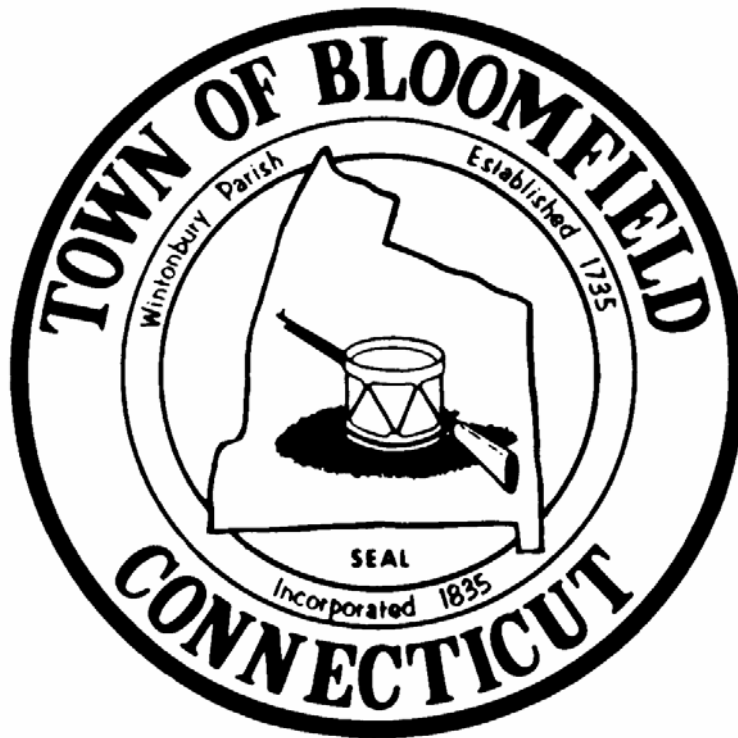


TOWN OF BLOOMFIELD, CONNECTICUT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2017

TOWN OF BLOOMFIELD, CONNECTICUT

Comprehensive Annual Financial Report

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

**Department of Finance
James Wren, Jr.
Director of Finance**

Introductory Section

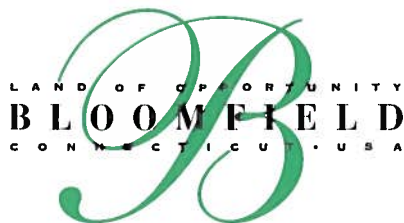
TOWN OF BLOOMFIELD, CONNECTICUT
TABLE OF CONTENTS
JUNE 30, 2017

Introductory Section		Page
	Table of Contents	i-ii
	Letter of Transmittal	iii-viii
	GFOA Certificate of Achievement	ix
	Organizational Chart	x
	List of Elected and Appointed Officials	xi
Financial Section		
	Independent Auditors' Report	1-3
	Management's Discussion and Analysis	4-14
	Basic Financial Statements	
Exhibit	Government-Wide Financial Statements:	
I	Statement of Net Position	15
II	Statement of Activities	16
	Fund Financial Statements:	
III	Balance Sheet - Governmental Funds	17-18
IV	Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	19-20
V	Statement of Net Position - Proprietary Funds	21
VI	Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	22
VII	Statement of Cash Flows - Proprietary Funds	23
VIII	Statement of Net Position - Fiduciary Funds	24
IX	Statement of Changes in Net Position - Fiduciary Funds	25
	Notes to the Financial Statements	26-64
	Required Supplementary Information	
RSI-1	Schedule of Budgeted and Actual Revenues - General Fund - Budgetary Basis	65-66
RSI-2	Schedule of Expenditures and Encumbrances Compared with Appropriations - General Fund - Budgetary Basis	67-68
RSI-3a	Schedule of Changes in Net Pension Liability and Related Ratios - Retirement Income Plan	69
RSI-3b	Schedule of Changes in Net Pension Liability and Related Ratios - Police Retirement Income Plan	70
RSI-4a	Schedule of Employer Contributions - Retirement Income Plan	71
RSI-4b	Schedule of Employer Contributions - Police Retirement Income Plan	72
RSI-5a	Schedule of Investment Returns - Retirement Income Plan	73
RSI-5b	Schedule of Investment Returns - Police Retirement Income Plan	74
RSI-6	Schedule of the Town's Proportionate Share of the Net Pension Liability - Teachers Retirement Plan	75
RSI-7	Schedule of Changes in Net OPEB Liability and Related Ratios	76
RSI-8	Schedule of Employer Contributions - OPEB	77
RSI-9	Schedule of Investment Returns - OPEB	78

<u>Exhibit</u>		<u>Page</u>
	Supplemental, Combining and Individual Fund Statements and Schedules	
	Nonmajor Governmental Funds:	
A-1	Combining Balance Sheet - Nonmajor Governmental Funds	79-80
A-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	81-82
	Trust Funds:	
B-1	Combining Statement of Net Position - Trust Funds	83
B-2	Combining Statement of Changes in Net Position - Trust Funds	84
	Agency Funds:	
C-1	Statement of Changes in Assets and Liabilities - Agency Funds	85
	Supplemental Schedule:	
D-1	Report of Tax Collector	86

Statistical Section

<u>Table</u>		
	Financial Trends:	
1	Net Position by Component	87
2	Changes in Net Position	88-89
3	Fund Balances, Governmental Funds	90
4	Changes in Fund Balances, Governmental Funds	91
	Revenue Capacity:	
5	Assessed and Estimated Actual Value of Taxable Property	92
6	Principal Property Taxpayers	93
7	Tax Rates, Levies and Cash Collections	94
	Debt Capacity:	
8	Ratio of Outstanding Debt by Type	95
9	Ratios of General Debt Outstanding	96
10	Computation of Direct and Overlapping Indebtedness	97
11	Schedule of Debt Limitation	98
12	Legal Debt Margin Information	99
	Demographic and Economic Statistics:	
13	Demographic and Economic Statistics	100
14	Principal Employers	101
	Operating Information:	
15	Full-Time Equivalent Government Employees by Function	102
16	Operating Indicators by Function	103
17	Capital Asset Statistics by Function	104



November 30, 2017

*Department of
Finance*
TOWN OF BLOOMFIELD
800 BLOOMFIELD AVENUE
BLOOMFIELD
CONNECTICUT 06002
TEL 860.769.3533
FAX 860.769.3598

Philip K. Schenck, Town Manager
Bloomfield Town Hall
Bloomfield, CT 06002

Dear Mr. Schenck:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Town of Bloomfield, Connecticut (the Town) for the fiscal year ended June 30, 2017. The CAFR is presented in three sections: introductory, financial and statistical. This report follows the format for annual financial reports that the Government Accounting Standards Board suggests and the Government Finance Officers Association promotes through the Certificate of Achievement for Excellence in Financial Reporting program. The introductory section includes this transmittal letter, the Town's organizational chart and a list of principal officials.

The financial section includes the management discussion and analysis (MD&A), basic financial statements, required supplementary information, and the combining and individual fund statements and schedules, as well as the auditor's report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

This report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To have a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the Town's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town of Bloomfield's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town'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 is also required to undergo annual single audits in conformity with the provisions of Connecticut State Statutes, the Single Audit Act of 1984 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Information related to these single audits, such as the schedules of state and federal financial assistance, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in separately issued single audit reports.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Bloomfield for the fiscal year ended June 30, 2017 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 on the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Bloomfield's financial statements for the year ended June 30, 2017 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

PROFILE OF THE TOWN OF BLOOMFIELD

The Town of Bloomfield was first settled in 1642 and incorporated in 1835, and was originally part of the Town of Windsor. The Town covers approximately 26 square miles and is north and adjacent to the capital city of Hartford. Other neighboring Towns include Avon, Simsbury, Granby, West Hartford and Windsor. The Town's population was 20,486 according to the 2010 Census and is currently estimated to be 20,679.

Bloomfield is administered under the Council-Manager form of government. The Town Charter, which is the primary organizational document, was first adopted in 1959 and last revised in November of 2005. The nine-member Town Council is elected biennially for a term of two years and serves without compensation. Minority party representation of at least three council members is guaranteed. The Town Manager is appointed by the Council and serves as a full-time chief executive officer. The financial administrator of the Town is the Director of Finance, whom the Town Manager appoints. The Director of Finance oversees the Assessor and Tax Collector offices, Accounting, Purchasing and Risk Management as well as the Information Technology function. The Town Council appoints the Town Treasurer who countersigns, together with the Director of Finance, all checks for payment with Town funds.

The Town provides a full range of services to its residents. These services include police protection; a PreK-12 public education system; a public library and golf course; the construction and maintenance of highways, streets, and infrastructure; recreational activities and cultural events. The Town is a member of the eight town regional Metropolitan District Commission which provides water supply and sewerage collection and disposal; at June 30, 2017, the Town's percentage of the District's net overlapping debt totaled 7.36% or \$69.9 million. The Town pays the sewer user charge while water consumers are invoiced directly by the District. There is currently a project underway to compare the ad valorem tax method of billing sewer use to a user fee similar to that used for water usage. Fire and rescue services are provided by the Bloomfield Center and Blue Hills Fire Districts. The Bloomfield Center and Blue Hills Fire Districts have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

Economic Condition and Outlook

Bloomfield's October 1, 2015 grand list, effective for the 2016-17 fiscal year, increased .2% or \$4.1 million from the prior year, with slight increases in real estate and personal property partially offset by a decrease in motor vehicles. The 2015 net taxable grand list totals \$2.038 million and its components are comprised of 49.7% residential, 29.1% commercial, 7.1% motor vehicle and 14.1% personal property. The Town continues to maintain a balanced mix of insurance, retail, manufacturing, retirement communities and light industry and its top ten taxpayers comprise only 19.9% of the total assessed value on the October 1, 2015 grand list. The town's property collection rate, although slightly lower than the previous year, still held strong at 98.64%, which exceeded the 98.40% that had been assumed in the fiscal year 2017 budget.

A review of key economic indicators shows that per capita income of Bloomfield is \$39,155 and its median family income is \$72,762 which compares favorably to the State of Connecticut average of \$70,331 and the Hartford County average of \$66,395. Approximately 6.4% of the Town's families fall below poverty levels compared to 10.5% statewide and 11.9% in Hartford County. According to the State Department of Labor, at June 30, 2017 the Town's average 2016-2017 unemployment rate was 5.8% as compared to the Hartford Labor Market of 5.2% and to the state of Connecticut of 5.1%.

The Town's economic development activity is headed by the Director of Planning. Beginning in July 2014, these efforts have also been aided by Goman + York Property Advisors, LLC. The addition of their resources is an effort to jumpstart the Town's economic development activities as the Town looks to implement the recently adopted Bloomfield Center Plan and other strategies previously adopted by the Town. These services will be re-bid in early fiscal year 2018.

Fiscal year 2017 saw a continuation of robust construction activity in Bloomfield with over \$1.8 million in permit revenues representing a construction value of approximately \$98 million. The Building Department issued 1,199 permits during fiscal year 2017.

Major developments that began during fiscal year 2017 include a new 690,000 square foot distribution center for Trader Joe's northeast operations which will be located at the Phoenix Crossing industrial subdivision. The distribution center is slated for completion in the spring of 2018 and, when fully operational, will add 685 jobs in Bloomfield and surrounding towns. In addition, the Seabury Retirement campus continued with a major phased expansion to construct additional living units as well as improve amenities for its residents. The Capitol Region Education Council middle school is slated to be completed in summer 2017 and will accept students in September 2017. Construction also began on Heirloom Flats, a 212-unit market-rate luxury apartment building located in the Town Center. The first units will be leased in fall 2017 with completion slated for spring 2018. Heirloom Flats represents phase 1 of a master-planned project which will allow for the construction of 407 residential living units in the Town Center within walking distance of existing retail shopping centers.

Although the Town does not anticipate the record-setting levels of construction to continue into future years, there are other projects underway that will develop further in fiscal year 2018. Some examples include a 40,000 square foot industrial building on Phoenix Crossing; a 40,000 square foot construction company headquarters and storage yard on West Dudley Town Road; a 138-unit market-rate elderly apartment complex; a 40-unit subsidized elderly apartment building; and a 38-unit specialty housing project.

Long-term Financial Planning

- The adopted 2012 Plan of Conservation and Development ("Plan") is a tool for guiding the future of Bloomfield and will assist the Town's economic development efforts over the long term thereby reducing the reliance on the local property tax.
- The Town has established an Other Post- Employment Benefits ("OPEB") Trust fund in order to address, on a pre-funded basis, the significant liabilities associated with retiree health care, in order to have sufficient assets over the long term to finance these benefits. With the approval of elected officials, the OPEB Trust Fund has been regularly funded by budget surpluses in general fund accounts; this can be done since the Town's General Fund Balance continues to be very healthy. The Town and Board of Education are utilizing a phased approach to implement the full OPEB contribution.

- The Town's five year 2018-2022 capital plan was developed with a greater degree of analysis in terms of financing and project detail that will help enhance the understanding of the Town's infrastructure needs over the long term. The Plan totals \$25.4 million over the five year period, which includes two major projects approved at referendum in November 2016 for a new Human Services Facility and Town Garage. As part of this effort, a debt issuance policy and debt capacity analysis have been prepared to provide guidance on the issuance of Town debt within the acceptable parameters of the credit rating industry and the Town's own ability to pay. This analysis is continuously reviewed and updated.
- The Town has continued to evaluate existing debt to identify bond refunding opportunities. One refunding was completed in November 2016 with long-term savings to the town of approximately \$400,000. In addition, another refunding was completed shortly after fiscal year end 2017 that generated an additional \$600,000 in savings.
- As part of bargaining unit negotiations, the Town and Board of Education have implemented a high-deductible health plan with a goal of gaining control of escalating health care costs.

Major Initiatives

- The Town and Board of Education competitively marketed its health insurance administrator services and stop loss insurance carrier. After many years, the health insurance carrier changed from Anthem to CIGNA at a savings in administrative costs of approximately \$350,000 per year for three years.
- Two major renovation projects, the Human Services Facility and the Town Garage, were approved at referendum in November 2016 at a cost of \$22.3 million and \$11.2 million, respectively. Building committees for each project were appointed by the Mayor and planning work is underway. Construction is anticipated to start in December 2017 for the Town Garage Facility and in April 2018 for the Human Services Facility.
- Several major policies were created in fiscal year 2017, including a General Fund Balance Policy that was adopted by the Town Council as well as a tax abatement policy and debt management policy both of which are expected to be adopted in early fiscal year 2018.

Debt Administration

At the beginning of the year, the Town had bonds outstanding totaling \$52,515,000. No new bonds were issued during the fiscal year; however, a bond refunding of \$8,745,000 was completed in November 2016 as described earlier. During the year, the Town paid down \$13,030,000 in principal on its current debt obligations (including the impact of refunding), which results in bonds outstanding at June 30, 2017 of \$48,230,000.

At June 30, 2017, the Town had \$43,018,753 of authorized but unissued bonds. This debt consists of \$9,035,753 bonds related to school projects (this is net of \$25,479,850 in school construction grants) plus \$33,983,000 authorized for the Human Service facility and Town Garage projects.

In July 2017, Standard and Poor's affirmed Bloomfield's AA+ rating citing the Town's strong financial position. The Town's Aa2 credit rating by Moody's Investor Services was again re-affirmed in July 2017.

Debt statistics for the Town of Bloomfield at June 30, 2017 are as follows:

	<u>Amount</u>	<u>Debt per Capita</u>
Total direct debt outstanding-bonds and notes (including unamortized bond premium)	\$ 51,616,791	\$ 2,523
Plus net overlapping debt-Metropolitan District	<u>69,851,279</u>	<u>3,378</u>
Total Net Debt (excluding capital leases)	\$ <u>121,468,070</u>	\$ <u>5,901</u>

The Town's general obligation bonds are as follows:

<u>Date of Issue</u>	<u>Amount Issued</u>	<u>Range of Maturities</u>	<u>Final Maturity</u>	<u>Range of Interest Rates</u>
10/20/2010	\$ 25,000,000	1-20	2030	1.5-5.0%
10/20/2010	12,400,000	1-12	2022	1.5-5.0%
10/19/2011	15,000,000	1-20	2031	2.0-3.7%
1/31/2013	10,240,000	1-15	2027	1.5-4.0%
10/21/2014	5,000,000	1-20	2034	2.0-3.1%
11/15/2016	8,745,000	1-10	2026	2.0-4.0%

Relevant Financial Policies

The Town follows certain financial policies and management uses these as a guideline to maintain the financial stability and strength of the Town.

Budgetary Control - Expenditures may not legally exceed budgeted appropriations at the department level. The Town Manager may transfer appropriations at any time during the year from one classification to another within the same department, except within the Board of Education, when the Manager deems it necessary for the proper administration of the Town. During the last three months of the fiscal year, the Town Council, by resolution, may transfer any unencumbered appropriation, except within the Board of Education, from one department to another.

The Town Council may make an emergency appropriation for the preservation of the public peace, health and safety, upon the affirmative vote of not less than six (6) of its members, a sum not to exceed one and one half percent (1.5%) of the total annual budget of the town. Budgetary control is maintained by an on-line financial management encumbrance system.

Purchasing - All purchases should be made in accordance with the Town's Purchasing Manual and Charter. All purchases over \$500, except certain services as outlined in the Town's Purchasing Manual, require a purchase requisition and a purchase order. For purchases over \$7,500, written quotes are required and under \$7,500 open market purchases can be made. Funds are recorded as encumbered when the purchase order is issued and expenditures are recorded when the Town issues a check or incurs a liability.

The Town adopted a General Fund Balance Policy during fiscal year 2017 setting the targeted range of General Fund Balance as 15-20% of the budget.

Other Information

Independent Audit

Connecticut State Statutes require that all municipal entities 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 auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. The Town of Bloomfield's financial statements have been audited by the firm of Blum, Shapiro & Company, P.C., a firm of licensed certified public accountants.

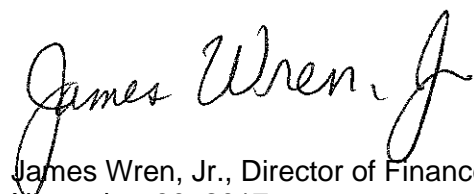
Certificate of Achievement

This report has been prepared following the guidelines of the Government Finance Officers Association (GFOA) and the Governmental Accounting Standards Board. The GFOA awards a Certificate of Achievement for Excellence in Financial Reporting to governmental units that publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. The Town was awarded the Certificate of Achievement for Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended June 30, 2016. A Certificate of Achievement is only valid for a period of one year. We believe that this comprehensive annual financial report meets the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for the award.

Acknowledgments

The preparation of this report on a timely basis is due in part to joint efforts of Deputy Finance Director Keri Rowley and Purchasing and Risk Manager Nancy Haynes who was responsible for coordinating the fixed assets information. I also look forward to providing you with the support and financial advice you need in carrying out the financial policies of the Bloomfield Town Council during your tenure as Bloomfield's Town Manager.

Respectfully submitted,

A handwritten signature in black ink that reads "James Wren, Jr." in a cursive script.

James Wren, Jr., Director of Finance
November 30, 2017



Government Finance Officers Association

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

Presented to

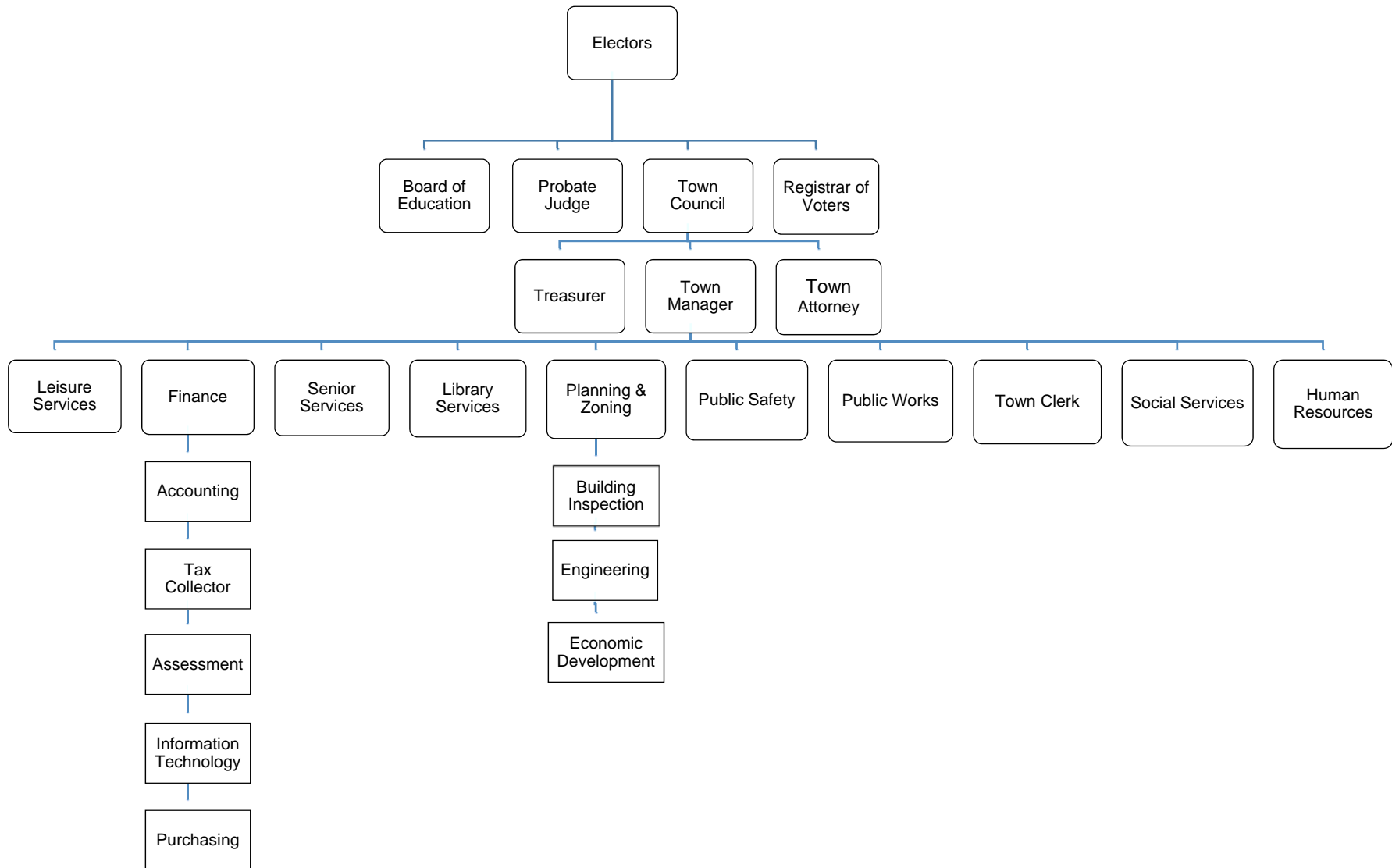
**Town of Bloomfield
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

TOWN OF BLOOMFIELD ORGANIZATIONAL CHART



TOWN OF BLOOMFIELD, CONNECTICUT

ELECTED AND APPOINTED OFFICIALS

June 30, 2017

Town Council

Joan A. Gamble, Mayor
Sydney T. Schulman, Deputy Mayor
Patrick DeLorenzo
Wayne Hypolite
Joseph P. Merritt
Joel Neuwirth
E. Leon Rivers
Derrick Seldon
Joseph Washington

Board of Education

Donald F. Harris, Jr., Chairperson
Michael R. Walters, Vice Chairperson
Howard Steven Frydman, Secretary
Renee Coleman-Mitchell
Michael Williams
Robert W. Ike
Quentin Johnson

Appointed Officials

Philip K. Schenck, Jr., Town Manager
James Wren, Jr., Director of Finance
Byron R. Lester, Treasurer
Marc N. Needelman, Town Attorney
James Thompson, Jr., Superintendent of Schools

Financial Section



Accounting | Tax | Business Consulting

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Bloomfield, Connecticut, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of Bloomfield, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Bloomfield, Connecticut, as of June 30, 2017 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.

Change in Accounting Principle

As discussed in Note 6 to the financial statements, during the fiscal year ended June 30, 2017, the Town adopted new accounting guidance, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*. 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 on pages 4 through 14, the budgetary comparison information on pages 65 through 68, the pension and OPEB schedules on pages 69 through 78 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 Bloomfield, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2017 on our consideration of the Town of Bloomfield, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Bloomfield, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Bloomfield, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
November 30, 2017

**TOWN OF BLOOMFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

As management of the Town of Bloomfield, we offer readers of the Town of Bloomfield's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal in the introductory section of this report.

Financial Highlights

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

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$59.6 million (*net position*). Of this amount, \$50.1 million was attributable to Governmental Activities and \$9.5 million to Business-Type Activities.
- The Town's total net position decreased slightly by \$.7 million from the prior year. This is due primarily to a large increase in Education-related expenses due to depreciation expense on the newly renovated buildings (which were previously treated as construction-in-progress and not depreciated) as well as debt service expenses related to the borrowing associated with the school renovations. Education expenses on an accrual basis also increased due to a \$2.7 million increase in the "on-behalf" contribution to the state teachers' retirement program. It should be noted that, although the state pays this expense, it is considered an expense in the government-wide financial statements. There is also an offsetting increase in revenue as the on-behalf payment is counted as an operating grant. The Town's total assets and total liabilities remained fairly consistent with prior year levels.
- Net position of our governmental activities decreased by \$.5 million while Business-Type activities decreased by \$.2 million.
- At the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$30.5 million, an increase of \$2.4 million over the prior year. Of this increase, \$1.4 million is attributable to the General Fund due to a combination of savings from a bond refunding; higher than anticipated revenue and lower than anticipated costs; and a decrease in transfers out to the capital projects fund. The remaining \$1 million is due to a substantial decrease in capital outlay in the Nonrecurring Capital Projects Fund caused by the completion of the school renovations. There were no new bond issuances during the current fiscal year.
- The General Fund had a total fund balance of \$19.5 million, an increase of \$1.4 million over the prior year. Of the \$19.5 million, \$2.1 million was assigned, (which included \$1.4 million assigned as revenue for the 2017-18 fiscal year, .6 million assigned for the 2017-18 Metropolitan District Commission potential reserve, and \$75 thousand in open encumbrances at June 30, 2017) resulting in an unassigned total of \$17.4 million. The unassigned General Fund balance increased by \$.8 million over the prior year and represents 20.7% of total actual 2016-17 General Fund expenditures, which is just slightly above the 15-20% goal established by the Fund Balance Policy. There was no committed fund balance in the General Fund at year-end.
- The property tax collection rate as of June 30, 2017 was 98.64%, a slight decrease of .11% from the prior year, but still above the 98.4% that the Town assumed in its 2016-17 budget.

- The Town of Bloomfield's outstanding bonded debt at June 30, 2017 is \$48.2 million. No new bonds were issued during the fiscal year and there was one bond refunding completed during the fiscal year. The Town paid down \$13.0 million of principal during the fiscal year (including the amount of the bond refunding).
- The Town's total capital assets, which total \$178.2 million (net of depreciation) decreased by \$1.8 million during the current fiscal year due to depreciation of existing assets. Fiscal year 2016-17 was the first full year of depreciation on the assets related to the major school renovations which had been previously recorded as construction in progress.

Government-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing

so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

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

Overview of the Basic Financial Statements (continued)

Proprietary Funds

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

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

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

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

Fiduciary Funds

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

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

Notes to The Basic Financial Statements

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

Other Information

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

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position. At June 30, 2017, the Town of Bloomfield's assets exceeded liabilities by \$59.6 million.

NET POSITION (THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current assets and other assets	\$ 46,288	\$ 45,029	\$ 479	\$ 442	\$ 46,767	\$ 45,471
Capital assets, net of accumulated depreciation	168,965	170,469	9,288	9,519	178,253	179,988
Total assets	<u>215,253</u>	<u>215,498</u>	<u>9,767</u>	<u>9,961</u>	<u>225,020</u>	<u>225,459</u>
Deferred outflows of resources	<u>5,686</u>	<u>8,964</u>			<u>5,686</u>	<u>8,964</u>
Current liabilities	5,032	5,305	232	196	5,264	5,501
Noncurrent liabilities	162,852	162,908			162,852	162,908
Total liabilities	<u>167,884</u>	<u>168,213</u>	<u>232</u>	<u>196</u>	<u>168,116</u>	<u>168,409</u>
Deferred inflows of resources	<u>2,977</u>	<u>5,721</u>			<u>2,977</u>	<u>5,721</u>
Net Position:						
Net investment in capital assets	118,959	115,420	9,288	9,519	128,247	124,939
Unrestricted	<u>(68,881)</u>	<u>(64,892)</u>	<u>247</u>	<u>246</u>	<u>(68,634)</u>	<u>(64,646)</u>
Total Net Position	<u>\$ 50,078</u>	<u>\$ 50,528</u>	<u>\$ 9,535</u>	<u>\$ 9,765</u>	<u>\$ 59,613</u>	<u>\$ 60,293</u>

By far the largest portion of the Town's net position (\$128.2 million) is its investment in capital assets (e.g., land, construction in progress, buildings, land improvements, furniture and equipment, and infrastructure), less any related outstanding debt used to acquire those assets. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is (\$68.6) million.

- The Town's net position total of \$59.6 million decreased slightly by \$.7 million during the current fiscal year. Of the net position total, \$50.1 million is attributable to the government activities category and \$9.5 million for business-type activities.

Governmental Activities

Governmental activities decreased the Town's net position slightly by \$.5 million.

Business-Type Activities

The net position of business-type activities, which is entirely comprised of the operations of the Wintonbury Hills Golf Course, decreased by \$.2 million.

Revenues

Governmental activities revenues totaled \$109.5 million for fiscal year 2017 which represents an increase of \$5.4 million from the prior year, about half of which is due to an increase in the "on-behalf" payment of teachers' retirement benefits by the State of Connecticut. Property taxes are the largest revenue source for the Town and represent 68.6% of total revenues. Operating grants and contributions total \$24.4 million or 22.2% of revenue of which the major portion is attributable to education grants, including the on-behalf teachers' retirement contribution. Capital grants and contributions totaled \$2.8 million or 2.6% of governmental revenues. Charges for services totaled \$5.6 million, or 5.1% of total revenues.

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

- Charges for services, which total \$5.6 million, decreased by \$.9 million over the prior year. This was mainly driven by a \$.8 million decrease in building permit revenue, which was at historic levels in the prior year. Although activity was still robust in fiscal year 2017, the revenue did not reach the levels of the prior year.
- Operating grants and contributions, which total \$24.4 million, increased by \$3.1 million. This increase is primarily driven by a \$2.7 million increase in the "on-behalf" payment related to the State Teachers' Retirement Program; this item also impacts the Education expenses and has no net impact to the bottom line results.
- Capital grants and contributions, which total \$2.8 million, increased by \$.5 million due primarily to school construction grants received during the fiscal year related to the major school renovations completed.
- Property taxes, which comprises 68.6% of total revenue, or \$75.1 million, increased by \$1.9 million due primarily to the increase in the tax levy for the 2016-17 fiscal year as well as higher-than-anticipated collections of the supplemental motor vehicle tax.
- Grants and contributions (not restricted) increased by \$440 thousand primarily due to a one-time municipal sales tax grant from the state, partially offset by decreases in State of Connecticut PILOT grants.
- Unrestricted investment earnings increased by \$82 thousand due to slightly higher interest rates.
- Miscellaneous revenue increased by \$260 thousand due mainly to recovery of cell tower rental revenue which had been underpaid for several years.

Expenses

Governmental expenses totaled \$110.0 million for the 2017 fiscal year, an increase of \$8.6 million over the prior year. The largest category of expenses related to Education, which represents \$66.7 million or 60.6% of total expenses, an increase of \$7.5 million from the prior year. The increases in Education are primarily driven by expenses related to the following: a large increase in the on-behalf payment for the State of Connecticut teachers' retirement program as discussed previously (with an offsetting amount in revenue); expenses (including depreciation) related to major renovation projects at all Bloomfield schools as well as increases in contractual salary and retirement costs, including OPEB funding which is being phased in over ten years. In addition, defined benefit pension plan costs increased due to changes in the interest rate assumptions as well as the fact that the defined benefit plan continues to be active for the Board of Education.

Public safety expenses comprise the next largest expense category at \$18.2 million or 16.5% of total expenses, an increase of \$1.5 million over the prior year, primarily due to contractual salary increases, increases in defined benefit pension and OPEB liabilities as well as higher than average overtime costs (due to a higher than average attrition rate), payout costs of retiring officers and the implementation of body cameras. Public Works is the third largest category of expenses and amounted to \$8.0 million or 7.3% of total expenses, a decrease of \$.7 million from the prior year due to reductions in overtime, vacant positions and road materials. Administration is the next largest category at \$6.3 million or 5.7% of total expenses, an increase of \$.4 million from the prior year primarily due to contractual salary increases. Interest expense declined by \$.9 million mainly attributable to savings associated with the refunding of debt which took place in November 2016. There were minor variances from the prior year in most of the remaining categories.

CHANGES IN NET POSITION FOR THE YEARS ENDED June 30, 2017 and 2016 (THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 5,583	\$ 6,471	\$ 1,682	\$ 1,999	\$ 7,265	\$ 8,470
Operating grants and contributions	24,405	21,393			24,405	21,393
Capital grants and contributions	2,797	2,275			2,797	2,275
General revenues:						
Property taxes	75,183	73,219			75,183	73,219
Grants and contributions (not restricted)	933	499			933	499
Unrestricted investment earnings	197	115			197	115
Miscellaneous	441	184			441	184
Total revenues	<u>109,539</u>	<u>104,156</u>	<u>1,682</u>	<u>1,999</u>	<u>111,221</u>	<u>106,155</u>
Expenses:						
Administration	6,269	5,842			6,269	5,842
Planning and development	1,806	1,755			1,806	1,755
Public Safety	18,233	16,711			18,233	16,711
Public Works	8,046	8,709			8,046	8,709
Leisure Services	1,442	1,187			1,442	1,187
Public Libraries	3,163	3,021			3,163	3,021
Human Services	3,269	3,002			3,269	3,002
Education	66,757	59,264			66,757	59,264
Interest Expense	1,004	1,874			1,004	1,874
Wintonbury Hills Golf Course			1,912	2,081	1,912	2,081
	<u>109,989</u>	<u>101,365</u>	<u>1,912</u>	<u>2,081</u>	<u>111,901</u>	<u>103,446</u>
Increase in Net Position	(450)	2,791	(230)	(82)	(680)	2,709
Net Position July 1	<u>50,528</u>	<u>47,737</u>	<u>9,765</u>	<u>9,847</u>	<u>60,293</u>	<u>57,584</u>
Net Position June 30	<u>\$ 50,078</u>	<u>\$ 50,528</u>	<u>\$ 9,535</u>	<u>\$ 9,765</u>	<u>\$ 59,613</u>	<u>\$ 60,293</u>

Business-type activities

Business-type activities, which for the Town includes the operation of Wintonbury Hills Golf Course, decreased the Town's net position by \$230 thousand mainly attributable to a decrease in rounds played.

Financial Analysis of the Town's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the Town's governmental funds (as presented in the balance sheet Exhibit III) reported combined ending fund balances of \$30.5 million, an increase of \$2.4 million in comparison with the prior year.

The General Fund component of the combined fund balance is \$19.5 million. Of the total General Fund balance, \$17.4 million constitutes unassigned fund balance; the difference between the total fund balance and unassigned fund balance is the assigned fund balance component in the amount of \$2.1 million. This balance is assigned for the following specific purposes: \$77 thousand for FY 17 encumbrances, \$1.4 million assigned as revenue to mitigate the mill rate for the 2017-18 fiscal year and \$.6 million for a reserve in case Bloomfield has to pay a portion of the City of Hartford's sewer ad valorem fee.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures (budgetary). Unassigned fund balance represents 20.7% of total 2016-17 General Fund expenditures, while total fund balance represents 23.3% of that same amount.

Nonrecurring Capital Projects Fund

This fund accounts for financial resources to be used for the acquisition of major equipment, construction of facilities and infrastructure improvements; this includes the \$94.6 million Town-wide school renovation project begun in 2006 and completed last year. The nonrecurring capital projects fund's fiscal year 2017 revenue (including transfers) exceeded expenses by \$1.1 million. This is because there was a substantial decrease in capital outlay expenses due to the completion of the major school renovations. State of Connecticut School Construction grants related to these projects continue to come in. The nonrecurring capital projects fund shows a positive fund balance of \$6.1 million.

Non-Major Governmental Funds

Non-major governmental funds account for all other grant programs for education, social services, recreation, school cafeteria, public safety that do not fall into a major category and to account for specific revenues restricted to expenditures for specific purposes. There was a small decrease in this fund during the year with fund balance declining by \$77 thousand which decreased the fund balance at June 30, 2017 to a total of \$4.8 million. It should be noted that the State and Federal Education Fund, which met the criteria to be disclosed as a major fund in the prior year, did not meet the criteria this year and therefore was included as a non-major fund; without inclusion of this fund, the non-major governmental funds would have shown a slight increase in fund balance.

Proprietary Funds

The Town has two proprietary funds, a business-type fund to account for the operations of the Wintonbury Hills Golf Course, and an internal service fund used to account for costs related to employee health insurance. In fiscal year 2017, the golf course had an operating loss of \$230 thousand and, therefore, total net position decreased to \$9.5 million at June 30, 2017. Its Unrestricted Net position increased slightly to \$246 thousand.

The internal service fund for employee health insurance had operating income of \$829 thousand due to favorable claims experience; together with investment earnings of \$19 thousand, resulting in an increase of \$848 thousand to its total net position, which totaled \$6.4 million at year-end.

General Fund Budgetary Highlights

There were no supplemental appropriations added to the fiscal 2016-17 original budget of \$85,178,397. Actual General Fund revenues, on a budgetary basis, totaled \$85,316,207 which exceeded the original budget by \$1,537,810 (note that the original revenue budget included \$1,400,000 of assigned fund balance; this amount did not need to be used). The favorable revenue variance was primarily driven by the Charges for Services category which was over budget by \$1,434,205 due primarily to favorable budget variances in the building permit account as well as the collection of the real estate conveyance tax; both of these favorable variances relate to strong economic development initiatives in the Town of Bloomfield.

Fiscal year 2016-17 actual expenditures are \$83,838,991 as compared to the original budget of \$85,178,397, creating a favorable variance of \$1,339,600. Unlike the prior year, excess funds were not transferred to the OPEB Trust Fund as an additional contribution; this is due to the need to maintain a strong General Fund fund balance in order to protect the town from the negative impacts of the State of Connecticut budget. Favorable expenditure variances were realized in every town department, due to fiscal conservatism and strategic planning necessary to deal with the potential for large losses in state aid due to the large projected budget deficits at the state level.

The Board of Education spent nearly its entire appropriation in fiscal year 2017, leaving a surplus of just \$30.

Overall, fiscal year 2017 was a very positive year for the Town of Bloomfield due to continued cost savings efforts, major economic development in town, maintenance of high tax collections rates, and general conservative fiscal management. All of these efforts were combined with strategic plans to continue to fund capital improvements; fund 100% of the actuarially-recommended defined benefit pension contribution; and implement a ten-year phase-in plan to address the OPEB liability.

Capital Asset and Debt Administration

Capital Assets

The Town's investment in capital assets (net of depreciation) for its governmental and business-type activities as of June 30, 2017 amounts to \$168.9 million and \$9.3 million, respectively, for a total of \$178.2 million or a decrease of \$1.7 million. This investment in capital assets includes land, construction in progress, buildings, land improvements, furniture and equipment, and infrastructure. The decrease was driven by depreciation on the assets, particularly assets related to the recent school improvements, which had their first full year depreciation in fiscal year 2017. Capital assets for Business-type activities for the Wintonbury Hills Golf Course, decreased by \$232 thousand from the prior year, again mainly due to normal depreciation.

CAPITAL ASSETS (Net of Depreciation) (THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 41,303	\$ 41,303	\$ 1,000	\$ 1,000	\$ 42,303	\$ 42,303
Buildings	110,305	112,623	1,192	1,225	111,497	113,848
Land Improvements	2,586	2,718	6,667	6,857	9,253	9,575
Furniture and equipment	6,540	6,760	429	438	6,969	7,198
Infrastructure	8,231	7,065			8,231	7,065
Total	<u>\$ 168,965</u>	<u>\$ 170,469</u>	<u>\$ 9,288</u>	<u>\$ 9,520</u>	<u>\$ 178,253</u>	<u>\$ 179,989</u>

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

Debt Administration

Long term debt

At the beginning of the fiscal year, the Town had total debt outstanding of \$52.5 million. During FY 2017, the Town paid down \$13.1 million of principal (including a bond refunding of \$8.75 million of existing debt) and no new bonds were issued other than those associated with the advance refunding on November 30, 2016. Therefore, at June 30, 2017, the Town has \$48.2 million total debt outstanding. All bonded debt is general obligation debt backed by the full faith and credit of the Town. The advance refunding involved issuance of \$8.745 million of refunding bonds with interest rates ranging from 2-4%. This refunding resulted in an economic gain to the Town of \$365 thousand.

OUTSTANDING DEBT

June 30, 2017 and 2016 (THOUSANDS)

	Governmental Activities	
	2017	2016
General Obligation Bonds	\$ 48,230	\$ 52,515

At June 30, 2017, the Town's outstanding debt was rated "Aa2" by Moody's Investor Service and "AA+" by Standard & Poor's Rating Group. These ratings were affirmed during fiscal year 2017. Unlike several other Connecticut municipalities that have had their ratings lowered or put on negative status due to the financial issues of the State of Connecticut and City of Hartford, Bloomfield has maintained its strong ratings due to conservative fiscal management and high levels of unassigned fund balance.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total tax collections including interest and lien fees and the tax relief for elderly freeze grant. The Town's debt limitation at June 30, 2017 for the Town is \$541.5 million which far exceeds the Town's total indebtedness (including underlying and overlapping debt) of \$163.2 million.

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

Economic Factors and Next Year's Budgets and Rates

The Town has again successfully managed its budgetary operations through prudent, conservative fiscal management. The 2016-17 results show the Town's General Fund unassigned fund balance increasing to \$17.4 million or approximately 20.7% of the fiscal 2017 budget and 19.9% of the fiscal 2018 budget. During fiscal year 2017, the Town Council adopted a Fund Balance Policy which sets a goal for unassigned fund balance at 15-20% of the budget; therefore, the Town is at the upper end of its desired range and is in a very good position compared to other Connecticut municipalities and the State. Over the past 3 years, and also spilling over into fiscal year 2018, Bloomfield has seen unprecedented economic development and, as a result, has attracted many commercial and residential developers to locate their new ventures within the Town, indicating a growing local economy. Building a strong tax base is critical to helping the Town remain financially strong while facing economic uncertainty regarding future financial support from the State of Connecticut.

The Town's adopted 2017-18 General Fund appropriations total \$87.4 million, an increase of 2.62% from the 2016-17 adopted budget. The mill rate was increased by .91 mills from 36.65 to 37.56. The mill rate for motor vehicles was reduced to the cap of 32 mills in fiscal year 2018 as required by state legislation in effect at the time tax bills were sent out. The final state budget, which was adopted over four months

into the fiscal year, will increase the cap to 39 mills and the Town Council will have to decide whether a supplemental motor vehicle tax bill will be sent. There was a slight decrease in the grand list of .97% from the prior year due entirely to an error by the Town's largest taxpayer; this error was corrected prospectively, thereby affecting the 2015 Grand List. If this error had not occurred, the Grand List would have increased by almost 1%. It is hoped that the future Grand List will grow as several major new businesses have come to Town and as tax abatement arrangements expire. The next mandated property tax revaluation will occur in 2019. As of June 30, 2017, the tax collection rate was 98.64%, and the assumed collection rate used in the budget was increased from 98.4% to 98.5% in fiscal year 2018.

Despite all the positive factors, the Town of Bloomfield, like all Connecticut municipalities, faces difficult issues with generating new revenues to offset growing costs. As state statutes allow limited opportunities for Connecticut municipalities to raise revenue, the Town still has a heavy reliance on the property tax which comprises 68.6% of the Town's revenue. The State of Connecticut did not adopt the FY18-19 biennial budget until October 31 after a very contentious legislative session. Although the adopted budget made some structural changes, the State continues to try to address large forecasted future deficits and material liabilities related to healthcare and retirement costs. Therefore, the Town expects to see a continued decrease in state funding. Additionally, the state is contemplating passing a portion of its teachers' retirement liability on to Connecticut municipalities; although this did not occur for FY18, this will surely be raised again in future budgets. The combined loss of grant revenue, potential assumption of state liabilities and continued unfunded state mandates make it clear that the Town cannot continue to rely on state revenues. The Town of Bloomfield is fortunate in that the Town is not over-reliant on state funding and maintains strong fund balance reserves. The Town has been fortunate to have collected unprecedented amounts of building permit revenue for the past few years to offset declining state revenue, but that will not be sustainable forever. Ultimately, there will have to be structural change to the system (i.e. expanding the options for Connecticut municipalities to raise money rather than being reliant on the property tax and state grants). Without such structural change, local taxpayers will continue to bear an increased burden each year.

While revenues continue to become more reliant on the property tax, fixed costs including employee and retiree benefits, contractual obligations and the Metropolitan District Commission ("MDC") levy for sewer services continue to increase. On November 8, 2016, voters approved \$33 million in future debt issuance to fund the construction of a new Human Services Facility and the renovation and expansion of the Public Works Facility. This means that, should these projects move forward, debt service levels will not decrease from current levels for several years to come. Compounding that, following a contentious Presidential election in 2016, there is a lot of uncertainty as to where the national economy is headed. Interest rates, which have been at historically low levels for several years, are already rising and it is likely that the Federal Reserve will continue to raise rates in the future. A rise in interest rates will, of course, contribute to increased debt service costs. Finally, the town's portion of the MDC ad valorem tax for sewer services will potentially increase even further due in part to the fiscal issues facing the City of Hartford, which is contemplating filing for bankruptcy. The ad valorem tax increased about 4% for fiscal year 2018 and is projected to increase an additional 7.5% in 2019. A bid is currently out to hire a consultant to perform a study to evaluate the benefits and costs of a sewer user fee rather than a town-wide ad valorem tax.

In the midst of increases in fixed costs, the Town of Bloomfield is trying to plan strategically for the future. The Town Council has been dedicated to continuous capital improvement to maintain the Town's infrastructure. The 2017-18 budget again supported its Capital Improvement Program by including a contribution of \$885 thousand from the General Fund to support capital improvement projects. In addition to capital improvements, the Town has maintained its plan to fund 100% of the required actuarial contribution for its defined benefit plans and has developed an OPEB trust and a ten-year phase in plan to fund it. Finally, the Town is trying to strategically manage spiraling healthcare costs by growing enrollment in a high deductible health plan which is now in place as an option for all bargaining units. At the end of fiscal year 2017, the Town also changed insurance carriers following a competitive bid. This will reduce future administrative costs by approximately \$350,000 annually over the next several years.

The Town has also begun exploring opportunities for regional sharing of resources, beginning with a regional building inspector provision in cooperation with the Town of Simsbury.

In yet another cost-saving initiative, the Town completed another bond refunding on August 3, 2017. This will save an estimated \$592 thousand in debt service costs. All possible refundings have now been completed.

The Town like most municipalities, is facing ongoing challenges in the current economic climate. As of September 2017, the Town's unemployment rate was 4.9%, above the state-wide average of 4.0% and the Greater Hartford Labor market of 4.1%. These numbers are down a bit from the prior year and it is hoped that these numbers will continue to decrease with job opportunities related to several new developments in the Town.

The FY 2018 budget incorporates a draw from the Town's Unassigned General Fund balance of \$1.986 million, an increase of \$586,000 over the 2016-17 level. The increase is solely due to the establishment of a reserve for a potential additional payment to the Metropolitan District Commission should the City of Hartford not pay its share of the ad valorem tax due to financial issues. New state legislation was passed in 2017 to help mitigate the risk of default, so it is hoped that these funds will not be needed. Even with this assignment, the Town maintains a very strong level of unassigned General Fund balance. The strong reserves will help to weather the Town through these very difficult fiscal times.

In summary, although the Town continues to face several economic challenges, the Town's elected officials and its management team continue to work to identify strategic ways to make structural changes that will sustain the Town. As we work through these challenges, the Town must continue to maintain fiscal discipline, expand its economic development activities, exercise cost control and implement operating efficiencies and structural change wherever possible.

Requests for Information

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

Basic Financial Statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 39,390,760	\$ 343,026	\$ 39,733,786
Receivables:			
Property taxes	1,328,241		1,328,241
Interest receivable	368,926		368,926
Accounts receivable	530,058		530,058
Intergovernmental	175,513		175,513
Loans	659,260		659,260
Inventory	119,313	65,912	185,225
Other assets		70,256	70,256
Due from trust funds	3,716,052		3,716,052
Capital assets not being depreciated	41,303,302	1,000,000	42,303,302
Capital assets being depreciated, net	127,661,669	8,288,008	135,949,677
Total assets	<u>215,253,094</u>	<u>9,767,202</u>	<u>225,020,296</u>
Deferred Outflows of Resources:			
Changes related to pension actuarial experience	1,220,411		1,220,411
Changes in assumptions	1,656,614		1,656,614
Changes in projected investment earnings	640,960		640,960
Deferred amount on refunding	2,168,071		2,168,071
Total deferred outflows of resources	<u>5,686,056</u>	<u>-</u>	<u>5,686,056</u>
Liabilities:			
Accounts payable	2,116,939	93,413	2,210,352
Accrued liabilities	1,381,561	139,265	1,520,826
Accrued interest payable	342,878		342,878
Due to fiduciary funds	499,526		499,526
Unearned revenue	691,730		691,730
Noncurrent liabilities, due within one year	5,168,923		5,168,923
Noncurrent liabilities, due in more than one year	157,683,245		157,683,245
Total liabilities	<u>167,884,802</u>	<u>232,678</u>	<u>168,117,480</u>
Deferred Inflows of Resources:			
Changes related to pension actuarial experience	412,410		412,410
Advance property tax collections	2,564,335		2,564,335
Total deferred inflows of resources	<u>2,976,745</u>	<u>-</u>	<u>2,976,745</u>
Net Position:			
Net investment in capital assets	118,959,001	9,288,008	128,247,009
Unrestricted	<u>(68,881,398)</u>	<u>246,516</u>	<u>(68,634,882)</u>
Total Net Position	<u>\$ 50,077,603</u>	<u>\$ 9,534,524</u>	<u>\$ 59,612,127</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue And Changes In Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
Administration	\$ 6,269,207	\$ 983,378	\$	\$	\$ (5,285,829)	\$	\$ (5,285,829)
Planning and development	1,805,654	1,752,473			(53,181)		(53,181)
Public safety	18,232,647	1,138,042	376,437		(16,718,168)		(16,718,168)
Public works	8,045,933	103	345,694	2,184,417	(5,515,719)		(5,515,719)
Leisure services	1,441,921	145,781			(1,296,140)		(1,296,140)
Public libraries	3,163,257	23,830	19,015		(3,120,412)		(3,120,412)
Human services	3,268,822	73,282	22,150		(3,173,390)		(3,173,390)
Education	66,757,284	1,465,574	23,641,739	612,841	(41,037,130)		(41,037,130)
Interest expense	1,003,994				(1,003,994)		(1,003,994)
Total governmental activities	109,988,719	5,582,463	24,405,035	2,797,258	(77,203,963)	-	(77,203,963)
Business-type activities:							
Wintonbury Hills Golf Course	1,911,760	1,681,461				(230,299)	(230,299)
Total	\$ 111,900,479	\$ 7,263,924	\$ 24,405,035	\$ 2,797,258	(77,203,963)	(230,299)	(77,434,262)
General revenues:							
Property taxes					75,182,663		75,182,663
Grants and contributions not restricted to specific programs					932,973		932,973
Unrestricted investment earnings					196,824		196,824
Miscellaneous					440,986		440,986
Total general revenues					76,753,446	-	76,753,446
Change in net position					(450,517)	(230,299)	(680,816)
Net Position at Beginning of Year					50,528,120	9,764,823	60,292,943
Net Position at End of Year					\$ 50,077,603	\$ 9,534,524	\$ 59,612,127

The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017

	<u>General Fund</u>	<u>Nonrecurring Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 31,001,656	\$	\$ 2,256,240	\$ 33,257,896
Receivables:				
Property taxes	1,853,061			1,853,061
Intergovernmental	1,013		174,527	175,540
Accounts receivable	461,327		68,704	530,031
Loans			669,782	669,782
Due from other funds	5,161,621	6,183,029	4,849,131	16,193,781
Other assets	<u>104,250</u>		<u>15,063</u>	<u>119,313</u>
Total Assets	<u>\$ 38,582,928</u>	<u>\$ 6,183,029</u>	<u>\$ 8,033,447</u>	<u>\$ 52,799,404</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,612,416	\$ 14,595	\$ 480,874	\$ 2,107,885
Accrued liabilities	552,512	29,250	8,413	590,175
Due to other funds	12,630,138		1,445,569	14,075,707
Unearned revenue	<u>34,713</u>	<u>500</u>	<u>656,517</u>	<u>691,730</u>
Total liabilities	<u>14,829,779</u>	<u>44,345</u>	<u>2,591,373</u>	<u>17,465,497</u>
Deferred inflows of resources:				
Unavailable revenue - property taxes	1,634,908			1,634,908
Unavailable revenue - loans receivable			669,782	669,782
Advance property tax collections	<u>2,564,335</u>			<u>2,564,335</u>
Total deferred inflows of resources	<u>4,199,243</u>	<u>-</u>	<u>669,782</u>	<u>4,869,025</u>
Fund balances:				
Nonspendable	104,250		15,063	119,313
Restricted		6,138,684	3,577,819	9,716,503
Committed			1,571,077	1,571,077
Assigned	2,064,444			2,064,444
Unassigned	<u>17,385,212</u>		<u>(391,667)</u>	<u>16,993,545</u>
Total fund balances	<u>19,553,906</u>	<u>6,138,684</u>	<u>4,772,292</u>	<u>30,464,882</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 38,582,928</u>	<u>\$ 6,183,029</u>	<u>\$ 8,033,447</u>	<u>\$ 52,799,404</u>

(Continued on next page)

TOWN OF BLOOMFIELD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2017

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

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

Fund balances - total governmental funds (Exhibit III)	\$ 30,464,882
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Capital assets used in governmental activities are not financial resources and,
therefore, are not reported in the funds:

Governmental capital assets	\$ 213,568,018	
Less accumulated depreciation	<u>(44,603,047)</u>	
Net capital assets		168,964,971

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

Deferred outflows related to pension actuarial experience	1,220,411
Deferred outflows related to changes in assumptions	1,656,614
Deferred outflows related to changes in projected investment earnings	640,960
Property taxes and assessments receivable greater than 60 days	1,634,908
Loan receivables greater than 60 days	669,782
Interest receivable on property taxes	504,106
Allowance for uncollectible accounts	(670,522)

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

6,430,876

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

Deferred inflows related to pension actuarial experience	(412,410)
Bonds payable	(48,230,000)
Premium on bonds payable	(3,386,791)
Deferred charge on refunding	2,168,071
Interest payable on bonds	(342,878)
Capital lease obligations	(557,250)
Net OPEB obligation	(54,255,995)
Net pension liability	(34,635,241)
Compensated absences	(4,176,191)
Landfill closure costs	<u>(17,610,700)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 50,077,603</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	<u>General Fund</u>	<u>Nonrecurring Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes, interest and lien fees	\$ 74,698,743	\$ 612,841	\$ 12,456,914	\$ 74,698,743
Intergovernmental	14,366,350		27,436,105	27,436,105
Interest income	157,151		20,876	178,027
Charges for services	3,281,387		2,210,840	5,492,227
Contributions			446,641	446,641
Other	134,357	341,727	19,523	495,607
Total revenues	<u>92,637,988</u>	<u>954,568</u>	<u>15,154,794</u>	<u>108,747,350</u>
Expenditures:				
Current:				
Administration	3,140,515			3,140,515
Boards and agencies	154,092			154,092
Planning and development	992,584			992,584
Public safety	7,505,124		778,150	8,283,274
Public works	3,067,339			3,067,339
Leisure services	724,178		144,764	868,942
Public libraries	1,580,730			1,580,730
Human services	1,465,096		97,452	1,562,548
Facilities	1,461,766			1,461,766
Fixed charges	16,005,256			16,005,256
Miscellaneous	73,839			73,839
Education	47,763,637		12,404,061	60,167,698
Debt service	6,205,214			6,205,214
Capital outlay		1,220,953	1,682,649	2,903,602
Total expenditures	<u>90,139,370</u>	<u>1,220,953</u>	<u>15,107,076</u>	<u>106,467,399</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,498,618</u>	<u>(266,385)</u>	<u>47,718</u>	<u>2,279,951</u>
Other Financing Sources (Uses):				
Transfers in	125,000	1,346,360		1,471,360
Transfers out	(1,346,360)		(125,000)	(1,471,360)
Payment to refunded bond escrow agent	(9,815,139)			(9,815,139)
Refunding bonds issued	8,745,000			8,745,000
Premium on refunding bonds issued	1,195,675			1,195,675
Total other financing sources (uses)	<u>(1,095,824)</u>	<u>1,346,360</u>	<u>(125,000)</u>	<u>125,536</u>
Net Change in Fund Balances	1,402,794	1,079,975	(77,282)	2,405,487
Fund Balances at Beginning of Year	<u>18,151,112</u>	<u>5,058,709</u>	<u>4,849,574</u>	<u>28,059,395</u>
Fund Balances at End of Year	<u>\$ 19,553,906</u>	<u>\$ 6,138,684</u>	<u>\$ 4,772,292</u>	<u>\$ 30,464,882</u>

(Continued on next page)

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017

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

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 2,405,487
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	2,629,432
Depreciation expense	(4,120,812)
Loss on disposal of capital assets	(12,827)

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

Property taxes and assessments collected after 60 days	329,476
Interest income on property taxes	154,444
Change in deferred outflows related to pension actuarial experience	659,581
Change in deferred outflows related to changes in assumptions	305,848
Change in deferred outflows related to changes in projected investment earnings	(5,104,956)
Change in CDBG loan receivable	288,135

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

Principal payments on bonds and notes	4,280,000
Refunding bonds issued	(8,745,000)
Premium on refunding	(1,195,675)
Payment to refunding agent	9,815,139
Amortization of premiums	1,079,073
Amortization of deferred charge on refunding	(203,239)
Accrued interest on bonds	32,386
Principal payments on capital leases	13,000

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

Change in other post employment benefit liability	(5,151,263)
Change in net pension liability	758,467
Change in compensated absences	(221,186)
Landfill closure and postclosure liability	488,750
Change in deferred inflows related to pension actuarial experience	217,057

The net expense of certain activities of internal service funds is reported in governmental activities	<u>848,166</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ (450,517)</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2017

	Business-Type Activities Enterprise Fund Wintonbury Hills Golf Course	Governmental Activities Employee Health Insurance
Assets:		
Current assets:		
Cash and cash equivalents	\$ 343,026	\$ 6,132,864
Inventory	65,912	
Accounts receivable	21,000	
Prepaid items	49,256	
Due from other funds		1,098,452
Total current assets	<u>479,194</u>	<u>7,231,316</u>
Noncurrent assets:		
Capital assets not being depreciated	1,000,000	
Capital assets being depreciated, net	8,288,008	
Total noncurrent assets	<u>9,288,008</u>	<u>-</u>
Total assets	<u>9,767,202</u>	<u>7,231,316</u>
Liabilities:		
Current liabilities:		
Accounts payable	93,413	9,054
Accrued liabilities	139,265	
Claims payable		791,386
Total current liabilities	<u>232,678</u>	<u>800,440</u>
Net Position:		
Net investment in capital assets	9,288,008	
Unrestricted	<u>246,516</u>	<u>6,430,876</u>
Total Net Position	<u>\$ 9,534,524</u>	<u>\$ 6,430,876</u>

The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Business-Type Activities Enterprise Fund Wintonbury Hills Golf Course	Governmental Activities Employee Health Insurance
Operating Revenues:		
Premiums	\$	\$ 10,316,360
Charges for services	1,681,461	
Total operating revenues	<u>1,681,461</u>	<u>10,316,360</u>
Operating Expenses:		
Golf operations	386,417	
Maintenance operations	549,473	
General and administrative	398,053	
Food and beverage operations	263,967	
Marketing	22,680	
Depreciation	291,170	
Claims		8,538,672
Administration		948,319
Total operating expenses	<u>1,911,760</u>	<u>9,486,991</u>
Operating Income (Loss)	(230,299)	829,369
Nonoperating Revenues:		
Investment income		18,797
Change in Net Position	(230,299)	848,166
Net Position at Beginning of Year	<u>9,764,823</u>	<u>5,582,710</u>
Net Position at End of Year	<u>\$ 9,534,524</u>	<u>\$ 6,430,876</u>

The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Business-Type Activities Enterprise Fund Wintonbury Hills Golf Course	Governmental Activities Employee Health Insurance
Cash Flows from Operating Activities:		
Receipts from customers and users	\$ 1,660,461	\$ 9,426,749
Cash paid to employees	(730,102)	
Cash paid to vendors	(797,916)	(940,444)
Cash paid to beneficiaries		(8,503,458)
Net cash provided by (used in) operating activities	<u>132,443</u>	<u>(17,153)</u>
Cash Flows from Capital and Related Financing Activities:		
Additions to capital assets	<u>(63,408)</u>	
Cash Flows from Investing Activities:		
Investment income		<u>18,797</u>
Net Increase (Decrease) in Cash and Cash Equivalents	69,035	1,644
Cash and Cash Equivalents at Beginning of Year	<u>273,991</u>	<u>6,131,220</u>
Cash and Cash Equivalents at End of Year	<u>\$ 343,026</u>	<u>\$ 6,132,864</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Operating income (loss)	\$ (230,299)	\$ 829,369
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	291,170	
Loss on disposal of capital assets	3,600	
(Increase) decrease in inventory	16,167	
(Increase) decrease in accounts receivable	(21,000)	
(Increase) decrease in prepaid expenses	35,945	
(Increase) decrease in due from other funds		(889,611)
Increase (decrease) in accounts payable	51,547	7,875
Increase (decrease) in accrued liabilities	(14,687)	
Increase (decrease) in claims payable		<u>35,214</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 132,443</u>	<u>\$ (17,153)</u>

The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2017

	Pension and Other Employee Benefit Trust Funds	Agency Funds
Assets:		
Cash and cash equivalents	\$ 1,241,482	\$ 300,101
Accounts receivable	18,398	
Due from primary government		499,526
Investments - mutual funds, at fair value	84,313,192	
Total assets	<u>85,573,072</u>	<u>799,627</u>
Liabilities:		
Claims payable	178,705	
Due to other funds	3,716,052	
Due to participants		44,468
Due to student groups		248,133
Due to developers		507,026
Total liabilities	<u>3,894,757</u>	<u>799,627</u>
Net Position:		
Restricted for Pension and Other Post Employment Benefits	\$ <u>81,678,315</u>	\$ <u>-</u>

The accompanying notes are an integral part of the financial statements

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Pension and Other Employee Benefit Trust Funds
Additions:	
Contributions:	
Employer	\$ 7,557,817
Plan members	1,025,585
Total contributions	<u>8,583,402</u>
Investment income:	
Change in fair value of investments	8,329,681
Interest and dividends	1,831,174
	<u>10,160,855</u>
Less investment expenses:	
Investment management fees	81,565
Net investment income	<u>10,079,290</u>
Total additions	<u>18,662,692</u>
Deductions:	
Benefits	9,937,982
Administration	61,546
Total deductions	<u>9,999,528</u>
Change in Net Position	8,663,164
Net Position - Beginning of Year	<u>73,015,151</u>
Net Position - End of Year	<u>\$ 81,678,315</u>

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

B. Basis of Presentation

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

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus.

Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

The Town reports the following major governmental funds:

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

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

Additionally, the Town reports the following fund types:

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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

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

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

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

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

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

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

C. Cash Equivalents

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

D. Investments

Investments are stated at fair value.

E. Inventories

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

F. Receivables and Payables

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

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

In the government-wide financial statements, all trade and property tax receivables are shown net of an allowance for uncollectibles.

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

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

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

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

H. Deferred Outflows/Inflows of Resources

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

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

I. Net OPEB Obligations

The net OPEB obligation represents the cumulative difference between the annual OPEB cost and the Town's contributions to the plans. These amounts are calculated on an actuarial basis and are recorded as noncurrent liabilities, accordingly, in the government-wide financial statements.

J. Long-Term Obligations

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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.

K. Compensated Absences and Termination Benefits

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

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

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

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

L. Net Pension Liability

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

M. Equity

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

Net Investment in Capital Assets

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Restricted Net Position

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

Unrestricted Net Position

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

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

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

Assigned Fund Balance

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

Unassigned Fund Balance

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

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

N. Property Taxes

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

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

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent years' assessment are reflected as advance tax collections in both the fund financial statements and the government-wide financial statements.

O. Accounting Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

- (1) At least 120 days prior to the fiscal year-end, each department head, with the exception of the Chairman of the Board of Education, submits to the Town Manager itemized estimates of expenditures and nontax revenue for the upcoming fiscal year.
- (2) At least 90 days prior to the fiscal year-end, the Chairman of the Board of Education submits to the Town Manager itemized estimates of expenditures and nontax revenue for the upcoming fiscal year.
- (3) Not later than 90 days prior to year-end, the Town Manager must submit the budget to the Town Council.
- (4) Not later than 15 days after the Town Manager submits the budget to the Town Council, the Council must hold a public hearing on the proposed budget.
- (5) An annual Town Meeting is held the first Monday in May for public comment. Following the Town Meeting, the budget shall be adopted by a majority vote of all members of the Town Council, no later than the second Monday in May.
- (6) If, within seven days of the adoption of the budget, a petition signed by at least 7.5% of the total number of registered voters in the Town (as verified by the Town Clerk) is submitted, the adopted budget shall be submitted to the eligible electors of the Town for a "yes" or "no" vote to approve the budget.
- (7) The Town Manager may transfer unencumbered funds within a department. The Town Council may transfer unencumbered funds between departments within the last three months of the fiscal year and is authorized to make additional appropriations up to .1% of the total annual budget of the Town. Additional appropriations in excess of .1% of the total annual budget must be presented at a public hearing. There were no additional appropriations approved during the year.
- (8) The legal level of control is at the department level.

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

- (9) The Board of Education, which is not a separate legal entity, but a function of the Town, is authorized under state law to make any transfers required within its budget at its discretion. Any additional appropriations must have the approval of the Board of Education and Town Council.
- (10) Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or commitment is issued, and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures of the current year.

B. Deficit Fund Equity

The following funds had deficit fund balances at year end:

Nonmajor Special Revenue Funds:	
Cafeteria Fund	\$ 195,071
Local Capital Improvement Program	97,195
State and Federal Education Grants	84,338

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

3. DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents and Investments

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

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

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Deposits

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$39,294,299 of the Town's bank balance of \$40,557,883 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 35,238,832
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>4,055,467</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 39,294,299</u>

Cash Equivalents

At June 30, 2017, the Town's cash equivalents amounted to \$555,022. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

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

Investments

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2017:

	June 30, 2017	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
Mutual funds	\$ 84,313,192	\$ 84,313,192	\$ -	\$ -
Total Investments by Fair Value Level	<u>\$ 84,313,192</u>	<u>\$ 84,313,192</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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

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

Interest Rate Risk

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

Credit Risk - Investments

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

Concentration of Credit Risk

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

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2017, 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 BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

B. Capital Assets

	<u>Beginning Balance June 30, 2016</u>	<u>Increases</u>	<u>Adjustments</u>	<u>Decreases</u>	<u>Ending Balance June 30, 2017</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 41,303,302	\$ -	\$ -	\$ -	\$ 41,303,302
Total capital assets not being depreciated	<u>41,303,302</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,303,302</u>
Capital assets being depreciated:					
Buildings	124,730,999	46,285	(2,285,508)		122,491,776
Land improvements	6,479,556	17,543			6,497,099
Furniture and equipment	14,076,054	875,284		251,757	14,699,581
Infrastructure	26,885,940	1,690,320			28,576,260
Total capital assets being depreciated	<u>172,172,549</u>	<u>2,629,432</u>	<u>(2,285,508)</u>	<u>251,757</u>	<u>172,264,716</u>
Total capital assets	<u>213,475,851</u>	<u>2,629,432</u>	<u>(2,285,508)</u>	<u>251,757</u>	<u>213,568,018</u>
Less accumulated depreciation for:					
Buildings	12,108,388	2,364,035	(2,285,508)		12,186,915
Land improvements	3,761,901	149,134			3,911,035
Furniture and equipment	7,315,471	1,083,338		238,930	8,159,879
Infrastructure	19,820,913	524,305			20,345,218
Total accumulated depreciation	<u>43,006,673</u>	<u>4,120,812</u>	<u>(2,285,508)</u>	<u>238,930</u>	<u>44,603,047</u>
Total capital assets being depreciated, net	<u>129,165,876</u>	<u>(1,491,380)</u>	<u>-</u>	<u>12,827</u>	<u>127,661,669</u>
Governmental Activities Capital Assets, Net	<u>\$ 170,469,178</u>	<u>\$ (1,491,380)</u>	<u>\$ -</u>	<u>\$ 12,827</u>	<u>\$ 168,964,971</u>

	<u>Beginning Balance June 30, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance June 30, 2017</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
Total capital assets not being depreciated	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Capital assets being depreciated:				
Buildings	1,631,210			1,631,210
Land improvements	9,131,758			9,131,758
Equipment	1,056,988	63,408	36,000	1,084,396
Total capital assets being depreciated	<u>11,819,956</u>	<u>63,408</u>	<u>36,000</u>	<u>11,847,364</u>
Total capital assets	<u>12,819,956</u>	<u>63,408</u>	<u>36,000</u>	<u>12,847,364</u>
Less accumulated depreciation for:				
Buildings	406,330	32,624		438,954
Land improvements	2,275,074	189,357		2,464,431
Equipment	619,182	69,189	32,400	655,971
Total accumulated depreciation	<u>3,300,586</u>	<u>291,170</u>	<u>32,400</u>	<u>3,559,356</u>
Total capital assets being depreciated, net	<u>8,519,370</u>	<u>(227,762)</u>	<u>3,600</u>	<u>8,288,008</u>
Business Type Activities Capital Assets, Net	<u>\$ 9,519,370</u>	<u>\$ (227,762)</u>	<u>\$ 3,600</u>	<u>\$ 9,288,008</u>

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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

Governmental activities:	
Administration	\$ 45,916
Public safety	329,545
Public works	893,535
Leisure services	35,837
Public libraries	13,062
Human services	39,068
Education	<u>2,763,849</u>
Total Depreciation Expense - Governmental Activities	\$ <u>4,120,812</u>
Business-type activities:	
Wintonbury Hills Golf Course	\$ <u>291,170</u>

C. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2017 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 1,445,569
	Trust Funds	<u>3,716,052</u>
		5,161,621
Nonrecurring Capital Projects Fund	General Fund	6,183,029
Nonmajor Governmental Funds	General Fund	4,849,131
Internal Service Fund	General Fund	1,098,452
Agency Funds	General Fund	<u>499,526</u>
Total		\$ <u>17,791,759</u>

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Interfund transfers for the year ended June 30, 2017 are as follows:

	Transfers In		
	Nonrecurring		
	General	Capital	Total
	Fund	Projects	Transfers
	Fund	Fund	Out
Transfers out:			
General Fund	\$	\$ 1,346,360	\$ 1,346,360
Nonmajor governmental funds	<u>125,000</u>		<u>125,000</u>
Total Transfers In	<u>\$ 125,000</u>	<u>\$ 1,346,360</u>	<u>\$ 1,471,360</u>

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

D. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2017 was as follows:

	Beginning			Ending	Due Within
	Balance	Additions	Reductions	Balance	One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 52,515,000	\$ 8,745,000	\$ 13,030,000	\$ 48,230,000	\$ 4,200,000
Premium	<u>3,270,189</u>	<u>1,195,675</u>	<u>1,079,073</u>	<u>3,386,791</u>	
Total bonds payable	55,785,189	9,940,675	14,109,073	51,616,791	4,200,000
Capital leases	570,250		13,000	557,250	25,000
OPEB obligation	49,104,732	5,151,263		54,255,995	
Net pension liability	35,393,708		758,467	34,635,241	
Compensated absences	3,955,005	1,121,427	900,241	4,176,191	342,931
Landfill	<u>18,099,450</u>		<u>488,750</u>	<u>17,610,700</u>	<u>600,992</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 162,908,334</u>	<u>\$ 16,213,365</u>	<u>\$ 16,269,531</u>	<u>\$ 162,852,168</u>	<u>\$ 5,168,923</u>

Compensated absences and net OPEB obligations are generally liquidated by the General Fund.

General Obligation Bonds

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Annual Principal</u>	<u>Principal Outstanding June 30, 2017</u>
General Obligation Bonds	10/20/2010	25,000,000	1.50%-5.00%	10/15/2030	\$ 1,250,000	\$ 8,750,000
General Obligation Bonds	10/19/2011	15,000,000	2.00%-3.72%	11/1/2030	750,000	11,250,000
General Obligation Refunding Bonds	10/20/2010	12,400,000	1.50%-5.00%	10/15/2022	530,000-1,140,000	6,090,000
General Obligation Refunding Bonds	2/12/2013	10,240,000	1.50%-4.00%	12/15/2027	200,000-830,000	8,960,000
General Obligation Bonds	10/21/2014	5,000,000	2.00%-3.13%	10/15/2034	250,000	4,500,000
General Obligation Bonds	11/30/2016	8,745,000	2.00%-4.00%	6/30/2028	65,000-1,270,000	<u>8,680,000</u>
Total						\$ <u><u>48,230,000</u></u>

General Obligation Bonds - Advance Refunding

On November 30, 2016, the Town issued \$8,745,000 of general obligation refunding bonds with interest rates ranging from 2% to 4% to currently refund the outstanding principal amounts of \$8,750,000 General Obligation Bonds, Issue of 2010 Series A, dated October 10, 2010.

The net proceeds of \$9,940,675 (including a premium of \$1,195,675 and issuance costs of \$125,536, including underwriter's fees) will reduce total debt service payments over the next 11 years by approximately \$403,712 and represents an economic gain (difference between present values of the debt service payments on the old and new debt) of \$364,774. As a result, the refunded bonds are considered defeased, and all future interest and principal on the defeased bonds will be paid from the proceeds of the refunding issue which were placed into an irrevocable escrow account until all the defeased bonds have been called. The balance in escrow was \$9,637,000 at June 30, 2017. The outstanding balance of the defeased bonds as of June 30, 2016 is \$8,750,000.

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 4,200,000	\$ 1,675,013	\$ 5,875,013
2019	4,195,000	1,524,088	5,719,088
2020	4,180,000	1,377,038	5,557,038
2021	4,175,000	1,226,038	5,401,038
2022	4,190,000	1,064,863	5,254,863
2023-2027	15,775,000	3,416,714	19,191,714
2028-2032	10,765,000	952,969	11,717,969
Thereafter	<u>750,000</u>	<u>34,995</u>	<u>784,995</u>
	<u>\$ 48,230,000</u>	<u>\$ 11,271,718</u>	<u>\$ 59,501,718</u>

The total of authorized but unissued bonds at June 30, 2017 is \$43,018,753. Of this amount \$9,035,753 relates to school projects for which the Town authorized the total project cost of the project; this figure is net of \$25,479,850 school construction grants that have been received from the State of Connecticut. The remaining balance of \$33,983,000 represents two projects approved at referendum in November 2016; \$22,300,000 for a new Human Services Facility and \$11,683,000 for Public Works Complex renovation and Expansion. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

The Town's indebtedness does not exceed the legal debt limitation of \$541,491,475 as required by the Connecticut General Statutes.

Capital Leases

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

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Asset:	
Building improvements	\$ 570,250
Less accumulated depreciation	<u>(12,355)</u>
Total	<u>\$ 557,895</u>

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017 were as follows:

Year Ending June 30,	Governmental Activities
2018	\$ 40,766
2019	42,036
2020	43,250
2021	44,406
2022	47,491
Thereafter	466,537
Total minimum lease payments	684,486
Less amount representing interest	127,236
Present Value of Minimum Lease Payments	\$ <u>557,250</u>

Landfill Post-closure Care Costs

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

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

The Town entered into another agreement dated November 1993 that defines the terms for payment of closure costs, which states that the two towns shall contribute equally, on an annual basis, for all closure, post-closure and monitoring expenses until all federal and state requirements are met. Landfill closure and post-closure care liability, Subtitle D and Subtitle C as of June 30, 2017 was reported at \$12,362,500, \$22,830,000 and \$28,900, respectively. The post-closure care liability was calculated based on two portions of the landfill. Subtitle D of the landfill has estimated monitoring costs for 30 years at \$761,000 per year for a total of \$22,830,000. The post-closure care liability for Subtitle D of the landfill is reported as \$22,830,000 based on the use of 100.0% of the estimated capacity of the landfill. Subtitle C of the landfill is already closed and has estimated monitoring costs for one remaining year for \$28,900. These amounts are based on what it would cost to perform all closure and post-closure care in 2017. The towns closed the landfill effective July 1, 2014. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The Town's portion of the total liability of \$17,610,700 has been included as a liability in the Town's governmental activities.

As indicated above, the landfill serves the towns of Bloomfield and Windsor. An agreement, dated November 19, 1993, exists between the two communities. This agreement establishes the terms and conditions for the payment of closure costs. The agreement states, "The two towns shall contribute equally, on an annual basis, for said purposes and shall be equally responsible for closure, post-closure

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

and monitoring expenses until all Federal and State requirements are met.” The contributions made by both towns are reported in the Landfill Fund, a proprietary type fund that is held by the Town of Windsor.

Overlapping Debt

The Town is a member of the Metropolitan District Commission, a regional sewer and water authority. Total outstanding debt of the Metropolitan District Commission at June 30, 2017 was \$949,066,285. The estimated Town's share of the debt at June 30, 2017 was 7.36% or \$69,851,279. The estimated percentage is calculated based upon proration of tax collection from the eight member towns.

4. FUND BALANCE

The components of fund balance for the governmental funds as of June 30, 2017 are as follows:

	<u>General Fund</u>	<u>Nonrecurring Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:				
Nonspendable:				
Inventory	\$	\$	\$ 15,063	\$ 15,063
Prepaid expenses	104,250			104,250
Restricted for:				
Capital projects		6,138,684		6,138,684
Education			38,149	38,149
Youth service			49,534	49,534
Police services			207,923	207,923
Social services			90,098	90,098
Small cities program			62,982	62,982
Prosser library			101,408	101,408
Municipal aid program grant			3,025,439	3,025,439
Farm viability grant			2,286	2,286
Committed to:				
Police services			739,726	739,726
Recreation			154,751	154,751
Senior services			79,955	79,955
Education			541,545	541,545
Filey house restoration			54,863	54,863
Saxton Beautification			237	237
Assigned to:				
Facilities	7,601			7,601
Leisure services	3,000			3,000
Miscellaneous	17,900			17,900
Planning and development	3,209			3,209
Board and agencies	1,390			1,390
Human services	2,077			2,077
Public safety	500			500
Subsequent year's budget	1,986,900			1,986,900
Education	41,867			41,867
Unassigned	17,385,212		(391,667)	16,993,545
Total Fund Balances	\$ 19,553,906	\$ 6,138,684	\$ 4,772,292	\$ 30,464,882

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Encumbrances of \$77,544, \$2,090,075 and \$506,250 at June 30, 2017 are contained in the above table in the assigned categories of the General Fund, the restricted category of the Nonrecurring Capital Projects fund, and the restricted and committed categories of the Nonmajor Governmental funds, respectively.

5. EMPLOYEE RETIREMENT PLAN

A. Pension Trust Funds

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

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

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

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Plan membership consisted of the following at January 1, 2016, the date of the latest actuarial valuation:

	<u>Retirement Income Plan</u>	<u>Police Retirement Income Plan</u>
Retirees, disabled and beneficiaries currently receiving benefits	173	74
Terminated employees entitled to benefits but not yet receiving them	44	-
Active plan members	<u>177</u>	<u>12</u>
Total	<u><u>394</u></u>	<u><u>86</u></u>

Summary of Significant Accounting Policies

Basis of Accounting

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

Method Used to Value Investments

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

Funding Policy and Benefits Provided

Retirement Income Plan

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

Administrative costs of the plan are financed through investment earnings.

Police Retirement Income Plan

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

Administrative costs of the plan are financed through investment earnings.

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

The individual plan net position at June 30, 2017 and changes in net position for the year then ended are as follows:

	Pension Trust Funds		
	Retirement Income Plan	Police Retirement Income Plan	Total
Assets:			
Investments, at fair value	\$ 47,599,749	\$ 27,482,878	\$ 75,082,627
Net Position:			
Restricted for Pension Benefits	\$ 47,599,749	\$ 27,482,878	\$ 75,082,627
	Pension Trust Funds		
	Retirement Income Plan	Police Retirement Income Plan	Total
Additions:			
Contributions:			
Employer	\$ 2,597,743	\$ 2,048,807	\$ 4,646,550
Plan members	596,025	76,633	672,658
Total contributions	3,193,768	2,125,440	5,319,208
Investment income:			
Change in fair value of investments	4,764,529	2,742,387	7,506,916
Interest and dividends	1,142,371	683,276	1,825,647
	5,906,900	3,425,663	9,332,563
Less investment expenses:			
Investment management fees	47,554	34,011	81,565
Net investment income	5,859,346	3,391,652	9,250,998
Total additions	9,053,114	5,517,092	14,570,206
Deductions:			
Benefits	3,808,712	3,604,107	7,412,819
Administration	27,600	18,925	46,525
Total deductions	3,836,312	3,623,032	7,459,344
Change in Net Position	5,216,802	1,894,060	7,110,862
Net Position - Beginning of Year	42,382,947	25,588,818	67,971,765
Net Position - End of Year	\$ 47,599,749	\$ 27,482,878	\$ 75,082,627

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Investments

Investment Policy

The pension plan's policy, which was adopted on November 24, 2010, with regard to the allocation of invested assets, may be amended by the Plan's Administrators. Consistent with its investment policy, it pursues an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The allocation of invested assets is reviewed by the Town and its investment advisors annually in order to ensure that the allocation remains consistent with the Town's goals and objectives as well as the plan's investment return assumptions. The following was the Board's adopted asset allocation policy as of June 30, 2017:

Asset Class	Target Allocations	
	Retirement Income Plan	Police Retirement Income Plan
Guaranteed Deposit Fund	12.50 %	12.50 %
Short Term Fixed Income	2.50	2.50
Core Fixed Income	12.50	12.50
High Yield	2.50	2.50
Domestic Large Cap Equity	23.00	23.00
Domestic Small Cap Equity	7.00	7.00
International Equity	30.00	30.00
Real Estate	5.00	5.00
Floating Rate	2.50	2.50
Unconstrained Bond	2.50	2.50
Total	100.00 %	100.00 %

Rate of Return

For the year ended June 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.75% and 13.45% for the Retirement Income Plan and the Police Retirement Income Plan, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2017 were as follows:

	Retirement Income Plan	Police Retirement Income Plan	Total
Total pension liability	\$ 65,269,969	\$ 44,447,899	\$ 109,717,868
Plan fiduciary net position	<u>47,599,749</u>	<u>27,482,878</u>	<u>75,082,627</u>
Net Pension Liability	<u>\$ 17,670,220</u>	<u>\$ 16,965,021</u>	<u>\$ 34,635,241</u>
Plan fiduciary net position as a percentage of the total pension liability	72.93%	61.83%	68.43%

Actuarial Assumptions

The total pension liability for both plans was determined by an actuarial valuation as of January 1, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.50%, average, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Retirement income plan mortality rates were based on the RP-2000 Mortality Table with separate male and female rates, with no blue collar adjustment, separate tables for nonannuitants and annuitants, projected to the valuation date with Scale AA.

Police retirement income plan mortality rates were based on the RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, separate tables for nonannuitants and annuitants, projected to the valuation date with Scale AA.

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included in the pension plan's target asset allocation as of June 30, 2017, and are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return			
	Retirement Income Plan		Police Retirement Income Plan	
Guaranteed Deposit Fund	1.00	%	1.00	%
Short Term Fixed Income	0.50		0.50	
Core Fixed Income	1.75		1.75	
High Yield	3.50		3.50	
Domestic Large Cap Equity	5.00		5.00	
Domestic Small Cap Equity	5.35		5.35	
International Equity	5.45		5.45	
Real Estate	4.00		4.00	
Floating Rate	2.25		2.25	
Unconstrained Bond	0.50		0.50	

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The discount rate was changed from the previous valuation of 7.25% to 7.00% for the valuation as of January 1, 2016. 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.

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

The following presents the net pension liability of the Town, calculated using the discount rate of 7.00%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Retirement Income Plan - Net Pension Liability	\$ 23,872,495	\$ 17,670,220	\$ 12,351,244
Police Retirement Income Plan - Net Pension Liability	21,319,624	16,965,021	13,263,364

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Changes in the Net Pension Liability

Retirement Income Plan			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of June 30, 2016	\$ 60,448,194	\$ 42,382,947	\$ 18,065,247
Changes for the year:			
Service cost	1,183,480		1,183,480
Interest on total pension liability	4,332,646		4,332,646
Differences between expected and actual experience	1,708,574		1,708,574
Changes in assumptions	1,405,787		1,405,787
Employer contributions		2,597,743	(2,597,743)
Member contributions		596,025	(596,025)
Net investment income		5,859,346	(5,859,346)
Benefit payments, including refund to employee contributions	(3,808,712)	(3,808,712)	-
Administrative expenses		(27,600)	27,600
Net changes	4,821,775	5,216,802	(395,027)
Balances as of June 30, 2017	\$ 65,269,969	\$ 47,599,749	\$ 17,670,220

Police Retirement Income Plan			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of June 30, 2016	\$ 42,917,279	\$ 25,588,818	\$ 17,328,461
Changes for the year:			
Service cost	296,714		296,714
Interest on total pension liability	3,004,652		3,004,652
Differences between expected and actual experience	852,171		852,171
Changes in assumptions	981,190		981,190
Employer contributions		2,048,807	(2,048,807)
Member contributions		76,633	(76,633)
Net investment income		3,391,652	(3,391,652)
Benefit payments, including refund to employee contributions	(3,604,107)	(3,604,107)	-
Administrative expenses		(18,925)	18,925
Net changes	1,530,620	1,894,060	(363,440)
Balances as of June 30, 2017	\$ 44,447,899	\$ 27,482,878	\$ 16,965,021

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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

For the year ended June 30, 2017, the Town recognized pension expense of \$7,810,554. At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Retirement Income Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,220,411	\$ 412,410
Changes of assumptions	1,656,614	
Net difference between projected and actual earning on pension plan investments	<u>346,258</u>	<u></u>
Total	<u>\$ 3,223,283</u>	<u>\$ 412,410</u>

	Police Retirement Income Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earning on pension plan investments	\$ <u>294,702</u>	\$ <u></u>
Total	<u>\$ 294,702</u>	<u>\$ -</u>

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

Year Ended June 30,

2018	\$ 1,721,859
2019	1,709,220
2020	554,350
2021	(879,854)

Teachers Retirement

Plan Description

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

Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

Contributions

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

Employer (School Districts)

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

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

Employees

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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

At June 30, 2017, 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>62,896,649</u>
Total	\$ <u>62,896,649</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. At June 30, 2017, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2017, the Town recognized pension expense and revenue of \$6,859,106 in Exhibit II for on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2016, 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, 2016 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.

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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%.

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:

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

Discount Rate

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

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

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

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Other Information

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

6. OTHER POST EMPLOYMENT BENEFITS PLAN

A. Plan Description

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

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

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

B. Funding Policy

The Town's contributions are actuarially determined on an annual basis using the projected unit credit method. The Town's total plan contribution was \$2,911,267.

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

At July 1, 2016, plan membership consisted of the following:

Active employees	548
Retired Employees	<u>221</u>
Total	<u><u>769</u></u>

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

C. Investments

Investment Policy

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

Rate of Return

For the year ended June 30, 2017, the annual money-weighted rate of return on investments, net of investment expense, was 12.65%. 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

During the year, the Town implemented GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans* (OPEB). This Statement requires the net OPEB liability to be measured as the total OPEB liability, less the amount of the OPEB plan's fiduciary net position. The components of the net OPEB liability of the Town at June 30, 2017, were as follows:

Total OPEB liability	\$	86,747,583
Plan fiduciary net position		<u>6,595,688</u>
Net OPEB Liability	\$	<u><u>80,151,895</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability		7.60%

The Town's net OPEB liability will be required to be recorded on the government-wide financial statement of net position at June 30, 2018.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2016, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	2.75%, average, including inflation
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	8.25% for 2016, decreasing 0.5% per year to an ultimate rate of 4.75% for 2023 and later years

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

For Town Employees (other than police) and BOE Non-Certified, mortality rates were based on the RP-2000 Mortality Table with separate male and female rates, with no collar adjustment, separate tables for nonannuitants and annuitants, projected to the valuation date with Scale AA, and separate tables for healthy and disabled lives.

For Police, mortality rates were based on the RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, combined table for nonannuitants and annuitants, projected to the valuation date with Scale AA, and separate tables for healthy and disabled lives.

For BOE Certified, mortality rates were based on the RP-2000 Mortality Table with separate male and female rates, with no collar adjustment, separate tables for nonannuitants and annuitants, projected to the valuation date with Scale AA.

The actuarial assumptions used in the July 1, 2016 valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor. A full actuarial experience study has not been completed.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected</u>
Core Fixed Income	35 %	1.75 %
Domestic Large Cap Equity	28	5.60
Domestic Small Cap Equity	17	5.90
International Equity	20	5.80
Total	<u>100 %</u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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 (6.00%) or 1-percentage-point higher (8.00%) than the current discount rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net OPEB Liability	\$ 91,453,797	\$ 80,151,895	\$ 70,821,471

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

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

	1% Decrease 7.25% decreasing to 3.75%	Healthcare cost Trend Rates 8.25% decreasing to 4.75%	1% Increase 9.25% decreasing to 5.75%
Net OPEB Liability	\$ 70,638,734	\$ 80,151,895	\$ 91,724,385

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Annual OPEB Cost and Net OPEB Obligations

The Town's annual other post employment benefit (OPEB) cost is calculated based on the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Town's net OPEB obligation:

	OPEB Trust
Annual required contribution (ARC)	\$ 8,247,357
Interest on net OPEB obligation	3,682,855
Adjustment to annual required contribution	<u>(3,867,682)</u>
Annual OPEB cost	8,062,530
Contributions made	<u>2,911,267</u>
Change in net OPEB obligation	5,151,263
Net OPEB Obligation, beginning of year	<u>49,104,732</u>
Net OPEB Obligation, End of Year	<u><u>\$ 54,255,995</u></u>

The following is a summary of certain significant actuarial assumptions and other plan information:

	OPEB Trust
Actuarial valuation date	7/1/2016
Actuarial cost method	Entry Age
Amortization method	Level Percentage or Payroll Closed
Remaining amortization period	30 years
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return	7.00%
Healthcare inflation rate:	
Initial*	8.25%
Ultimate*	4.75%
*Includes inflation at	2.75%
Dental inflation rate	4.75%

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Three-Year Trend Information

Fiscal Year Ended		Annual OPEB Cost (AOC)		Actual Contributions	Percentage of AOC Contributed		Net OPEB Obligation
June 30, 2015	\$	10,059,140	\$	5,175,867	51%	\$	44,730,977
June 30, 2016		7,849,562		3,475,807	44%		49,104,732
June 30, 2017		8,062,530		2,911,267	36%		54,255,995

Schedule of Funding Progress

Actuarial Valuation Date		Actuarial Value of Assets		Actuarially Accrued Liability (AAL) Projected Unit Credit		Over (Under) Funded AAL		Funded AAL Ratio		Covered Payroll		Over/(Under) Funded AAL as A Percentage of Covered Payroll
7/1/2012	\$	-	\$	94,592,555	\$	(94,592,555)		0%	\$	34,856,264		(271)%
7/1/2014		2,369,726		64,892,076		(62,522,350)		4%		40,249,105		(155)%
7/1/2016		5,043,386		77,668,534		(72,625,148)		6%		37,327,296		(195)%

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

The following schedule presents the net position held in trust for OPEB benefits at June 30, 2017 and the changes in net position for the year ended June 30, 2017:

	OPEB Trust Fund
Assets:	
Cash	\$ 1,241,482
Accounts receivable	18,398
Investments, at fair value	<u>9,230,565</u>
Total assets	<u>10,490,445</u>
Liabilities:	
Claims payable	178,705
Due to other funds	<u>3,716,052</u>
Total liabilities	<u>3,894,757</u>
Net Position:	
Restricted for Other Post Employment Benefits	\$ <u>6,595,688</u>
	OPEB Trust Fund
Additions:	
Contributions:	
Employer	\$ 2,911,267
Plan members	<u>352,927</u>
Total contributions	<u>3,264,194</u>
Investment income:	
Change in fair value of investments	822,765
Interest and dividends	<u>5,527</u>
Net investment income	<u>828,292</u>
Total additions	<u>4,092,486</u>
Deductions:	
Benefits	2,525,163
Administration	<u>15,021</u>
Total deductions	<u>2,540,184</u>
Change in Net Position	1,552,302
Net Position - Beginning of Year	<u>5,043,386</u>
Net Position - End of Year	\$ <u>6,595,688</u>

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

7. OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2017.

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

A third party administers the medial insurance plans for which the Town pays a fee. The Town has purchased a stop loss policy for total claims in any one year exceeding an aggregate of 125% of expected claims and for individual claims exceeding \$200,000.

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

		Accrued Liability Beginning of Fiscal Year		Current Year Claims and Changes in Estimates		Accrued Liability Claim Payments		Accrued Liability End of Fiscal Year
Employee Health Insurance Fund:								
2015-16	\$	616,657	\$	8,351,186	\$	8,211,671	\$	756,172
2016-17		756,172		8,538,672		8,503,458		791,386
OPEB Trust Fund:								
2015-16	\$	131,567	\$	2,749,853	\$	2,686,687	\$	194,733
2016-17		194,733		2,525,163		2,541,191		178,705

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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

The Town is a member of CIRMA's Liability-Automobile-Property Pool, a risk-sharing pool. The Liability-Automobile-Property Pool provides general liability, law enforcement liability, automobile liability, employee benefit liability, and public officials/school leader's liability, cyber liability and property coverage. The premium is subject to these coverages, and claims and expense payments falling within the deductible amounts are the responsibility of the Town. CIRMA's Liability-Automotive-Property Pool retains \$1,000,000 per occurrence for each line of liability coverage.

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

B. Contingent Liabilities and Commitments

Contingent Liabilities

Litigation and Unasserted Claims

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

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

Federal and State Assistance Programs - Compliance Audits

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

Rebate Penalties

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

C. Subsequent Events

Bond Refunding

On August 3, 2017, the Town completed a \$13,050,000 bond refunding related to portions of its 2010 Series A and 2011 school construction project bonds. This refunding generated a net present value savings to the Town of approximately \$540,000.

Change of Self-Insurance Administrator

Effective July 1, 2017, the Town has changed its self-insurance administrator from Anthem to CIGNA. This change is estimated to save the Town approximately \$350,000 per year in administrative fees for each of the next three years.

Required Supplementary Information

**TOWN OF BLOOMFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF BUDGETED AND ACTUAL REVENUES -
BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Property Taxes:				
Current levy	\$ 67,837,272	\$ 67,837,272	\$ 72,969,110	\$ 5,131,838
Interest and liens	450,000	450,000	439,717	(10,283)
Prior years collection	650,000	650,000	540,293	(109,707)
Supplemental motor vehicle	472,000	472,000	684,969	212,969
Motor vehicle tax cap	4,535,725	4,535,725		(4,535,725)
Telephone line tax	66,000	66,000	64,654	(1,346)
Total Property Taxes	<u>74,010,997</u>	<u>74,010,997</u>	<u>74,698,743</u>	<u>687,746</u>
Interest on Investments	<u>65,000</u>	<u>65,000</u>	<u>157,151</u>	<u>92,151</u>
Intergovernmental:				
Educational Assistance Grants:				
ECS grant	5,410,345	5,410,345	5,389,028	(21,317)
School transportation	105,250	105,250		(105,250)
Nonpublic school health	42,300	42,300	37,560	(4,740)
Total Educational Assistance Grants	<u>5,557,895</u>	<u>5,557,895</u>	<u>5,426,588</u>	<u>(131,307)</u>
Town Assistance Grants:				
PILOT - State property	14,178	14,178	14,068	(110)
Mashantucket Pequot fund grant	150,930	150,930	150,544	(386)
PILOT - elderly taxes	127,650	127,650	127,096	(554)
Tax relief - disabled	1,200	1,200	1,366	166
PILOT - colleges and hospitals	192,100	192,100	190,614	(1,486)
PILOT - veterans' exemption	11,000	11,000	10,827	(173)
Motor vehicle tax grant	455,000	455,000		(455,000)
Town retail sales tax	630,000	630,000	438,458	(191,542)
Distressed municipalities			90,236	90,236
Dial-A-Ride	17,840	17,840	21,127	3,287
Town road aid	335,425	335,425	336,631	1,206
Police grants	90,000	90,000	100,960	10,960
Town clerk recording grant	12,000	12,000	9,063	(2,937)
Total Town Assistance Grants	<u>2,037,323</u>	<u>2,037,323</u>	<u>1,490,990</u>	<u>(546,333)</u>
Total Intergovernmental	<u>7,595,218</u>	<u>7,595,218</u>	<u>6,917,578</u>	<u>(677,640)</u>

(Continued on next page)

**TOWN OF BLOOMFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF BUDGETED AND ACTUAL REVENUES -
BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Charges for Services:				
Tower rent	\$ 68,082	\$ 68,082	\$ 161,190	\$ 93,108
10 Lisa Lane Rent	3,000	3,000	3,250	250
Service charges:				
Police permits	8,600	8,600	10,521	1,921
Right of way permits	900	900	20,780	19,880
Blueprints	450	450	164	(286)
Building/demolition permits	800,000	800,000	1,752,473	952,473
Dog licenses	1,500	1,500	1,544	44
Hunting/fishing licenses	350	350	(58)	(408)
Inland/wetland permits	2,500	2,500	46,947	44,447
Zoning commission	8,000	8,000	7,690	(310)
Zoning Board of Appeals	900	900	540	(360)
State/FBI background checks	900	900	(744)	(1,644)
Ambulance service	430,000	430,000	461,278	31,278
Library receipts	17,000	17,000	18,705	1,705
Town clerk fees	110,000	110,000	115,995	5,995
Real estate trans tax	335,000	335,000	614,815	279,815
Summer program	9,500	9,500	15,595	6,095
School year	4,500	4,500	6,585	2,085
Swimming pool	15,000	15,000	15,558	558
Mini bus passes	8,000	8,000	11,340	3,340
Accident reports	5,200	5,200	5,412	212
Zoning violation	1,500	1,500	725	(775)
Postcards / Stickers	100	100	103	3
Parking fines	15,000	15,000	9,631	(5,369)
Animal control	1,200	1,200	1,348	148
Total Charges for Services	<u>1,847,182</u>	<u>1,847,182</u>	<u>3,281,387</u>	<u>1,434,205</u>
Other Revenues:				
Miscellaneous income	<u>135,000</u>	<u>135,000</u>	<u>135,807</u>	<u>807</u>
Total Revenues	<u>83,653,397</u>	<u>83,653,397</u>	<u>85,190,666</u>	<u>1,537,269</u>
Other Financing Sources:				
Transfers in*	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>-</u>
Total Revenues and Other Financing Sources	<u>\$ 83,778,397</u>	<u>\$ 83,778,397</u>	<u>85,315,666</u>	<u>\$ 1,537,269</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			6,859,106	
Cancellation of prior year encumbrances are recognized as budgetary revenue			(1,450)	
The Town does not budget for refunding bond issuance			8,745,000	
The Town does not budget for refunding bond premiums			1,195,675	
Some grants are budgeted net of their expenditures, and are reported gross under GAAP			<u>589,666</u>	
Total Revenues and Other Financing Sources as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 102,703,663</u>	

* \$140,000 of original budget, final budget, and actual were originally part of the Charges for Services budget, and represent amounts transferred from the Police Extra Duty Fund.

TOWN OF BLOOMFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administration:				
Town council	\$ 187,840	\$ 187,840	\$ 185,196	\$ 2,644
Town manager	385,589	385,589	378,474	7,115
Town clerk	369,528	369,528	365,965	3,563
Administration	139,330	139,330	135,012	4,318
Assessor	343,845	343,845	302,705	41,140
Tax collector	277,110	271,110	253,768	17,342
Central Office	57,325	63,325	61,955	1,370
Human resources	498,819	498,819	455,702	43,117
Information systems	565,225	565,225	564,300	925
Accounting	269,296	269,296	270,754	(1,458)
Town attorney	205,212	205,212	149,982	55,230
Town treasurer	10,700	10,700	10,703	(3)
Total Administration	<u>3,309,819</u>	<u>3,309,819</u>	<u>3,134,516</u>	<u>175,303</u>
Boards and Agencies:				
Town planning & zoning	7,173	5,673	3,555	2,118
Zoning board of appeals	2,992	2,783	457	2,326
Board of tax review	4,506	4,506	1,749	2,757
Registrar of Voters	129,685	129,685	115,569	14,116
Elections	31,100	24,967	20,275	4,692
Inland/wetland	4,815	3,315	2,846	469
Economic development committee	2,070	2,070	1,899	171
Commission on aging	3,390	3,390	3,153	237
Youth adult council	3,000	3,000	3,000	-
Advisory committee on handicapped	1,000	1,000		1,000
Conservation, energy and environment committee	2,400	2,400	195	2,205
Beautification committee	3,400	3,400	2,784	616
Fair rent commission	1,000	1,000		1,000
Ethics commission	500	500		500
Total Boards and Agencies	<u>197,031</u>	<u>187,689</u>	<u>155,482</u>	<u>32,207</u>
Planning & Development*	<u>974,823</u>	<u>996,031</u>	<u>995,793</u>	<u>238</u>
Public Safety	<u>7,898,052</u>	<u>7,898,052</u>	<u>7,502,001</u>	<u>396,051</u>
Public Works	<u>3,195,347</u>	<u>3,184,647</u>	<u>3,065,220</u>	<u>119,427</u>
Leisure Services	<u>759,439</u>	<u>759,439</u>	<u>723,623</u>	<u>35,816</u>
Public Libraries	<u>1,589,426</u>	<u>1,589,426</u>	<u>1,580,730</u>	<u>8,696</u>

(Continued on next page)

TOWN OF BLOOMFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS - BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
Human Services:				
Health services	\$ 196,289	\$ 198,423	\$ 198,423	\$ -
Social services	616,138	616,138	564,416	51,722
Senior services	720,410	713,765	694,213	19,552
Total Human Services	<u>1,532,837</u>	<u>1,528,326</u>	<u>1,457,052</u>	<u>71,274</u>
Facilities Maintenance	<u>1,620,314</u>	<u>1,617,014</u>	<u>1,469,367</u>	<u>147,647</u>
Fixed Charges	<u>16,075,570</u>	<u>16,075,570</u>	<u>16,005,256</u>	<u>70,314</u>
Miscellaneous Charges	<u>366,000</u>	<u>366,000</u>	<u>91,739</u>	<u>274,261</u>
Education *	<u>40,244,204</u>	<u>40,244,204</u>	<u>40,244,174</u>	<u>30</u>
Debt Service	<u>6,087,820</u>	<u>6,087,820</u>	<u>6,079,678</u>	<u>8,142</u>
Total Expenditures	83,850,682	83,844,037	82,504,631	1,339,406
Other Financing Uses:				
Transfer out *	<u>1,327,715</u>	<u>1,334,360</u>	<u>1,334,360</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 85,178,397</u>	<u>\$ 85,178,397</u>	83,838,991	<u>\$ 1,339,406</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.			6,859,106	
The Town does not budget for payments to refunding bond escrow agent			9,815,139	
The Town does not budget for refunding bond issuance costs			125,536	
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial report purposes.			72,431	
Some grants are budgeted net of their expenditures, and are reported gross under GAAP.			<u>589,666</u>	
Total Expenditures and Other Financing Uses as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 101,300,869</u>	

* \$76,715 of original budget, final budget, and actual were originally part of the facilities budget, and represent amounts transferred to the CNR fund.

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:				
Service cost	\$ 1,183,480	\$ 1,065,982	\$ 1,029,935	\$ 1,008,317
Interest	4,332,646	4,316,094	4,143,122	4,026,413
Changes of benefit terms				
Differences between expected and actual experience	1,708,574	(846,524)	734,371	
Changes of assumptions	1,405,787	1,339,300		
Benefit payments, including refunds of member contributions	(3,808,712)	(3,749,386)	(3,528,979)	(3,472,507)
Net change in total pension liability	4,821,775	2,125,466	2,378,449	1,562,223
Total pension liability - beginning	60,448,194	58,322,728	55,944,279	54,382,056
Total pension liability - ending	<u>65,269,969</u>	<u>60,448,194</u>	<u>58,322,728</u>	<u>55,944,279</u>
Plan fiduciary net position:				
Contributions - employer	2,597,743	2,572,003	2,629,167	2,477,045
Contributions - member	596,025	577,917	560,042	552,671
Net investment income	5,859,346	96,053	1,353,957	5,961,312
Benefit payments, including refunds of member contributions	(3,808,712)	(3,749,386)	(3,528,979)	(3,472,507)
Administrative expense	(27,600)	(20,330)	(79,399)	(51,099)
Net change in plan fiduciary net position	5,216,802	(523,743)	934,788	5,467,422
Plan fiduciary net position - beginning	42,382,947	42,906,690	41,971,902	36,504,480
Plan fiduciary net position - ending	<u>47,599,749</u>	<u>42,382,947</u>	<u>42,906,690</u>	<u>41,971,902</u>
Net Pension Liability - Ending	<u>\$ 17,670,220</u>	<u>\$ 18,065,247</u>	<u>\$ 15,416,038</u>	<u>\$ 13,972,377</u>
Plan fiduciary net position as a percentage of the total pension liability	72.93%	70.11%	73.57%	75.02%
Covered-employee payroll	\$ 10,265,665	\$ 9,157,561	\$ 9,333,616	\$ 9,417,217
Net pension liability as a percentage of covered-employee payroll	172.13%	197.27%	165.17%	148.37%

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

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:				
Service cost	\$ 296,714	\$ 418,531	\$ 404,379	\$ 416,093
Interest	3,004,652	2,986,948	2,923,044	2,896,006
Differences between expected and actual experience	852,171	842,770	695,533	
Changes of assumptions	981,190	946,336		
Benefit payments, including refunds of member contributions	<u>(3,604,107)</u>	<u>(3,309,655)</u>	<u>(3,064,901)</u>	<u>(2,819,289)</u>
Net change in total pension liability	1,530,620	1,884,930	958,055	492,810
Total pension liability - beginning	<u>42,917,279</u>	<u>41,032,349</u>	<u>40,074,294</u>	<u>39,581,484</u>
Total pension liability - ending	<u>44,447,899</u>	<u>42,917,279</u>	<u>41,032,349</u>	<u>40,074,294</u>
Plan fiduciary net position:				
Contributions - employer	2,048,807	2,051,670	2,073,888	1,882,292
Contributions - member	76,633	109,221	129,128	147,642
Net investment income	3,391,652	108,128	859,608	3,737,496
Benefit payments, including refunds of member contributions	<u>(3,604,107)</u>	<u>(3,309,655)</u>	<u>(3,064,901)</u>	<u>(2,819,289)</u>
Administrative expense	<u>(18,925)</u>	<u>(14,265)</u>	<u>(51,764)</u>	<u>(33,175)</u>
Net change in plan fiduciary net position	1,894,060	(1,054,901)	(54,041)	2,914,966
Plan fiduciary net position - beginning	<u>25,588,818</u>	<u>26,643,719</u>	<u>26,697,760</u>	<u>23,782,794</u>
Plan fiduciary net position - ending	<u>27,482,878</u>	<u>25,588,818</u>	<u>26,643,719</u>	<u>26,697,760</u>
Net Pension Liability - Ending	<u>\$ 16,965,021</u>	<u>\$ 17,328,461</u>	<u>\$ 14,388,630</u>	<u>\$ 13,376,534</u>
Plan fiduciary net position as a percentage of the total pension liability	61.83%	59.62%	64.93%	66.62%
Covered-employee payroll	\$ 1,603,104	\$ 1,768,489	\$ 2,378,489	\$ 2,456,234
Net pension liability as a percentage of covered-employee payroll	1058.26%	979.85%	604.95%	544.60%

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

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Actuarially determined contribution	\$ 1,544,162	\$ 1,470,158	\$ 1,468,017	\$ 1,590,800	\$ 1,926,516	\$ 2,152,730	\$ 2,477,043	\$ 2,629,169	\$ 2,571,995	\$ 2,597,773
Contributions in relation to the actuarial determined contribution	1,544,163	1,470,158	1,468,017	1,590,800	1,956,542	2,152,293	2,477,045	2,629,167	2,572,003	2,597,743
Contribution Deficiency (Excess)	\$ (1)	\$ -	\$ -	\$ -	\$ (30,026)	\$ 437	\$ (2)	\$ 2	\$ (8)	\$ 30
Covered-employee payroll	\$ 9,040,542	\$ 9,185,617	\$ 9,429,411	\$ 10,225,097	\$ 9,580,867	\$ 9,033,986	\$ 9,417,217	\$ 9,333,616	\$ 9,157,561	\$ 10,265,665
Contributions as a percentage of covered-employee payroll	17.08%	16.00%	15.57%	15.56%	20.42%	23.82%	26.30%	28.17%	28.09%	25.31%

Notes to Schedule

Valuation Date: January 1, 2016
Measurement Date: June 30, 2017
Actuarially determined contribution rates are calculated as of January 1, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

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

Remaining amortization period 25 years
Asset valuation method Capital appreciation is recognized over a five-year period at 20% per year for assets held in equity accounts. The fixed income account is carried at book value.

Inflation 2.75%
Salary increases 3.50%
Investment rate of return 7.00%
Retirement age Board of Education: 100% Rule of 75
Town: 33-1/3% Rule of 75
33-1/3% Age 62 with 10 years of service
33-1/3% Age 65 with 10 years of service

Mortality RP-2000 Mortality Table with separate male and female rates, with no collar adjustment, separate tables for nonannuitants and annuitants, projected to the valuation date with Scale AA.

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Actuarially determined contribution	\$ 1,316,908	\$ 1,277,751	\$ 1,188,459	\$ 1,541,815	\$ 1,485,520	\$ 1,671,613	\$ 1,882,291	\$ 2,073,888	\$ 2,051,665	\$ 2,048,807
Contributions in relation to the actuarial determined contribution	1,316,908	1,277,751	1,188,459	1,541,812	1,485,522	1,671,000	1,882,292	2,073,888	2,051,670	2,048,807
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ 3	\$ (2)	\$ 613	\$ (1)	\$ -	\$ (5)	\$ -
Covered-employee payroll	\$ 3,290,955	\$ 3,259,837	\$ 3,679,774	\$ 3,443,451	\$ 3,374,774	\$ 2,854,880	\$ 2,456,234	\$ 2,378,489	\$ 1,768,489	\$ 1,603,104
Contributions as a percentage of covered-employee payroll	40.02%	39.20%	32.30%	44.78%	44.02%	58.53%	76.63%	87.19%	116.01%	127.80%

Notes to Schedule

Valuation Date: January 1, 2016
Measurement Date: June 30, 2017

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method
Amortization method

Projected Unit Credit Actuarial Cost Method

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

Remaining amortization period
Asset valuation method

25 years

Capital appreciation is recognized over a five-year period at 20% per year for assets held in equity accounts. The fixed income account is carried at book value.

Inflation
Salary increases
Investment rate of return
Retirement age

2.75%

3.50%

7.00%

Average cost obtained from two assumed retirement ages:

25 years of service, but at least age 55

20 years of service, with no age requirement

Mortality

RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, separate tables for nonannuitants and annuitants, projected to the valuation date with Scale AA.

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

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

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

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

	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	13.45%	0.41%	3.11%	15.90%

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

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	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>62,896,649</u>	<u>51,248,617</u>	<u>47,307,730</u>
Total	<u>\$ 62,896,649</u>	<u>\$ 51,248,617</u>	<u>\$ 47,307,730</u>
Town's covered-employee payroll	\$ 17,536,393	\$ 17,536,393	\$ 18,081,818
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	52.26%	59.50%	61.51%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	During 2016, rates of withdrawal, disability, retirement, mortality and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2015.
	During 2011, rates of withdrawal, retirement and assumed rates of salary increases were adjusted to 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, 2010.
Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization period	20.4 years
Asset valuation method	4-year smoothed market
Investment rate of return	8.50%, net of investment related expense

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

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST FISCAL YEAR*
(In Thousands)

	<u>2017</u>
Total OPEB liability:	
Service cost	\$ 3,875,181
Interest	5,793,509
Differences between expected and actual experience	(1,035,303)
Benefit payments	<u>(2,525,163)</u>
Net change in total OPEB liability	6,108,224
Total OPEB liability - beginning	<u>80,639,359</u>
Total OPEB liability - ending	<u>86,747,583</u>
Plan fiduciary net position:	
Contributions - employer	2,911,267
Contributions - member	352,927
Net investment income	828,292
Benefit payments	(2,525,163)
Administrative expense	<u>(15,021)</u>
Net change in plan fiduciary net position	1,552,302
Plan fiduciary net position - beginning	<u>5,043,386</u>
Plan fiduciary net position - ending	<u>6,595,688</u>
Net OPEB Liability - Ending	<u>\$ 80,151,895</u>
Plan fiduciary net position as a percentage of the total OPEB liability	7.60%
Covered-employee payroll	\$ 38,353,797
Net OPEB liability as a percentage of covered-employee payroll	208.98%

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

Notes to Schedule:

Changes of Assumptions: In 2016, the discount rate was decreased from 7.50% to 7.00%. Additionally, in 2016 the medical trend rates were decreased to 8.25% in 2016 decreasing by 0.5% per year, to an ultimate rate of 4.75% for 2023 and later, from 9.00% in 2014 decreasing by 0.5% per year to an ultimate rate of 5.00% for 2022 and later.

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB
LAST NINE FISCAL YEARS*
(In Thousands)

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Actuarially determined contribution (1)	\$ 8,287,412	\$ 8,429,763	\$ 8,726,992	\$ 8,889,935	\$ 9,059,394	\$ 10,476,981	\$ 10,681,456	\$ 8,016,863	\$ 8,247,357
Contributions in relation to the actuarially determined contribution	3,361,821	2,198,597	1,635,647	1,668,436	1,606,090	2,131,871	5,175,867	3,475,807	2,911,267
Contribution Deficiency	\$ 4,925,591	\$ 6,231,166	\$ 7,091,345	\$ 7,221,499	\$ 7,453,304	\$ 8,345,110	\$ 5,505,589	\$ 4,541,056	\$ 5,336,090
Covered-employee payroll	\$ 33,361,601	\$ 33,361,601	\$ 36,549,683	\$ 36,549,683	\$ 34,856,264	\$ 34,856,264	\$ 40,249,105	\$ 40,249,105	\$ 38,353,797
Contributions as a percentage of covered-employee payroll	10.08%	6.59%	4.48%	4.56%	4.61%	6.12%	12.86%	8.64%	7.59%

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

Notes to Schedule

Valuation date: July 1, 2016
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll
Amortization period	30 years
Asset valuation method	Market value of assets
Inflation	2.75%
Healthcare cost trend rates	8.25% initial, decreasing 0.5% per year to an ultimate rate of 4.75%
Salary increases	2.75%, average, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Retirement age	Town non-Police and BOE non-Certified - 33 1/3% Rule of 75, 33 1/3% Age 62 with 10 years of service, 33 1/3% Age 65 with 10 years of service
	Police - 50% 25 years of service, but at least age 55, 50% 20 years of service, with no age requirement
Mortality	For Town Employee's (other than police) and BOE Non-Certified - Mortality rates were based on the RP-2000 Mortality Table with separate male and female rates, with no collar adjustment, separate tables for non-annuitants and annuitants, projected to the valuation date with Scale AA. Separate tables for healthy and disabled lives.
	For Police - Mortality rates were based on the RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, combined table for non-annuitants and annuitants, projected to the valuation date with Scale AA. Separate tables for healthy and disabled lives.
	For BOE Certified - Mortality rates were based on the RP-2000 Mortality Table with separate male and female rates, with no collar adjustment, separate tables for non-annuitants and annuitants, projected to the valuation date with Scale AA.

Other Information:

Changes of Assumptions: In 2016, the discount rate was decreased from 7.50% to 7.00%. Additionally, in 2016 the medical trend rates were decreased to 8.25% in 2016 decreasing by 0.5% per year, to an ultimate rate of 4.75% for 2023 and later, from 9.00% in 2014 decreasing by 0.5% per year to an ultimate rate of 5.00% for 2022 and later.

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

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

2017

Annual money-weighted rate of return,
net of investment expense

12.65%

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

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.

Early Learning Center - To account for a Town-wide preschool operation.

Miscellaneous Education Grants - To account for private grants and donations for educational purposes.

Police Fund - To account for miscellaneous state, federal and private law enforcement grants.

Youth Service Fund - To account for private grants and donations for youth services programs.

Revolving Fund - To account for non-budgeted “wash” transactions.

Police Extra Duty - To account for activities related to the private hiring of police officers.

Recreation - To account for private grants and donations for recreational activities.

Senior Services - To account for private grants and donations for senior services programs.

Social Services - To account for private grants and donations for social services programs.

Small Cities - To account for the small cities grant/loan program.

Board of Education Extension - To account for a fee-based program of off school hour's child care.

Cafeteria - To account for the operation of all cafeterias of the public school system.

Prosser Library - To account for state, federal, and private grants and donations for library materials and programs.

Saxton Beautification Fund - To account for Town beautification projects.

Farm Viability Grant - To account for operations related to the Farm Viability Grant.

Filley House Restoration Fund - To account for restoration costs for the Filley House Restoration.

Local Capital Improvement Program - The Local Capital Improvement Program (LoCIP) is a State funded program to municipalities to reimburse the cost of eligible local capital improvement projects such as road, bridge or public building construction activities.

Energy Upgrade Program - State of Connecticut Department of Economic and Community Development program to reimburse towns for energy efficiencies in its public buildings.

State and Federal Education Grants Fund - To account for financial resources obtained through grant funding to be used for education expenditures. The major sources of revenues in this fund are intergovernmental grants.

Miscellaneous Grant Fund - To account for the proceeds of special revenue sources that are legally restricted for expenditures of specific purposes.

**TOWN OF BLOOMFIELD, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017**

EXHIBIT A-1

	Special Revenue Funds										
	Early Learning Center	Miscellaneous Education Grants	Police Fund	Youth Service Fund	Revolving Fund	Police Extra Duty	Recreation	Senior Services	Social Services	Small Cities	Board of Education Extension
ASSETS											
Cash	\$	\$	\$	\$	\$	\$	\$	\$	\$	401,931	\$ 544,796
Receivables:											
Intergovernmental	10,538										
Accounts receivable, net						68,704					
Loans										669,782	
Due from other funds	109,031	48,442	209,313	51,089	245,167	428,832	164,390	81,465	90,098		
Other											
Total Assets	<u>\$ 119,569</u>	<u>\$ 48,442</u>	<u>\$ 209,313</u>	<u>\$ 51,089</u>	<u>\$ 245,167</u>	<u>\$ 497,536</u>	<u>\$ 164,390</u>	<u>\$ 81,465</u>	<u>\$ 90,098</u>	<u>\$ 1,071,713</u>	<u>\$ 544,796</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES											
Liabilities:											
Accounts payable	\$ 42,449	\$ 8,751	\$ 1,390	\$ 1,555	\$ 636	\$	\$ 5,743	\$ 1,510	\$	\$	\$ 2,843
Accrued liabilities		2,176				2,341	3,896				
Due to other funds										338,949	408
Unearned revenue	76,486										
Total liabilities	<u>118,935</u>	<u>10,927</u>	<u>1,390</u>	<u>1,555</u>	<u>636</u>	<u>2,341</u>	<u>9,639</u>	<u>1,510</u>	<u>-</u>	<u>338,949</u>	<u>3,251</u>
Deferred Inflows of Resources:											
Unavailable revenue - loans receivable										669,782	
Fund Balances:											
Nonspendable											
Restricted	634	37,515	207,923	49,534					90,098	62,982	
Committed					244,531	495,195	154,751	79,955			541,545
Unassigned											
Total fund balances	<u>634</u>	<u>37,515</u>	<u>207,923</u>	<u>49,534</u>	<u>244,531</u>	<u>495,195</u>	<u>154,751</u>	<u>79,955</u>	<u>90,098</u>	<u>62,982</u>	<u>541,545</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 119,569</u>	<u>\$ 48,442</u>	<u>\$ 209,313</u>	<u>\$ 51,089</u>	<u>\$ 245,167</u>	<u>\$ 497,536</u>	<u>\$ 164,390</u>	<u>\$ 81,465</u>	<u>\$ 90,098</u>	<u>\$ 1,071,713</u>	<u>\$ 544,796</u>

(Continued on next page)

**TOWN OF BLOOMFIELD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017**

EXHIBIT A-1

	Special Revenue Funds									
	Cafeteria	Prosser Library	Saxton Beautification Fund	Farm Viability Grant	Filley House Restoration Fund	Local Capital Improvement Program	Energy Upgrade Program	State and Federal Education Grants Fund	Miscellaneous Grant Fund	Totals
ASSETS										
Cash	\$ 5,800	\$ 35,153	\$ 107,364	\$	\$	\$	\$	\$ 1,161,196	\$	\$ 2,256,240
Receivables:										
Intergovernmental	142,238							1,161	20,590	174,527
Accounts receivable, net										68,704
Loans										669,782
Due from other funds		67,349		2,286	65,363		11,084		3,275,222	4,849,131
Other	15,063									15,063
Total Assets	\$ 163,101	\$ 102,502	\$ 107,364	\$ 2,286	\$ 65,363	\$ -	\$ 11,084	\$ 1,162,357	\$ 3,295,812	\$ 8,033,447
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$	\$ 1,094	\$	\$	\$ 10,500	\$	\$	\$ 195,982	\$ 208,421	\$ 480,874
Accrued liabilities										8,413
Due to other funds	358,172		107,127			97,195		543,718		1,445,569
Unearned revenue							11,084	506,995	61,952	656,517
Total liabilities	358,172	1,094	107,127	-	10,500	97,195	11,084	1,246,695	270,373	2,591,373
Deferred Inflows of Resources:										
Unavailable revenue - loans receivable										669,782
Fund Balances:										
Nonspendable	15,063									15,063
Restricted		101,408		2,286					3,025,439	3,577,819
Committed			237		54,863					1,571,077
Unassigned	(210,134)					(97,195)		(84,338)		(391,667)
Total fund balances	(195,071)	101,408	237	2,286	54,863	(97,195)	-	(84,338)	3,025,439	4,772,292
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 163,101	\$ 102,502	\$ 107,364	\$ 2,286	\$ 65,363	\$ -	\$ 11,084	\$ 1,162,357	\$ 3,295,812	\$ 8,033,447

TOWN OF BLOOMFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

EXHIBIT A-2

	Special Revenue Funds										
	Early Learning Center	Miscellaneous Education Grants	Police Fund	Youth Service Fund	Revolving Fund	Police Extra Duty	Recreation	Senior Services	Social Services	Small Cities	Board of Education Extension
Revenues:											
Intergovernmental	\$ 400,074	\$ 474,952	\$ 75,373	\$ 74,671	\$	\$	\$	\$	\$	\$	\$
Charges for services		144,637			57,536	506,035	103,288	73,282			620,962
Investment income										1,580	
Contributions		308,992		5,709	98,597			3,765	18,696		
Other								880		5,614	
Total revenues	<u>400,074</u>	<u>928,581</u>	<u>75,373</u>	<u>80,380</u>	<u>156,133</u>	<u>506,035</u>	<u>103,288</u>	<u>77,927</u>	<u>18,696</u>	<u>7,194</u>	<u>620,962</u>
Expenditures:											
Public safety			103,428	154,393	136,475	383,854					
Leisure services							118,044				
Human Services								64,198	6,952		
Education	400,074	1,054,208									671,008
Capital outlay											
Total expenditures	<u>400,074</u>	<u>1,054,208</u>	<u>103,428</u>	<u>154,393</u>	<u>136,475</u>	<u>383,854</u>	<u>118,044</u>	<u>64,198</u>	<u>6,952</u>	<u>-</u>	<u>671,008</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(125,627)</u>	<u>(28,055)</u>	<u>(74,013)</u>	<u>19,658</u>	<u>122,181</u>	<u>(14,756)</u>	<u>13,729</u>	<u>11,744</u>	<u>7,194</u>	<u>(50,046)</u>
Other Financing Sources (Uses):											
Transfers in				76,678			44,610				
Transfers out						(125,000)					
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,678</u>	<u>-</u>	<u>(125,000)</u>	<u>44,610</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(125,627)	(28,055)	2,665	19,658	(2,819)	29,854	13,729	11,744	7,194	(50,046)
Fund Balance at Beginning of Year	<u>634</u>	<u>163,142</u>	<u>235,978</u>	<u>46,869</u>	<u>224,873</u>	<u>498,014</u>	<u>124,897</u>	<u>66,226</u>	<u>78,354</u>	<u>55,788</u>	<u>591,591</u>
Fund Balance at End of Year	\$ 634	\$ 37,515	\$ 207,923	\$ 49,534	\$ 244,531	\$ 495,195	\$ 154,751	\$ 79,955	\$ 90,098	\$ 62,982	\$ 541,545

(Continued on next page)

TOWN OF BLOOMFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

EXHIBIT A-2

	Special Revenue Funds										
	Cafeteria	Prosser Library	Saxton Beautification Fund	Farm Viability Grant	Filley House Restoration Fund	Local Capital Improvement Program	Energy Upgrade Program	State and Federal Education Grants Fund	Miscellaneous Grant Fund	Eliminations	Totals
Revenues:											
Intergovernmental	\$ 878,435	\$ 8,133	\$	\$	\$	21,007	\$	\$ 8,703,926	\$ 1,820,343	\$	\$ 12,456,914
Charges for services	422,073	5,125						277,902			2,210,840
Investment income			226					19,070			20,876
Contributions		10,882									446,641
Other									13,029		19,523
Total revenues	<u>1,300,508</u>	<u>24,140</u>	<u>226</u>	<u>-</u>	<u>-</u>	<u>21,007</u>	<u>-</u>	<u>9,000,898</u>	<u>1,833,372</u>	<u>-</u>	<u>15,154,794</u>
Expenditures:											
Public safety											778,150
Leisure services		26,720									144,764
Human Services					26,302						97,452
Education	1,410,461							8,868,310			12,404,061
Capital outlay						118,202			1,564,447		1,682,649
Total expenditures	<u>1,410,461</u>	<u>26,720</u>	<u>-</u>	<u>-</u>	<u>26,302</u>	<u>118,202</u>	<u>-</u>	<u>8,868,310</u>	<u>1,564,447</u>	<u>-</u>	<u>15,107,076</u>
Revenues Over (Under) Expenditures	<u>(109,953)</u>	<u>(2,580)</u>	<u>226</u>	<u>-</u>	<u>(26,302)</u>	<u>(97,195)</u>	<u>-</u>	<u>132,588</u>	<u>268,925</u>	<u>-</u>	<u>47,718</u>
Other Financing Sources (Uses):											
Transfers in										(121,288)	-
Transfers out								(121,288)		121,288	(125,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(121,288)</u>	<u>-</u>	<u>-</u>	<u>(125,000)</u>
Net Change in Fund Balance	(109,953)	(2,580)	226	-	(26,302)	(97,195)	-	11,300	268,925	-	(77,282)
Fund Balance at Beginning of Year	(85,118)	103,988	11	2,286	81,165	-	-	(95,638)	2,756,514		4,849,574
Fund Balance at End of Year	<u>\$ (195,071)</u>	<u>\$ 101,408</u>	<u>\$ 237</u>	<u>\$ 2,286</u>	<u>\$ 54,863</u>	<u>\$ (97,195)</u>	<u>\$ -</u>	<u>\$ (84,338)</u>	<u>\$ 3,025,439</u>	<u>\$ -</u>	<u>\$ 4,772,292</u>

Trust Funds

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

Retirement Income Plan Fund - The Retirement Income Plan Fund is used to account for the accumulation of resources for pension benefit payments to qualified Town and Board of Education public employees.

Police Retirement Income Plan Fund - The Police Retirement Income Plan Fund is used to account for the accumulation of resources for pension benefit payments to qualified Police employees.

OPEB Trust Fund - The OPEB Trust Fund is used to account for the Town's other post-employment benefit coverage, and to accumulate resources for health insurance coverage of retired Town and Board of Education employees.

TOWN OF BLOOMFIELD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION - PENSION AND
OTHER EMPLOYEE BENEFIT TRUST FUNDS
JUNE 30, 2017

	Pension Trust Funds	OPEB Trust Fund	Total Pension and Other Post Employment Benefit Trust Funds
Assets:			
Cash and cash equivalents	\$	\$ 1,241,482	\$ 1,241,482
Accounts receivable		18,398	18,398
Investments - mutual funds, at fair value	75,082,627	9,230,565	84,313,192
Total assets	<u>75,082,627</u>	<u>10,490,445</u>	<u>85,573,072</u>
Liabilities:			
Claims payable		178,705	178,705
Due to other funds		3,716,052	3,716,052
Total liabilities	<u>-</u>	<u>3,894,757</u>	<u>3,894,757</u>
Net Position:			
Restricted for Pension and Other Post Employment Benefits	\$ <u>75,082,627</u>	\$ <u>6,595,688</u>	\$ <u>81,678,315</u>

TOWN OF BLOOMFIELD, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN NET POSITION - PENSION AND
OTHER EMPLOYEE BENEFIT TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Pension Trust Funds	OPEB Trust Fund	Total Pension and Other Post Employment Benefit Trust Funds
Additions:			
Contributions:			
Employer	\$ 4,646,550	\$ 2,911,267	\$ 7,557,817
Plan members	672,658	352,927	1,025,585
Total contributions	<u>5,319,208</u>	<u>3,264,194</u>	<u>8,583,402</u>
Investment income:			
Change in fair value of investments	7,506,916	822,765	8,329,681
Interest and dividends	<u>1,825,647</u>	<u>5,527</u>	<u>1,831,174</u>
	9,332,563	828,292	10,160,855
Less investment expenses:			
Investment management fees	<u>81,565</u>		<u>81,565</u>
Net investment income	<u>9,250,998</u>	<u>828,292</u>	<u>10,079,290</u>
Total additions	<u>14,570,206</u>	<u>4,092,486</u>	<u>18,662,692</u>
Deductions:			
Benefits	7,412,819	2,525,163	9,937,982
Administration	<u>46,525</u>	<u>15,021</u>	<u>61,546</u>
Total deductions	<u>7,459,344</u>	<u>2,540,184</u>	<u>9,999,528</u>
Change in Net Position	7,110,862	1,552,302	8,663,164
Net Position - Beginning of Year	<u>67,971,765</u>	<u>5,043,386</u>	<u>73,015,151</u>
Net Position - End of Year	<u>\$ 75,082,627</u>	<u>\$ 6,595,688</u>	<u>\$ 81,678,315</u>

Agency Funds

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

Flexible Benefits - To account for monies from employee pre-tax payroll deductions and expenditure reimbursement which are associated with medical and dependent care expenditures.

Student Activities - To account for monies from various self-funding school activity programs.

Contractors Escrow Fund - To account for monies from contractors placed in escrow.

TOWN OF BLOOMFIELD, CONNECTICUT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2017</u>
Flexible Benefits				
Assets:				
Cash	\$ <u>39,863</u>	\$ <u>100,767</u>	\$ <u>96,162</u>	\$ <u>44,468</u>
Liabilities:				
Due to participants	\$ <u>39,863</u>	\$ <u>100,767</u>	\$ <u>96,162</u>	\$ <u>44,468</u>
Student Activities				
Assets:				
Cash	\$ <u>208,140</u>	\$ <u>415,834</u>	\$ <u>375,841</u>	\$ <u>248,133</u>
Liabilities:				
Due to student groups	\$ <u>208,140</u>	\$ <u>415,834</u>	\$ <u>375,841</u>	\$ <u>248,133</u>
Contractors Escrow Fund				
Assets:				
Cash	\$ <u>7,500</u>	\$	\$	\$ <u>7,500</u>
Due from General Fund	<u>278,001</u>	<u>221,525</u>		<u>499,526</u>
Total Assets	\$ <u>285,501</u>	\$ <u>221,525</u>	\$ <u>-</u>	\$ <u>507,026</u>
Liabilities:				
Due to developers	\$ <u>285,501</u>	\$ <u>221,525</u>	\$ <u>-</u>	\$ <u>507,026</u>
Total				
Assets:				
Cash	\$ <u>255,503</u>	\$ <u>516,601</u>	\$ <u>472,003</u>	\$ <u>300,101</u>
Due from General Fund	<u>278,001</u>	<u>221,525</u>		<u>499,526</u>
Total Assets	\$ <u>533,504</u>	\$ <u>738,126</u>	\$ <u>472,003</u>	\$ <u>799,627</u>
Liabilities:				
Due to participants	\$ <u>39,863</u>	\$ <u>100,767</u>	\$ <u>96,162</u>	\$ <u>44,468</u>
Due to student groups	<u>208,140</u>	<u>415,834</u>	<u>375,841</u>	<u>248,133</u>
Due to developers	<u>285,501</u>	<u>221,525</u>		<u>507,026</u>
Total Liabilities	\$ <u>533,504</u>	\$ <u>738,126</u>	\$ <u>472,003</u>	\$ <u>799,627</u>

Supplemental Schedule

**TOWN OF BLOOMFIELD, CONNECTICUT
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2017**

Grand List Year	Uncollected Taxes July 1, 2016	Current Levy	Lawful Corrections		Suspense Transfers and Adjustments	Adjusted Uncollected Taxes	Collections			Uncollected Taxes June 30, 2017
			Additions	Deletions			Taxes	Interest, Liens and Other Fees	Total	
2015	\$	\$ 75,221,660	\$ 207,000	\$ 762,116	\$ -	\$ 74,666,544	\$ 73,654,079	\$ 216,543	\$ 73,870,622	\$ 1,012,465
2014	916,985		9,696	203,913	-	722,768	299,460	111,339	410,799	423,308
2013	376,854		1,903	2,169	-	376,588	106,830	40,650	147,480	269,758
2012	68,842		673		-	69,515	9,131	5,390	14,521	60,384
2011	45,990		846	846	-	45,990	2,739	8,608	11,347	43,251
2010	18,090		813	694	-	18,209	7,002	4,088	11,090	11,207
2009	15,708		122		-	15,830	6,224	2,516	8,740	9,606
2008	10,100		129		-	10,229	1,931	2,162	4,093	8,298
2007	3,334				-	3,334	87	42	129	3,247
2006	3,159				-	3,159				3,159
2005	2,447				-	2,447				2,447
2004	2,312				-	2,312				2,312
2003	1,866				-	1,866				1,866
2002	1,753				-	1,753				1,753
	<u>\$ 1,467,440</u>	<u>\$ 75,221,660</u>	<u>\$ 221,182</u>	<u>\$ 969,738</u>	<u>\$ -</u>	<u>\$ 75,940,544</u>	74,087,483	391,338	74,478,821	<u>\$ 1,853,061</u>
Suspense Collections							<u>50,743</u>	<u>48,379</u>	<u>99,122</u>	
Total Collections							<u>\$ 74,138,226</u>	<u>\$ 439,717</u>	<u>\$ 74,577,943</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 BLOOMFIELD, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN YEARS
(UNAUDITED)

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
GOVERNMENTAL ACTIVITIES:										
Net investment in capital assets	\$ 118,959,001	\$ 115,419,910	\$ 108,252,631	\$ 108,400,597	\$ 99,097,837	\$ 96,086,025	\$ 90,016,268	\$ 73,964,394	\$ 64,565,774	\$ 47,951,369
Restricted for:										
Capital projects								14,667,987	37,855,805	19,700,170
Unrestricted	(68,881,398)	(64,891,790)	(60,515,949)	(64,965,232)	(24,907,374)	(25,275,037)	(23,317,823)	(24,783,836)	(46,379,269)	(26,368,563)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	50,077,603	50,528,120	47,736,682	43,435,365	74,190,463	70,810,988	66,698,445	63,848,545	56,042,310	41,282,976
BUSINESS-TYPE ACTIVITIES:										
Net investment in capital assets	9,288,008	9,519,370	9,705,933	9,878,012	10,083,105	10,240,081	10,521,050	10,545,360	10,783,796	10,949,742
Unrestricted	246,516	245,453	140,673	71,085	(59,494)	(155,700)	(212,049)	(338,023)	(460,445)	(362,700)
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	9,534,524	9,764,823	9,846,606	9,949,097	10,023,611	10,084,381	10,309,001	10,207,337	10,323,351	10,587,042
TOTAL TOWN:										
Net investment in capital assets	128,247,009	124,939,280	117,958,564	118,278,609	109,180,942	106,326,106	100,537,318	84,509,754	75,349,570	58,901,111
Restricted for:										
Capital projects								14,667,987	37,855,805	19,700,170
Unrestricted	(68,634,882)	(64,646,337)	(60,375,276)	(64,894,147)	(24,966,868)	(25,430,737)	(23,529,872)	(25,121,859)	(46,839,714)	(26,731,263)
TOTAL TOWN NET POSITION	\$ 59,612,127	\$ 60,292,943	\$ 57,583,288	\$ 53,384,462	\$ 84,214,074	\$ 80,895,369	\$ 77,007,446	\$ 74,055,882	\$ 66,365,661	\$ 51,870,018

**TOWN OF BLOOMFIELD, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN YEARS
(UNAUDITED)**

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
EXPENSES:										
Governmental activities:										
Administration	\$ 6,269,207	\$ 5,841,875	\$ 6,804,785	\$ 5,326,166	\$ 5,424,613	\$ 4,923,303	\$ 5,329,221	\$ 3,022,996	\$ 4,501,020	\$ 4,353,325
Planning and development	1,805,654	1,754,820	1,487,746	1,097,167	1,195,374	1,053,666	1,239,149	622,499	1,295,557	1,080,791
Public safety	18,232,647	16,710,985	14,766,339	16,604,235	14,785,586	12,889,131	13,394,702	7,584,232	11,437,288	10,040,029
Public works	8,045,933	8,708,688	10,370,772	8,278,593	7,625,793	10,356,772	8,055,608	3,580,742	10,199,000	9,235,662
Leisure services	1,441,921	1,186,716	1,495,582	1,154,749	1,186,891	1,146,015	1,076,526	766,818	1,611,336	980,193
Public libraries	3,163,257	3,020,733	3,246,116	2,694,049	2,757,486	2,240,620	3,073,927	1,319,451	2,104,712	1,819,282
Human services	3,268,822	3,002,014	3,614,082	2,842,564	2,851,309	2,713,943	2,571,676	1,493,070	1,883,813	1,673,352
Education	66,757,284	59,264,325	54,094,527	60,969,676	55,412,024	54,610,804	51,224,232	54,201,366	48,370,265	51,748,106
Interest expense	1,003,994	1,874,093	1,978,778	2,314,092	2,236,610	2,474,108	1,194,831	1,611,968	1,546,105	692,613
Total Governmental activities expenses	109,988,719	101,364,249	97,858,727	101,281,291	93,475,686	92,408,362	87,159,872	74,203,142	82,949,096	81,623,353
Business-type activities:										
Wintonbury Hills Golf Course	1,911,760	2,081,401	1,939,194	2,005,912	1,847,581	2,082,758	1,962,658	2,015,280	2,150,766	1,924,164
TOTAL EXPENSES	111,900,479	103,445,650	99,797,921	103,287,203	95,323,267	94,491,120	89,122,530	76,218,422	85,099,862	83,547,517
PROGRAM REVENUES:										
Governmental activities:										
Charges for services:										
Administration	983,378	1,142,893	611,795	815,262	765,459	569,991	513,159	501,318	513,172	1,050,303
Planning and development	1,752,473	2,541,574	631,575	485,458	331,431	339,928	338,326	338,804	418,131	863,598
Public safety	1,138,042	1,170,663	927,107	1,023,131	1,318,389	960,079	945,836	933,739	1,010,154	780,537
Public works	103	146	367					71,582	58,367	63,750
Leisure services	145,781	134,248	107,766	122,588	176,306	151,104	166,949	180,803	46,368	158,308
Public libraries	23,830	20,279	25,955	24,404	22,886	21,642	22,215	22,468	17,452	17,363
Human services	73,282	74,592	70,631	141,232	87,418	69,746	66,872	72,402	29,922	44,885
Education	1,465,574	1,386,905	1,380,906	1,098,590	1,051,855	1,153,981	1,294,627	1,364,777	1,523,933	1,526,079
Operating grants and contributions	24,405,035	21,392,564	21,763,600	23,148,446	18,852,666	20,164,212	14,984,034	14,839,078	13,509,743	19,114,572
Capital grants and contributions	2,797,258	2,275,184	134,231	924,726	2,193,474	5,351,116	5,959,528	13,910,832	16,059,181	3,560,689
Total Governmental activities program revenues	32,784,756	30,139,048	25,653,933	27,783,837	24,799,884	28,781,799	24,291,546	32,235,803	33,186,423	27,180,084
Business-type activities:										
Wintonbury Hills Golf Course	1,681,461	1,999,618	1,836,703	1,931,398	1,786,811	1,858,138	1,852,924	1,899,266	1,887,075	1,782,184
TOTAL PROGRAM REVENUES	34,466,217	32,138,666	27,490,636	29,715,235	26,586,695	30,639,937	26,144,470	34,135,069	35,073,498	28,962,268

(Continued on next page)

**TOWN OF BLOOMFIELD, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(UNAUDITED)**

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
NET REVENUE (EXPENSES):										
Governmental activities	\$ (77,203,963)	\$ (71,225,201)	\$ (72,204,794)	\$ (73,497,454)	\$ (68,675,802)	\$ (63,626,563)	\$ (62,868,326)	\$ (41,967,339)	\$ (49,762,673)	\$ (54,443,269)
Business-type activities	(230,299)	(81,783)	(102,491)	(74,514)	(60,770)	(224,620)	(109,734)	(116,014)	(263,691)	(141,980)
TOTAL NET EXPENSES	(77,434,262)	(71,306,984)	(72,307,285)	(73,571,968)	(68,736,572)	(63,851,183)	(62,978,060)	(42,083,353)	(50,026,364)	(54,585,249)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:										
Governmental activities:										
Property taxes	75,182,663	73,218,681	72,760,506	71,438,300	69,233,446	65,467,786	64,165,955	62,163,933	61,172,089	57,909,660
Grants and contributions not restricted to specific programs	932,973	499,101	701,037	796,267	2,236,694	2,073,744	2,079,390	2,354,256	2,589,336	2,358,906
Investment income	196,824	114,990	49,865	56,803	52,942	39,921	160,017	336,532	663,052	1,384,285
Miscellaneous	440,986	183,867	2,994,703	198,680	532,195	157,655	167,864	89,758	97,530	758,051
Transfers							(211,398)			
Total Governmental activities revenues	76,753,446	74,016,639	76,506,111	72,490,050	72,055,277	67,739,106	66,361,828	64,944,479	64,522,007	62,410,902
Business-type activities:										
Transfers							211,398			
TOTAL GENERAL REVENUES	76,753,446	74,016,639	76,506,111	72,490,050	72,055,277	67,739,106	66,573,226	64,944,479	64,522,007	62,410,902
CHANGE IN NET POSITION:										
Governmental activities	(450,517)	2,791,438	4,301,317	(1,007,404)	3,379,475	4,112,543	3,493,502	22,977,140	14,759,334	7,967,633
Business-type activities	(230,299)	(81,783)	(102,491)	(74,514)	(60,770)	(224,620)	101,664	(116,014)	(263,691)	(141,980)
TOTAL CHANGE IN NET POSITION	\$ (680,816)	\$ 2,709,655	\$ 4,198,826	\$ (1,081,918)	\$ 3,318,705	\$ 3,887,923	\$ 3,595,166	\$ 22,861,126	\$ 14,495,643	\$ 7,825,653

TABLE 3

**TOWN OF BLOOMFIELD, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
GENERAL FUND:										
Nonspendable	\$ 104,250	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted					712,937	1,382,150	2,082,150			
Assigned	2,064,444	1,551,424	2,054,536	2,315,312	2,122,990	672,501	358,070			
Unassigned	17,385,212	16,599,688	15,109,199	15,890,648	14,602,679	11,029,758	10,959,164			
Reserved								720,057	998,384	467,300
Unreserved								9,307,572	8,084,263	7,315,548
TOTAL GENERAL FUND	19,553,906	18,151,112	17,163,735	18,205,960	17,438,606	13,084,409	13,399,384	10,027,629	9,082,647	7,782,848
ALL OTHER GOVERNMENTAL FUNDS:										
Nonspendable	15,063	15,640	16,962	18,802	15,161	15,492	15,749			
Restricted	9,716,503	8,583,427	9,276,580	2,526,634	1,031,839	5,866,379	745,272			
Committed	1,571,077	1,505,612	1,334,069	1,320,606	1,349,408	1,399,862	1,482,477			
Unassigned	(391,667)	(196,396)	(80,564)	(2,716,246)	(4,209,065)	(8,166,246)	(5,156,311)			
Reserved:										
Commitments								14,667,987	37,855,805	19,700,170
Unreserved, reported in:										
Special revenue funds								1,713,148	1,482,096	1,088,096
Capital projects funds								(8,523,856)	(35,204,581)	(4,036,802)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	10,910,976	9,908,283	10,547,047	1,149,796	(1,812,657)	(884,513)	(2,912,813)	7,857,279	4,133,320	16,751,464
GRAND TOTAL	\$ 30,464,882	\$ 28,059,395	\$ 27,710,782	\$ 19,355,756	\$ 15,625,949	\$ 12,199,896	\$ 10,486,571	\$ 17,884,908	\$ 13,215,967	\$ 24,534,312

Note: Information for years prior to the implementation of GASB Statement No. 54 has not been restated.

TOWN OF BLOOMFIELD, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(UNAUDITED)

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
REVENUES:										
Property taxes	\$ 74,698,743	\$ 73,563,398	\$ 72,644,940	\$ 71,679,525	\$ 68,752,328	\$ 66,310,109	\$ 64,430,555	\$ 62,139,854	\$ 60,941,705	\$ 57,743,856
Intergovernmental	27,436,105	23,890,533	22,452,176	24,758,850	24,529,716	25,347,981	22,872,387	30,993,577	31,792,105	24,856,754
Investment income	178,027	103,517	49,158	56,015	50,428	34,966	152,806	249,291	625,874	1,305,384
Charges for services	5,492,227	6,471,300	3,756,102	3,710,665	3,753,744	3,266,471	3,347,984	3,486,833	3,617,499	4,516,118
Contributions	446,641	276,316	142,616	110,589	574,579	79,057	150,565	110,589	366,155	177,413
Other	495,607	209,827	2,947,480	198,680	435,543	157,655	232,059	89,758	97,530	758,051
TOTAL REVENUES	108,747,350	104,514,891	101,992,472	100,514,324	98,096,338	95,196,239	91,186,356	97,069,902	97,440,868	89,357,576
EXPENDITURES:										
Current:										
Administration	3,140,515	3,082,450	2,975,454	2,824,257	2,748,426	2,619,150	2,805,842	2,830,222	2,697,106	2,588,374
Boards and agencies	154,092	138,231	131,693	111,045	148,819	108,338	136,993	103,225	167,649	134,288
Planning and development	992,584	978,180	815,003	695,885	750,872	632,861	636,387	626,537	875,001	773,256
Public safety	8,283,274	8,195,752	8,080,496	7,742,781	8,327,735	7,019,031	7,513,034	7,262,239	7,460,058	6,984,947
Public works	3,067,339	2,895,926	3,186,989	3,510,155	2,993,997	5,583,436	2,716,291	2,623,631	2,529,612	2,336,871
Leisure services	868,942	898,045	832,678	836,239	847,504	828,385	730,708	761,868	767,788	788,267
Public libraries	1,580,730	1,524,108	1,522,952	1,459,802	1,385,092	1,367,410	1,397,095	1,328,969	1,334,575	1,307,979
Human services	1,562,548	1,498,652	1,460,955	1,517,626	1,393,979	1,354,785	1,554,190	1,427,598	1,266,099	1,249,007
Facilities	1,461,766	1,561,150	1,516,800	1,582,410	1,621,760	1,542,864	1,697,811	1,813,899	1,733,268	1,477,987
Fixed charges	16,005,256	15,915,492	15,392,282	14,114,184	12,841,982	12,588,736	11,887,131	11,066,954	10,450,261	10,409,040
Miscellaneous	73,839	170,017	86,098	159,666	127,739	109,268	221,393	285,904	202,415	258,069
Education	60,167,698	55,427,551	53,884,210	53,232,163	49,731,538	48,787,608	48,122,335	48,306,626	46,014,190	50,868,423
Capital outlay	2,903,602	5,682,586	3,403,514	3,042,376	5,290,702	20,531,287	23,054,122	30,687,925	30,644,600	8,912,639
Debt service:										
Principal	5,104,212	5,097,136	4,986,157	4,854,926	5,408,606	4,385,118	22,041,439	1,914,975	1,126,886	1,125,001
Interest	1,101,002	1,101,002	1,101,002	1,101,002	1,101,002	1,101,002	1,101,002	1,360,389	1,489,705	757,287
TOTAL EXPENDITURES	106,467,399	104,166,278	99,376,283	96,784,517	94,719,753	108,559,279	125,615,773	112,400,961	108,759,213	89,971,435
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,279,951	348,613	2,616,189	3,729,807	3,376,585	(13,363,040)	(34,429,417)	(15,331,059)	(11,318,345)	(613,859)
OTHER FINANCING SOURCES (USES):										
Capital lease proceeds			570,250							799,994
Issuance of bonds			5,000,000			15,000,000	25,000,000	20,000,000		15,000,000
Premium on bond issuance			117,288			76,365	2,082,150			51,356
Premium on bond anticipation note			51,299							
Issuance of refunding bonds	8,745,000				10,240,000		12,400,000			
Premium on refunding bonds	1,195,675				1,145,841		1,250,737			
Payments to refunded bond escrow agent	(9,815,139)				(11,336,373)		(13,701,807)			
Transfers in	1,471,360	2,643,469	2,888,851	3,024,276	2,083,237	931,097	950,000	712,578	1,650,000	2,496,648
Transfers out	(1,471,360)	(2,643,469)	(2,888,851)	(3,024,276)	(2,083,237)	(931,097)	(950,000)	(712,578)	(1,650,000)	(2,496,648)
NET OTHER FINANCING SOURCES	125,536	-	5,738,837	-	49,468	15,076,365	27,031,080	20,000,000	-	15,851,350
NET CHANGE IN FUND BALANCES	2,405,487	348,613	8,355,026	3,729,807	3,426,053	1,713,325	(7,398,337)	4,668,941	(11,318,345)	15,237,491
FUND BALANCE - JULY 1	28,059,395	27,710,782	19,355,756	15,625,949	12,199,896	10,486,571	17,884,908	13,215,967	24,534,312	9,296,821
FUND BALANCE - JUNE 30	\$ 30,464,882	\$ 28,059,395	\$ 27,710,782	\$ 19,355,756	\$ 15,625,949	\$ 12,199,896	\$ 10,486,571	\$ 17,884,908	\$ 13,215,967	\$ 24,534,312
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	6.0%	6.3%	6.3%	6.3%	6.2%	6.2%	22.6%	4.0%	3.3%	2.3%

Please refer to Management's Discussion and Analysis for a detailed explanation of variances in fund balance from year to year.

TABLE 5

**TOWN OF BLOOMFIELD, CONNECTICUT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(UNAUDITED)**

GRAND LIST 10/1	YEAR ENDED JUNE 30	REAL ESTATE		PERSONAL PROPERTY		LESS: TAX EXEMPT PROPERTY	TOTAL TAXABLE ASSESSED VALUE	ESTIMATED ACTUAL TAXABLE VALUE	PERCENTAGE (1) OF TOTAL ASSESSED VALUE TO TOTAL ESTIMATED ACTUAL VALUE	TOTAL DIRECT TAX RATE
		RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	MOTOR VEHICLES	OTHER					
2006	2008	\$ 947,152,062	\$ 457,449,515	\$ 134,208,250	\$ 221,736,470	\$ 64,680,298	\$ 1,695,865,999	\$ 3,159,802,495	53.7%	34.33
2007	2009	979,130,620	601,687,336	139,612,434	234,857,222	232,134,823	1,723,152,789	3,091,966,246	55.7%	35.29
2008	2010	987,701,397	619,849,535	134,601,426	241,936,228	230,230,474	1,753,858,112	2,859,706,688	61.3%	35.53
2009	2011	1,290,505,656	573,810,072	136,081,440	267,626,832	277,585,000	1,990,439,000	2,843,484,286	70.0%	32.72
2010	2012	1,101,376,940	544,757,900	142,261,952	261,922,473	95,487,033	1,954,832,232	2,694,090,728	72.6%	33.70
2011	2013	1,101,911,100	556,885,990	147,941,304	275,550,370	101,687,060	1,980,601,704	2,595,430,274	76.3%	34.55
2012	2014	1,105,001,810	553,150,540	147,823,697	226,147,640	189,248,170	2,032,123,687	2,802,933,115	72.5%	34.85
2013	2015	1,112,700,070	561,526,890	152,498,352	240,774,570	190,039,800	2,067,499,882	2,837,611,566	72.9%	34.84
2014	2016	1,012,833,800	589,298,658	144,574,821	287,277,711	177,913,640	2,033,984,990	2,905,692,842	70.0%	36.00
2015	2017	1,013,846,334	592,408,526	144,046,160	287,855,310	177,940,968	2,038,156,330	2,911,651,900	70.0%	36.65

Source: Town of Bloomfield, Assessor's Office

(1) Sales Ratios-Office of Policy and Management

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 BLOOMFIELD, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

NAME	2017			2008		
	ASSESSED VALUE	RANK	PERCENTAGE NET TAXABLE GRAND LIST (1)	ASSESSED VALUE	RANK	PERCENTAGE NET TAXABLE GRAND LIST (1)
Eversource	\$ 125,824,220	1	6.17%	\$ 23,716,290	3	1.38%
Connecticut General Life Insurance	46,223,460	2	2.27%	108,224,920	1	6.28%
Metropolitan Life Insurance	44,457,360	3	2.18%			
Amcap Copaco LLC	41,331,110	4	2.03%	22,732,870	4	1.32%
Duncaster Inc	30,596,990	5	1.50%	37,573,210	2	2.18%
HG Conn Realty Corp.	29,175,320	6	1.43%			
Bouwfonds Hawthorne LP	26,867,010	7	1.32%	22,035,020	5	1.28%
CIGNA Health & Life Insurance	26,468,400	8	1.30%			
Church Home of Hartford	18,783,130	9	0.92%	16,995,320	6	0.99%
Pepperidge Farm Inc	16,003,410	10	0.79%			
FJS Family LLC				12,116,740	7	0.70%
Jacobs Vehicle Systems, Inc.				11,284,900	8	0.65%
Griffin Land & Nurseries, Inc.				10,821,110	9	0.63%
Omnipotent Communications, Inc.				9,654,590	10	0.56%
TOTAL	\$ 405,730,410		19.91%	\$ 275,154,970		15.97%

Source: Assessor's Office, Town of Bloomfield

(1) Based on October 1, 2015 and 2006 net taxable Grand List of \$2,038,142,000 and \$1,723,153,000 respectively.

TABLE 7

**TOWN OF BLOOMFIELD
TAX RATES, LEVIES AND CASH COLLECTIONS
LAST TEN YEARS
(UNAUDITED)**

YEAR ENDED JUNE 30	(1) MILL RATE	GRAND LIST OF OCTOBER 1	TOTAL ADJUSTED TAX LEVY FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE		CURRENT DELINQUENT BALANCE
				AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY	
2008	34.33	2006	\$ 57,873,253	\$ 56,811,112	98.16%	\$ 1,058,983	\$ 57,870,095	99.99%	\$ 3,158
2009	35.29	2007	60,370,599	59,337,787	98.29%	1,029,565	60,367,352	99.99%	3,247
2010	35.53	2008	62,068,048	60,677,058	97.76%	1,382,694	62,059,752	99.99%	8,296
2011	32.72	2009	63,290,257	62,287,778	98.42%	992,874	63,280,652	99.98%	9,605
2012	33.70	2010	64,778,655	63,988,322	98.78%	779,126	64,767,448	99.98%	11,207
2013	34.55	2011	68,561,240	67,473,455	98.41%	1,044,532	68,517,987	99.94%	43,253
2014	34.85	2012	71,075,964	70,024,716	98.52%	990,863	71,015,579	99.92%	60,385
2015	34.84	2013	72,246,279	71,234,985	98.60%	741,538	71,976,523	99.63%	269,756
2016	36.00	2014	73,160,192	72,243,207	98.75%	522,304	72,765,511	99.46%	394,681
2017	36.65	2015	74,666,544	73,654,079	98.64%	-	73,654,079	98.64%	1,012,465

(1) This represents the Town's mill rate per \$1,000 of taxable property.

Source: Town audit reports

TABLE 8

**TOWN OF BLOOMFIELD, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
(UNAUDITED)**

YEAR ENDED JUNE 30	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	POPULATION	ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY	(1) PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	CAPITAL LEASES							
2008	\$ 30,955,000	\$ 922,465	\$ 197,695	\$	32,075,160	20,643	\$ 3,159,802,495	1.02%	5.77%	\$ 1,554
2009	29,893,788	704,600	82,371		30,680,759	20,727	3,091,966,246	0.99%	5.46%	1,480
2010	47,991,220	554,300	173,300		48,718,820	20,696	2,859,706,688	1.70%	5.92%	2,354
2011	54,053,311	423,904	137,726		54,614,941	20,486	2,843,484,286	1.92%	6.42%	2,666
2012	66,287,228	275,036	207,688		66,769,952	20,486	2,694,090,728	2.48%	8.00%	3,259
2013	63,218,248	140,261	148,816		63,507,325	20,486	2,595,430,274	2.45%	7.43%	3,100
2014	59,347,243	-	85,153		59,432,396	20,626	2,802,933,115	2.12%	7.09%	2,881
2015	60,252,060	570,250	29,340		60,851,650	20,626	2,837,611,566	2.14%	7.26%	2,950
2016	55,785,189	570,250	-		56,355,439	20,626	2,905,692,842	1.94%	6.72%	2,732
2017	51,616,791	557,250	-		52,174,041	20,679	2,911,651,900	1.79%	6.44%	2,523

(1) Personal income can be found on Table 13.

(2) State of Connecticut, Department of Public Health.

Note: All of the Town's bonded debt is general obligation debt and the Town does not have any restricted resources for the payment of this debt.
Details of the Town's outstanding debt can be found in the notes to the basic financial statements.

TABLE 9

**TOWN OF BLOOMFIELD, CONNECTICUT
RATIOS OF GENERAL DEBT OUTSTANDING
LAST TEN YEARS
(UNAUDITED)**

YEAR ENDED JUNE 30	GENERAL DEBT OUTSTANDING		PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
		GENERAL OBLIGATION BONDS		
2008	\$	30,955,000	1.02%	\$ 1,554
2009		29,893,788	0.99%	1,480
2010		47,991,220	1.70%	2,354
2011		50,820,000	1.92%	2,666
2012		63,160,000	2.48%	3,259
2013		63,218,248	2.45%	3,100
2014		55,625,000	2.12%	2,881
2015		60,252,060	2.14%	2,950
2016		55,785,189	1.94%	2,732
2017		51,616,791	1.79%	2,523

Note: All of the Town's bonded debt is general obligation debt and the Town does not have any restricted resources for the payment of this debt.

Details of the Town's outstanding debt can be found in the notes to the basic financial statements.

TOWN OF BLOOMFIELD, CONNECTICUT
COMPUTATION OF DIRECT AND OVERLAPPING INDEBTEDNESS
JUNE 30, 2017
(UNAUDITED)

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	ESTIMATED SHARE OF OVERLAPPING DEBT
Metropolitan District Commission	\$ 949,066,285	7.36%	\$ 69,851,279
Subtotal, overlapping debt			69,851,279
Town of Bloomfield direct debt, including capital leases			52,174,041
TOTAL DIRECT AND OVERLAPPING DEBT			\$ 122,025,320

Sources: Debt outstanding and the applicable percentage provided by the Metropolitan District Commission.

Note: The Metropolitan District Commission is a regional sewer and water authority of which the Town of Bloomfield is a member. The applicable percentage is calculated by a proration based on the tax collections of the eight member towns.

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
JUNE 30, 2017
(THOUSANDS)

TOTAL TAX COLLECTIONS (including interest and lien fees) for the year ended June 30, 2017:

Town of Bloomfield	\$	74,578
Fire Districts		<u>2,778</u>

BASE FOR DEBT LIMITATION COMPUTATION \$ 77,356

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewer</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
DEBT LIMITATION:					
2 1/4 times base	\$ 174,051	\$	\$	\$	\$
4 1/2 times base		348,102			
3 3/4 times base			290,085		
3 1/4 times base				251,407	
3 times base					<u>232,068</u>
TOTAL LIMITATIONS	<u>174,051</u>	<u>348,102</u>	<u>290,085</u>	<u>251,407</u>	<u>232,068</u>
INDEBTEDNESS:					
Bonds payable	4,132	43,654	444		
Overlapping debt			69,851		
Authorized, unissued	33,983	34,516			
Less: state grants received		(25,480)			
Fire district bonds	<u>2,107</u>				
TOTAL INDEBTEDNESS (1)	<u>40,222</u>	<u>52,690</u>	<u>70,295</u>	<u>-</u>	<u>-</u>
DEBT LIMITATION IN EXCESS OF OUTSTANDING DEBT	<u>\$ 133,829</u>	<u>\$ 295,412</u>	<u>\$ 219,790</u>	<u>\$ 251,407</u>	<u>\$ 232,068</u>

(1) The total of the above indebtedness amounts to: \$ 163,207

In no event shall total indebtedness exceed seven time the base for debt limitation computation: \$ 541,492

**TOWN OF BLOOMFIELD, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
(UNAUDITED)**

YEAR ENDED JUNE 30	DEBT LIMIT	NET DEBT APPLICABLE TO LIMIT	LEGAL DEBT MARGIN	TOTAL NET DEBT APPLICABLE
2008	\$ 422,256,373	\$ 41,315,684	\$ 380,940,689	9.78%
2009	442,077,062	40,898,842	401,178,220	9.25%
2010	450,472,197	63,929,418	386,542,779	14.19%
2011	450,300,000	129,679,000	320,621,000	28.80%
2012	481,663,742	133,922,227	347,741,515	27.80%
2013	500,331,167	142,281,769	358,049,398	28.44%
2014	521,535,000	139,897,000	381,638,000	26.82%
2015	527,984,401	137,872,008	390,112,393	26.11%
2016	535,429,000	132,734,407	402,694,593	24.79%
2017	541,491,457	163,207,453	378,284,004	30.14%

**TOWN OF BLOOMFIELD, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
(UNAUDITED)**

YEAR ENDED JUNE 30	POPULATION	PERSONAL INCOME	(1) PER CAPITA INCOME	(2) SCHOOL ENROLLMENT	(3) UNEMPLOYMENT PERCENTAGE
2008	20,643	\$ 560,127,162	\$ 28,843	2,215	6.5%
2009	20,727	562,406,418	28,843	2,336	8.9%
2010	20,696	822,417,648	39,738	2,280	10.8%
2011	20,486	850,250,944	41,504	2,135	10.1%
2012	20,486	835,029,846	40,761	2,114	10.0%
2013	20,486	854,307,172	41,702	2,151	9.2%
2014	20,626	838,735,664	40,664	2,087	8.2%
2015	20,626	838,735,664	40,664	2,032	6.2%
2016	20,626	838,735,664	40,664	2,067	6.5%
2017	20,679	809,686,245	39,155	2,145	5.8%

(1) U.S. Bureau of Census - 2008-2009 (2000 Census); 2010-2017 - American Community Survey compiled by DECD

(2) Town of Bloomfield Board of Education

(3) State of Connecticut Department of Labor

TABLE 14

**TOWN OF BLOOMFIELD, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
(UNAUDITED)**

EMPLOYER	2017			2008		
	(1) EMPLOYEES	RANK	PERCENTAGE OF TOTAL TOWN EMPLOYMENT	(1) EMPLOYEES	RANK	PERCENTAGE OF TOTAL TOWN EMPLOYMENT
Cigna Corp	4,224	1	38.13%	3,463	1	21.60%
Kaman Aerospace Corporation	1,027	2	9.27%	924	2	5.76%
Town of Bloomfield	633	3	5.71%	643	3	4.01%
Kaman Specialty Bearings	470	4	4.24%			
Jacobs Vehicle Systems	450	5	4.06%	475	5	2.96%
Hartford Healthcare at Home	450	6	4.06%			
Seabury	400	7	3.61%	400	6	2.50%
Otis Elevator	350	8	3.16%			
Lumentum	270	9	2.44%			
Duncaster Retirement Community	250	10	2.26%	276	7	1.72%
Homegoods Distribution Center				572	4	3.57%
Pepperidge Farms				260	8	1.62%
Coherent Deos				220	9	1.37%
Beacon Industries				150		0.94%
TOTAL	<u>8,524</u>		<u>76.94%</u>	<u>7,383</u>	10	<u>46.05%</u>

(1) State of CT Department of Labor/ Infogroup Study to identify Top Ten Employers and ESRI data using employment data reported by specific employers.

TABLE 15

**TOWN OF BLOOMFIELD, CONNECTICUT
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN YEARS
(UNAUDITED)**

FUNCTION	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
TOWN:										
Administration	26.0	26.0	26.0	25.0	25.0	25.0	25.0	24.0	24.0	24.0
Planning and development	9.0	9.0	7.0	7.0	7.0	7.0	7.0	8.0	10.0	9.0
Boards and agencies	1.5	1.0	2.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0
Public safety sworn	48.0	48.0	49.0	49.0	49.0	48.0	48.0	48.0	51.0	51.0
Public safety civilian	14.5	15.5	12.0	14.0	14.0	14.0	14.0	14.0	16.0	16.0
Public works	27.0	27.0	27.0	27.0	27.0	26.0	26.0	27.0	27.0	27.0
Leisure services	4.0	4.0	4.0	4.0	4.5	4.0	4.0	4.0	4.0	4.0
Public libraries	16.3	17.8	19.0	19.0	19.0	21.0	21.0	21.0	20.0	21.0
Human services	14.0	13.5	12.0	12.0	12.5	11.5	11.5	11.5	13.5	13.5
Facilities	8.0	8.0	8.0	8.0	8.0	9.0	9.0	9.0	10.0	10.0
Fixed charges	-	-	-	-	0.5	0.5	0.5	0.5	0.5	0.5
BOARD OF EDUCATION:										
Certified	230.1	233.5	250.0	260.0	254.0	252.0	251.1	262.0	250.8	257.6
Non-certified	195.8	199.8	206.0	203.0	199.0	207.0	206.0	216.0	202.5	212.5
GRAND TOTAL	594.20	603.10	622.00	629.0	620.5	626.0	625.1	647.0	631.3	648.1

TABLE 16

**TOWN OF BLOOMFIELD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
LAST TEN YEARS
(UNAUDITED)**

FUNCTION	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Administration:										
Marriage licenses issued	164	157	171	167	162	182	213	199	165	149
Birth certificates issued	193	156	198	146	182	164	201	184	188	179
Death certificates issued	293	284	323	305	291	306	297	293	304	292
Boards and Agencies:										
Registered voters	13,960	12,408	15,263	15,378	14,817	14,037	14,204	14,394	14,785	14,096
Elections and referenda	2	2	2	2	2	2	2	2	3	3
Planning and Development:										
Building permits issued	1,199	1,978	530	359	352	436	361	285	340	412
Value of building permits	\$ 98,322,000	\$ 171,310,000	\$ 33,406,000	\$ 17,957,000	\$ 16,342,000	\$ 21,798,000	\$ 29,482,000	\$ 14,381,000	\$ 44,470,129	\$ 60,243,144
Public Safety:										
Calls for service	38,308	40,139	35,767	40,134	31,610	24,747	22,890	28,961	26,389	23,014
Citations issued	2,774	3,934	1,978	2,727	2,307	2,931	3,446	4,803	4,306	3,922
Public Works:										
Miles of roads maintained	111	111	111	111	111	111	111	111	111	111
Acres of grounds maintained	2,670	2,670	1,342	1,342	1,342	1,342	1,342	1,342	1,342	1,342
Leisure Services:										
Summer season programs	235	256	235	195	173	159	163	175	171	171
Indoor season programs	119	120	142	134	127	121	124	120	111	111
Public Libraries:										
Items circulated	159,386	168,077	189,736	208,641	224,771	226,517	232,223	253,341	258,489	260,526
Human Services:										
Meals on wheels provided	1,732	1,107	2,148	2,453	3,736	4,438	4,438	4,483	5,379	6,709
Senior mini-bus trips	25,294	24,444	26,738	27,271	26,175	23,975	22,082	21,053	21,251	21,506
Households provided energy assistance	867	1,022	1,002	1,271	996	913	1,146	961	1,112	864
Households provided food bank assistance	215	250	960	1,680	2,130	1,600	1,542	1,422	941	401
Education:										
Elementary schools	3	3	3	3	3	3	3	3	3	3
Middle schools	2	2	2	2	2	2	1	1	1	1
High schools	1	1	1	1	1	1	1	1	1	1
Magnet high schools	1	1	1	1	1	1	1	1	1	1

*Adjustment made in 2016 to include open fields which were previously excluded. Prior year data has been restated.

TABLE 17

**TOWN OF BLOOMFIELD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN YEARS
(UNAUDITED)**

FUNCTION	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Public Safety:										
Police stations	1	1	1	1	1	1	1	1	1	1
Public Works:										
Miles of town roads	111	111	111	111	111	111	111	111	111	111
Linear feet of sidewalks	100,848	100,637	318,075	318,075	318,075	318,075	318,075	318,075	318,075	318,075
Leisure Services:										
Parks and greens	36	36	36	36	36	36	36	36	36	36
Swimming pools	1	1	1	1	1	1	1	1	1	1
Public Libraries:										
Libraries	2	2	2	2	2	2	2	2	2	2
Human Services:										
Community center	1	1	1	1	1	1	1	1	1	1
Senior mini-buses	7	6	6	6	6	6	5	5	5	5
Education:										
Schools	7	7	7	7	7	7	6	6	6	6