974</u>	<u>26,809,680</u>
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	<u>(1,315,303)</u>	<u>(1,123,646)</u>	<u>(1,151,891)</u>	<u>(1,135,109)</u>	<u>(1,073,671)</u>	<u>(1,043,728)</u>
Administrative expense	(19,941)	(10,942)	(25,807)	(20,136)	(16,874)	(18,870)
Other						<u>(390,274)</u>
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	<u>32,412,461</u>	<u>30,598,205</u>	<u>27,836,247</u>	<u>27,972,359</u>	<u>27,959,082</u>	<u>23,968,523</u>
Plan fiduciary net position - ending	<u>33,495,076</u>	<u>32,412,461</u>	<u>30,598,205</u>	<u>27,836,247</u>	<u>27,972,359</u>	<u>27,959,082</u>
Net Pension (Asset) Liability - Ending	<u>\$ (207,373)</u>	<u>\$ (475,651)</u>	<u>\$ 352,044</u>	<u>\$ 1,769,033</u>	<u>\$ 657,615</u>	<u>\$ (1,149,402)</u>
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**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
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	<u>1,232,010</u>	<u>1,443,701</u>	<u>1,507,842</u>	<u>1,709,440</u>	<u>1,594,234</u>	<u>1,550,489</u>	<u>1,589,725</u>	<u>1,553,553</u>	<u>1,523,632</u>	<u>1,543,653</u>
Contribution Deficiency (Excess)	<u>\$ 98,858</u>	<u>\$ (140,792)</u>	<u>\$ (81,059)</u>	<u>\$ (15,540)</u>	<u>\$ (141,700)</u>	<u>\$ (82,480)</u>	<u>\$ (135,062)</u>	<u>\$ (30,948)</u>	<u>\$ 49,993</u>	<u>\$ 13,010</u>
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**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
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	<u>194,985</u>	<u>270,896</u>	<u>270,896</u>	<u>350,713</u>	<u>391,809</u>	<u>427,271</u>	<u>436,433</u>	<u>412,385</u>	<u>391,172</u>	<u>367,843</u>
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: 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	3.25%
Investment rate of return	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**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
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	<u>456,882</u>	<u>541,547</u>	<u>507,570</u>	<u>661,629</u>	<u>666,957</u>	<u>700,325</u>	<u>683,842</u>	<u>724,062</u>	<u>615,578</u>	<u>618,886</u>
Contribution Deficiency (Excess)	<u>\$ (62,764)</u>	<u>\$ (42,728)</u>	<u>\$ 40,197</u>	<u>\$ (6,015)</u>	<u>\$ (107,630)</u>	<u>\$ (57,028)</u>	<u>\$ (33,435)</u>	<u>\$ (131,611)</u>	<u>\$ 43,244</u>	<u>\$ 29,106</u>
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: 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	3.25%
Investment rate of return	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 INVESTMENT RETURNS  
DEFINED BENEFIT PENSION PLANS  
LAST SIX FISCAL YEARS**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
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**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
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	<u>2,752,413</u>	<u>2,422,087</u>	<u>2,297,418</u>	<u>2,160,000</u>	<u>1,898,000</u>	<u>1,780,000</u>	<u>2,105,000</u>	<u>1,774,000</u>	<u>1,578,438</u>	<u>1,382,440</u>
Contribution Deficiency (Excess)	<u>\$ (463,220)</u>	<u>\$ (443,087)</u>	<u>\$ (376,418)</u>	<u>\$ (218,000)</u>	<u>\$ (29,000)</u>	<u>\$ 413,000</u>	<u>\$ (46,000)</u>	<u>\$ 102,000</u>	<u>\$ 205,562</u>	<u>\$ 247,860</u>
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

Measurement date:

2019

Actuarial cost method

Entry Age Normal

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**

	<b>2019</b>	<b>2018</b>	<b>2017</b>
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.

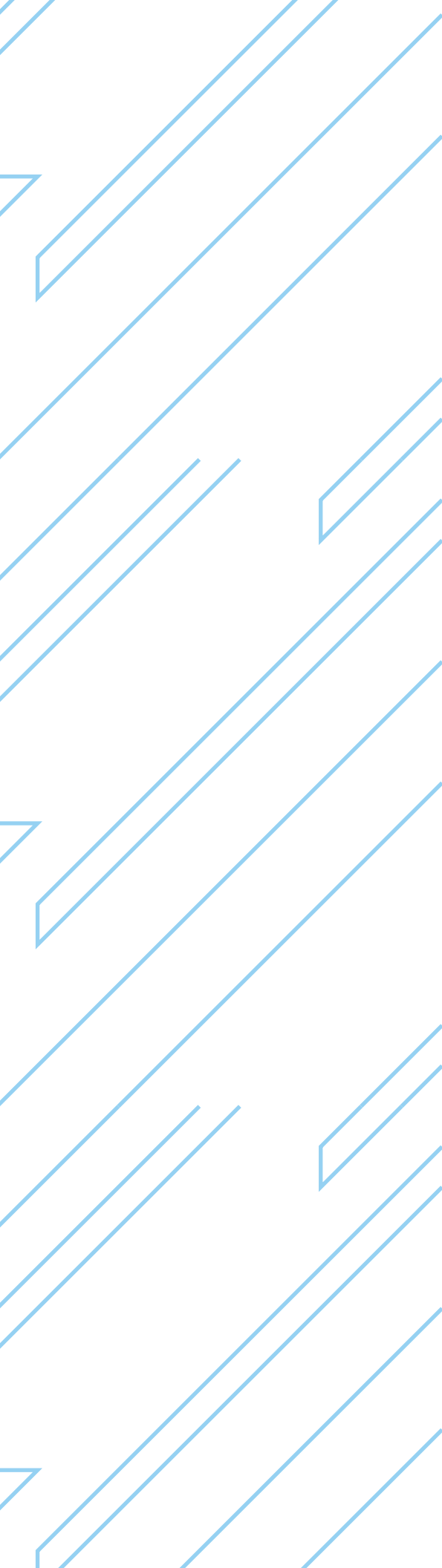
**TOWN OF RIDGEFIELD, CONNECTICUT  
TEACHERS RETIREMENT PLAN  
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
LAST TWO FISCAL YEARS**

	<b>2019</b>	<b>2018</b>
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.



## General Fund

The General Fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The General Fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health, social services, recreation, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

**TOWN OF RIDGEFIELD, CONNECTICUT  
REPORT OF TAX COLLECTOR  
FOR THE YEAR ENDED JUNE 30, 2019**

Grand List Year	Uncollected Taxes July 1, 2018	Current Year Levy	Lawful Corrections		Transfer to Suspense	Adjusted Amount Collectible	Collections			Uncollected Taxes June 30, 2019
			Additions	Deductions			Taxes	Interest and Lien Fees	Total	
2002 and prior	\$ 56,759	\$	\$	\$	\$	\$ 56,759	\$ 5,333	\$ 5,436	\$ 10,769	\$ 51,426
2003	22,249			441		21,808			-	21,808
2004	33,065					33,065	8,295	4,333	12,628	24,770
2005	38,716					38,716	4,324	2,049	6,373	34,392
2006	61,877					61,877	15,098	6,770	21,868	46,779
2007	72,843					72,843	16,373	6,693	23,066	56,470
2008	82,738					82,738	21,970	8,105	30,075	60,768
2009	106,966					106,966	22,487	7,394	29,881	84,479
2010	120,521				12	120,509	22,759	6,566	29,325	97,750
2011	143,574				12	143,562	29,296	5,552	34,848	114,266
2012	164,934				47	164,887	26,107	3,407	29,514	138,780
2013	226,983			1	48	226,934	77,346	20,620	97,966	149,588
2014	417,618		3,035	3,315	91,065	326,273	139,304	61,611	200,915	186,969
2015	646,670		15,756	21,648	6,165	634,613	300,548	79,836	380,384	334,065
2016	1,155,398		51,772	134,713	6,286	1,066,171	626,114	122,158	748,272	440,057
Suspense			9,957			9,957	9,957	8,616	18,573	-
Total Prior Year	3,350,911	-	80,520	160,118	103,635	3,167,678	1,325,311	349,146	1,674,457	1,842,367
2017		132,867,188	597,513	506,867	37,408	132,920,426	132,066,998	222,017	132,289,015	853,428
Grand Total	\$ 3,350,911	\$ 132,867,188	\$ 678,033	\$ 666,985	\$ 141,043	\$ 136,088,104	\$ 133,392,309	\$ 571,163	\$ 133,963,472	\$ 2,695,795



## **Nonmajor Governmental Funds**

## **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**Town Aid Road** - is used to account for Connecticut Department of Transportation grants relating to improvements to local roads.

**Sewer Operating I, II, and III** - is used to account for sewer use charges and related expenditures relating to the sewer operating facility in the three sewer districts.

**Public Safety Donations** - is used to account for public donations for Fire and Police Departments and expenditures relating to departmental public safety equipment.

**Cafeteria** - is used to account for operations of the school lunch program, including the receipt and expenditure of related federal and state funding.

**Education Grants** - is used to account for U.S. Department of Education and Connecticut Department of Education grants as well as local grants relating to education.

**School Miscellaneous** - is used to account for rent receipts associated with the rental of school property, participant fees and expenditures relating to summer and adult educational programs for Ridgefield school students and imprest cash disbursements relating to Ridgefield's school system.

**Tiger Hollow** - is used to account for the revenues and expenditures relating to the Ridgefield High School Football Field renovation and perpetual maintenance. The major source of revenue for this fund is contributions.

**Youth Barn** - is used to account for the revenues and expenditures relating to a youth facility and activity. The major sources of revenue for this fund are fees and contributions.

**Miscellaneous Grants** - are used to account for small nonrecurring grant funds and related expenditures for those specific purposes.

**Social Services** - is used to account for local grants and expenditures relating to the Town's social services.

**Solid Waste** - is used to account for the solid waste collection expenditures relating to all Town facilities. The major source of revenue is fees.

**Parking Fund** - is used to account for the revenues and expenditures relating to the Branchville Railroad Station. The major source of revenue is fees.

## **Permanent Fund**

The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, maybe used for purposes that support the reporting government's programs.

**Ballard Park Fund** - is used to account for an endowment pursuant to a trust agreement that restricts the use of that endowment's investment earnings to the preservation of Ballard Park.



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

	Special Revenue Funds						
	Town Aid Road	Sewer Operating I, II, and III	Public Safety Donations	Cafeteria	Education Grants	School Miscellaneous	Tiger Hollow
<b>ASSETS</b>							
Cash and cash equivalents	\$ 311,804	\$ 2,562,769	\$ 83,688	\$ 771,301	\$ 224,057	\$ 819,854	\$ 392,110
Investments							
Receivables, net		90,303		8,325	5,700		
Due from other funds				4,091			
Inventory				42,747			
Total Assets	<u>\$ 311,804</u>	<u>\$ 2,653,072</u>	<u>\$ 83,688</u>	<u>\$ 826,464</u>	<u>\$ 229,757</u>	<u>\$ 819,854</u>	<u>\$ 392,110</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$	\$ 139,292	\$	\$ 59,341	\$ 7	\$	\$
Due to other funds				369,704	209,064	393,496	115,000
Unearned revenue				8,325	20,686		
Total liabilities	<u>-</u>	<u>139,292</u>	<u>-</u>	<u>437,370</u>	<u>229,757</u>	<u>393,496</u>	<u>115,000</u>
Deferred Inflows of Resources:							
Unavailable revenue - other receivables		90,303					
Fund Balances:							
Nonspendable				42,747			
Restricted	311,804		83,688				277,110
Committed		2,423,477		346,347		426,358	
Unassigned							
Total fund balances	<u>311,804</u>	<u>2,423,477</u>	<u>83,688</u>	<u>389,094</u>	<u>-</u>	<u>426,358</u>	<u>277,110</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 311,804</u>	<u>\$ 2,653,072</u>	<u>\$ 83,688</u>	<u>\$ 826,464</u>	<u>\$ 229,757</u>	<u>\$ 819,854</u>	<u>\$ 392,110</u>

(Continued on next page)

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2019**

	Special Revenue Funds					Permanent Fund Ballard Park Fund	Interfund Elimination	Total Nonmajor Governmental Funds
	Youth Barn	Miscellaneous Grants	Social Services	Solid Waste	Parking Fund			
<b>ASSETS</b>								
Cash and cash equivalents	\$ 2,285	\$ 396,120	\$ 531,127	\$	\$ 36,800	\$	\$	\$ 6,131,915
Investments						31,727		31,727
Receivables, net								104,328
Due from other funds			24,894		1,120		(30,105)	-
Inventory								42,747
Total Assets	<u>\$ 2,285</u>	<u>\$ 396,120</u>	<u>\$ 556,021</u>	<u>\$ -</u>	<u>\$ 37,920</u>	<u>\$ 31,727</u>	<u>\$ (30,105)</u>	<u>\$ 6,310,717</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 250	\$ 12,961	\$ 5,584	\$ 16,719	\$ 693	\$	\$	\$ 234,847
Due to other funds				24,894		1,120	(30,105)	1,083,173
Unearned revenue		111,239						140,250
Total liabilities	<u>250</u>	<u>124,200</u>	<u>5,584</u>	<u>41,613</u>	<u>693</u>	<u>1,120</u>	<u>(30,105)</u>	<u>1,458,270</u>
Deferred Inflows of Resources:								
Unavailable revenue - other receivables								90,303
Fund Balances:								
Nonspendable						25,000		67,747
Restricted		271,920	550,437		37,227	5,607		1,537,793
Committed	2,035							3,198,217
Unassigned				(41,613)				(41,613)
Total fund balances	<u>2,035</u>	<u>271,920</u>	<u>550,437</u>	<u>(41,613)</u>	<u>37,227</u>	<u>30,607</u>	<u>-</u>	<u>4,762,144</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,285</u>	<u>\$ 396,120</u>	<u>\$ 556,021</u>	<u>\$ -</u>	<u>\$ 37,920</u>	<u>\$ 31,727</u>	<u>\$ (30,105)</u>	<u>\$ 6,310,717</u>

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

	Special Revenue Funds						
	Town Aid Road	Sewer Operating I, II, and III	Public Safety Donations	Cafeteria	Education Grants	School Miscellaneous	Tiger Hollow
Revenues:							
Intergovernmental	\$ 379,425	\$	\$	\$ 183,322	\$ 1,158,521	\$	\$
Charges for services		2,067,103		2,442,068		209,984	
Contributions			32,643			52,033	20,000
Income from investments							
Other		12,813					
Total revenues	<u>379,425</u>	<u>2,079,916</u>	<u>32,643</u>	<u>2,625,390</u>	<u>1,158,521</u>	<u>262,017</u>	<u>20,000</u>
Expenditures:							
Current:							
General government							
Health and welfare							
Parks and recreation							
Public safety			39,281				
Public works	438,923	1,557,004					
Education				2,245,370	1,158,521	1,465,404	
Total expenditures	<u>438,923</u>	<u>1,557,004</u>	<u>39,281</u>	<u>2,245,370</u>	<u>1,158,521</u>	<u>1,465,404</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(59,498)</u>	<u>522,912</u>	<u>(6,638)</u>	<u>380,020</u>	<u>-</u>	<u>(1,203,387)</u>	<u>20,000</u>
Other Financing Sources (Uses):							
Transfers in						1,099,315	63,000
Transfers out		(30,000)					
Net other financing sources (uses)	<u>-</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,099,315</u>	<u>63,000</u>
Net Change in Fund Balances	(59,498)	492,912	(6,638)	380,020	-	(104,072)	83,000
Fund Balances at Beginning of Year, as Restated	<u>371,302</u>	<u>1,930,565</u>	<u>90,326</u>	<u>9,074</u>	<u>-</u>	<u>530,430</u>	<u>194,110</u>
Fund Balances at End of Year	\$ 311,804	\$ 2,423,477	\$ 83,688	\$ 389,094	\$ -	\$ 426,358	\$ 277,110

(Continued on next page)

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

	Special Revenue Funds					Permanent Fund Ballard Park Fund	Total Nonmajor Governmental Funds
	Youth Barn	Miscellaneous Grants	Social Services	Solid Waste	Parking Fund		
Revenues:							
Intergovernmental	\$	\$ 35,248	\$ 30,100	\$	\$	\$	\$ 1,786,616
Charges for services		202,913	22,916	174,834	48,797		5,168,615
Contributions	4,792	15,307	144,619				269,394
Income from investments						888	888
Other							12,813
Total revenues	<u>4,792</u>	<u>253,468</u>	<u>197,635</u>	<u>174,834</u>	<u>48,797</u>	<u>888</u>	<u>7,238,326</u>
Expenditures:							
Current:							
General government		139,892				10	139,902
Health and welfare	5,904	24,201	176,197				206,302
Parks and recreation		12,212	54,722				66,934
Public safety		7,523					46,804
Public works				233,774	51,086		2,280,787
Education							4,869,295
Total expenditures	<u>5,904</u>	<u>183,828</u>	<u>230,919</u>	<u>233,774</u>	<u>51,086</u>	<u>10</u>	<u>7,610,024</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,112)</u>	<u>69,640</u>	<u>(33,284)</u>	<u>(58,940)</u>	<u>(2,289)</u>	<u>878</u>	<u>(371,698)</u>
Other Financing Sources (Uses):							
Transfers in							1,162,315
Transfers out							(30,000)
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,132,315</u>
Net Change in Fund Balances	(1,112)	69,640	(33,284)	(58,940)	(2,289)	878	760,617
Fund Balances at Beginning of Year, as Restated	<u>3,147</u>	<u>202,280</u>	<u>583,721</u>	<u>17,327</u>	<u>39,516</u>	<u>29,729</u>	<u>4,001,527</u>
Fund Balances at End of Year	<u>\$ 2,035</u>	<u>\$ 271,920</u>	<u>\$ 550,437</u>	<u>\$ (41,613)</u>	<u>\$ 37,227</u>	<u>\$ 30,607</u>	<u>\$ 4,762,144</u>

**TOWN OF RIDGEFIELD, CONNECTICUT  
SCHEDULE OF SEWER USE CHARGES  
DISTRICT I  
FOR THE YEAR ENDED JUNE 30, 2019**

<u>Year</u>	<u>Uncollected Sewer Use Charges July 1, 2018</u>	<u>Current Year Charges</u>	<u>Adjustments</u>	<u>Adjusted Amount Collectible</u>	<u>Collections</u>	<u>Uncollected Sewer Use Charges June 30, 2019</u>
2013	\$ 400	\$	\$	\$ 400	\$	\$ 400
2014	399			399		399
2015	1,256		22	1,278	278	1,000
2016	4,393		35	4,428	1,400	3,028
2017	10,124		7	10,131	4,432	5,699
2018	58,185		(236)	57,949	40,339	17,610
2019		1,638,655	(2,809)	1,635,846	1,575,737	60,109
Total	\$ <u>74,757</u>	\$ <u>1,638,655</u>	\$ <u>(2,981)</u>	\$ <u>1,710,431</u>	\$ <u>1,622,186</u>	\$ <u>88,245</u>

**SCHEDULE OF SEWER USE CHARGES  
DISTRICT II  
FOR THE YEAR ENDED JUNE 30, 2019**

<u>Year</u>	<u>Uncollected Sewer Use Charges July 1, 2018</u>	<u>Current Year Charges</u>	<u>Adjustments</u>	<u>Adjusted Amount Collectible</u>	<u>Collections</u>	<u>Uncollected Sewer Use Charges June 30, 2019</u>
2018	\$ 1,760	\$	\$	\$ 1,760	\$ 880	\$ 880
2019		356,495	2	356,497	353,677	2,820
Total	\$ <u>1,760</u>	\$ <u>356,495</u>	\$ <u>2</u>	\$ <u>358,257</u>	\$ <u>354,557</u>	\$ <u>3,700</u>

**SCHEDULE OF SEWER USE CHARGES  
DISTRICT III  
FOR THE YEAR ENDED JUNE 30, 2019**

<u>Year</u>	<u>Uncollected Sewer Use Charges July 1, 2018</u>	<u>Current Year Charges</u>	<u>Adjustments</u>	<u>Adjusted Amount Collectible</u>	<u>Collections</u>	<u>Uncollected Sewer Use Charges June 30, 2019</u>
2018	\$ 390	\$	\$	\$ 390	\$ 390	\$ -
2019		29,820		29,820	28,560	1,260
Total	\$ <u>390</u>	\$ <u>29,820</u>	\$ <u>-</u>	\$ <u>30,210</u>	\$ <u>28,950</u>	\$ <u>1,260</u>



## **Internal Service Funds**

Internal service funds are used to account for claims involving risk financing activities under GASB Statement No. 10.

**Property and Casualty** - is used to account for property and casualty insurance claims.

**Heart and Hypertension** - is used to account for claims involving heart and hypertension compensation under Connecticut General Statutes.

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2019**

	<b>Governmental Activities - Internal Service Funds</b>		
	<b>Property and Casualty</b>	<b>Heart and Hypertension</b>	<b>Total</b>
Assets:			
Cash and cash equivalents	\$ 41,616	\$ 216,769	\$ 258,385
Liabilities:			
Accounts payable	9,966		9,966
Net Position:			
Unrestricted	\$ <u>31,650</u>	\$ <u>216,769</u>	\$ <u>248,419</u>



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

	<b>Governmental Activities - Internal Service Funds</b>		
	<b>Property and Casualty</b>	<b>Heart and Hypertension</b>	<b>Total</b>
Operating Revenues:			
Insurance proceeds	\$ 55,433	\$	\$ 55,433
Operating Expenses:			
Claims incurred	<u>108,854</u>	<u>693</u>	<u>109,547</u>
Operating Income (Loss)	(53,421)	(693)	(54,114)
Transfers in	<u></u>	<u>65,000</u>	<u>65,000</u>
Change in Net Position	(53,421)	64,307	10,886
Net Position at Beginning of Year	<u>85,071</u>	<u>152,462</u>	<u>237,533</u>
Net Position at End of Year	<u>\$ 31,650</u>	<u>\$ 216,769</u>	<u>\$ 248,419</u>

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

	<b>Governmental Activities - Internal Service Funds</b>		
	<b>Property and Casualty</b>	<b>Heart and Hypertension</b>	<b>Total</b>
Cash Flows from Operating Activities:			
Cash received as insurance proceeds	\$ 55,433	\$	\$ 55,433
Cash paid for benefits, claims and administration	<u>(102,534)</u>	<u>(1,272)</u>	<u>(103,806)</u>
Net cash provided by (used in) operating activities	(47,101)	(1,272)	(48,373)
Cash Flows Provided by Noncapital Financing Activities:			
Transfers in		<u>65,000</u>	<u>65,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(47,101)	63,728	16,627
Cash and Cash Equivalents at Beginning of Year	<u>88,717</u>	<u>153,041</u>	<u>241,758</u>
Cash and Cash Equivalents at End of Year	<u>\$ 41,616</u>	<u>\$ 216,769</u>	<u>\$ 258,385</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ (53,421)	\$ (693)	\$ (54,114)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Increase in accounts payable	<u>6,320</u>	<u>(579)</u>	<u>5,741</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (47,101)</u>	<u>\$ (1,272)</u>	<u>\$ (48,373)</u>



## Fiduciary Funds

Fiduciary funds are used to account for assets held by the Town in a trustee capacity for individuals, private organizations or other governments.

### **Trust Funds**

Trust funds are used to account for assets and resources held by the Town in a trust.

**Pension Trust Fund** - The Pension Trust Fund is used to account for the accumulation of resources for pension benefit payments to qualified public employees.

**OPEB Trust Fund** - The OPEB Trust Fund is used to account for the accumulation of resources for other postemployment benefit payments to qualified public employees.

### **Agency Fund**

Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

**Student Activities** - is used to account for the public school students' extracurricular activities.

**Performance Bonds** - is used to account for the full performance of contractual obligation bonds.

**Contractor's Driveway Bonds** - is used to account for the full performance of contractual obligations for approved driveway plan bonds.

**Ridgebury Cemetery** - is used to account for the Ridgebury Cemetery organizational funds.

**Open Space Conservation Commission** - is used to account for the Ridgefield Conservation Commission organizational funds.

**Holiday Trust** - is used to account for contributions to support annual holiday events.

**Welcome to Ridgefield Fund** - is used to account for contributions to support the beautification of Main Street landscape.

**McKeon Farm Preservation Trust** - is used to account for contributions to support the effort to preserve McKeon Farm as open space.

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

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

**Graveyard Committee** - is used to account for funds related to this committee.

**Mapleshade Cemetery** - is used to account for funds related to the Mapleshade Cemetery

**Miscellaneous** - is used to account for various Town organizations with minor activities and account balances.

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**COMBINING STATEMENT OF NET POSITION**  
**PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS**  
**JUNE 30, 2019**

	<b>Pension Trust Fund</b>	<b>OPEB Trust Fund</b>	<b>Total</b>
Assets:			
Cash and cash equivalents	\$ 393,936	\$ 15,176	\$ 409,112
Investments - at fair value:			
Mutual funds:			
Equity	118,548,864	5,288,221	123,837,085
Accounts receivable	<u>76,581</u>	<u></u>	<u>76,581</u>
Total assets	<u>119,019,381</u>	<u>5,303,397</u>	<u>124,322,778</u>
Accounts payable	<u>2,669</u>	<u></u>	<u>2,669</u>
Net Position	\$ <u>119,016,712</u>	\$ <u>5,303,397</u>	\$ <u>124,320,109</u>

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>Pension Trust Fund</b>	<b>OPEB Trust Fund</b>	<b>Total</b>
Additions:			
Contributions:			
Employer	\$ 1,912,312	\$ 2,752,413	\$ 4,664,725
Plan members and other	539,980	231,022	771,002
Total contributions	<u>2,452,292</u>	<u>2,983,435</u>	<u>5,435,727</u>
Net investment income:			
Net change in fair value of investments	1,624,702	57,668	1,682,370
Interest and dividends	4,726,629	207,798	4,934,427
	<u>6,351,331</u>	<u>265,466</u>	<u>6,616,797</u>
Less investment expense	(74,985)		(74,985)
Net investment income	<u>6,276,346</u>	<u>265,466</u>	<u>6,541,812</u>
Total additions	<u>8,728,638</u>	<u>3,248,901</u>	<u>11,977,539</u>
Deductions:			
Benefits	4,541,536	2,500,406	7,041,942
Administration	70,961	14,571	85,532
Total deductions	<u>4,612,497</u>	<u>2,514,977</u>	<u>7,127,474</u>
Change in Net Position	4,116,141	733,924	4,850,065
Net Position at Beginning of Year	<u>114,900,571</u>	<u>4,569,473</u>	<u>119,470,044</u>
Net Position at End of Year	<u>\$ 119,016,712</u>	<u>\$ 5,303,397</u>	<u>\$ 124,320,109</u>

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Balance</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2019</u>
<b>ASSETS</b>				
Cash and cash equivalents:				
Student Activities	\$ 581,287	\$ 1,327,606	\$ 1,314,254	\$ 594,639
Performance Bonds	274,525	43,989	63,000	255,514
Contractor's Driveway Bonds	82,000	31,000	32,000	81,000
Open Space Conservation Commission	687,016	77,724	88,129	676,611
Holiday Trust Fund	21,648	21,256	23,263	19,641
Welcome to Ridgefield Fund	(6,658)	33,110	18,784	7,668
McKeon Farm Preservation Trust	7,573			7,573
Flexible Spending Account	22,116	24,845	24,168	22,793
Tiger Hollow Scholarship Fund	5,108	4	5,112	-
Graveyard Committee	27,411	2,000	4,044	25,367
Mapleshade Cemetery	50,426	6,800	14,844	42,382
Miscellaneous	372,494	390,205	408,723	353,976
Ridgebury Cemetery	29,100	13,635	30,275	12,460
Total cash and cash equivalents	<u>2,154,046</u>	<u>1,972,174</u>	<u>2,026,596</u>	<u>2,099,624</u>
Investments:				
Ridgebury Cemetery	<u>271,926</u>	<u>7,148</u>	<u>6,589</u>	<u>272,485</u>
Total Assets	<u>\$ 2,425,972</u>	<u>\$ 1,979,322</u>	<u>\$ 2,033,185</u>	<u>\$ 2,372,109</u>
<b>LIABILITIES</b>				
Due to others:				
Student Activities	\$ 581,287	\$ 1,232,979	\$ 1,314,254	\$ 500,012
Performance Bonds	274,525	43,989	63,000	255,514
Contractor's Driveway Bonds	82,000	31,000	32,000	81,000
Open Space Conservation Commission	687,016	77,724	88,129	676,611
Holiday Trust Fund	21,648	21,256	23,263	19,641
Welcome to Ridgefield Fund	(6,658)	33,110	18,784	7,668
McKeon Farm Preservation Trust	7,573			7,573
Flexible Spending Account	22,116	24,845	24,168	22,793
Tiger Hollow Scholarship Fund	5,108	4	5,112	-
Graveyard Committee	27,411	2,000	4,044	25,367
Mapleshade Cemetery	50,426	6,800	14,844	42,382
Miscellaneous	372,494	390,205	408,723	353,976
Ridgebury Cemetery	<u>301,026</u>	<u>20,783</u>	<u>36,864</u>	<u>284,945</u>
Due to others	<u>2,425,972</u>	<u>1,884,695</u>	<u>2,033,185</u>	<u>2,277,482</u>
Due to other funds		<u>94,627</u>		<u>94,627</u>
Total Liabilities	<u>\$ 2,425,972</u>	<u>\$ 1,979,322</u>	<u>\$ 2,033,185</u>	<u>\$ 2,372,109</u>



## **Statistical Section**



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

Statistical section information is presented in the following categories:

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

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

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

TABLE 1

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**NET POSITION BY COMPONENT**  
**LAST TEN YEARS**  
**(Accrual Basis of Accounting)**

	FISCAL YEAR									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities:										
Net investment in capital assets	\$ 75,686,053	\$ 79,350,980	\$ 82,564,434	\$ 92,535,842	\$ 93,277,534	\$ 102,182,274	\$ 111,173,490	\$ 115,335,703	\$ 125,424,662	\$ 123,176,825
Restricted for:										
Permanent fund:										
Expendable	41,674	57,753	54,475	41,682	41,773	41,861	41,940	29,618	29,729	30,607
Unrestricted	<u>15,694,003</u>	<u>16,601,772</u>	<u>25,782,426</u>	<u>19,051,251</u>	<u>20,978,070</u>	<u>29,132,923</u>	<u>28,964,190</u>	<u>27,333,326</u>	<u>115,009</u>	<u>9,796,922</u>
Total Governmental Activities										
Net Position	<u>\$ 91,421,730</u>	<u>\$ 96,010,505</u>	<u>\$ 108,401,335</u>	<u>\$ 111,628,775</u>	<u>\$ 114,297,377</u>	<u>\$ 131,357,058</u>	<u>\$ 140,179,620</u>	<u>\$ 142,698,647</u>	<u>\$ 125,569,400</u>	<u>\$ 133,004,354</u>
Primary Government:										
Net investment in capital assets	\$ 75,686,053	\$ 79,350,980	\$ 82,564,434	\$ 92,535,842	\$ 93,277,534	\$ 102,182,274	\$ 111,173,490	\$ 115,335,703	\$ 125,424,662	\$ 123,176,825
Restricted	41,674	57,753	54,475	41,682	41,773	41,861	41,861	29,618	29,729	30,607
Unrestricted	<u>15,694,003</u>	<u>16,601,772</u>	<u>25,782,426</u>	<u>19,051,251</u>	<u>20,978,070</u>	<u>29,132,923</u>	<u>28,964,269</u>	<u>27,333,326</u>	<u>115,009</u>	<u>9,796,922</u>
Total Primary Government										
Net Position	<u>\$ 91,421,730</u>	<u>\$ 96,010,505</u>	<u>\$ 108,401,335</u>	<u>\$ 111,628,775</u>	<u>\$ 114,297,377</u>	<u>\$ 131,357,058</u>	<u>\$ 140,179,620</u>	<u>\$ 142,698,647</u>	<u>\$ 125,569,400</u>	<u>\$ 133,004,354</u>

\* As restated

TABLE 2

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**CHANGES IN NET POSITION**  
**LAST TEN YEARS**  
**(Accrual Basis of Accounting)**

	FISCAL YEAR									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses:										
Governmental activities:										
General government	\$ 7,558,307	\$ 4,485,127	\$ 5,080,033	\$ 5,547,382	\$ 7,239,708	\$ 5,292,556	\$ 6,326,206	\$ 6,770,190	\$ 4,804,892	\$ 5,773,587
Health and welfare	814,918	813,904	854,954	766,590	1,128,544	754,921	1,123,295	1,452,127	797,317	793,340
Recreation	6,299,705	6,904,437	7,062,174	7,270,110	7,558,077	7,377,584	7,395,346	7,767,589	8,031,708	7,195,875
Public safety	10,891,047	12,266,773	12,233,586	12,854,341	13,142,993	13,044,414	14,199,004	13,689,797	14,745,772	14,666,864
Public works	7,346,310	9,522,503	9,208,835	8,536,286	9,551,580	11,059,992	11,555,748	11,211,844	12,284,634	12,060,982
Education	91,142,573	91,081,269	94,281,327	96,137,658	99,372,877	101,157,259	102,626,124	114,269,477	117,987,904	107,895,231
Library	1,642,400	1,682,300	1,685,946	1,584,665	6,716,725	1,789,091	1,833,818	1,910,455	1,927,591	2,008,299
Interest expense	3,914,351	4,014,647	3,655,086	3,304,355	2,813,682	2,512,839	2,501,597	2,055,736	1,699,877	1,680,882
Total Primary Government Expenses	129,609,611	130,770,960	134,061,941	136,001,387	147,524,186	142,988,656	147,561,138	159,127,215	162,279,695	152,075,060
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	1,346,634	1,405,011	1,880,008	1,648,127	1,780,912	1,652,541	1,473,010	1,639,907	1,593,921	1,710,345
Health and welfare	158,125	76,415	73,145	78,782	80,556	84,006	86,723	84,938	88,006	83,031
Recreation	3,826,202	3,981,291	4,047,108	4,194,262	4,535,460	4,829,262	4,869,215	4,876,052	4,565,275	4,484,406
Public safety	1,213,883	1,101,760	1,137,401	1,213,322	1,384,985	1,371,383	1,347,556	1,260,201	1,338,825	1,252,541
Public works	2,912,354	2,610,381	2,639,730	2,843,994	2,812,681	2,813,339	2,893,823	2,968,188	3,367,540	3,029,056
Education	2,161,821	2,595,245	3,485,665	2,825,214	2,535,127	2,871,106	2,453,087	2,485,486	2,151,797	3,049,806
Operating grants and contributions	12,724,035	13,100,693	13,728,634	15,679,679	17,836,669	15,113,715	15,652,996	21,203,069	22,505,905	10,701,871
Capital grants and contributions	121,219	690,743				596,919	764,498			150,000
Total Primary Government Program Revenues	24,464,273	25,561,539	26,991,691	28,483,380	30,966,390	29,332,271	29,540,908	34,517,841	35,611,269	24,461,056
Net Expenses:										
Governmental activities	(105,145,338)	(105,209,421)	(107,070,250)	(107,518,007)	(116,557,796)	(113,656,385)	(118,020,230)	(124,609,374)	(126,668,426)	(127,614,004)
General Revenues and Other										
Changes in Net Position:										
Governmental activities:										
Property taxes	109,369,264	112,078,692	114,105,779	113,078,138	117,235,686	122,270,035	121,686,269	126,062,965	130,037,187	133,376,024
Grants and contributions not restricted to specific programs	744,776	731,357	867,242	706,590	241,212	758,791	639,721	636,777	727,398	705,511
Gain on sale of capital assets		25,549					4,300,000			
Investment income	90,470	79,161	69,732	49,688	68,309	67,400	106,824	216,887	408,126	837,020
Miscellaneous	313,640	148,443	4,418,333	48,768	1,681,191	207,702	109,978	211,772	295,280	192,670
Total governmental activities	110,518,150	113,063,202	119,461,086	113,883,184	119,226,398	123,303,928	126,842,792	127,128,401	131,467,991	135,111,225
Change in Net Position	\$ 5,372,812	\$ 7,853,781	\$ 12,390,836	\$ 6,365,177	\$ 2,668,602	\$ 9,647,543	\$ 8,822,562	\$ 2,519,027	\$ 4,799,565	\$ 7,497,221

TABLE 3

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**

	FISCAL YEAR									
	2010	2011*	2012	2013	2014	2015	2016	2017	2018	2019
General fund:										
Reserved	\$ 419,421	\$	\$	\$	\$	\$	\$	\$	\$	\$
Designated for subsequent year's budget	450,000									
Unreserved and undesignated	8,417,747									
Assigned		1,226,175	4,116,077	2,941,188	3,158,728	3,228,924	3,000,480	2,998,670	1,843,299	2,621,456
Unassigned		9,048,490	11,507,184	11,709,896	12,897,561	13,270,579	14,074,534	14,480,143	14,052,897	15,350,654
Total General Fund	\$ 9,287,168	\$ 10,274,665	\$ 15,623,261	\$ 14,651,084	\$ 16,056,289	\$ 16,499,503	\$ 17,075,014	\$ 17,478,813	\$ 15,896,196	\$ 17,972,110
All other governmental funds:										
Reserved	\$ 1,916,393	\$	\$	\$	\$	\$	\$	\$	\$	\$
Unreserved, reported in:										
Special revenue funds	1,376,629									
Capital projects funds	(5,967,946)									
Permanent funds	15,938									
Nonspendable				23,886	36,568	32,258	42,709	68,129	65,616	67,747
Restricted		1,128,427	1,079,006	1,630,657	1,647,461	1,441,636	4,208,672	1,864,968	1,548,251	1,537,793
Committed		2,316,294	2,878,258	1,930,587	2,325,461	3,215,991	3,460,761	3,363,805	4,442,323	11,380,102
Unassigned		(599,191)	(11,307,731)	(3,751,893)	(3,410,135)	(6,267,884)	(2,168)	(368,579)	(4,905,891)	(2,651,609)
Total All Other Governmental Funds	\$ (2,658,986)	\$ 2,845,530	\$ (7,350,467)	\$ (166,763)	\$ 599,355	\$ (1,577,999)	\$ 7,709,974	\$ 4,928,323	\$ 1,150,299	\$ 10,334,033

\*Note: The Town implemented GASB 54 during 2011.

TABLE 4

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
**(Accrual Basis of Accounting)**

	FISCAL YEAR									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Property taxes	\$ 109,378,457	\$ 111,206,601	\$ 113,029,057	\$ 113,464,133	\$ 116,757,863	\$ 121,797,734	\$ 122,758,353	\$ 127,337,222	\$ 129,504,590	\$ 134,110,453
Intergovernmental	13,148,682	14,079,840	14,133,293	15,491,612	17,207,634	15,579,550	16,028,947	21,339,576	22,742,498	11,282,160
Charges for services	11,747,758	11,889,261	13,366,884	12,719,811	13,241,517	13,745,808	13,210,106	13,444,196	13,204,605	13,614,857
Contributions	459,573	447,800	463,980	899,729	870,247	829,875	644,293	536,737	485,936	269,394
Interest and investment income	89,702	79,160	69,732	49,636	68,301	67,400	106,824	216,887	408,126	837,020
Other	257,383	303,127	4,458,189	121,308	1,719,937	267,702	4,794,978	211,772	295,280	192,595
Total revenues	135,081,555	138,005,789	145,521,135	142,746,229	149,865,499	152,288,069	157,543,501	163,086,390	166,641,035	160,306,479
Expenditures:										
Current:										
General government	10,042,185	10,399,600	10,955,041	11,314,409	11,018,400	11,176,665	11,384,794	11,648,578	12,121,058	12,059,706
Health and welfare	703,107	642,513	705,628	655,289	695,659	644,406	646,346	739,451	679,270	679,292
Community grants	178,775	204,075	216,675	229,322	225,772	233,625	231,294	248,935	245,878	325,943
Recreation	4,771,092	5,054,088	5,194,679	5,550,156	5,933,736	5,761,086	5,743,452	5,855,721	5,763,336	5,916,522
Public safety	8,207,636	8,365,740	8,376,538	8,715,521	9,019,151	9,055,973	9,169,151	9,456,427	9,716,482	10,204,780
Public works	5,807,367	5,876,015	5,838,627	5,926,346	6,768,034	8,772,892	8,924,837	8,661,325	9,252,058	9,122,030
Education	87,995,339	88,812,606	92,779,775	94,801,380	97,411,126	99,672,413	100,927,253	111,256,465	115,473,355	105,717,525
Library	1,642,400	1,682,300	1,685,946	1,584,665	1,716,725	1,789,091	1,833,818	1,910,455	1,927,591	2,008,299
Debt service:										
Principal	11,042,788	10,815,982	10,432,461	9,883,836	9,837,729	10,028,202	9,023,685	8,905,000	9,085,000	8,985,000
Interest	3,495,998	3,902,122	3,915,480	3,555,423	3,658,296	3,182,269	3,043,872	2,856,800	2,582,328	2,267,441
Bennett's pond settlement										
Capital outlay	4,312,674	4,309,975	10,735,186	5,558,317	10,421,400	4,599,885	7,469,534	4,166,635	5,690,320	4,734,315
Total expenditures	138,199,361	140,065,016	150,836,036	147,774,664	156,706,028	154,916,507	158,398,036	165,705,792	172,536,676	162,020,853
Deficiency of Revenues over Expenditures	(3,117,806)	(2,059,227)	(5,314,901)	(5,028,435)	(6,840,529)	(2,628,438)	(854,535)	(2,619,402)	(5,895,641)	(1,714,374)
Other Financing Sources (Uses):										
Payment to refunded bond escrow agent		(35,639,464)			(11,237,245)					
Premium on refunding bonds		3,631,170			1,131,311					
Refunding bonds		32,225,000			10,240,000					
Issuance of bonds		6,385,000		10,600,000	8,170,000		9,715,000			12,355,000
Premium on issuance of bonds		514,299		272,462	332,786		528,019			361,489
Issuance of drinking water loans		529,288								
Issuance of capital lease	479,130	496,084	510,000	510,000	440,000		540,000	306,550	600,000	384,800
Proceeds from sale of assets						959,298				
Transfers in	1,450,976	1,637,736	1,126,320	1,754,540	1,279,716	1,194,443	1,544,181	2,348,476	1,294,875	1,211,898
Transfers out	(1,450,976)	(1,664,736)	(1,168,820)	(1,897,040)	(1,344,716)	(1,259,443)	(1,609,181)	(2,413,476)	(1,359,875)	(1,276,898)
Total other financing sources	479,130	8,114,377	467,500	11,239,962	9,011,852	894,298	10,718,019	241,550	535,000	13,036,289
Net Change in Fund Balances	(2,638,676)	6,055,150	(4,847,401)	6,211,527	2,171,323	(1,734,140)	9,863,484	(2,377,852)	(5,360,641)	11,321,915
Fund Balance at Beginning of Year, or as Restated	9,266,858	7,065,045	13,120,195	8,272,794	14,484,321	16,655,644	14,921,504	24,784,988	22,407,136	16,984,228
Fund Balance at End of Year	\$ 6,628,182	\$ 13,120,195	\$ 8,272,794	\$ 14,484,321	\$ 16,655,644	\$ 14,921,504	\$ 24,784,988	\$ 22,407,136	\$ 17,046,495	\$ 28,306,143
Debit Service as a Percentage to Noncapital Expenditures	10.72%	10.69%	10.13%	9.42%	8.82%	8.84%	7.95%	7.18%	6.98%	7.19%

TABLE 5

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
**amounts presented in thousands**

<b>Fiscal Year</b>	<b>Assessed Property Values</b>			<b>Total Taxable Assessed Value</b>	<b>Mill Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
	<b>Real</b>	<b>Personal</b>	<b>Tax Exempt</b>				
2010	\$ 5,516,832	\$ 371,707	\$ 72,982	\$ 5,815,557	20.00	\$ 7,601,307	76.51%
2011	5,552,991	382,940	78,709	5,857,222	20.40	7,509,258	78.00%
2012	5,602,283	399,288	80,666	5,920,905	20.37	6,846,962	86.47%
2013	4,304,007	388,746	73,873	4,618,880	25.38	6,893,850	67.00%
2014	4,381,922	395,256	76,790	4,700,388	26.01	7,238,148	64.94%
2015	4,425,869	423,857	137,980	4,711,746	26.01	7,248,840	65.00%
2016	4,448,564	425,681	133,959	4,740,286	26.69	7,292,748	65.00%
2017	4,478,857	418,926	110,551	4,787,232	27.21	7,364,972	65.00%
2018	4,500,682	414,675	103,902	4,811,455	27.78	7,290,083	66.00%
2019	4,521,282	425,604	106,864	4,840,022	28.12	7,333,366	66.00%

Source: Town Assessor's office

Note: By state law property is assessed at 70% of actual value with periodic revaluation of real property.  
The estimated actual amount is the equalized grand list which is estimated by the State of Connecticut,  
Office of Policy and Management.

TABLE 6

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**DIRECT PROPERTY TAX RATES**  
**LAST TEN YEARS**  
**(Rates per \$1,000 of Assessed Value)**

<b>Fiscal Year</b>	<b>Direct Rates</b>			<b>Overlapping Rates</b>	
	<b>Basic Rate</b>	<b>General Obligation Debt Service</b>	<b>Total Direct</b>	<b>State</b>	<b>County</b>
2010	\$ 17.69	2.31	\$ 20.00	N/A	N/A
2011	18.09	2.31	20.40	N/A	N/A
2012	18.12	2.25	20.37	N/A	N/A
2013	22.71	2.67	25.38	N/A	N/A
2014	23.34	2.67	26.01	N/A	N/A
2015	23.47	2.54	26.01	N/A	N/A
2016	24.28	2.41	26.69	N/A	N/A
2017	24.84	2.37	27.21	N/A	N/A
2018	25.52	2.26	27.78	N/A	N/A
2019	25.97	2.15	28.12	N/A	N/A

TABLE 7

**TOWN OF RIDGEFIELD, CONNECTICUT  
PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)**

	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List
Boehringer Ingelheim Pharmaceuticals, Inc.	\$ 309,943,425	1	6.40%	\$ 293,922,481	1	5.33%
Eversource (CL&P)	27,681,240	2	0.57%	16,748,430	3	0.30%
Stephen J. Zemo	22,449,500	3	0.46%	12,892,220	6	0.23%
Equity One (Copp's Hill)	21,862,150	4	0.45%	25,956,240	2	0.47%
Ridgefield Professional Building	15,568,400	5	0.32%	14,632,689	4	0.27%
Ridgefield Waterside Properties	12,629,480	6	0.26%	-		
Flat Rock Corp	12,249,600	7	0.25%	12,074,460	8	0.22%
Harrison Hunter	10,784,930	8	0.22%	12,414,430	7	0.23%
JMF Realty	10,108,740	9	0.21%	-		
Urstadt Biddle Properties	9,830,480	10	0.20%	12,414,430	7	0.23%
Eureka V., LLC				11,291,780	9	0.20%
Ridgefield Bank				13,768,670	5	0.25%
Irief II (formally CCC of Ridgefield, CT)				10,506,190	10	0.19%
	<u>\$ 453,107,945</u>		<u>9.36%</u>	<u>\$ 436,622,020</u>		<u>7.92%</u>

Source: Town Assessor's office



TABLE 8

**TOWN OF RIDGEFIELD, CONNECTICUT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$ 108,814,209	\$ 107,420,320	98.72%	\$ 851,946	\$ 108,272,266	99.50%
2009	111,397,853	109,814,265	98.58%	971,574	110,785,839	99.45%
2010	113,330,243	111,582,933	98.46%	1,083,691	112,666,624	99.41%
2011	112,915,443	111,212,321	98.49%	1,006,638	112,218,959	99.38%
2012	116,369,248	114,891,284	98.73%	1,560,953	116,452,237	100.07%
2013	121,462,861	120,015,866	98.81%		121,006,382	98.81%
2014	121,534,941	120,105,602	98.82%		120,819,839	99.41%
2015	125,688,724	125,667,665	99.98%		125,667,665	99.98%
2016	129,421,454	128,414,120	99.22%		128,414,120	99.22%
2017	132,867,188	132,066,998	99.40%		132,066,998	99.40%

Source: Tax Collector's office and Finance office

TABLE 9

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**RATIO OF NET GENERAL BONDED DEBT TO**  
**ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year	General Bonded Debt		Percentage of Actual Taxable Value of Property	Per Capita	Other Government Activities Debt		Total Primary Government Debt (3)	Assessed Value (1)(3)	Population (2)	Per Capita Income (2)	Percentage of Personal Income (2)	Total Long-Term Debt Per Capita
	General Obligation Bonds(3)				Notes Payable (3)	Capital Leases (3)						
2010	\$ 107,748		1.85%	4,447	\$ 1,541	\$ 542	\$ 109,831	\$ 5,815,557	24,228	\$ 70,366	6.44%	\$ 4,533
2011	107,289		1.83%	4,352	1,406	505	109,200	5,857,222	24,652	67,076	6.60%	4,430
2012	96,793		1.63%	3,890	692	503	97,988	5,920,905	24,885	74,926	5.26%	3,938
2013	97,210		2.10%	3,881	463	508	98,181	4,618,880	25,045	75,470	5.19%	3,920
2014	95,686		2.04%	3,802	438	462	96,586	4,700,388	25,164	77,342	4.96%	3,838
2015	84,777		1.80%	3,324	415	924	86,116	4,711,746	25,505	76,750	4.40%	3,376
2016	78,360		1.65%	3,104	391	854	79,605	4,740,286	25,244	75,554	4.17%	3,153
2017	75,404		1.58%	3,009	367	595	76,366	4,787,232	25,063	75,650	4.03%	3,047
2018	65,338		1.36%	2,601	342	605	66,285	4,811,455	25,125	77,230	3.42%	2,638
2019	68,139		1.41%	78,360	317	452	68,908	4,840,022	25,008	78,360	3.52%	2,775

(1) See Table 5 for taxable property value data

(2) See Table 12 for income and population data. These ratios are calculated using personal income and population for the calendar year.

(3) Amounts expressed in thousands.

**TOWN OF RIDGEFIELD, CONNECTICUT  
SCHEDULE OF DEBT LIMITATION  
CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)  
FOR THE YEAR ENDED JUNE 30, 2019**

## Tax Base:

Total tax collections including interest and lien fees June 30, 2018 \$ 129,351,183

## Reimbursement of Revenue Loss on:

Elderly tax freeze and homeowners' grants 882

Total Base \$ 129,352,065

	<u>Public Improvement</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt Limitation:					
2 1/4 Times Base	\$ 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
	<u>291,042,146</u>	<u>582,084,293</u>	<u>485,070,244</u>	<u>420,394,211</u>	<u>388,056,195</u>
Total limitations	<u>291,042,146</u>	<u>582,084,293</u>	<u>485,070,244</u>	<u>420,394,211</u>	<u>388,056,195</u>
Indebtedness:					
Bonds outstanding	41,296,409	21,757,481	686,110		
Bonds authorized but unissued	152,157				
Less sewer assessments			(628,110)		
	<u>41,448,566</u>	<u>21,757,481</u>	<u>58,000</u>	<u>-</u>	<u>-</u>
Total indebtedness (1)	<u>41,448,566</u>	<u>21,757,481</u>	<u>58,000</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 249,593,580</u>	<u>\$ 560,326,812</u>	<u>\$ 485,012,244</u>	<u>\$ 420,394,211</u>	<u>\$ 388,056,195</u>

Notes: (1) The total of the above indebtedness amounts to: \$ 63,264,047

In no event shall total indebtedness exceed seven times the base for debt limitation computation: \$ 905,464,455

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

TABLE 11

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

	FISCAL YEAR									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 766,281,747	\$ 778,274,042	\$ 790,889,505	\$ 793,904,069	\$ 816,623,311	\$ 851,751,488	\$ 858,562,523	\$ 890,701,175	\$ 890,322,426	\$ 905,464,455
Total net debt applicable to limit	<u>106,508,712</u>	<u>105,088,571</u>	<u>98,829,152</u>	<u>99,096,548</u>	<u>91,600,588</u>	<u>83,055,879</u>	<u>82,912,448</u>	<u>73,100,563</u>	<u>64,074,917</u>	<u>63,264,047</u>
Legal Debt Margin	<u>\$ 659,773,035</u>	<u>\$ 673,185,471</u>	<u>\$ 692,060,353</u>	<u>\$ 694,807,521</u>	<u>\$ 725,022,723</u>	<u>\$ 768,695,609</u>	<u>\$ 775,650,075</u>	<u>\$ 817,600,612</u>	<u>\$ 826,247,509</u>	<u>\$ 842,200,408</u>
Total net debt applicable to the limit as a percentage of debt limit	13.90%	13.50%	12.50%	12.48%	11.22%	9.75%	9.66%	8.21%	7.20%	6.99%

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation.

**TOWN OF RIDGEFIELD, CONNECTICUT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

<b>Fiscal Year</b>	<b>Population</b>	<b>Per Capita Income</b>	<b>Personal Income (1)</b>	<b>Median Age (2)</b>	<b>School Enrollment (3)</b>	<b>Unemployment Rate (4)</b>
2010	24,228	\$ 70,366	\$ 1,704,827,448	41	5,400	5.80%
2011	24,652	67,076	1,653,557,552	42	5,377	6.40%
2012	24,885	74,926	1,864,533,510	42	5,312	6.40%
2013	25,045	75,470	1,890,146,150	42	5,233	5.80%
2014	25,164	77,342	1,946,234,088	43	5,263	4.70%
2015	25,505	76,750	1,957,508,750	43	5,194	3.60%
2016	25,244	75,554	1,907,285,176	43	4,996	3.90%
2017	25,063	75,650	1,896,015,950	44	4,972	3.50%
2018	25,125	77,230	1,940,403,750	45	4,810	3.30%
2019	25,008	78,360	1,959,626,880	45	4,778	2.70%

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

- (1) U.S. Bureau of the Census
- (2) Connecticut Economic Resource Center
- (3) Town of Ridgefield, Board of Education
- (4) Connecticut Economic Digest

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

	2019			2010		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Boehringer-Ingelheim, Inc.	2,500	1	20.90%	3,000	1	26.78%
Fairfield County Bankcorp	200	2	1.67%	143	5	1.28%
Laurel Ridge Health Care Center	183	3	1.53%	190	2	1.70%
Ridgefield Crossings	155	5	1.30%	125	6	1.12%
Stop & Shop	136	4	1.14%	155	4	1.38%
Adam Broderick Salon & Spa	133	6	1.11%	155	3	1.38%
Ridgefield BMW	98	7	0.82%	60	8	0.54%
Kohl's Department Store	80	8	0.67%	100	7	0.89%
Pamby Motors, Inc.	47	9	0.39%	47	9	0.42%
Ullman Devices, Corp	40	10	0.33%	46	10	0.41%
	<u>3,572</u>		<u>29.86%</u>	<u>4,021</u>		<u>35.90%</u>

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

TABLE 14

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

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<u>General government</u>										
Management services	25.8	29.4	28.4	28.4	28.4	28.4	28.4	28.4	28.4	28.4
Finance	3.0	3.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Planning	4.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Building	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<u>Public Health</u>										
Health	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Social Services	2.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5	2.5	2.5
<u>Public safety</u>										
Police	47.1	46.9	46.9	46.9	46.9	46.9	46.9	46.9	46.9	46.9
Fire	42.0	42.5	42.5	42.5	42.5	42.5	42.5	42.5	42.5	42.5
Parking	0.8	1.0	1.0	1.0	1.0	1.0	0.8	0.8	0.8	0.8
Canine	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<u>Public works</u>	24.2	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0
<u>Public Recreation</u>										
Recreation	37.0	38.1	38.1	37.1	37.1	37.1	37.1	37.1	37.1	37.1
Golf Course	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4
Tree Warden	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
<u>Public Education</u>										
Certified	468.0	466.0	466.0	478.3	469.0	469.0	460.8	460.8	460.8	460.2
Non-certified	260.0	248.0	248.0	233.5	242.0	242.0	231.4	231.4	231.4	248.8
<b>Total</b>	<b>933.8</b>	<b>927.3</b>	<b>928.3</b>	<b>925.1</b>	<b>924.3</b>	<b>924.3</b>	<b>905.8</b>	<b>905.8</b>	<b>905.8</b>	<b>922.6</b>

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

Notes: Full-time employees are scheduled to work 1,820 or 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 1,820 or 2,080 based on the employment classification.

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

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<u>General Government</u>										
<u>Legal Counsel:</u>										
Professional fees	\$ 111,975	\$ 228,957	\$ 248,293	\$ 145,626	\$ 184,147	\$ 275,004	\$ 267,381	\$ 288,307	\$ 181,081	\$ 184,766
<u>Town Clerk's Office:</u>										
Licenses issued	2,463	2,853	2,873	2,793	2,765	2,743	2,671	2,798	3,054	3,073
Record vital statistics	444	484	424	386	369	760	434	436	509	448
Document recordings	4,052	4,855	5,729	4,961	5,165	5,495	7,077	6,744	6,427	6,189
<u>Registrar of Voters:</u>										
Registered voters	18,624	18,610	17,977	16,667	16,155	16,500	16,677	17,090	16,225	16,352
Elections and referenda	2	3	2	3	4	3	2	5	4	3
<u>Planning and Development</u>										
Building permits issued	1,840	1,751	1,814	2,087	2,009	2,381	2,220	2,336	1,734	1,666
Value of building permits	\$ 50,469,486	\$ 58,605,521	\$ 58,626,577	\$ 49,083,484	\$ 57,782,819	\$ 62,343,391	\$ 75,311,852	\$ 114,539,257	\$ 44,575,354	\$ 36,179,734
Zoning permits issued	192	204	204	267	294	313	245	258	249	258
<u>Public Safety</u>										
<u>Police Department:</u>										
Motor vehicle citations	5,386	6,553	6,990	6,727	6,835	5,848	6,148	4,984	4,988	4,926
General citations	13,311	13,698	10,654	8,597	8,597	3,266	2,981	2,716	2,637	2,468
<u>Fire Department:</u>										
Fire related calls	1,490	1,105	1,221	1,292	1,105	1,292	1,213	1,419	1,229	1,103
Medical related calls	2,201	2,108	2,031	2,045	2,200	2,045	2,287	2,158	2,141	2,046
<u>Parking Authority:</u>										
Parking violations	3,924	3,525	3,797	3,253	4,005	3,497	3,054	3,118	2,455	1,641
<u>Public Works</u>										
Miles of street resurfacing	5.1	7.1	8.3	13.9	7.0	6.3	6.7	6.7	5.1	5.4
Work Orders completed	465	600	480	536	502	638	556	591	571	606
<u>Public Recreation</u>										
Rounds of golf	30,432	31,507	37,501	40,464	36,045	38,573	35,761	35,888	33,349	37,138
Recreation center members	6,296	6,594	6,206	6,923	6,944	6,556	6,526	6,434	5,882	6,008
Summer camp participants	3,033	2,879	2,848	2,813	2,638	2,559	2,381	2,396	1,198	1,252
Martin park beach passes	452	658	717	702	609	689	772	696	583	548
<u>Public Education</u>										
Student enrollment	4,778	4,810	4,972	4,996	5,194	5,263	5,233	5,312	5,377	5,400

Source(s): Various Town Departments



TABLE 16

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

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<u>General Government</u>										
Vehicles	9	9	9	9	9	9	8	8	8	8
<u>Public Safety</u>										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire stations	2	2	2	2	2	2	2	2	2	2
Police vehicles	20	20	20	20	21	21	19	19	17	18
Fire vehicles	16	16	16	16	16	16	16	16	16	17
<u>Public Works</u>										
Town roads (miles)	193.2	193.2	193.2	193.2	193.2	193.2	193.2	193.2	193.2	193.2
Town sidewalks (miles)	14.0	14.0	14.0	14.0	14.0	14.0	14.5	14.0	14.0	14.0
Sanitary sewers (miles)	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3
Storm sewers (miles)	88.0	88.0	88.0	88.0	88.0	88.0	88.0	88.0	88.0	88.0
Treatment plants	2	2	2	2	2	2	2	2	2	2
Highway vehicles	40	40	40	40	37	37	38	38	38	38
<u>Public Recreation</u>										
Acreage	2,156	2,156	2,156	2,156	2,156	2,156	2,156	2,156	2,156	2,156
<u>Athletic facilities:</u>										
Baseball diamonds	22	21	21	21	21	21	21	21	21	21
Basketball courts - Outside	2	2	2	2	2	2	2	2	2	2
Soccer fields	15	15	15	15	15	15	15	15	15	15
Football fields	3	3	3	3	3	3	3	3	3	3
Playgrounds	10	10	10	10	10	10	10	10	10	10
Tennis courts	9	9	9	9	9	9	9	9	9	9
Skate board park	1	1	1	1	1	1	1	1	1	1
Nature areas	39	39	39	39	39	39	39	39	39	39
Picnic areas	3	3	3	3	3	3	3	3	3	3
Swimming pools	2	2	2	2	2	2	2	2	2	2
Vehicles	17	17	17	17	18	18	17	17	17	16
<u>Public Education</u>										
Elementary schools	6	6	6	6	6	6	6	6	6	6
Middle schools	2	2	2	2	2	2	2	2	2	2
High schools	1	1	1	1	1	1	1	1	1	1

Source(s): Various Town Departments