

**PRELIMINARY OFFICIAL STATEMENT DATED JUNE 13, 2024**

**New Issue: Book-Entry Only**

**Ratings: See "Ratings" herein.**

*In the opinion of Bond Counsel, rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with certain representations and covenants relating to the applicable requirements of the Internal Revenue Code of 1986 (the "Code"), under existing law, interest on the Bonds and the Notes is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds and the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds and the Notes. (See "Tax Matters" herein.)*



**Town of Fairfield, Connecticut**  
**\$33,890,000**  
**General Obligation Bonds, Issue of 2024**

**Dated: Date of Delivery**

**Due: Serially on July 1,  
as detailed inside this front cover:**

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

Interest on the Bonds will be payable January 1, 2025 and semiannually thereafter on January 1 and July 1 in each year until maturity. The Bonds will be issued in book-entry-only form whereby the beneficial owners of the Bonds will not receive physical delivery of bond certificates. Principal of, and interest payments on, the Bonds will be made by the Town to The Depository Trust Company, New York, New York ("DTC"), or its nominee, as registered owner of the Bonds. DTC will credit its participants in accordance with their respective holdings shown in the records of DTC. It is anticipated that the beneficial owners of the Bonds will receive payment or credit from DTC participants and other nominees of the beneficial owners. Ownership of the Bonds may be in principal amounts of \$5,000 or integral multiples thereof. (*See* "Book-Entry-Only Transfer System" herein.)

**THE BONDS ARE SUBJECT TO REDEMPTION PRIOR TO MATURITY.**

**Electronic bids via MuniAuction for the Bonds will be received between 11:00 A.M. and 11:15 A.M. (E.D.T.) on Thursday, June 20, 2024 at the Town of Fairfield, John J. Sullivan Independence Town Hall, 725 Old Post Road, Office of the First Selectman, Fairfield, Connecticut, 06824, as described in the official Notice of Sale (see Appendix F attached).**

---

**\$8,860,000**

**General Obligation Bond Anticipation Notes**

**Dated: July 5, 2024**

**Due: July 3, 2025**

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

The Notes will be issued in book-entry-only form and will be registered in the name of Cede & Co., as note owner and nominee for DTC, New York, New York. Ownership of the Notes may be in principal amounts of \$5,000 or integral multiples thereof. (*See* "Book-Entry-Only Transfer System" herein.) The Notes are not subject to redemption prior to maturity.

**Electronic bids via MuniAuction for the Notes will be received between 11:30 A.M. and 11:45 A.M. (E.D.T.) on Thursday, June 20, 2024 at the Town of Fairfield, John J. Sullivan Independence Town Hall, 725 Old Post Road, Office of the First Selectman, Fairfield, Connecticut, 06824, as described in the official Notice of Sale (see Appendix G attached).**

The Registrar, Transfer Agent, Paying Agent, and Certifying Agent will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut 06103.

The Bonds and Notes are offered for delivery when, as and if issued, subject to the approving opinions of Pullman & Comley, LLC, Bond Counsel, of Bridgeport and Hartford, Connecticut and certain other conditions. It is expected that delivery of the Bonds and Notes in book-entry-only form will be made to DTC on or about July 5, 2024.



This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**Town of Fairfield, Connecticut**  
**\$33,890,000**  
**General Obligation Bonds, Issue of 2024**

**Dated: Date of Delivery**

**Due: Serially on July 1, as detailed below:**

**Maturity Schedule and Amounts**

<b>Year</b>	<b>Principal</b>	<b>Coupon</b>	<b>Yield</b>	<b>CUSIP<sup>1</sup></b>	<b>Year</b>	<b>Principal</b>	<b>Coupon</b>	<b>Yield</b>	<b>CUSIP<sup>1</sup></b>
2025	\$ 1,700,000	._%	._%	304244__	2035	\$ 1,700,000	._%	._%	304244__
2026	1,700,000	._%	._%	304244__	2036	1,700,000	._%	._%	304244__
2027	1,700,000	._%	._%	304244__	2037	1,700,000	._%	._%	304244__
2028	1,700,000	._%	._%	304244__	2038	1,695,000	._%	._%	304244__
2029	1,700,000	._%	._%	304244__	2039	1,690,000	._%	._%	304244__
2030	1,700,000	._%	._%	304244__	2040	1,690,000	._%	._%	304244__
2031	1,700,000	._%	._%	304244__	2041	1,690,000	._%	._%	304244__
2032	1,700,000	._%	._%	304244__	2042	1,675,000	._%	._%	304244__
2033	1,700,000	._%	._%	304244__	2043	1,675,000	._%	._%	304244__
2034	1,700,000	._%	._%	304244__	2044	1,675,000	._%	._%	304244__

**\$8,860,000**

**General Obligation Bond Anticipation Notes**

**Dated: July 5, 2024**

**Rate: .\_%**

**Due: July 3, 2025**

**Yield: .\_%**

**CUSIP:<sup>1</sup> 304244\_\_**

**Underwriter: tbd**

<sup>1</sup> CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems, Inc, which is not affiliated with the Town and are included solely for the convenience of the holders of the Bonds and the Notes. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds and the Notes or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds and the Notes as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds and the Notes.

No dealer, broker, salesperson or other person has been authorized by the Town to give any information or to make any representations not contained in this Official Statement or any supplement, which may be issued hereto, and if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor any sale of the Bonds or the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

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

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

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

Any references to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, any such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

This Official Statement may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Without limiting the foregoing, the words "may," "believe," "could," "might," "possible," "potential," "project," "will," "should," "expect," "intend," "plan," "predict," "anticipate," "estimate," "approximate," "contemplate," "continue," "target," "goal" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. All forward-looking statements included in this Official Statement are based on information available to the Town up to the date as of which such statements are to be made, or otherwise up to, and including, the date of this document, and the Town assumes no obligation to update any such forward-looking statements to reflect events or circumstances that arise after the date hereof or after the date of any report containing such forward-looking statement, as applicable. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain important factors, including, but not limited to (i) the effect of and from, future municipal, state and federal budgetary matters, including state and federal grants and other forms of financial aid to the Town; (ii) federal tax policy, including the deductibility of state and local taxes for federal tax purposes; (iii) macroeconomic economic and business developments, both for the country as a whole and particularly affecting the Town; (iv) financial services industry developments; (v) litigation or arbitration; (vi) climate and weather related developments, natural disasters and other acts of God; (vii) factors used in estimating future obligations of the Town; (viii) the effects of epidemics and pandemics, including economic effects; (ix) foreign Hostilities or wars; (x) foreign or domestic terrorism or domestic violent extremism; and (xi) other factors contained in this Official Statement.

*(The remainder of this page intentionally left blank.)*

# TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
<b>I. Bond &amp; Note Information</b>		<b>IV. Tax Base Data</b>	
Introduction .....	3	Property Tax .....	28
Global Health Emergency Risk .....	3	Assessments .....	28
Cybersecurity .....	4	Levy .....	29
Climate Change .....	4	Net Taxable Grand List .....	29
Municipal Advisor .....	5	Ten Largest Taxpayers .....	29
Description of the Bonds .....	5	Tax Exempt Property .....	30
Redemption Provisions .....	5	Property Tax Levies and Collections .....	30
Description of the Notes .....	6	<b>V. Debt Summary</b>	
Authorization and Purpose .....	6	Principal Amount of Bonded Indebtedness .....	31
Use of Proceeds .....	6	Long-Term Debt .....	31
Book-Entry-Only Transfer System .....	7	Short-Term Debt .....	32
DTC Practices .....	8	Annual Bonded Debt Maturity Schedule .....	32
Replacement Bonds .....	8	Overlapping/Underlying Debt .....	33
Security and Remedies .....	8	Clean Water Fund Program .....	33
Qualification for Financial Institutions .....	9	Debt Statement .....	34
Availability of Continuing Disclosure Information .....	9	Current Debt Ratios .....	34
Ratings .....	9	Temporary Financing .....	35
Tax Matters .....	10	Authorized But Unissued Debt .....	36
Legal Opinion .....	11	Statement of Statutory Debt Limitation .....	37
Registrar, Transfer Agent, Paying Agent and Certifying Agent .....	11	Principal Amount of Outstanding Debt .....	38
<b>II. The Issuer</b>		Ratio of Net Long-Term Debt to Valuation, Population and Income .....	38
Description of the Issuer .....	12	Ratio of Annual General Fund Long-Term Debt Service Expenditures to Total General Fund Expenditures .....	38
Form of Government .....	13	Capital Improvement Plan .....	39
Organization Chart .....	14	<b>VI. Financial Administration</b>	
Principal Municipal Officials .....	15	Fiscal Year .....	40
Employee Relations .....	15	Basis of Accounting .....	40
Full-Time Municipal Employees .....	15	Budget Procedure .....	40
General Government Employees by Department .....	15	Audit .....	40
Municipal Employee Bargaining Groups .....	16	Risk Management .....	41
Binding Arbitration .....	16	Pensions .....	42
Municipal Services .....	17	Other Post-Employment Benefits .....	44
Educational System .....	20	Investment of Operating Funds .....	45
School Projects .....	21	General Fund Revenues and Expenditures .....	46
School Facilities .....	22	Analysis of General Fund Equity .....	46
School Enrollment .....	22	<b>VII. Legal and Other Information</b>	
<b>III. Economic and Demographic Information</b>		Legal Matters .....	47
Population and Density .....	23	Litigation .....	47
Age Distribution of the Population .....	23	Transcript and Documents Furnished at Delivery .....	48
Educational Attainment .....	23	Concluding Statement .....	49
Income Levels .....	24	<b>Appendix A - Excerpts from the Town's Annual     Comprehensive Financial Report FYE 2023</b>	
Income Distribution .....	24	<b>Appendix B - Form of Opinion of Bond Counsel - The Bonds</b>	
Major Employers .....	24	<b>Appendix C - Form of Opinion of Bond Counsel - The Notes</b>	
Employment by Industry .....	25	<b>Appendix D - Form of Continuing Disclosure     Agreement - The Bonds</b>	
Percentage Unemployed .....	25	<b>Appendix E - Form of Continuing Disclosure     Agreement - The Notes</b>	
Land Use Summary .....	26	<b>Appendix F - Notice of Sale - The Bonds</b>	
Housing Inventory .....	26	<b>Appendix G - Notice of Sale - The Notes</b>	
Age Characteristics of Housing .....	26		
Value of Owner-Occupied Housing .....	27		
Building Permits .....	27		

## **Bond Issue Summary**

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

<b>Date of Sale:</b>	Thursday, June 20, 2024 from 11:00 A.M. until 11:15 A.M. (E.D.T.).
<b>Location of Sale:</b>	Town of Fairfield, John J. Sullivan Independence Town Hall, 725 Old Post Road, Office of the First Selectman, Fairfield, Connecticut, 06824.
<b>Issuer:</b>	Town of Fairfield, Connecticut (the "Town").
<b>Issue:</b>	\$33,890,000 General Obligation Bonds, Issue of 2024 (the "Bonds").
<b>Dated Date:</b>	Date of delivery
<b>Principal and Interest Due:</b>	Principal due serially July 1, 2025 through July 1, 2044. Interest due January 1, 2025 and semiannually thereafter on January 1 and July 1 in each year until maturity.
<b>Purpose:</b>	The Bond proceeds will be used to finance and refinance general purpose, school and sewer projects.
<b>Redemption:</b>	The Bonds are subject to redemption prior to maturity, as more fully described herein.
<b>Security:</b>	The Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
<b>Credit Rating:</b>	Application for a rating on the Bonds was made to Moody's Investors Service ("Moody's") and to S&P Global Ratings ("S&P"). The Town's outstanding bond ratings from Moody's and S&P are "Aaa" and "AAA", respectively.
<b>Bond Insurance:</b>	The Town has not purchased a credit enhancement facility.
<b>Basis of Award:</b>	Lowest True Interest Cost (TIC).
<b>Tax Exemption:</b>	See "Tax Matters" herein.
<b>Bank Qualification:</b>	The Bonds <u>shall NOT</u> be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds.
<b>Continuing Disclosure:</b>	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided: 1) annual financial information and operating data, 2) notice of the occurrence of certain events with respect to the Bonds within ten (10) business days of such event, and 3) timely notice of a failure by the Town to provide the required financial information, pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix D to this Official Statement.
<b>Registrar, Transfer Agent, Certifying Agent, and Paying Agent:</b>	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27 <sup>th</sup> Floor, Hartford, Connecticut 06103.
<b>Municipal Advisor:</b>	Phoenix Advisors, LLC of Milford, Connecticut will act as Municipal Advisor. Phone: (203) 878-4945.
<b>Legal Opinion:</b>	Pullman & Comley, LLC, of Bridgeport and Hartford, Connecticut will act as Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Bonds in book-entry-only form will be made on or about July 5, 2024 against payment in Federal Funds.
<b>Issuer Official:</b>	Questions concerning the Official Statement should be addressed to Mr. David M. Becker, Interim Chief Fiscal Officer, John J. Sullivan Independence Town Hall, 725 Old Post Road, Finance Department, Fairfield, Connecticut, 06824. Telephone (203) 256-3065.

## **Note Issue Summary**

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

<b>Date of Sale:</b>	Thursday, June 20, 2024 from 11:30 A.M. until 11:45 A.M. (E.D.T.).
<b>Location of Sale:</b>	Town of Fairfield, John J. Sullivan Independence Town Hall, 725 Old Post Road, Office of the First Selectman, Fairfield, Connecticut, 06824.
<b>Issuer:</b>	Town of Fairfield, Connecticut (the "Town").
<b>Issue:</b>	\$8,860,000 General Obligation Bond Anticipation Notes (the "Notes").
<b>Dated Date:</b>	July 5, 2024.
<b>Principal Due:</b>	At maturity: July 3, 2025.
<b>Interest Due:</b>	At maturity: July 3, 2025.
<b>Purpose:</b>	The Notes are being issued (i) to refund a portion of bond anticipation notes maturing on July 5, 2024 that initially were issued for various school and general purpose projects and (ii) to finance various new general purpose and sewer projects.
<b>Redemption:</b>	The Notes are <u>NOT</u> subject to redemption prior to maturity.
<b>Security:</b>	The Notes will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of principal of and interest on the Notes when due.
<b>Credit Rating:</b>	Application for a rating on the Notes was made to Moody's Investors Service and to S&P Global Ratings.
<b>Bond Insurance:</b>	The Town has not purchased a credit enhancement facility.
<b>Basis of Award:</b>	Lowest Net Interest Cost (NIC).
<b>Tax Exemption:</b>	See "Tax Matters" herein.
<b>Bank Qualification:</b>	The Notes <u>shall NOT</u> be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Notes.
<b>Continuing Disclosure:</b>	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, notices of certain events with respect to the Notes pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix E to this Official Statement.
<b>Registrar, Transfer Agent, Certifying Agent, and Paying Agent:</b>	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27 <sup>th</sup> Floor, Hartford, Connecticut 06103.
<b>Municipal Advisor:</b>	Phoenix Advisors, LLC of Milford, Connecticut will act as Municipal Advisor. Phone: (203) 878-4945.
<b>Legal Opinion:</b>	Pullman & Comley, LLC, of Bridgeport and Hartford, Connecticut will act as Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Notes in book-entry-only form will be made on or about July 5, 2024 against payment in Federal Funds.
<b>Issuer Official:</b>	Questions concerning the Official Statement should be addressed to Mr. David M. Becker, Interim Chief Fiscal Officer, John J. Sullivan Independence Town Hall, 725 Old Post Road, Finance Department, Fairfield, Connecticut, 06824. Telephone (203) 256-3065.

## ***I. Bond & Note Information***

### ***Introduction***

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Fairfield, Connecticut (the “Town”) in connection with the issuance and sale of the Town’s \$33,890,000 General Obligation Bonds, Issue of 2024 (the “Bonds”) and \$8,860,000 General Obligation Bond Anticipation Notes (the “Notes”) of the Town.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds and the Notes. Any statement made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof.

All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the original official documents; and all references to the Bonds and the Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive forms of the Bonds and the Notes and such proceedings.

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

Bond Counsel is not passing on and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement other than as to matters expressly set forth herein as its opinion and it makes no representation that it has independently verified the same.

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

The Town will enter into continuing disclosure agreements with respect to the Bonds and the Notes, substantially in the forms attached as Appendices D and E to this Official Statement (the “Continuing Disclosure Agreements”), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, (i) annual financial information and operating data, with respect to the Bonds, (ii) timely notice of the occurrence of certain events within 10 days of the occurrence of such events, with respect to the Bonds and Notes, (iii) timely notice of failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement with respect to the Bonds.

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

### ***Global Health Emergency Risk***

#### ***The COVID-19 Outbreak and Future Pandemics***

On January 30, 2020, the outbreak of COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 outbreak. On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut (the “State”) and took steps to mitigate the spread and impacts of COVID-19. As of May 11, 2023, the federal and State public health emergency declarations have been terminated.

In response to the COVID-19 pandemic, on March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (the “Rescue Plan”) that provided various forms of financial assistance and other relief to state and local governments. The Town received \$24,830,566 from the Rescue Plan. The Town developed a plan for the use of such funds that focuses on infrastructure improvements and other initiatives that comply with the program eligibility criteria.

For information concerning the State's actions in response to COVID-19, see <https://portal.ct.gov/coronavirus>. Neither the Town, nor the parties involved with the issuance of the Bonds or the Notes, has reviewed the information provided by the State on its website and such parties take no responsibility for the accuracy thereof.

To date, the COVID-19 outbreak has had no material adverse effect on the finances of the Town.

Pandemics, epidemics and other public health emergencies, may adversely impact the Town and its revenues, expenses and financial condition. The Town cannot predict the duration and extent of such pandemics, epidemics and other health emergencies, or quantify the magnitude of their ultimate impact on the State and regional economy, or on the revenues and expenses of the Town. Pandemics, epidemics and other health emergencies may be ongoing, and their dynamic nature may lead to many uncertainties, including (i) the geographic spread as they evolve; (ii) the severity as they mutate; (iii) the duration of the outbreak; (iv) actions that may be taken by governmental authorities to contain or mitigate future outbreaks; (v) the development of medical therapeutics or vaccinations; (vi) travel restrictions; (vii) the impact of the outbreak on the local, State or global economy; (viii) whether and to what extent the State Governor may order additional public health measures; and (ix) the impact of the outbreak and actions taken in response to the outbreak on Town revenues, expenses and financial condition.

Prospective investors should assume that restrictions and limitations related to COVID-19 and any future variants or pandemics may be instituted by the State or federal government.

### ***Cybersecurity***

The Town like many other public and private entities, relies on technology to conduct its operations. The Town and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls, including the use of virtual private networks, offsite servers and hosting platforms for its financial systems, multifactor authentication, advanced threat detection and prevention software, and maintains cyberinsurance. Additionally, the Town undertakes internal testing of its systems and maintains daily backup schedules, and air-gapped and geographically separated backup media. No assurances can be given, however, that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage the Town's digital networks and systems and the costs of remedying any such damage could be substantial.

### ***Climate Change***

Numerous scientific studies have detailed changing global weather patterns and the potential for an increasing number of extreme weather events across the world. Like much of Connecticut, the Town is vulnerable to inland wetland, small river and stream flooding. Additionally, the Town's location in Southern Connecticut on Long Island Sound increases its vulnerability to coastal flooding and storm surge. Finally, the Town faces other threats due to climate change, including damaging wind that could become more severe and frequent.

While the Town cannot predict the timing, extent or severity of climate change and its impact on the Town's operations and finances, the Town believes it holds sufficient reserves and annually budgets for contingencies to address unforeseen expenses resulting from the increasing frequency of severe weather. The Town is prepared to quickly respond and recover from any such events that might exceed its annual operating budget.

The Town is mitigating risks posed by climate change by undertaking many projects to protect against flooding and storm surge. There have been resiliency improvements to its Wastewater Treatment infrastructure such as the Waste Water Treatment Plant (WWTP) Hardening project, and the installation of a Micro-grid and a generator at the WWTP, both of which have been completed, and the design, review and replacement various Pump Stations throughout Town. The Town is completing, researching, and seeking grants for projects which address storm water mitigation, namely, construction of a bypass drainage system downtown; review of tide gate system; grant funding for benefit cost analyses, necessary for federal funding, at three coastal project sites. There is a continued emphasis on Storm Water Detention in the Rooster River area, including a state grant application for wetlands improvements, consisting of elimination of invasive species, and creation of open space and a streamside buffer on Villa Avenue. The Town is researching a funding proposal for sediment removal in marshes, rivers, streams, and culverts to improve conveyance.



In addition to the above projects, the Town is pursuing initiatives to reduce the impact of factors contributing to climate change. For example, the Town has installed a significant number of EV charging stations and encourages energy efficiencies throughout the community through a number of factors. The Town has also approved an Inflow and Infiltration improvement program of the Water Pollution Control Facility based upon a Sewer System Evaluation Survey report and is updating a Town wide Resiliency Master Plan this year.

**Municipal Advisor**

Phoenix Advisors, LLC, of Milford, Connecticut has served as Municipal Advisor to the Town with respect to the issuance of the Bonds and Notes (the "Municipal Advisor"). The information in this Official Statement has been prepared by the Town with the help of the Municipal Advisor. The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the appendices hereto.

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

**Description of the Bonds**

The \$33,890,000 principal amount of the Bonds will be payable serially as set forth on the inside cover page of this Official Statement. The Bonds will be dated on the date of delivery and will pay interest on January 1, 2025 and semiannually thereafter on July 1 and January 1 in each year until maturity. Interest will be calculated on the basis of twelve thirty-day months and a 360-day year. Interest is payable to the registered owner as of the fifteenth day of June and December in each year, or the preceding business day if such fifteenth day is not a business day, by check mailed to the registered owner or, so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC and the Town shall agree. The Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. The Bonds will be payable at the principal office of U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut 06103.

**Redemption Provisions**

The Bonds maturing on or before July 1, 2032 are not subject to redemption prior to maturity. The Bonds maturing on July 1, 2033 and thereafter are subject to redemption prior to maturity, at the election of the Town, on or after July 1, 2032, at any time, in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine, at the redemption price or prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
July 1, 2032 and thereafter.....	100.0%

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

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

The Town, so long as a book-entry system is used for the Bonds, will send any notice of redemption only to DTC (or successor securities depository) or its nominee. Any failure of DTC to advise any DTC Participant, or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of portions of the Bonds of any maturity by the Town will reduce the outstanding principal amount of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interest held by DTC Participants in the Bonds to be redeemed, the interest to be reduced by such redemptions in accordance with its own rules

or other agreements with DTC Participants. The DTC Participants and Indirect Participants may allocate reductions of the interests in the Bonds to be redeemed held by the Beneficial Owners. Any such allocation of reductions of interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by the Town, the Registrar or Paying Agent.

**Description of the Notes**

The Notes will be dated July 5, 2024 and will be due and payable as to both principal and interest at maturity, July 3, 2025. The Notes will bear interest calculated on the basis of twelve 30-day months and a 360-day year at such rate or rates per annum as are specified by the successful bidder or bidders. A book-entry system will be employed evidencing ownership of the Notes in principal amounts of \$5,000 or any multiple thereof, with transfers of ownership effected on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. See “Book-Entry Transfer System”. The Notes are not subject to redemption prior to maturity.

**Authorization and Purpose**

The Bonds and Notes are authorized pursuant to Title 7, Chapter 109, Sections 7-369 et seq. of the Connecticut General Statutes (“CGS”), as amended, the Town Charter and by resolutions approved at various meetings of the Town’s Board of Selectmen, Board of Finance and Representative Town Meeting (the “RTM”).

**Use of Proceeds**

The Bonds and Notes are being issued to provide financing for the following projects. The allocation of proceeds to specific projects is subject to change.

<b>Project</b>	<b>Notes Due 7/5/2024</b>	<b>This Issue:</b>	
		<b>The Bonds</b>	<b>Notes Due: 7/3/2025</b>
Capital Non-Recurring FYE '22.....	-	684,901	-
Capital Non-Recurring FYE '23.....	-	375,000	-
Capital Non-Recurring FYE '24.....	1,670,000	2,081,298	1,140,000
Capital Non-Recurring- 20 YR FYE '25.....	-	-	1,640,000
Capital Non-Recurring - 10 YR FYE '25.....	-	-	130,000
Quincy St- Affordable Housing.....	1,500,000 <sup>1</sup>	-	-
Town-wide Facility Upgrades.....	-	974,889	-
Air Conditioning at Schools-Phase 1.....	-	10,000,000	-
Roof Replacement- Sherman and Riverfield.....	-	-	2,050,000
East Trunk Wetlands Crossing.....	2,000,000	2,000,000	-
Turney Creek/Riverside Dr Tide Gates.....	1,000,000	2,000,000	1,000,000
East Trunk Replacement Project.....	2,000,000	2,000,000	-
DPW Vehicles & Equipment Phase 2.....	-	1,755,000	-
Roof Replacement- Holland Hill and N Stratfield.....	-	-	2,400,000
Air Conditioning at Schools-Phase II thru V.....	-	900,000	-
Sherman Boiler Replacement.....	-	-	500,000
Tidegate Repair and Replacement Project.....	-	893,000	-
Traffic Signal Improvement Project.....	-	1,500,000	-
Sidewalk Accessibility Upgrades Project.....	-	2,000,000	-
WPCF Inflow and Infiltration Improve Phase V.....	-	500,000	-
WPCF Plant Equipment Improvements.....	-	6,225,912	-
<b>Total .....</b>	<b>\$ 8,170,000</b>	<b>\$ 33,890,000</b>	<b>\$ 8,860,000</b>

<sup>1</sup> The Town will pay these notes off at maturity with unspent note proceeds.

## **Book-Entry-Only Transfer System**

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

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

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

Principal and interest payments on, and redemption premium, if any, with respect to the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Town or Agent, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held

for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

### ***DTC Practices***

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

### ***Replacement Bonds or Notes***

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

### ***Security and Remedies***

The Bonds and the Notes will be general obligations of the Town and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds and the Notes when due.

Unless paid from other sources, the Bonds and the Notes are payable from general property tax revenues of the Town. The Town has the power under Connecticut statutes to levy ad valorem taxes on all property subject to taxation by the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income and of qualified disabled persons taxable at limited amounts. There was, however, no such certified forest land on the last completed grand list of the Town and under existing statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation on its power to tax such dwelling houses.

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

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

The Town is subject to suit on its general obligation debt and a court of competent jurisdiction has power in appropriate proceedings to render a judgment against the Town. A Court of competent jurisdiction also has the power in appropriate proceedings to order a payment of a judgment on such Bonds and Notes from funds lawfully available therefor or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts

could take into account all relevant factors, including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Bonds and the Notes would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors rights heretofore or hereafter enacted by the Congress or the Connecticut General Assembly extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied.

Section 7-566 of the Connecticut General Statutes, as amended, provides that no Connecticut municipality shall file a petition in bankruptcy under Chapter 9 of Title 11 of the United States Code without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State of Connecticut having the power to levy taxes and issue bonds or other obligations.

## ***THE TOWN OF FAIRFIELD HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES***

### ***Qualification for Financial Institutions***

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

### ***Availability of Continuing Disclosure Information***

The Town prepares, in accordance with State law, annual independent audited financial statements and files an annual report with the State of Connecticut's Office of Policy and Management on an annual basis.

In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the "Rule"), the Town will agree to provide, or cause to be provided with respect to the Bonds: 1) annual financial information and operating data, 2) notice of the occurrence of certain events within ten (10) business days of such event, and 3) timely notice of a failure by the Town to provide the required financial information, pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix D to this Official Statement. With respect to the Notes, the Town will agree to provide notice of the occurrence of certain events pursuant to the Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix E.

The Town has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds to provide certain annual financial information, operating data and event notices pursuant to the Rule. During the past five years, the Town has not failed to meet any of its undertakings under such agreement.

### ***Ratings***

Applications for ratings on the Bonds and the Notes were made to Moody's Investors Service ("Moody's") and to S&P Global Ratings ("S&P"). The Town's outstanding bond ratings from Moody's and S&P are "Aaa" and "AAA", respectively. The Town furnished the Rating Agencies certain information and materials, some of which may not have been included in this Official Statement. Such ratings reflect only the view of the Rating Agencies and will be subject to revision or withdrawal, which could affect the market price of the Bonds. The Rating Agencies should be contacted directly for an explanation of such ratings. No application was made to any other credit rating agency for the purpose of obtaining ratings on outstanding securities of the Town.

An explanation of the significance of a rating may be obtained only from the Rating Agencies. Generally, each Rating Agency's rating is based upon information and materials that it gathers, and upon its own investigations, studies and assumptions. There can be no assurance that a credit rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by a credit rating agency if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of a credit rating may have an adverse effect on the marketability or market price of the Town's outstanding securities.

## **Tax Matters**

**Federal Taxes.** In the opinion of Bond Counsel, under existing law, (i) interest on the Bonds and the Notes is excluded from gross income for federal income tax purposes, and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations.

Bond Counsel's opinion with respect to the Bonds and the Notes will be rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements of the Internal Revenue Code of 1986 (the "Code"). The Code and regulations promulgated thereunder establish certain requirements which must be satisfied at and subsequent to the issuance of the Bonds and the Notes in order that interest on the Bonds and the Notes be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds and the Notes to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds and the Notes irrespective of the date on which such noncompliance occurs. In the Tax Compliance Agreement, which will be delivered concurrently with the issuance of the Bonds and the Notes, the Town will covenant to comply with certain provisions of the Code and will make certain representations designed to assure compliance with such requirements of the Code including, but not limited to, investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of the Bond and the Note proceeds and certain other matters. The opinion of Bond Counsel delivered on the date of issuance of the Bonds and the Notes is conditioned upon compliance by the Town with such requirements.

No other opinion is expressed by Bond Counsel regarding the federal tax consequences of the ownership of, or the receipt or accrual of interest on, the Bonds and the Notes.

**Original Issue Discount.** The initial public offering prices of certain maturities of the Bonds may be less than the stated principal amount (the "OID Bonds"). Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds will constitute original issue discount. The offering prices relating to the yields set forth on the inside cover page of this Official Statement for such OID Bonds are expected to be the initial offering prices to the public (excluding bond houses and brokers) at which a substantial amount of the OID Bonds are sold. Under existing law, original issue discount on the OID Bonds accrued and properly allocable to the owners thereof under the Code is excludable from gross income for federal income tax purposes if interest on the OID Bonds is excludable from gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner's adjusted basis in an OID Bond purchased at an original issue discount, original issue discount is treated as having accrued while the owner holds such OID Bond and will be added to the owner's basis. The owner's adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of such an OID Bond.

Prospective purchasers of OID Bonds should consult their own tax advisors as to the calculation of accrued original issue discount, the accrual of original issue discount in the case of owners of OID Bonds purchasing such OID Bonds after the initial offering and sale, and the state and local tax consequences of owning or disposing of such OID Bonds.

**Original Issue Premium.** The initial public offering prices of certain maturities of the Bonds and the Notes may be more than their stated principal amounts payable at maturity (the "OIP Bonds and the Notes"). In general, an owner who purchases an OIP Bond or Note must amortize the original issue premium as provided in the applicable Treasury Regulations, and amortized premium reduces the owner's basis in the OIP Bond and Note for federal income tax purposes. Prospective purchasers of OIP Bonds or Notes at a premium to its principal amount should consult their tax advisors regarding the amortization of premium and its effect upon basis.

**Other Federal Tax Matters.** Prospective purchasers of the Bonds and the Notes should be aware that ownership of the Bonds and the Notes may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, certain insurance companies, recipients of Social Security or Railroad Retirement benefits, certain S corporations, foreign corporations subject to the branch profits tax, taxpayers eligible for the earned income credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Bond Counsel does not express any opinion regarding such collateral tax consequences. Prospective purchasers of the Bonds and the Notes should consult their tax advisors regarding collateral federal income tax consequences. Prospective purchasers of the Bonds and the Notes may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

**State Taxes.** In the opinion of Bond Counsel, under existing statutes, interest on the Bonds and the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

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

Accrued original issue discount on an OID Bond is also excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

Owners of the Bonds and the Notes should consult their own tax advisors with respect to the determination for state and local income tax purposes of original issue discount or original issue premium accrued upon sale or redemption thereof, and with respect to the state and local tax consequences of owning or disposing of such Bonds or Notes.

**Changes in Federal and State Tax Law.** Legislation affecting tax-exempt obligations is regularly considered by the United States Congress. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds and the Notes. There can be no assurance that legislation enacted or proposed, or actions by a court, after the issuance of the Bonds and the Notes will not have an adverse effect on the tax status of interest on the Bonds and the Notes or the market value or marketability of the Bonds and the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds and the Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

Investors in the Bonds and the Notes should be aware that future legislative actions may increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Bonds and the Notes for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds and the Notes may be adversely affected and the ability of holders to sell their Bonds or Notes in the secondary market may be reduced. The Bonds and the Notes are not subject to special mandatory redemption, and the interest rates on the Bonds and the Notes are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds and the Notes.

**General.** The opinion of Bond Counsel is rendered as of its date, and Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to its attention or any changes in law that may occur after the date of its opinion. Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the Internal Revenue Service or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

The discussion above does not purport to deal with all aspects of federal or state or local taxation that may be relevant to a particular owner of the Bonds and the Notes. Prospective owners of the Bonds and the Notes, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal, state and local tax consequences of owning and disposing of the Bonds and the Notes.

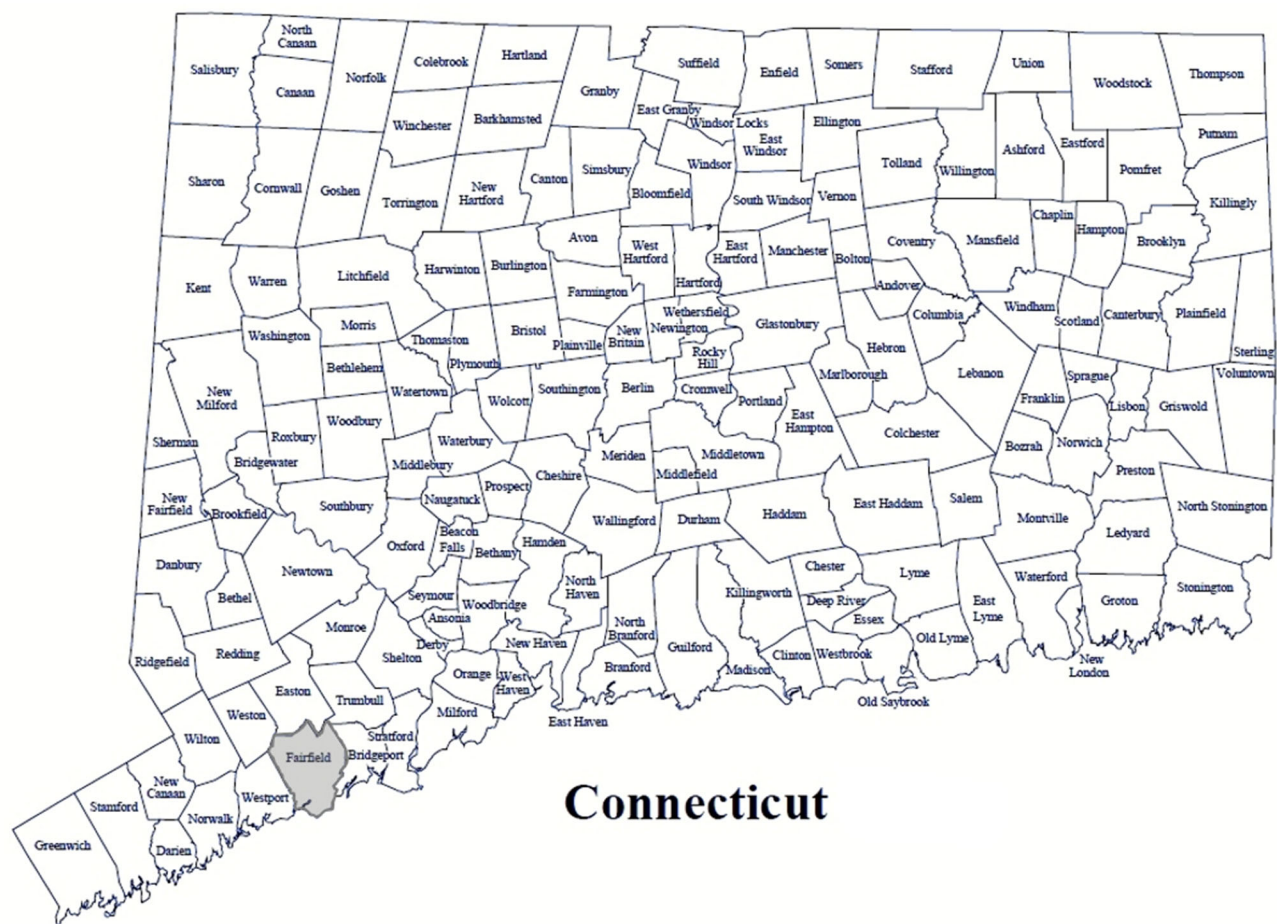
### ***Legal Opinion***

The legal opinions for the Bonds and the Notes will be rendered by Pullman & Comley, LLC in substantially the forms set forth in Appendix B and Appendix C, respectively, to this Official Statement.

### ***Registrar, Transfer Agent, Paying Agent and Certifying Agent***

The Registrar, Transfer Agent, Paying Agent and Certifying Agent for the Bonds and the Notes will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut 06103.

## II. The Issuer



### **Description of the Issuer**

Settled in 1639 as the ninth town in Connecticut, the Town of Fairfield was included in the Connecticut Colony in 1685. Covering a total area of 32.1 square miles at an elevation of 15 feet, the Town is located geographically in Fairfield County on Long Island Sound in the southwestern part of Connecticut. The Town is bordered by Westport to the west; Bridgeport to the east; and Weston, Easton and Trumbull to the north. Fairfield is 50 miles northeast from New York City; 51 miles southwest from Hartford; 106 miles southwest from Providence; and 141 miles southwest from Boston. The Southport area of Fairfield (settled in 1639) has been designated as a historic district for its harbor, churches, public buildings, and the homesteads of some of the Town's first families.

Fairfield is readily accessible by many major highways: from the east and west by Interstate 95 (the Connecticut Turnpike), the Merritt Parkway (Route 15), and U.S. Route 1 and from the north by State Routes 58 and 59. Access is readily available via I-95 to State Route 7 in Norwalk, and State Routes 8 and 25 in Bridgeport. These highways are well covered by motor truck service, as numerous interstate operators maintain local terminal facilities in the Fairfield area. Fairfield has three train stations (the Fairfield Station, Southport Station and Fairfield-Black Rock Station) providing passenger service on the Metro-North Commuter Railroad's New Haven Line with service south to Norwalk, Stamford and New York City and north to Bridgeport and New Haven, as well as linkage to Amtrak via connections in Stamford and Bridgeport. The Greater Bridgeport Transit Authority provides bus service to the community, and air transportation is available at Sikorsky Airport in nearby Stratford, Connecticut and the Metropolitan New York airports (LaGuardia, Kennedy and Newark). An automobile and passenger ferry service from Bridgeport to Port Jefferson, New York is available year-round, and a limousine service is available only a few minutes from Fairfield's downtown center.



Fairfield is primarily a residential community of homes in the middle and upper-price range, with significant commercial development. The Town is located in one of the highest per capita income areas of the United States, and a significant number of the Town's residents are executives, professionals, technicians and managers employed in New York City and in surrounding Fairfield County communities. Fairfield is part of the Bridgeport Labor Market Area, the Greater Bridgeport Economic Development Region, and the Greater Bridgeport Planning Area.

The Town utilizes an adopted Plan of Conservation and Development along with corresponding Zoning Regulations to maintain its suburban character which have been in effect since the 1920's, with numerous modifications. Both documents are currently under review. Approximately 80% of the Town's area is utilized for residential use. The Town has many well-planned shopping centers and professional office buildings, especially along the Post Road (U.S. Route 1) in the southern part of Town and along Black Rock Turnpike (State Route 58) in the northern part. United Illuminating Company, an electric utility is the Town's largest taxpayer. The Fairfield Chamber of Commerce, Inc., founded in 1946 by a handful of business owners, currently has more than 500 retail, service and professional members, and the Town is a member of the Western Regional Tourism District.

Fairfield University and Sacred Heart University are located within the Town, educating a total of over 13,000 students, and other institutions of higher learning are located within commuting distance. The Town has approximately 1,500 acres of parks and open space, with 1,000 acres dedicated for open space and 500 acres dedicated to organized active recreation. The Town operates two municipal golf courses, five public beaches along Long Island Sound, one public beach at Lake Mohegan, two marinas with 675 slips, and numerous ball fields and playgrounds. Fairfield boasts three libraries with extensive book collections and active cultural calendars. The Fairfield Public Library includes the Main Library on the Old Post Road, and the Fairfield Woods branch. Southport's independent Pequot Library shares a computer system with the Town's library. The Connecticut Audubon Society's Nature Center/Sanctuary is located within Town. Arts and cultural offerings include the Fairfield Theatre Company, the Regina A. Quick Center for the Performing Arts and Fairfield University Art Museum, both located on the campus of Fairfield University, as well as the newly opened SHU Community Theater. Chartered in 1903, the Fairfield Historical Society, a not-for-profit, privately supported, educational institution, operates a newly-constructed Museum and History Center, and the Ogden House & Gardens, an accurately restored and furnished 18th-century farmhouse.

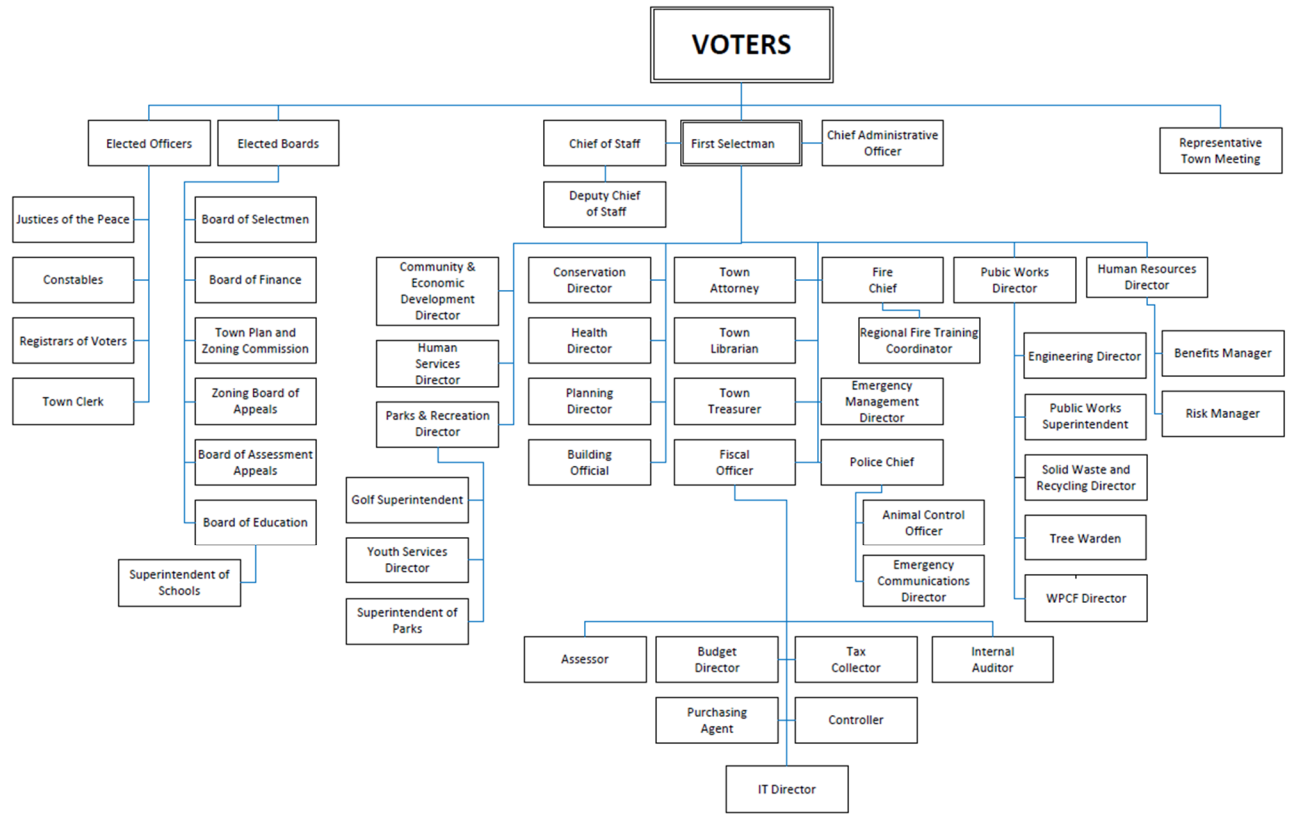
Fairfield residents enjoy proximity to three major hospitals: St. Vincent's Medical Center and Bridgeport Hospital both located in Bridgeport, and Norwalk Hospital in Norwalk. It is also served by all public utilities: The United Illuminating Company provides electric service; Southern Connecticut Gas Company provides gas service; Aquarion Water Company provides water service; and there are a variety of high speed internet and telecommunication providers. Fairfield residents enjoy broadcasting by WSHU, a part of the National Public Radio Group, and they can subscribe to a local newspaper published weekly, *The Fairfield Citizen-News*, as well as several online newspapers. Local news coverage is also provided by a daily Bridgeport newspaper, *The Connecticut Post*, *The New York Times* and *The Wall Street Journal*, as well as News 12.

## **Form of Government**

Pursuant to the Town Charter, the Town's form of government consists of a Representative Town Meeting ("RTM") with a Board of Selectmen and a Board of Finance. The Board of Selectmen consists of a First Selectman and two Selectmen each elected to four-year terms. The Board of Finance has nine members elected to staggered six-year terms (three members are elected every two years) and the RTM has 40 members elected to two-year terms. The First Selectman is the Chief Executive Officer of the Town, responsible for supervising and coordinating all matters pertaining to the delivery of the Town's programs and services. The Board of Finance recommends the Town budget to the RTM and lays the Town's tax rate. The RTM is a partisan body with 40 members representing 10 separate voting districts with four members elected from each district and is the Town's legislative body. The RTM approves the annual budget, all commission and board appointments made by the Board of Selectmen, supplemental appropriations and bond authorizations.

*(The remainder of this page intentionally left blank.)*

# Organization Chart



*(The remainder of this page intentionally left blank.)*

**Principal Municipal Officials**

<b>Office</b>	<b>Name</b>	<b>Manner of Selection</b>	<b>Term of Office</b>
First Selectman .....	William A. Gerber	Elected	November 2023-2027
Selectwoman .....	Christine Vitale	Elected	November 2023-2027
Selectwoman .....	Brenda L. Kupchick	Elected	November 2023-2027
Town Clerk .....	Betsy Browne	Elected	November 2023-2027
Board of Finance, Chairwoman ...	Lori T. Charlton	Elected	November 2019-2025
RTM, Moderator .....	Marcy Spolyar	Elected	November 2023-2025
Chief Fiscal Officer - Interim .....	David M. Becker	Appointed	Indefinite
Treasurer .....	David M. Kanter	Appointed	Indefinite

**Employee Relations**

The Town currently employs full-time personnel for general government and the Board of Education as shown by the table below:

**Full-Time Municipal Employees  
Last Five Fiscal Years**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
General Government .....	516	441	464	464	458
Board of Education <sup>1</sup> .....	1,563	1,554	1,526	1,550	1,516
<b>Total</b> .....	2,079	1,995	1,990	2,014	1,974

<sup>1</sup> Based upon full-time equivalents.

**General Government Employees by Department  
As of July 2024**

<b>Department</b>	<b>Full-Time Permanent</b>
Administration .....	68
Fire .....	100
Health & Social Services .....	38
Library .....	26
Parks & Recreation .....	21
Police .....	118
Public Works .....	76
<b>Total</b> .....	447

Source: Town of Fairfield, Finance Department.

**Municipal Employee Bargaining Groups  
As of July 2024**

<b>Occupation</b>	<b>General Government</b>	<b>Positions Covered</b>	<b>Current Contract Expiration Date</b>
Police .....	Connecticut Organization for Public Safety, Local 550, Connecticut Independent Labor Union .....	106	6/30/2025
Public Works .....	Local 67, Connecticut Independent Labor Union .....	81	6/30/2024 <sup>1</sup>
Firefighters .....	Local 1426, International Association of Firefighters, AFL – CIO .....	99	6/30/2025
Town Hall .....	United Public Service Employees Union, Local 222 .....	82	6/30/2025
Supervisors .....	Professional and Technical Employees, AFSCME, AFL-CIO .....	50	6/30/2023 <sup>1</sup>
Communications ..	Communications Workers of America, Local 1303 .....	22	6/30/2023 <sup>1</sup>
Nurses .....	Fairfield Public Health Nurses, Unit 34, Federation of Educational and Professional Employees, Connecticut State Federation of Teachers, American Federation of Teachers .....	41	6/30/2024 <sup>1</sup>
	Non-Bargaining Employees .....	35	--
	<b>Total General Government</b> .....	<b>516</b>	
	<b>Total Board of Education and General Government</b> .....	<b>2,079</b>	

<sup>1</sup> Contract is currently under negotiation.

Source: Town of Fairfield.

<b>Occupation</b>	<b>Board of Education</b>	<b>Positions Covered</b>	<b>Current Contract Expiration Date</b>
Teachers .....	Fairfield Education Association .....	1,019	6/30/2027
Administrators .....	Fairfield School Administrators Association .....	52	6/30/2025
Paraprofessionals ...	Fairfield Educational Paraprofessionals Association Civil Service Employees Affiliates, Inc. ....	242	6/30/2024 <sup>1</sup>
Secretaries .....	Fairfield Association of Educational Secretaries .....	75	6/30/2023 <sup>1</sup>
Custodians & Maintenance .....	Local 1779, Council #4, AFSCME, AFL-CIO .....	92	6/30/2025
Special Education Trainers .....	Fairfield Special Education Trainers Association, AFSCME, AFL-CIO .....	27	6/30/2022 <sup>1</sup>
	Non-Bargaining Employees .....	56	--
	<b>Total Board of Education</b> .....	<b>1,563</b>	

<sup>1</sup> Contract is currently in negotiation.

Source: Town of Fairfield, Board of Education.

**Binding Arbitration**

Sections 7-473c and 7-474 of the Connecticut General Statutes, as amended, provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, except certified teachers and administrative personnel.

Section 10-153f of the Connecticut General Statutes, as amended, provides a procedure for binding arbitration of collective bargaining agreements between local or regional boards of education and the exclusive representative of a bargaining unit of teachers or administrators.

## ***Municipal Services***

The Town provides the following public services as authorized under the Town Charter: general administrative services; public safety (police and fire); public works; health and social services; and culture, recreation and conservation.

**General Administrative Services:** Administrative services are provided by the following departments: the First Selectman's Office, Town Clerk, Town Planning & Zoning, the Conservation Commission, Legal Services, Human Resources and Economic Development. This division offers administrative support services to the general public, the Board of Selectmen, the RTM and most departments.

The Board of Finance has jurisdiction over the Finance Department, the Purchasing Department, the Assessor's Office, the Tax Department and Information Systems. Financial personnel within each department report to the Chief Fiscal Officer, who is responsible for the overall supervision of the Town's financial management.

**Public Safety:** This municipal service consists of five departments: Police, Fire, Animal Control, Emergency Management, and Fairfield County Regional Dispatch. This division is responsible for the security and safety of the community.

*Police Department.* The Police Department has 112 sworn officers consisting of a Chief, Deputy Chief, four Captains, 8 Lieutenants, 13 Sergeants, 15 Detectives and 70 Patrolmen; a Social Worker, and two Animal Control Officers in the Animal Control Unit. The department is divided into three bureaus: Administrative Services Bureau (Office of Professional Standards, Community Outreach, Training Division, IT, and Records Unit), Field Services Bureau (Patrol Division, Detective Division, and School Safety) and Special Services Bureau (Special Police, Animal Control, Accident Investigations, Motorcycle Unit, Marine Division, Dive Team, and the FCRD). The Field Services Bureau is the largest bureau in the Fairfield Police Department, consisting of uniformed officers and detectives responsible for performing a multitude of tasks, including: responding to calls for service (criminal complaints, motor vehicle accidents, recovery of stolen property, public assistance calls, and calls for medical assistance); enforcing motor vehicle laws, working with the public to prevent crimes, apprehending criminals and wanted persons, conducting follow-up investigations, writing reports for their activities, and patrolling neighborhoods, parks and streets. The Fairfield Police Commission, consisting of seven civilian commissioners, has general management and supervision of the department, and also serves as a civilian oversight committee.

Fairfield County Regional Dispatch (FCRD) is located offsite at 5151 Park Ave., on the Sacred Heart University Campus. The center is budgeted for 22 civilian dispatchers and a Civilian Director. The Fairfield County Regional Dispatch Center provides for the complete communications needs of the Police and Fire Departments. This includes all telephone, radio, and emergency data networks and communications between police, fire, and ambulance services. Personnel handle emergency and routine calls for service for both agencies. Personnel monitor inter-town and state frequencies for major events occurring in surrounding communities. The FCRD is staffed by highly trained men and women who operate 24 hours a day, seven days per week. As of on March 1<sup>st</sup> 2023 and continuing into Fiscal Year 2024 and beyond the communication center has been dispatching emergency services for both the Town of Fairfield and Westport, as well as fire dispatching services for the Town of New Canaan.

*Fire Department.* The Fairfield Fire Department has 99 sworn career personnel, consisting of a Fire Chief, a Deputy Chief, six Assistant Chiefs (one of which is the Fire Marshal and one the Training Officer), 29 Lieutenants (one of which is the Deputy Fire Marshal), 60 Firefighters (two of which are Fire Inspectors), a Master Mechanic and a Fire Mechanic. The Department also includes three full-time civilian administrative aides and three part-time employees. The Fire Commission, consisting of seven members, has general management and supervision of the Fire Department and its property and equipment. The Department operates five Pumpers, one Tower Ladder truck, one Heavy Rescue vehicle and one Shift Commander vehicle from five firehouses located throughout the Town. The Department has a 28-foot Fire Boat and a 17-foot Fire Boat, which are staffed as needed by on-duty members. The Department owns a maintenance truck, several spare and reserve fire apparatus and staff vehicles, equipment trailers, 2 Utility Terrain vehicles and 1 High-Water-Capable Army Surplus truck.

**Public Works:** The Department of Public Works manages the following public functions: engineering, public buildings, highways and drainage systems, solid waste & recycling, vehicle maintenance, town trees, wastewater collection and wastewater treatment.

*Engineering Department.* This department prepares designs, studies, plans and specifications for road and drainage projects, outdoor recreational facilities, flood control projects, parking areas, etc. They also review plans and perform inspections for new roads, bridges, culverts and grading plans for new subdivisions as well as conduct surveys and provide information to interested citizens. They are staffed by seven employees, and managed by the Town Engineer.

*Building Department.* This department, which has seven employees managed by the Building Official, ensures that building construction and modification conform with the Town's and the State's building codes to protect the public health, safety and general welfare in regards to the construction and occupancy of buildings and structures. The department issues building permits, performs all necessary inspections and issues a certificate of occupancy with final approval.

*Water Pollution Control.* This department operates an aging treatment plant with a designed capacity of 9,000,000 gallons per day, with secondary treatment utilizing an activated sludge process, anaerobic digestion, an aqua belt for waste activated biosolids thickening, a belt press for biosolids dewatering, composting facility and biological nutrient removal utilizing a four stage Bradenpho process. The plant, eight pump stations and approximately 205 miles of sewer lines, are maintained by a staff of 25 employees and supervised by a State of Connecticut Class IV Operator. The only areas of the Town not receiving sanitary sewer service are located in 1- and 2- acre zoning and are served by individual private septic systems.

*Public Works Operations.* With over 100 pieces of construction equipment, dump trucks, pick-up trucks and automobiles, the responsibilities of the Department of Public Works consist of the physical services of maintaining streets, storm drains, trees, bridges, automotive equipment, and public buildings, which is handled by a staff of 56 persons covering 4 divisions of Public Works Operations: Highway, Building Maintenance, Vehicle Repair, and Trees, reporting to the Assistant Director of Public Works. The entire department is administered by a staff of 2 people.

**Health and Social Services:** The Health Department, the Department of Social Services and the Human Services Department provide health and social services to the Town's residents.

*Health Department.* The primary mission of the Health Department is to protect and improve the physical, mental, and environmental health of the Fairfield community by providing both oversight and direct services. With a staff of 34 full-time and 19 part-time employees, the Health Department's administrative and regulatory health services include disease and injury prevention; environmental protection; health monitoring; enforcement of health and safety codes; health promotion; and health care services. The department also provides community and public health nursing services as well as school nursing services for public and private schools.

*Department of Human and Social Services.* The Department of Human and Social Services assists residents of the community who are experiencing difficulty providing the basic necessities of life for themselves and their families. The department's comprehensive case management consists of initial assessment of the needs of the household, intervention when necessary and assistance with appropriate program services. The Bigelow Center for Senior Activities develops, implements, and coordinates programs and services for older adults.

**Culture, Recreation and Conservation:** Regulated by the Golf Commission and the Parks and Recreation Commission, the Town has approximately 500 acres of land utilized for organized active recreation.

*Golf Commission.* The Golf Commission oversees the operation of two municipal golf courses: H. Smith Richardson Golf Course, an 18-hole regulation course located in the northern area of the Town, and the Carl J. Dickman Golf Course, a 9-hole par 3 course located near Long Island Sound. Five other golf courses are located within the Town.

*Parks & Recreation Department.* The Parks & Recreation Department is responsible for the maintenance of the Town's parks, ball fields and recreating facilities, as well as providing recreational programs. The department is the caretaker of five public beaches along Long Island Sound (Jennings, Penfield, Sasco, South Pine Creek and Southport Beach), and a freshwater beach located at the 150-acre park known as Lake Mohegan. The department also operates the South Benson Boat Marina, with a capacity of approximately 600 boats, and the Southport Harbor Marina, which has a capacity of approximately 75 boats.

The Parks & Recreation Department is responsible for maintenance of 42 tennis courts, 26 baseball and softball fields, 21 playgrounds, 5 play lots, 5 pickleball courts, 10 soccer fields, 3 running tracks and 13 gymnasiums. These facilities are utilized for baseball, softball, soccer, basketball, tennis, teen and adult dances, summer teen theater, teen centers, and various indoor activities by residents and groups.

*Parks.* The Department strives to provide the high quality public services that enhance the quality of life for our residents, including the maintenance of parks and fields. Parks & Ball field Maintenance includes trash collection, mowing, trimming, fertilizing, disease and fungus control, irrigation systems, playground equipment repairs on 135 acres of park land and historic areas, 30 parks, 18 historic areas and 4 cemeteries. Athletic field maintenance includes line marking, goals, benches, litter control, mowing and restrooms on 26 baseball-softball fields; 10 soccer fields and 1 football field.

*Marina.* The Town has two public marinas on Long Island Sound for seasonal recreation. The two marinas are South Benson Marina and historic Ye Yacht Yard. South Benson Marina, located at 471 Turney Road, accommodates approximately 600 boats from 14.1' to 36'. The Marina has a boat launch ramp, bathroom facilities, picnic tables, a bait shack and a fishing pier. It sits adjacent to Jennings Beach, Fairfield's largest public beach, and Ash Creek Open Space, a property that has picnic tables, playground equipment and walking trails. Ye Yacht Yard, located at 985 Harbor Road, Southport on picturesque Southport Harbor, accommodates 65 small boats to a maximum 14'. It also provides boat launch services to residents and access to moorings in Southport Harbor. Additionally, 40 Kayak racks are available at Ye Yacht Yard.

*Conservation Department.* The Conservation Department has seven full-time employees plus seasonal and part-time staff applied to the on-going management of approximately 1,200 acres of open space on 43 parcels of land; the management of 200 acres of restored salt marsh and the associated tide gate and dike infrastructure; and regulating activities on approximately 8,000 acres of inland wetland regulated area. The shellfish program manages approximately 1,000 acres of shellfish grounds, maintains required boundary signs, notices, conducts commercial and recreational shellfish relays, and issuance of over 300 permits annually.

**Solid Waste Collection:** Solid waste collection in Fairfield is collected by private firms who have direct contracts with residents. Residents and contractors who don't have a collector can use the Transfer Station.

Fairfield is one of twelve municipalities forming a regional entity, the Greater Bridgeport Regional Solid Waste Interlocal Committee, (the "Interlocal") to manage regional solid waste disposal issues. The Interlocal executed a new Solid Waste Disposal Agreement ("SWDA") with WinWaste Innovations dba Wheelabrator to begin July 1, 2024. Each municipality ("Participating Municipality") has agreed through the Interlocal to deliver all the municipal solid waste ("MSW") under its control to the Wheelabrator waste to energy facility (the "Facility") in Bridgeport. Wheelabrator has operated the facility since its inception and is also responsible for the disposal of the ash from the Facility. The term of the SWDA is for five years with two five year renewals, if mutually agreed.

The Facility began commercial operations on July 1, 1988 and is designed to burn 2,250 tons of MSW a day. The Interlocal municipalities will deliver about 25% of that capacity. The current Tip fee for the participating municipalities is \$70.49 per ton delivered. The new tip fee starting July 1, 2024 will be \$85.25 per ton and escalates yearly at a rate of 4% to 6% based on the cost of living.

The tip fee will be paid directly to WinWaste Innovations by each Participating Municipality on a monthly basis.

Fairfield delivers its MSW through its municipally owned transfer station. Fairfield has its contract to operate the transfer station and haul all MSW to the Facility in Bridgeport with Enviro Express Inc. Enviro Express Inc. has performed these services since 1988. The current hauling charge is \$17.11 per ton. A Request for Proposals is currently advertised for a new five year agreement to perform these services beginning July 1, 2024.

Fairfield is also part of an Inter-Community Agreement approved by the RTM on May 29, 2018 joining the Greater Bridgeport Regional Recycling Interlocal Committee (GBRRIC) replacing the Southwest Connecticut Regional Recycling Operating Committee (SWEROC). SWEROC was established to implement the regional recycling program to meet the State of Connecticut mandated program for recycling, per Sections 22a-241 through 22a-241i of the Connecticut General Statutes. Fairfield is one of twelve “Contracting Communities” participating in the GBRRIC recycling program. The Town was committed to supply recyclables annually through a “Single Stream” system consisting of: food and beverage containers, plastics, all waste paper and newspapers, cardboard, glass and metal containers. Other defined residential recyclables are waste oil, storage batteries, scrap metal, paint, electronics and household hazardous waste. The Town has flow-control responsibilities for single stream recyclables from the residential sector, and its role is to receive recyclables from residential sources and transfer it to the Oak Ridge Solid Waste and Recycling regional recycling processing facility located in Shelton, Connecticut. Non-residential generators can deliver recyclables to independent processing facilities other than Oak Ridge but must report to the Town the types and amounts of recyclable materials delivered to non-GBRRIC processing facilities. A municipal ordinance has been adopted by the Town to comply with the requirements of the State of Connecticut legislation. The Town processes approximately 5,650 tons of single stream recyclables each year.

Finally, all yard waste, leaves, brush logs, stumps and grass is recycled at the Town’s Yard Waste Facility operated by WeCare Denali.

**Educational System**

The Board of Education, consisting of nine elected members, is responsible for the operation of the Fairfield School District (the “District”).

<b>Board of Education</b>	
<b>Name</b>	<b>Term</b>
Jennifer L. Jacobsen, Chairman .....	November 2021-2025
Nicholas A. Aysseh, Vice Chairman .....	November 2021-2025
Carol Guemsey, Secretary .....	November 2021-2025
Jeffrey D. Peterson .....	November 2021-2025
Jennifer Maxon-Kennelly .....	November 2023-2027
David Krasnoff .....	November 2023-2027
Kathryn Flynn .....	November 2023-2027
Jason Li .....	November 2023-2027
Tracey M. Rinaldi .....	November 2023-2027

The District consists of 11 schools for students in grades Kindergarten through 5; three middle schools for students in grades 6 through 8; and two high schools for students in grades 9 through 12. The District also operates Early Childhood Center / Pre-School programs at the Early Childhood Center and Stratfield School. This is a joint program for pre-school children with and without special needs; and a Program for Alternative Learning and COOP Program for high school students at a separate school facility in Fairfield.

*(The remainder of this page intentionally left blank.)*



## **School Projects**

The Town's system-wide improvement program for security and safety for its school facilities from 2012 to 2020, based on the Sandy Hook Elementary School shooting incident in 2012, as well as a significant increase in school threats and violence to cause harm across the country, with a cost of \$5,000,000, is near completion. The school district has developed a long-term plan to upgrade all school facilities with new security and safety equipment, new security programs and protocols, all with the help and direction of the Town Police Department. Each of the security and safety projects were approved overwhelmingly by the RTM. All of these projects are completed. The district now has a Town Police Department "School Safety Unit" working closely with all school facilities, staff, and students.

In 2020, the Town developed a \$94,000,000 system-wide improvement program for its school facilities for the period 2020 to 2030, based on demographic enrollment projections. Each of the projects presently under construction have been approved by the RTM, including the systems upgrades at Sherman Elementary School and the renovation and addition to Mill Hill Elementary School. The Town has completed the systems upgrades at Sherman Elementary School and the renovation and addition to Holland Hill Elementary School and Mill Hill elementary School. Each of those school projects was completed substantially on schedule and under the total amount initially authorized for such projects.

In 2022, the RTM approved Phase I of a \$76 million program to add air conditioning to all schools throughout the school system. Jennings, Dwight, North Stratfield, Osborn Hill Elementary schools; Fairfield Woods and Tomlinson Middle schools; Fairfield Warde, Fairfield Ludlowe, and Walter Fitzgerald High schools currently only have portions of the buildings air-conditioned using integrated systems or split units. The lack of air-conditioning and the ability to bring fresh air into the building was found to be a significant deficiency during the pandemic. This program will assist in improving the indoor air quality at non-air-conditioned buildings by reducing areas that can become conducive for mold growth during hot and humid days. Additionally, increasing air-conditioning and air movement in the buildings increases the air that moves through our air filtration system. In 2023, the Town received a \$6.2 million HVAC Indoor Air Quality Grant from the State of Connecticut for Phase I of the air conditioning improvement program.

In 2023, the RTM approved funding for the design and estimating services for Phases II through V of the program to add air conditioning to all schools. Should the opportunity arise for additional grants via the HVAC Air Quality Grant Program, the applications will be submitted for the Phases II through V work.

Historically, the State of Connecticut has assisted its towns in the funding of public school building projects. This aid has taken different forms over the years, and the amount of assistance has been affected not only by the characteristics of a town but also the nature of the improvements. Wealthier towns typically have received assistance at a lower rate than less affluent towns, and instructional improvements have been reimbursed at higher rates than recreational improvements.

Progress Payment Reimbursement System. Pursuant to State law, for all school building projects approved on or after July 1, 1996, the State makes proportional progress payments during construction for the State's share of the eligible construction costs, provided that, 11% of the State assistance is withheld pending completion of a final audit. Because the bulk of the State's share of the eligible project costs is paid shortly after a town submits its request for progress payments, a town is no longer required to issue bonds to finance the State's share of the project costs.

Presently, the Town estimates receiving approximately 20% to 25% of the overall eligible project costs of its current school building program from the State of Connecticut as grants.

*(The remainder of this page intentionally left blank.)*

## School Facilities

School	Grades	Date of Construction/ Additions and Renovations		Type of Construction	Number of Classrooms	Enrollment 10/1/23 <sup>1</sup>	Rated Capacity <sup>2</sup>	Number of Portable Classrooms
Burr .....	K-5	2004		Cnert./Steel	27	357	504	--
Dwight .....	K-5	1962, 68, 2000		Brick/Steel	21	231	378	--
Holland Hill .....	K-5	1956, 78, 2001, 2018		Brick/Steel	26	379	504	--
Jennings .....	K-5	1967, 2000, 2002		Brick/Steel	24	280	441	1
McKinley .....	K-5	2003		Brick/Steel	30	470	504	--
Mill Hill .....	K-5	1955, 78, 91, 2000, 2021		Brick/Steel	24	402	441	--
North Stratfield .....	K-5	1961, 96, 2000		Brick/Steel	26	414	504	--
Osborn Hill .....	K-5	1958, 69, 97, 2009, 2015		Brick/Steel	27	444	504	--
Riverfield .....	K-5	1959, 71, 2000, 2015		Brick/Steel	27	398	504	--
Sherman .....	K-5	1963, 77, 2001, 2009, 2012		Brick/Steel	26	373	483	1
Stratfield .....	PreK-5	1929, 48, 72, 2010		Brick/Wood	28	339	504	--
Fairfield Woods .....	6-8	1954, 61, 72, 95, 2011		Brick/Steel	61	742	840	--
Roger Ludlowe .....	6-8	2003		Brick/Steel	68	760	875	--
Tomlinson .....	6-8	1917, 29, 42, 59, 78, 2003, 2006		Brick/Wood	51	588	700	--
Fairfield Ludlowe .....	9-12	1950, 63, 72, 95, 2005, 2015		Brick/Steel	96	1,489	1,525	--
Fairfield Warde .....	9-12	1955, 72, 90, 2003, 2006		Brick/Steel	90	1,371	1,400	--
Walter Fitzgerald Campus...	9-12	1964		Brick/Steel	8	64	75	--
<b>Total.....</b>					660	9,101	10,686	2

<sup>1</sup> Excludes 180 pre-school students enrolled in the Early Childhood Center ("ECC").

<sup>2</sup> Rated capacity based on elementary average class size of 21 allowing for music, art and special education space.

Source: Town of Fairfield, Board of Education.

## School Enrollment <sup>1</sup> Historical and Projected

School Year	Elementary			Total Enrollment
	Pre K-5 & ECC	Middle School	High School	
<b>Historical</b>				
2014-2015	4,710	2,441	3,009	10,160
2015-2016	4,620	2,375	3,063	10,058
2016-2017	4,589	2,351	3,044	9,984
2017-2018	4,411	2,454	3,051	9,916
2018-2019	4,342	2,402	3,045	9,789
2019-2020	4,227	2,412	2,984	9,623
2020-2021	4,050	2,288	3,069	9,407
2021-2022	4,107	2,222	2,981	9,310
2022-2023	4,191	2,135	2,983	9,309
2023-2024	4,267	2,090	2,924	9,281
<b>Projected</b>				
2024-2025	4,290	2,079	2,765	9,134
2025-2026	4,279	2,031	2,766	9,076
2026-2027	4,364	2,035	2,635	9,034

<sup>1</sup> Includes students in special education.

Source: Town of Fairfield, Board of Education.

### III. Economic and Demographic Information

#### Population and Density

Year	Population <sup>1</sup>	% Increase	Density <sup>2</sup>
2022 <sup>3</sup>	62,072	0.91%	2,028
2020	61,512	3.55%	2,010
2010	59,404	3.60%	1,941
2000	57,340	7.34%	1,874
1990	53,418	-2.61%	1,746
1980	54,849	-3.34%	1,792
1970	56,744	22.87%	1,854

<sup>1</sup> U.S. Bureau of the Census.

<sup>2</sup> Per square mile: 30.6 square miles.

<sup>3</sup> American Community Survey, 2018-2022.

#### Age Distribution of the Population

Age	Town of Fairfield		State of Connecticut	
	Number	Percent	Number	Percent
Under 5.....	3,136	5.1%	182,768	5.1%
5 to 9 years.....	3,989	6.4	196,600	5.4
10 to 14 years.....	4,661	7.5	222,267	6.2
15 to 19 years.....	7,165	11.5	247,501	6.9
20 to 24 years.....	4,299	6.9	241,391	6.7
25 to 34 years.....	4,628	7.5	449,466	12.4
35 to 44 years.....	6,362	10.2	445,052	12.3
45 to 54 years.....	8,669	14.0	475,109	13.2
55 to 59 years.....	5,056	8.1	266,117	7.4
60 to 64 years.....	4,513	7.3	255,938	7.1
65 to 74 years.....	5,317	8.6	362,365	10.0
75 to 84 years.....	2,569	4.1	178,746	4.9
85 years and over.....	1,708	2.8	87,997	2.4
<b>Total.....</b>	<b>62,072</b>	<b>100.0%</b>	<b>3,611,317</b>	<b>100.0%</b>

Median Age (Years)..... 40.2 40.9

Source: American Community Survey, 2018-2022.

#### Educational Attainment Years of School Completed Age 25 and Over

	Town of Fairfield		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade.....	653	1.7%	101,820	4.0%
9th to 12th grade, no diploma.....	644	1.7	118,256	4.7
High School graduate (includes equivalency)..	4,421	11.4	650,788	25.8
Some college, no degree.....	4,109	10.6	414,533	16.4
Associate degree.....	1,622	4.2	192,167	7.6
Bachelor's degree.....	14,793	38.1	573,917	22.8
Graduate or professional degree.....	12,580	32.4	469,309	18.6
<b>Total.....</b>	<b>38,822</b>	<b>100.0%</b>	<b>2,520,790</b>	<b>100.0%</b>

Total high school graduate or higher (%)..... 96.7% 91.3%

Total bachelor's degree or higher (%)..... 70.5% 41.4%

Source: American Community Survey, 2018-2022.

### Income Levels

	<b>Town of Fairfield</b>	<b>State of Connecticut</b>
Per Capita Income, 2022.....	\$ 78,256	\$ 52,034
Median Family Income, 2022.....	\$ 203,568	\$ 115,539
Median Household Income, 2022.....	\$ 165,316	\$ 90,213
 Percent Below Poverty (All Families), 2022.....	 2.7%	 6.8%

*Source: American Community Survey, 2018-2022.*

### Income Distribution

<b>Income</b>	<b>Town of Fairfield</b>		<b>State of Connecticut</b>	
	<b>Families</b>	<b>Percent</b>	<b>Families</b>	<b>Percent</b>
Less than \$10,000.....	177	1.2%	21,866	2.4%
\$10,000 to \$14,999.....	72	0.5	13,844	1.5
\$15,000 to \$24,999.....	247	1.6	32,363	3.5
\$25,000 to \$34,999.....	355	2.3	38,177	4.2
\$35,000 to \$49,999.....	586	3.8	65,393	7.2
\$50,000 to \$74,999.....	1,128	7.4	112,628	12.4
\$75,000 to \$99,999.....	882	5.8	109,739	12.0
\$100,000 to \$149,999.....	2,085	13.6	184,504	20.2
\$150,000 to \$199,999.....	1,999	13.1	125,406	13.8
\$200,000 or more.....	7,782	50.8	207,948	22.8
<b>Total</b> .....	15,313	100.0%	911,868	100.0%

*Source: American Community Survey, 2018-2022.*

### Major Employers As of May 2024

<b>Employer</b>	<b>Business</b>	<b>Approximate Number Employed</b>
Town of Fairfield .....	Local Government & School District	1,995
Fairfield University .....	Higher Education	1,284
Sacred Heart University .....	Higher Education	1,031
Orthopedic Specialty Group .....	Medical Facility	274
RBC-Heim Bearings .....	Manufacturer	253
Save the Children .....	Charitable Organization	240
The Carolton Hospital .....	Medical Facility	222
Ludlowe Center for Health and Rehab .....	Medical Facility	218
R.C. Bigelow Tea Co .....	Manufacturer	210
Cambridge Manor of Fairfield .....	Medical Facility	188
Southport Center for Nursing and Rehab.....	Medical Facility	169
<b>Total</b> .....		6,084

*Source: Town of Fairfield, Office of Community and Economic Development.*

**Employment by Industry**  
**Employed Persons 16 Years of Age and Over**

<b>Sector</b>	<b>Town of Fairfield</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Agriculture, forestry, fishing and hunting, and mining.....	66	0.2%	7,460	0.4%
Construction.....	1,262	4.3	112,421	6.1
Manufacturing.....	1,432	4.9	194,805	10.6
Wholesale trade.....	837	2.9	40,518	2.2
Retail trade.....	2,643	9.1	196,267	10.7
Transportation and warehousing, and utilities....	721	2.5	82,215	4.5
Information.....	1,028	3.5	36,440	2.0
Finance, insurance, real estate, and rental .....	4,769	16.4	164,811	9.0
Professional, scientific, management, administrative, and waste management services.....	5,532	19.0	217,442	11.9
Education, health and social services.....	7,198	24.7	485,013	26.5
Arts, entertainment, recreation, accommodation and food services.....	1,841	6.3	148,594	8.1
Other services (except public administration).....	1,037	3.6	80,864	4.4
Public Administration.....	719	2.5	65,675	3.6
<b>Total Labor Force, Employed.....</b>	<b>29,085</b>	<b>100.0%</b>	<b>1,832,525</b>	<b>100.0%</b>

Source: American Community Survey, 2018-2022.

**Percentage Unemployed**

<b>Period</b>	<b>Percentage Unemployed</b>			
	<b>Town of Fairfield</b>	<b>Bridgeport- Stamford Labor Market</b>	<b>State of Connecticut</b>	<b>United States</b>
April 2024	3.1%	3.6%	3.5%	3.5%
<b>Annual Average</b>				
2023.....	3.7%	3.9%	3.7%	3.6%
2022.....	3.6%	4.2%	4.1%	3.7%
2021.....	5.3%	6.7%	6.6%	5.4%
2020.....	6.2%	7.5%	7.3%	8.1%
2019.....	3.3%	3.7%	3.7%	3.8%
2018.....	3.6%	4.1%	4.1%	3.9%
2017.....	4.1%	4.7%	4.7%	4.4%
2016.....	4.5%	5.2%	5.3%	4.9%
2015.....	4.6%	5.5%	5.6%	5.3%
2014.....	5.3%	6.2%	6.7%	6.2%

Source: Department of Labor, State of Connecticut.

**Land Use Summary  
As of May 2024**

<b>Developed</b>			<b>Undeveloped</b>		
<b>Land Use Category</b>	<b>Acres</b>	<b>% Total</b>	<b>Land Use Category</b>	<b>Acres</b>	<b>% Total</b>
Residential .....	15,297	78.1	Residential .....	494	2.5
Commercial .....	503	2.6	Commercial .....	13	0.1
Industrial .....	359	1.8	Industrial .....	20	0.1
Other .....	1,470	7.5	Other .....	1,418	7.2
<b>Total Area .....</b>	<b>17,629</b>	<b>90.1</b>	<b>Total Area .....</b>	<b>1,945</b>	<b>9.9</b>

Source: Town of Fairfield, Planning and Zoning Department.

**Housing Inventory**

<b>Type</b>	<b>Town of Fairfield</b>		<b>State of Connecticut</b>	
	<b>Units</b>	<b>Percent</b>	<b>Units</b>	<b>Percent</b>
1-unit, detached.....	16,783	78.3%	898,891	58.7%
1-unit, attached.....	1,531	7.1	91,794	6.0
2 units.....	1,304	6.1	120,419	7.9
3 or 4 units.....	715	3.3	128,942	8.4
5 to 9 units.....	450	2.1	78,127	5.1
10 to 19 units.....	138	0.6	56,353	3.7
20 or more units.....	457	2.1	145,025	9.5
Mobile home.....	25	0.1	11,257	0.7
Boat, RV, van, etc.....	39	0.2	524	0.0
<b>Total Inventory.....</b>	<b>21,442</b>	<b>100.0%</b>	<b>1,531,332</b>	<b>100.0%</b>

Source: American Community Survey, 2018-2022.

**Age Characteristics of Housing**

<b>Year Built</b>	<b>Town of Fairfield</b>		<b>State of Connecticut</b>	
	<b>Units</b>	<b>Percent</b>	<b>Units</b>	<b>Percent</b>
2010 or later.....	1,004	4.7%	64,364	4.2%
2000 to 2009.....	1,254	5.8	104,310	6.8
1990 to 1999.....	1,158	5.4	118,948	7.8
1980 to 1989.....	1,867	8.7	193,340	12.6
1970 to 1979.....	2,281	10.6	209,518	13.7
1940 to 1969.....	10,004	46.7	524,381	34.2
1939 or earlier.....	3,874	18.1	316,471	20.7
<b>Total Housing Units.....</b>	<b>21,442</b>	<b>100.0%</b>	<b>1,531,332</b>	<b>100.0%</b>
Percent Owner Occupied.....		82.9%		66.2%

Source: American Community Survey, 2018-2022.

## Value of Owner-Occupied Housing

<b>Specified Owner-Occupied Units</b>	<b>Town of Fairfield</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than \$50,000.....	64	0.4%	20,646	2.2%
\$50,000 to \$99,999.....	75	0.4	19,506	2.1
\$100,000 to \$149,999.....	51	0.3	46,916	5.0
\$150,000 to \$199,999.....	76	0.4	96,168	10.3
\$200,000 to \$299,999.....	737	4.3	238,687	25.6
\$300,000 to \$499,999.....	3,230	18.9	307,876	33.0
\$500,000 to \$999,999.....	8,672	50.8	149,216	16.0
\$1,000,000 or more.....	4,161	24.4	53,573	5.7
<b>Total.....</b>	<b>17,066</b>	<b>100.0%</b>	<b>932,588</b>	<b>100.0%</b>
<b>Median Sales Price.....</b>	<b>\$704,100</b>		<b>\$323,700</b>	

Source: American Community Survey, 2018-2022.

## Building Permits Last Ten Years

<b>Fiscal Year Ending 6/30</b>	<b>Residential</b>		<b>Commercial/Industrial</b>		<b>Other Construction</b>		<b>Total</b>	
	<b>No.</b>	<b>Value</b>	<b>No.</b>	<b>Value</b>	<b>No.</b>	<b>Value<sup>1</sup></b>	<b>No.</b>	<b>Value</b>
2024 <sup>2</sup>	56	\$ 35,083,972	145	\$ 46,847,850	4,057	\$ 130,654,580	4,258	\$ 212,586,402
2023	66	59,828,800	179	79,065,400	5,532	150,320,317	5,777	289,214,517
2022	62	31,297,348	112	35,511,048	5,665	121,821,283	5,839	188,629,679
2021	53	33,125,915	69	69,464,317	1,353	149,658,738	1,475	252,248,970
2020	37	38,587,154	26	69,119,816	1,063	126,054,942	1,126	233,761,912
2019	58	38,638,229	30	60,893,697	1,052	133,890,714	1,140	233,422,640
2018	74	34,199,743	30	51,893,227	1,194	112,886,804	1,298	198,979,774
2017	74	36,738,856	23	39,112,199	1,215	115,674,367	1,312	191,525,422
2016	88	39,996,207	19	24,537,540	1,243	89,891,356	1,350	154,425,103
2015	101	34,986,712	24	34,902,841	1,057	76,668,459	1,182	146,558,012

<sup>1</sup> Includes additions, alterations, swimming pools and the like.

<sup>2</sup> As of April 30, 2024.

Source: Town of Fairfield, Building Department.

(The remainder of this page intentionally left blank.)

## **IV. Tax Base Data**

### **Property Tax**

#### **Assessments**

The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Town for inclusion onto the Grand List are the responsibilities of the Assessor's Office. The Grand List represents the total of assessed value for all taxable and exempt real property, personal property and motor vehicles located within the Town as of October 1. Assessments for real property are computed at 70% of the estimated market value at the time of the last general revaluation.

The Town's last general revaluation of real property was completed as of October 1, 2020. Pursuant to Section 12-62 *et. seq.* of the Connecticut General Statutes, as amended, the Town must next revalue all real estate as of October 1, 2025, and every fifth year thereafter. Physical characteristics of each real property must be verified for the October 1, 2025 revaluation, this must be done once every ten years.

Any taxpayer who is unsatisfied with any new assessment may file a written appeal of such assessment with the Town's Board of Assessment Appeals and may receive, subject to the discretion of the Board of Assessment Appeals, an appeal hearing and final determination of any increase or decrease from the property's original assessment. Each year the Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted.

When a new structure, or modification to an existing structure, is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Official. A physical inspection is then completed and the structure classified and priced from a schedule developed at the time of the last general revaluation. The property depreciation and obsolescence factors are also considered when arriving at an equitable value.

*Personal Property.* Personal property (furniture, fixtures, equipment, and machinery) is assessed annually. Assessments for personal property are computed at seventy percent (70%) of present market value. Periodically, accounts are selected for auditing by an outside agency.

*Motor Vehicles.* Motor vehicle lists are furnished to the Town by the State of Connecticut and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule recommended by the Office of Policy and Management in cooperation with the Connecticut Association of Assessing Officials. Section 12-71b of the Connecticut General Statutes, as amended, provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but prior to the first day of August in such assessment year, are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the proration is based on the number of months of ownership, including the month of registration, to the next succeeding October 1. Cars purchased in August and September are not taxed until the next October 1 Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October 1 Grand List, the taxpayer is entitled to certain credits. Assessments for motor vehicles are computed at 70% of the annual appraisal of market value.

Connecticut General Statutes Section 12-71e, as amended, allows municipalities to tax motor vehicles at a different rate than other taxable property, but caps the motor vehicle tax rate at 32.46 mills for the assessment year commencing October 1, 2021. Section 4-661 of the General Statutes, as amended ("Section 4-661"), diverts a portion of state collected sales tax revenue to provide funding to municipalities to mitigate the revenue loss attributed to the motor vehicle property tax cap. The Town's motor vehicle tax rate for the current 2023 assessment year (Fiscal Year ending June 30, 2025) is 27.90 mills.



**Levy**

For Fiscal Year ending June 30, 2023, the Town derived 84% of its total revenues through a direct property tax. All taxes due for the fiscal year are paid on the Grand List of the prior October 1 with the first installment due on July 1 of the fiscal year. Real Estate property taxes are payable in four installments on July 1, October 1, January 1 and April 1. Personal Property taxes are payable in two installments on July 1 and January 1. Motor Vehicle property taxes are payable once a year on July 1 with Motor Vehicle Supplemental bills due once a year on January 1. All taxes become delinquent after the first day of the following month of the installment due date. A margin against delinquencies, legal reductions, and Grand List adjustments, such as any Assessor’s errors, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. An estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed monthly, with interest charged at the rate of one and one-half percent per month with a minimum charge of \$2. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are lien-ed each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle and personal property accounts are transferred to a suspense account after three years at which time they cease to be carried as receivables.

**Net Taxable Grand List**

Grand List of 10/1	Residential		Unimproved Land (%)	Personal Property (%)	Motor Vehicle (%)	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	% Growth
	Real Property (%)	& Commercial Real Property (%)							
2023	79.2	11.3	0.5	3.5	6.0	\$ 12,033,018,291	\$ 57,975,148	\$ 11,975,043,143	0.4%
2022	79.1	11.2	0.6	3.4	6.3	11,978,321,061	54,034,035	11,924,287,026	1.2%
2021	79.4	11.4	0.7	3.3	6.0	11,842,034,409	58,796,595	11,783,237,814	2.0%
2020 <sup>1</sup>	79.8	11.5	0.7	3.1	4.8	11,600,234,861	52,913,860	11,547,321,001	4.2%
2019	81.1	10.1	0.7	3.2	4.9	11,131,308,340	52,562,945	11,078,745,395	1.0%
2018	81.5	10.0	0.7	3.0	4.8	11,019,702,720	53,133,393	10,966,569,327	0.9%
2017	81.7	9.8	0.8	2.9	4.8	10,921,445,745	55,207,858	10,866,237,887	0.2%
2016	81.5	10.0	0.8	2.9	4.8	10,899,051,777	53,809,630	10,845,242,147	0.7%
2015 <sup>1</sup>	81.4	10.3	0.7	2.7	4.9	10,822,330,914	51,881,620	10,770,449,294	-1.9%
2014	82.3	10.0	0.6	2.6	4.5	11,021,545,153	45,920,238	10,975,624,915	0.6%

<sup>1</sup> Revaluation.

Source: Town of Fairfield, Assessor's Office.

**Ten Largest Taxpayers**

Name	Nature of Business	Taxable Valuation	Percent of Net Taxable Grand List <sup>1</sup>
United Illuminating Company.....	Electric Utility	\$ 90,140,020	0.75%
Aquarion Water Company.....	Water Utility	69,700,060	0.58%
Southern Connecticut Gas Company.....	Gas Utility	57,338,200	0.48%
Connecticut Light & Power (Eversource)....	Electric Utility	50,237,560	0.42%
Alto Fairfield LLC.....	Real Estate Apt. Building	36,390,830	0.30%
NNN Auto Owner IV LLC.....	Real Estate Auto Sales & Service	29,560,160	0.25%
TA Kings Crossing LLC.....	Real Estate Shopping Plaza	28,535,570	0.24%
333 Unquowa Road LLC.....	Real Estate Apt. Building	24,832,770	0.21%
BRCDD Holdings LLC.....	Real Estate Apt. Building	23,019,140	0.19%
Kings Highway Realty LLC.....	Real Estate Shopping Plaza	19,985,000	0.17%
<b>Total</b> .....		<b>\$ 429,739,310</b>	<b>3.59%</b>

<sup>1</sup> Based on a 10/1/2023 Net Taxable Grand List of \$11,975,043,143.

Source: Town of Fairfield, Assessor's Office QDS Top Taxpayer Report real estate, personal property & motor vehicle combined.

## Tax Exempt Property

<b>Public</b>	<b>Assessed Value</b>
State of Connecticut .....	\$ 37,890,160
Town of Fairfield .....	598,997,850
United States .....	8,265,040
<b>Sub-Total Public</b> .....	<b>\$ 645,153,050</b>
<b>Private</b>	
Volunteer Fire Department .....	\$ 1,129,170
Scientific, educational, historical, charitable, etc .....	218,117,760
Agricultural .....	757,120
Cemeteries .....	22,965,320
Churches .....	129,491,750
Veteran's Organizations .....	254,170
Recreation Facilities .....	8,596,350
Private Colleges & Hospitals .....	749,444,850
Railroad .....	4,726,400
<b>Sub-Total Private</b> .....	<b>1,135,482,890</b>
<b>Total Exempt</b> .....	<b>\$ 1,780,635,940</b>

Percent Compared to Net Taxable Grand List <sup>1</sup> ..... 14.87%

<sup>1</sup> Based on a 10/1/2023 Net Taxable Grand List of \$11,975,043,143.

Source: Town of Fairfield, Assessor's Office.

## Property Tax Levies and Collections

<b>Grand List of 10/1</b>	<b>Fiscal Year Ending</b>	<b>Net Taxable Grand List</b>	<b>Mill Rate</b>	<b>Tax Levy</b>	<b>Percent of Annual Levy Collected at End of Fiscal Year</b>	<b>Uncollected</b>	
						<b>Percent of Annual Levy Uncollected at End of Fiscal Year</b>	<b>Percent of Annual Levy Uncollected as of 6/30/23</b>
2022	2024 <sup>2</sup>	\$ 11,924,287,026	27.51	\$ 322,701,688		<b>IN COLLECTION</b>	
2021	2023	11,783,237,814	27.24	314,954,814	99.1%	0.9%	0.9%
2020 <sup>1</sup>	2022	11,547,321,001	26.98	305,135,907	99.1%	0.9%	0.5%
2019	2021	11,078,745,395	26.79	290,376,747	99.0%	1.0%	0.3%
2018	2020	10,966,569,327	26.79	288,494,499	98.1%	1.9%	0.2%
2017	2019	10,866,237,887	26.36	280,231,823	98.8%	1.2%	0.2%
2016	2018	10,845,242,147	25.82	277,019,533	99.0%	1.0%	0.1%
2015 <sup>1</sup>	2017	10,770,449,294	25.45	272,072,482	98.7%	1.3%	0.1%
2014	2016	10,975,624,915	24.79	269,657,518	98.7%	1.3%	0.1%
2013	2015	10,913,511,153	24.40	259,539,117	98.6%	1.4%	0.1%

<sup>1</sup> Revaluation.

<sup>2</sup> Subject to audit.

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

## V. Debt Summary

### Principal Amount Of Bonded Indebtedness <sup>1</sup>

#### Long-Term Debt As of July 5, 2024

<b>Dated</b>	<b>Purpose</b>	<b>Original Issue Coupon Rate %</b>	<b>Principal Amount Outstanding (Pro Forma)</b>	<b>Date of Fiscal Year Maturity</b>
04/08/15	Refunding - General Purposes .....	1.75-4.0	\$ 1,194,000	2028
04/08/15	Refunding – Schools .....	1.75-4.0	9,951,000	2028
04/04/16	Refunding - General Purposes .....	2.0-5.0	5,679,000	2031
04/04/16	Refunding – Schools .....	2.0-5.0	12,461,000	2031
07/14/16	General Purposes .....	2.0-4.0	2,100,000	2037
07/14/16	Schools .....	2.0-4.0	10,091,000	2037
07/13/17	General Purposes .....	2.0-5.0	7,410,000	2038
07/13/17	Schools .....	2.0-5.0	1,365,000	2038
07/12/18	General Purposes .....	2.0-5.0	1,324,200	2039
07/12/18	Schools .....	2.0-5.0	11,275,800	2039
07/11/19	General Purposes .....	2.0-5.0	5,260,000	2040
07/11/19	Schools .....	2.0-5.0	6,300,000	2040
05/07/20	Refunding - General Purposes .....	2.0-5.0	3,848,000	2033
05/07/20	Refunding – Schools .....	2.0-5.0	9,777,000	2033
07/10/20	General Purposes .....	2.0-5.0	7,012,250	2042
07/10/20	Schools .....	2.0-5.0	10,289,500	2042
07/10/20	Sewers.....	2.0-5.0	2,333,250	2042
07/09/21	General Purposes .....	2.0-5.0	14,006,000	2042
07/09/21	Schools .....	2.0-5.0	5,185,000	2042
07/09/21	Sewers .....	2.0-5.0	4,944,000	2042
07/08/22	General Purposes .....	4.0-5.0	16,035,000	2043
07/08/22	Schools .....	4.0-5.0	12,915,000	2043
08/17/22	Refunding - General Purposes .....	3.0-5.0	243,000	2035
08/17/22	Refunding - Schools .....	3.0-5.0	10,257,000	2035
07/07/23	General Purposes .....	3.375-5.0	9,015,000	2044
07/07/23	Schools .....	3.375-5.0	10,525,000	2044
07/07/23	Sewers .....	3.375-5.0	4,750,000	2044
<b>Total Bonds Outstanding .....</b>			<b>\$ 195,546,000</b>	
<b><u>This Issue</u></b>				
07/05/24	General Purposes .....	<i>tbd</i>	\$ 12,264,088	2045
07/05/24	Schools .....	<i>tbd</i>	10,900,000	2045
07/05/24	Sewers .....	<i>tbd</i>	10,725,912	2045
<b>Total Bonds This Issue .....</b>			<b>\$ 33,890,000</b>	
<b>Grand Total .....</b>			<b>\$ 229,436,000</b>	

<sup>1</sup> Excludes capital leases. Also excludes any bonds refunded by the Town.

**Short-Term Debt  
As of July 5, 2024  
(Pro-Forma)**

<b>Project</b>	<b>Notes Due: 7/3/25</b>
Capital Non-Recurring FYE '24.....	\$ 1,140,000
Capital Non-Recurring- 20 YR FYE '25.....	1,640,000
Capital Non-Recurring - 10 YR FYE '25.....	130,000
Roof Replacement- Sherman and Riverfield.....	2,050,000
Turney Creek/Riverside Dr Tide Gates.....	1,000,000
Roof Replacement- Holland Hill and N Stratfield.....	2,400,000
Sherman Boiler Replacement.....	500,000
<b>Total .....</b>	<b>\$ 8,860,000</b>

**Annual Bonded Debt Maturity Schedule <sup>1, 2</sup>  
As of July 5, 2024  
(Pro Forma)**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>This Issue:</b>			<b>Total This Issue</b>	<b>Total Principal</b>	<b>Cumulative Principal Retired</b>
				<b>General Purpose</b>	<b>Schools</b>	<b>Sewers</b>			
2025 <sup>2</sup>	\$ 9,595,000	\$ 4,089,924	\$ 13,684,924	\$ -	\$ -	\$ -	\$ -	\$ 9,595,000	4.2%
2026	18,835,000	5,944,298	24,779,298	614,088	545,000	540,912	1,700,000	20,535,000	13.1%
2027	16,335,000	5,222,610	21,557,610	615,000	545,000	540,000	1,700,000	18,035,000	21.0%
2028	16,355,000	4,607,173	20,962,173	615,000	545,000	540,000	1,700,000	18,055,000	28.9%
2029	14,735,000	4,037,048	18,772,048	615,000	545,000	540,000	1,700,000	16,435,000	36.0%
2030	13,055,000	3,547,735	16,602,735	615,000	545,000	540,000	1,700,000	14,755,000	42.5%
2031	12,955,000	3,116,016	16,071,016	615,000	545,000	540,000	1,700,000	14,655,000	48.8%
2032	11,450,000	2,722,304	14,172,304	615,000	545,000	540,000	1,700,000	13,150,000	54.6%
2033	11,435,000	2,367,135	13,802,135	615,000	545,000	540,000	1,700,000	13,135,000	60.3%
2034	9,245,000	2,046,929	11,291,929	615,000	545,000	540,000	1,700,000	10,945,000	65.1%
2035	9,190,000	1,763,038	10,953,038	615,000	545,000	540,000	1,700,000	10,890,000	69.8%
2036	8,620,000	1,496,354	10,116,354	615,000	545,000	540,000	1,700,000	10,320,000	74.3%
2037	8,621,000	1,239,124	9,860,124	615,000	545,000	540,000	1,700,000	10,321,000	78.8%
2038	7,600,000	992,503	8,592,503	620,000	545,000	535,000	1,700,000	9,300,000	82.9%
2039	6,920,000	768,016	7,688,016	620,000	545,000	530,000	1,695,000	8,615,000	86.6%
2040	6,020,000	573,691	6,593,691	615,000	545,000	530,000	1,690,000	7,710,000	90.0%
2041	5,305,000	404,281	5,709,281	615,000	545,000	530,000	1,690,000	6,995,000	93.0%
2042	5,300,000	240,744	5,540,744	615,000	545,000	530,000	1,690,000	6,990,000	96.1%
2043	2,725,000	104,500	2,829,500	600,000	545,000	530,000	1,675,000	4,400,000	98.0%
2044	1,250,000	25,000	1,275,000	600,000	545,000	530,000	1,675,000	2,925,000	99.3%
2045	-	-	-	600,000	545,000	530,000	1,675,000	1,675,000	100.0%
<b>Total .....</b>	<b>\$195,546,000</b>	<b>\$ 45,308,423</b>	<b>\$240,854,423</b>	<b>\$ 12,264,088</b>	<b>\$ 10,900,000</b>	<b>\$ 10,725,912</b>	<b>\$ 33,890,000</b>	<b>\$229,436,000</b>	

<sup>1</sup> Excludes capital leases. Also excludes any bonds refunded by the Town.

<sup>2</sup> Excludes \$9,065,000 in principal and \$2,672,487 in interest payments made by the Town from July 1, 2024, through July 5, 2024.

### **Overlapping/Underlying Debt**

The Town of Fairfield has neither overlapping nor underlying debt.

### **Clean Water Fund Program**

The Town has periodically participated in the State of Connecticut's Clean Water Fund Program (General Statutes Sections 22a-475 et seq., as amended) which provides financial assistance through a combination of grants and loans bearing interest at a rate of 2% per annum.

Grants and loans to a participating municipality are made pursuant to a Project Grant and Project Loan Agreement. For loans, each municipality is obligated to repay only that amount which it draws down for the payment of project costs. Municipalities must permanently finance draws under the Interim Funding Obligations ("IFO") through the issuance of a Project Loan Obligation ("PLO").

Amortization of each loan is required to begin one year from the earlier of the project completion date specified in the PLO, or the actual project completion date. The final maturity of each loan is twenty years from the scheduled completion date. Principal and interest payments are payable 1) in equal monthly installments commencing one month after the scheduled completion date, or 2) in a single annual installment representing 1/20 of total principal not later than one year from the project completion date specified in the PLO, and thereafter in monthly installments. Municipalities may elect to make level debt service payments or level principal payments. Each municipality must deliver to the State an obligation secured by the full faith and credit of the municipality and/or a dedicated source of revenue of such municipality.

As of July 5, 2024, the Town does not have any outstanding Clean Water Fund loans.

*(The remainder of this page intentionally left blank.)*

**Debt Statement <sup>1</sup>**  
**As of July 5, 2024**  
**(Pro Forma)**

**Long-Term Debt Outstanding:**

General Purpose (Includes this issue) .....	\$ 85,390,538
Schools (Includes this issue) .....	126,042,300
Sewers (Includes this issue) .....	18,003,162
Clean Water Fund .....	-
<b>Total Long-Term Debt .....</b>	<b>229,436,000</b>

**Short-Term Debt:**

Bond Anticipation Notes (Notes Due: July 3, 2025).....	8,860,000
<b>Total Short-Term Debt .....</b>	<b>8,860,000</b>
<b>Total Direct Debt .....</b>	<b>238,296,000</b>
Less: State of Connecticut School Grants Receivable (6/30/24).....	-
<b>Total Overall Net Debt .....</b>	<b>\$ 238,296,000</b>

<sup>1</sup> Excludes capital leases. Also excludes any bonds refunded by the Town.

**Current Debt Ratios**  
**As of July 5, 2024**  
**(Pro Forma)**

Population <sup>1</sup> .....	61,512
Net Taxable Grand List (10/1/2023) .....	\$ 11,975,043,143
Estimated Full Value (Net Taxable Grand List/70%) .....	\$ 17,107,204,490
Equalized Net Taxable Grand List (2021) <sup>2</sup> .....	\$ 20,981,083,824
Income per Capita (2022) <sup>1</sup> .....	\$78,256

	<b>Total Direct Debt</b>	<b>Total Overall Net Debt</b>
	<b>\$238,296,000</b>	<b>\$238,296,000</b>
Debt Per Capita .....	\$ 3,873.98	\$ 3,873.98
Ratio to Net Taxable Grand List .....	1.99%	1.99%
Ratio to Estimated Full Value (Net Taxable Grand List/70%) .....	1.39%	1.39%
Ratio to Equalized Net Taxable Grand List .....	1.14%	1.14%
Debt per Capita to Income per Capita (2022) .....	4.95%	4.95%

<sup>1</sup> Department of Commerce, U.S. Bureau of the Census, 2018-2022 American Community Survey.

<sup>2</sup> State of Connecticut, Office of Policy and Management.

## **Temporary Financing**

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing no more than two years from which they are issued (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of temporary notes when they become due and payable and the legislative body schedules principal reductions by the end of the third and each subsequent year during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20th (1/30th for certain sewer and school projects) of the estimated net project cost (CGS Sec. 7-378a), subject to the exception set forth in C.G.S. Sec. 10-287f. The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer and school projects, by the amount of time temporary financing has been outstanding.

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

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

## **Maturities**

General obligation bonds (serial and term) are required to be payable in maturities wherein a succeeding maturity may not exceed any prior maturity by more than 50% or aggregate annual principal and interest payments must be substantially equal. The first installment of any series of bonds shall mature not later than three years from the date of the issue of such series. Pursuant to state law, all bonds issued on or after July 1, 2017, including sewer and school bonds, shall be due not later than thirty years from the date of their issuance.

*(The remainder of this page intentionally left blank.)*

**Authorized But Unissued Debt**  
**As of July 5, 2024**  
**(Pro Forma)**

Project	Total Amount Authorized	Previously Bonded/ Grants/Reductions Paid-down <sup>1</sup>	Notes Due 7/5/2024	This Issue:		Authorized but Unissued Debt <sup>1</sup>
				The Bonds	Notes Due: 7/3/2025	
Capital Non-Recurring FYE '18.....	\$ 4,613,000	\$ 3,978,100	\$ -	\$ -	\$ -	\$ 634,900
Capital Non-Recurring FYE '20.....	4,886,755	4,145,207	-	-	-	741,548
Capital Non-Recurring FYE '21.....	3,814,000	3,812,750	-	-	-	1,250
Capital Non-Recurring FYE '22.....	4,053,000	2,850,000	-	684,901	-	518,099
Capital Non-Recurring FYE '23.....	4,226,344	3,293,000	-	375,000	-	558,344
Capital Non-Recurring FYE '24.....	7,255,022	2,270,000	1,670,000	2,081,298	1,140,000	1,763,724
Capital Non-Recurring- 20 YR FYE '25.....	3,260,200	-	-	-	1,640,000	1,620,200
Capital Non-Recurring - 10 YR FYE '25.....	130,000	-	-	-	130,000	-
Storm Sandy.....	5,155,700	3,379,966	-	-	-	1,775,734
Commerce Dr/ Kings Highway Imp.....	5,389,550	2,835,690	-	-	-	2,553,860
Holland Hill Expansion.....	18,540,500	18,267,826	-	-	-	272,674
Sherman School Expansion.....	3,200,000	2,441,083	-	-	-	758,917
Mill Hill Expansion.....	23,275,500	19,563,330	-	-	-	3,712,170
Town-wide Telephone System.....	866,818	841,300	-	-	-	25,518
Valley Road Bridge.....	3,200,000	2,651,369	-	-	-	548,631
Fairfield Woods Middle School Roof.....	3,000,000	2,556,712	-	-	-	443,288
Smith Richardson Clubhouse.....	7,270,000	6,770,000	-	-	-	500,000
Wastewater Treatment Plant Hardening <sup>3</sup> .....	10,007,765	10,007,087	-	-	-	678
Easton Turnpike Construction <sup>2</sup> .....	6,245,000	6,245,000	-	-	-	-
Wastewater Facility Planning Study.....	748,205	734,908	-	-	-	13,297
Land Acquisition.....	200,000	195,000	-	-	-	5,000
New Emergency Communication Center <sup>3</sup> .....	4,014,216	3,956,634	-	-	-	57,582
Osborne Hill Roof Replacement.....	1,409,046	1,002,620	-	-	-	406,426
Fairfield Warde Air Conditioner.....	1,500,000	1,100,000	-	-	-	400,000
309 Barberry Road.....	5,123,928	5,100,000	-	-	-	23,928
WPCA Reclamation.....	202,000	200,000	-	-	-	2,000
Town Reclamation Yard.....	1,484,000	1,400,000	-	-	-	84,000
Quincy St- Affordable Housing.....	2,000,000	1,500,000	1,500,000 <sup>4</sup>	-	-	500,000
Commerce Dr Bridge Construction <sup>3</sup> .....	2,759,433	-	-	-	-	2,759,433
Roof Projects-RLMS & Sherman/McKinley.....	2,991,607	2,948,819	-	-	-	42,788
Duck Farm Rd Bridge <sup>3</sup> .....	3,819,176	3,033,751	-	-	-	785,425
Town-wide Facility Upgrades.....	1,949,778	974,889	-	974,889	-	-
Emergency Radio Project.....	7,000,000	7,000,000	-	-	-	-
Transfer Station Repairs.....	450,000	375,000	-	-	-	75,000
Air Conditioning at Schools-Phase I.....	39,104,000	13,797,859 <sup>5</sup>	-	10,000,000	-	15,306,141
Roof Replacement- Sherman and Riverfield.....	3,481,757	-	-	-	2,050,000	1,431,757
East Trunk Wetlands Crossing <sup>4,5</sup> .....	6,250,000	2,000,000	2,000,000	2,000,000	-	2,250,000
Turney Creek/Riverside Dr Tide Gates <sup>3</sup> .....	7,150,000	2,400,000	1,000,000	2,000,000	1,000,000	1,750,000
East Trunk Replacement Project <sup>2,3</sup> .....	11,000,000	3,000,000	2,000,000	2,000,000	-	6,000,000
School Roof Replace & Bathroom Reno.....	4,714,150	3,653,150	-	-	-	1,061,000
DPW Vehicles & Equipment Phase 2.....	2,377,000	-	-	1,755,000	-	622,000
Roof Replacement- Holland Hill and N Stratfield.....	6,286,480	-	-	-	2,400,000	3,886,480
Air Conditioning at Schools-Phase II thru V.....	973,090	-	-	900,000	-	73,090
Sherman Boiler Replacement.....	1,048,706	-	-	-	500,000	548,706
Tidegate Repair and Replacement Project.....	1,923,000	-	-	893,000	-	1,030,000
Traffic Signal Improvement Project.....	3,770,000	-	-	1,500,000	-	2,270,000
Sidewalk Accessibility Upgrades Project.....	4,760,000	-	-	2,000,000	-	2,760,000
Fairfield Beach Pump Station Force Main <sup>2</sup> .....	2,760,480	-	-	-	-	2,760,480
Fairfield Beach Pump Station <sup>2</sup> .....	5,681,988	-	-	-	-	5,681,988
WPCF Inflow and Infiltration Improve Phase V <sup>2</sup> .....	4,500,000	-	-	500,000	-	4,000,000
WPCF Plant Equipment Improvements <sup>2</sup> .....	18,670,000	-	-	6,225,912	-	12,444,088
<b>Total</b> .....	<b>\$ 278,491,194</b>	<b>\$ 150,281,050</b>	<b>\$ 8,170,000</b>	<b>\$ 33,890,000</b>	<b>\$ 8,860,000</b>	<b>\$ 85,460,144</b>

<sup>1</sup> The total amount of bonds that can be issued for a project cannot exceed the authorized amount reduced by the grants received for that project.

<sup>2</sup> The Town is authorized to issue this debt, however, the WPCA is responsible for the debt service on the bonds.

<sup>3</sup> The total bonding authorization is less than the total amount authorized.

<sup>4</sup> The Town will pay these notes off at maturity with unspent note proceeds.

<sup>5</sup> Due to previously approved reallocations of bond proceeds to the project, reallocated funds in the amount of \$1,644,142 are included here.



**Statement Of Statutory Debt Limitation**  
**As of July 5, 2024**  
**(Pro Forma)**

Total tax collections for the year ended June 30, 2023 (including interest and lien fees) .....	\$ 316,085,000
Reimbursement for revenue loss on:	
Aid to elderly tax relief .....	-
<b>Base</b> .....	<u>\$ 316,085,000</u>

<b>Debt Limitation:</b>	<b>General Purposes</b>	<b>Schools</b>	<b>Sewers</b>	<b>Urban Renewal</b>	<b>Unfunded Past Pension</b>
2 1/4 times base .....	\$ 711,191,250	-	-	-	-
4 1/2 times base .....	-	\$ 1,422,382,500	-	-	-
3 3/4 times base .....	-	-	\$ 1,185,318,750	-	-
3 1/4 times base .....	-	-	-	\$ 1,027,276,250	-
3 times base .....	-	-	-	-	\$ 948,255,000
<b>Total Debt Limitation</b> .....	<u>711,191,250</u>	<u>1,422,382,500</u>	<u>1,185,318,750</u>	<u>1,027,276,250</u>	<u>948,255,000</u>

**Indebtedness<sup>1</sup>:**

Outstanding Debt:

Bonds Payable .....	73,126,450	115,142,300	7,277,250	-	-
Bonds (This Issue).....	12,264,088	10,900,000	10,725,912	-	-
Notes (This Issue) .....	3,910,000	4,950,000	-	-	-
Authorized But Unissued Debt .....	23,980,151	28,343,437	33,136,556	-	-
<b>Total Outstanding Debt</b> .....	<u>113,280,689</u>	<u>159,335,737</u>	<u>51,139,718</u>	<u>-</u>	<u>-</u>

Less:

School Grants Receivable.....	-	-	-	-	-
Self-Supporting WPCA Debt .....	-	-	-	-	-
<b>Total Outstanding Net Debt</b> .....	<u>113,280,689</u>	<u>159,335,737</u>	<u>51,139,718</u>	<u>-</u>	<u>-</u>

**DEBT LIMITATION IN EXCESS**

<b>OF INDEBTEDNESS</b> .....	<u>\$ 597,910,561</u>	<u>\$ 1,263,046,763</u>	<u>\$ 1,134,179,032</u>	<u>\$ 1,027,276,250</u>	<u>\$ 948,255,000</u>
------------------------------	-----------------------	-------------------------	-------------------------	-------------------------	-----------------------

<sup>1</sup> Excludes capital leases and Refunded Bonds.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$2,212,595,000.

**Principal Amount Of Outstanding Debt  
Last Five Fiscal Years  
(000s)**

	2024 <sup>2</sup>	2023	2022	2021	2020
<b>Long-Term Debt</b>					
Bonded Debt <sup>1</sup> .....	\$ 203,296	\$ 196,166	\$ 183,276	\$ 183,302	\$ 177,095
<b>Short-Term Debt</b>					
Bond Anticipation Notes .....	8,170	8,090	13,855	17,400	11,420
<b>Totals</b> .....	\$ 211,466	\$ 204,256	\$ 197,131	\$ 200,702	\$ 188,515

<sup>1</sup> Includes Clean Water Fund Project Loan Obligations but excludes capital leases.

<sup>2</sup> Subject to audit.

**Ratio of Net Long-Term Debt to Valuation, Population and Income  
Last Five Fiscal Years**

Fiscal Year	Net Assessed Value	Estimated Full Value	Net Long-Term Debt <sup>1</sup>	Ratio of Net Long-Term Debt to Net Assessed Value	Ratio of Net Long-Term Debt to Estimated Full Value	Population <sup>2</sup>	Ratio of Net Long-Term Debt Per Capita	Ratio of Net Long-Term Debt Per Capita to Per Capita Income <sup>3</sup>
				Value	Full Value		Per Capita	Capita Income <sup>3</sup>
2024 <sup>4</sup>	\$ 11,924,287,026	\$ 17,034,695,751	\$ 203,296,000	1.70%	1.19%	61,512	\$ 3,304.98	4.22%
2023	11,783,237,814	16,833,196,877	196,166,000	1.66%	1.17%	61,512	3,189.07	4.08%
2022	11,547,321,001	16,496,172,859	183,276,000	1.59%	1.11%	61,512	2,979.52	3.81%
2021	11,078,745,395	15,826,779,136	183,302,000	1.65%	1.16%	61,512	2,979.94	3.81%
2020	10,966,569,327	15,666,527,610	177,095,000	1.61%	1.13%	61,512	2,879.03	3.68%

<sup>1</sup> Amounts rounded. Includes Clean Water Fund Project Loan Obligations, but excludes capital leases. Long-term debt is net of estimated school building grants receivable at the end of every fiscal year for school building projects approved prior to July 1, 1996. See "School Projects" herein.

<sup>2</sup> American Community Survey, 2018-2022.

<sup>3</sup> U.S. Census Bureau, 2018-2022, American Community Survey. Income per Capita of \$78,256.

<sup>4</sup> Subject to audit.

**Ratio of Annual General Fund Long-Term Debt Service Expenditures  
to Total General Fund Expenditures  
Last Ten Fiscal Years  
(000s)**

Fiscal Year Ended 6/30	Total General Fund Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service To Total General Fund Expenditures
2024 <sup>1</sup>	\$ 22,029	\$ 395,312	5.57%
2023	23,382	380,025	6.15%
2022	24,860	365,354	6.80%
2021	22,618	349,992	6.46%
2020	22,773	338,929	6.72%
2019	22,277	336,211	6.63%
2018	22,066	330,917	6.67%
2017	23,054	324,119	7.11%
2016	24,314	309,762	7.85%
2015	22,419	300,390	7.46%

<sup>1</sup> Budgetary basis. Subject to audit.

## Capital Improvement Plan

	<u>Town</u>						
	<u>2023-2024</u>	<u>2024-2025</u>	<u>2025-2026</u>	<u>2026-2027</u>	<u>2027-2028</u>	<u>2028-2029</u>	<u>Total</u>
Authorized/Unissued .....	\$ 6,517,000	\$ 5,910,159	\$ 3,909,387	\$ 1,158,460	\$ 1,200,000	\$ 750,000	\$ 19,445,006
CNR .....	-	2,690,200	5,755,012	1,099,500	1,386,000	475,000	11,405,712
Capital Over \$1M .....	-	4,989,953	24,235,888	33,071,886	12,984,035	9,191,025	84,472,787
<b>Sub-Total Town.....</b>	<b>\$ 6,517,000</b>	<b>\$ 13,590,312</b>	<b>\$ 33,900,287</b>	<b>\$ 35,329,846</b>	<b>\$ 15,570,035</b>	<b>\$ 10,416,025</b>	<b>\$ 115,323,505</b>
	<u>Board of Education</u>						
	<u>2023-2024</u>	<u>2024-2025</u>	<u>2025-2026</u>	<u>2026-2027</u>	<u>2027-2028</u>	<u>2028-2029</u>	<u>Total</u>
Authorized/Unissued .....	\$ 14,088,000	\$ 20,551,052	\$ 9,237,388	\$ -	\$ -	\$ -	\$ 43,876,440
CNR .....	-	-	398,280	833,259	1,644,469	20,000	2,896,008
Capital Over \$1M .....	-	-	4,328,301	9,126,849	24,398,960	35,138,870	72,992,980
<b>Sub-Total BOE.....</b>	<b>\$ 14,088,000</b>	<b>\$ 20,551,052</b>	<b>\$ 13,963,969</b>	<b>\$ 9,960,108</b>	<b>\$ 26,043,429</b>	<b>\$ 35,158,870</b>	<b>\$ 119,765,428</b>
	<u>WPCF</u>						
	<u>2023-2024</u>	<u>2024-2025</u>	<u>2025-2026</u>	<u>2026-2027</u>	<u>2027-2028</u>	<u>2028-2029</u>	<u>Total</u>
Authorized/Unissued .....	\$ 5,000,000	\$ 4,000,000	\$ 1,750,000	\$ 1,750,000	\$ 1,000,000	\$ -	\$ 13,500,000
CNR .....	-	-	-	-	-	-	-
Capital Over \$1M .....	-	16,165,801	15,178,055	14,726,703	20,737,116	17,218,928	84,026,603
<b>Sub-Total WPCA.....</b>	<b>\$ 5,000,000</b>	<b>\$ 20,165,801</b>	<b>\$ 16,928,055</b>	<b>\$ 16,476,703</b>	<b>\$ 21,737,116</b>	<b>\$ 17,218,928</b>	<b>\$ 97,526,603</b>
<b>Total Cash Flow Required.....</b>	<b>\$ 25,605,000</b>	<b>\$ 54,307,165</b>	<b>\$ 64,792,311</b>	<b>\$ 61,766,657</b>	<b>\$ 63,350,580</b>	<b>\$ 62,793,823</b>	<b>\$ 332,615,536</b>

*(The remainder of this page intentionally left blank.)*

## **VI. Financial Administration**

The Town's finances are operated primarily through the General Fund. Property taxes and most other revenues collected are paid into the Town's General Fund, and current operating expenditures are paid from the Town's General Fund. The Town utilizes the following major funds: the Governmental Fund, which includes the General Fund, Special Revenue Funds, Debt Service Fund, Capital Project Funds and Permanent Funds; the Proprietary Fund, which includes Internal Service Funds; and the Fiduciary Fund, which includes Pension Trust Funds and Agency Funds. Capital improvements are generally financed by the issuance of short-term bond anticipation notes and long-term serial bonds.

### **Fiscal Year**

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

### **Basis of Accounting**

See Appendix A - Excerpts from the Town's Annual Comprehensive Financial Report, June 30, 2023, Note I (“Summary of Significant Accounting Policies”).

### **Budget Procedure**

The Town has a six-step budget process:

1. The First Selectman receives and reviews budget requests from all Town departments, including the Board of Education, and then submits the recommended departmental budgets to the full Board of Selectmen.
2. The Board of Selectmen reviews the budgets in a series of budget hearings in February, after which the Board of Selectmen makes its recommendations on the budgets to the Board of Finance.
3. The Board of Finance then reviews the budgets in a series of budget hearings in early March.
4. Not later than the first week in April, the Board of Finance must hold a public meeting at which it considers all matters relating to the budgets and makes its budget recommendations to the RTM.
5. The RTM holds a special meeting for public comment on the budget on the last Monday in April and votes on appropriations for the next fiscal year at the annual budget meeting, which must be held the first Monday in May. In the absence of a formal appeal from a recommendation of the Board of Finance, the RTM may not appropriate an amount in excess of the Board of Finance recommendations, but may decrease such amount. A referendum may be taken on any budget item which exceeds \$150,000, but no item can be increased to a figure higher than that recommended by the Board of Finance or, in the case of an appeal from the Board of Finance, the amount approved by the RTM.
6. After the RTM has made its appropriations and the report on the Grand List is received from the Board of Assessment Appeals, the Board of Finance determines the rate of property tax for the next fiscal year.

### **Audit**

The Town of Fairfield, pursuant to local ordinance and Chapter 111 of the Connecticut General Statutes (Sections 7-391 through 7-397), as amended, is required to undergo an annual audit by an independent public accountant. The auditor, appointed by the Board of Finance, is required to conduct the audit under the guidelines promulgated by the Secretary of the Office of Policy and Management and the Auditor of Public Accounts, who also receives a copy of the audit report. For the fiscal year ended June 30, 2023, the financial statements of the various funds of the Town were audited by PKF O’Connor Davies LLP, Certified Public Accountants, Wethersfield, Connecticut.

PKF O’Connor Davies LLP have not been asked nor have they given their permission to include their audit report in the Official Statement.

## **Risk Management**

The Town has insurance coverage for itself and the Fairfield Public Schools for general liability with a limit of \$1,000,000 per occurrence and \$3,000,000 general aggregate and a deductible of \$500,000 per occurrence, except for Fire Damage Liability with a \$300,000 limit. In addition to general liability, the Town's basic insurance policy covers law enforcement liability, public officials' liability and school leaders' liability with the same limit and \$100,000 deductible per occurrence. The Town has auto liability coverage with a limit of \$1,000,000 per occurrence and a deductible of \$500,000 per occurrence. The Fire Department has physical damage coverage for a scheduled list of vehicles. Damage to Town Property is also covered under this policy up to the aggregate value of all Town property with a deductible of \$100,000 per occurrence for All Other Real and Personal Property. Builder's Risk coverage is in place for unnamed projects with a per project limit of \$2,000,000 for frame and joisted masonry construction and a per project limit of \$5,000,000 for unnamed projects for all other construction types. The standard policy deductible is \$25k with \$150k deductible for water damage (other than flood). Flood deductible increases if in higher rated flood zone to \$100k or \$250k.

The Town also has a Pollution policy with a \$1,000,000 per pollution condition and \$2,000,000 per Member aggregate, subject to and overall aggregate of \$5,000,000 and \$125,000 deductible.

Flood damage to Town property under this policy is limited to \$10,000,000 per occurrence and annual aggregate for damage with a \$500,000 deductible as respects each individual non-residential building and \$500,000 as respects personal property in each non-residential building for properties designated to be in Flood Zone A or V and a \$100,000 deductible for all other flood zones.

In addition, the Town has several other policies. There are two excess insurance liability policies, one with a limit of \$10,000,000 to cover losses in excess of \$1,000,000 and the other with a limit of \$5,000,000, to cover any loss in excess of \$11,000,000. The Town also has a policy to cover injuries to students in the Fairfield Public Schools who engage in sports. This covers medical expenses in excess of medical insurance applicable to the student up to expenses of \$5,000,000 over a 10 year period. The Town has flood insurance on several individual Town buildings in special hazard flood zones with a self-insured retention of \$50,000 to cover damage under \$500,000 and to comply with FEMA requirements. An Excess Flood policy with a \$5,000,000 limit is also in place. The Town also has a cyber-liability policy for the Town and the Fairfield Public Schools, with a \$5,000,000 limit and a \$50,000 deductible. A crime policy is in place with a \$1,000,000 limit and a \$10,000 per occurrence deductible. The Town has several Pollution insurance policies for underground storage tanks, the Town policy has a limit of \$1,000,000 and a \$75,000 deductible per claim (the Ace Town tank policy has a \$5,000 deductible). The Town Employees Retirement Board and the Police and Fire Retirement Board have a fiduciary liability policy paid for from the pension funds with a limit of \$5,000,000 and a \$10,000 claim deductible for each claim. The coverage has a retroactive date of September 14, 2010. The Town is self-insured for Worker's Compensation for its employees and the employees of the Fairfield Public Schools, but has a policy to cover individual losses in excess of \$600,000, or in the case of EMT, Police, and Fire, \$750,000.

The Town is self-insured for employee medical insurance, but has a policy to cover individual losses in excess of \$150,000. Fairfield Public School employees are covered by a different plan paid for out of the Board of Education budget.

Damages in any of the categories described above that exceed insurance limits are self-insured by the Town.

The Town utilizes a risk management fund (the Internal Service Fund) to account for and finance its uninsured risks of loss. The fund records all claim expenditures and liabilities whenever it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Claim liabilities include an estimate of claims incurred but not reported and are the Town's best estimate based upon available information.

For additional information regarding the Town's risk management, see Appendix A - Excerpts from the Town's Annual Comprehensive Financial Report, June 30, 2023, Exhibit K Note IV. A ("Risk Management").

## Pensions

The Town administers two single-employer, contributory, defined benefit pension plans (the “Plans”): the Town Employees Retirement Plan (the “Town Plan”) and the Police and Fire Retirement Plan (the “Police and Fire Plan”) and a defined contribution plan for employees of various unions hired subsequent to July 1, 2011. The Plans cover substantially all of the Town’s employees except certified teaching and administrative personnel of the Board of Education. Such personnel are covered by a deferred benefit plan administered by the Connecticut State Teachers Retirement Board.

The Town has pension actuarial reports prepared every year for the defined benefit pension plans. The most recent report was prepared as of July 1, 2023 (the “July 1, 2023 Report”).

As of July 1, 2023, the Plans held assets with a market value of approximately \$433,989,000. The amount of the Town’s required contributions in future years will be affected by the actual investment return realized by the Plans. In fiscal year ended June 30, 2023 the Town made the actuarially required contribution to the Plans. For fiscal year ending June 30, 2024, the Town has budgeted the actuarially determined employer contributions to the Plans. The Town expects in future years to continue making the actuarially required contributions to the Plans. For more information concerning the Plans, see the Town’s Annual Comprehensive Financial Report, June 30, 2023 Exhibit K, Note V. A (“Town Pension Plans”).

### Schedule of Employer Contributions

#### Employees' Retirement Plan

	<b>2025</b> <sup>1</sup>	<b>2024</b> <sup>2</sup>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Actuarially Determined Contribution.....	\$ 5,473,857	\$ 5,039,531	\$ 5,062,305	\$ 5,602,793	\$ 5,717,000
Contributions In Relation to the Actuarially Determined Contribution.....	5,473,857	5,039,531	5,062,305	5,602,793	5,712,000
Contributions Excess (Deficiency) .....	\$ -	\$ -	\$ -	\$ -	\$ (5,000)
Contributions as a Percentage of Actuarially Determined Contribution.....	100.00%	100.00%	100.00%	100.00%	99.91%
Covered Payroll.....	\$ 20,214,340	\$ 20,994,188	\$ 21,514,562	\$ 21,515,000	\$ 25,185,000
Contributions as a Percentage of Covered Payroll.....	27.08%	24.00%	23.53%	26.04%	22.68%

<sup>1</sup> Budgetary basis.

<sup>2</sup> Subject to audit.

#### Police and Fire Employees' Retirement Plan

	<b>2025</b> <sup>1</sup>	<b>2024</b> <sup>2</sup>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Actuarially Determined Contribution.....	\$ 7,650,272	\$ 7,045,749	\$ 6,669,099	\$ 6,006,042	\$ 6,223,000
Contributions In Relation to the Actuarially Determined Contribution.....	7,650,272	7,045,749	6,669,099	6,006,042	6,223,000
Contributions Deficiency (Excess).....	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Actuarially Determined Contribution.....	100.00%	100.00%	100.00%	100.00%	100.00%
Covered Payroll.....	\$ 18,971,883	\$ 17,536,063	\$ 17,571,675	\$ 17,572,000	\$ 17,128,000
Contributions as a Percentage of Covered Payroll.....	40.32%	40.18%	37.95%	34.18%	36.33%

<sup>1</sup> Budgetary basis.

<sup>2</sup> Subject to audit.

The following net pension liability of the Town Plan as of the latest actuarial valuation dated July 1, 2023 and based on actuarial assumptions as of that date, were as follows:

	<b>Employees'</b>	<b>Police and Fire Employees'</b>
Total Pension Liability at July 1, 2023.....	\$ 270,354,000	\$ 262,538,000
Plan Fiduciary Net Position.....	(225,438,000)	(208,551,000)
Net Pension (Asset) Liability.....	\$ 44,916,000	\$ 53,987,000
Plan Fiduciary Net Position as % of Total Pension Liability.....	83.39%	79.44%

The following presents the net pension liability as of June 30, 2023, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	<b>Employees'</b>		
	<b>Current</b>		
	<b>1% Decrease (5.90%)</b>	<b>Discount Rate (6.90%)</b>	<b>1% Increase (7.90%)</b>
Net Pension Liability .....	\$ 75,992,000	\$ 44,916,000	\$ 18,710,000

	<b>Police and Fire Employees'</b>		
	<b>Current</b>		
	<b>1% Decrease (5.90%)</b>	<b>Discount Rate (6.90%)</b>	<b>1% Increase (7.90%)</b>
Net Pension Liability .....	\$ 88,329,000	\$ 53,987,000	\$ 25,682,000

Teacher's Retirement

The certified faculty and administrative personnel of the Board of Education participate in a contributory retirement plan administered by the State Teacher's Retirement Board. The Board of Education requires each teacher to contribute 7% of pensionable salary and transmits the funds to the State Teachers' Retirement Board.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of the actuarially computed unfunded liability. The Town does not have any liability for teachers' pensions.

The State of Connecticut Teachers' Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial report as a pension trust fund.

For more information, see the Town's Annual Comprehensive Report, June 30, 2023 Exhibit K Note V. C ("Pension Plans – Connecticut State Teachers' Retirement Plan").

GASB Statement No. 68

The Town implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*. Statement No. 68 requires governments providing defined benefit pensions to recognize their unfunded pension benefit obligations as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised note disclosures and required supplementary information (RSI). In accordance with the statement, the Town has reported the total Net Pension Liability for the Town Plan as well as Police & Fire Plan is \$98,903,000 as of June 30, 2023.

## Other Post-Employment Benefits

The Town provides post-retirement health care and life insurance benefits in accordance with collective bargaining agreements. Retired employees of the police and fire departments are eligible to receive health care benefits after attaining age 51 with at least 25 years of service or if the employee's retirement was caused by disability. The Board of Education plan provides medical and dental benefits for all Board of Education retirees and their spouses. Other retired employees are eligible after attaining age 62 with at least 10 years of service or if the retirement was caused by disability.

The Town reimburses the entire amount of validated claims for medical, dental and hospitalization costs incurred by pre-Medicare retirees and their dependents. The Town also reimburses the amount by which a validated claim exceeds the Medicare benefit for each retiree eligible for Medicare. Certain retirees eligible for post-retirement health care benefits are also entitled to post-retirement life insurance benefits.

Expenses for post-retirement benefits are recognized by the Town as health care claims and life insurance premiums paid. The budget included a \$9,215,708 contribution to the OPEB trust for fiscal year ended June 30, 2024. The budgeted OPEB Town contribution for fiscal year ending June 30, 2025 is \$8,961,252. The Board of Education contribution is pay as you go and will not be determined until the end of the fiscal year.

### Annual OPEB Contributions and Net OPEB Obligation

#### Town Plan

Fiscal Year	Actuarially	Actual Contribution	Contribution	Covered Payroll	Contributions
	Determined Contribution		Excess (Deficiency)		As a % of Covered Payroll
2024 <sup>1</sup>	\$ 3,572,000	\$ 3,572,000	\$ -	\$ 19,191,000	18.6%
2023	4,247,000	4,460,000	213,000	19,191,000	23.2%
2022	4,375,000	4,288,000	(87,000)	18,944,000	22.6%
2021	4,375,000	3,494,000	(881,000)	18,994,000	18.4%
2020	4,260,000	5,606,000	1,346,000	19,616,000	28.6%
2019	4,822,000	4,820,000	(2,000)	18,907,000	25.5%

<sup>1</sup> Budgeted.

#### Police & Fire Plans

Fiscal Year	Actuarially	Actual Contribution	Contribution	Covered Payroll	Contributions
	Determined Contribution		Excess (Deficiency)		As a % of Covered Payroll
2024 <sup>1</sup>	\$ 5,913,000	\$ 5,913,000	\$ -	\$ 17,196,000	34.4%
2023	5,597,000	5,836,000	239,000	17,196,000	33.9%
2022	5,284,000	5,573,000	289,000	16,152,000	34.5%
2021	5,284,000	4,048,000	(1,236,000)	16,152,000	25.1%
2020	5,149,000	6,363,000	1,214,000	16,776,000	37.9%
2019	4,961,000	4,960,000	(1,000)	16,169,000	30.7%

<sup>1</sup> Budgeted.



The following net OPEB liability of the Town Plan at June 30, 2023, determined by an actuarial valuation as of July 1, 2022 and based on actuarial assumptions as of that date, were as follows:

	<b>Police and Fire</b>		
	<u>Employees'</u>	<u>Employees'</u>	<u>Education</u>
Total OPEB Liability at June 30, 2023.....	\$ 61,444,000	\$ 92,814,000	\$ 29,587,000
Plan Fiduciary Net Position.....	(38,382,000)	(41,812,000)	-
Net OPEB (Asset) Liability.....	\$ 23,062,000	\$ 51,002,000	\$ 29,587,000
Plan Fiduciary Net Position as % of			
Total OPEB Liability.....	62.47%	45.05%	0.00%

The following presents the net OPEB liability, calculated using the discount rate of 6.90%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	<b>Current</b>		
	<u>1% Decrease</u> <u>(5.90%)</u>	<u>Discount Rate</u> <u>(6.90%)</u>	<u>1% Increase</u> <u>(7.90%)</u>
Town Employees' Net OPEB Liability .....	\$ 30,388,000	\$ 23,062,000	\$ 16,932,000
Police and Fire Employees' Net OPEB Liability .....	\$ 62,014,000	\$ 51,002,000	\$ 41,785,000

	<b>Current</b>		
	<u>1% Decrease</u> <u>(2.54%)</u>	<u>Discount Rate</u> <u>(3.54%)</u>	<u>1% Increase</u> <u>(4.54%)</u>
Board of Education Net OPEB Liability .....	\$ 32,569,000	\$ 29,587,000	\$ 26,964,000

The following presents the net OPEB liability, calculated using the current healthcare cost trend rates, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate.

	<b>Healthcare Cost Trend Rates</b>		
	<u>1% Decrease</u> <u>(5.20%)</u>	<u>Discount Rate</u> <u>(6.20%)</u>	<u>1% Increase</u> <u>(7.20%)</u>
<b>OPEB Liability</b>	<u>Decreasing to</u> <u>(2.80%)</u>	<u>Decreasing to</u> <u>(3.80%)</u>	<u>Decreasing to</u> <u>(4.80%)</u>
Town Employees' OPEB Plan .....	\$ 26,161,000	\$ 23,062,000	\$ 44,678,000
Police and Fire Employees' OPEB Plan .....	\$ 39,926,000	\$ 51,002,000	\$ 66,119,000

	<b>Healthcare Cost Trend Rates</b>		
	<u>1% Decrease</u> <u>(5.40%)</u>	<u>Discount Rate</u> <u>(6.40%)</u>	<u>1% Increase</u> <u>(7.40%)</u>
<b>OPEB Liability</b>	<u>Decreasing to</u> <u>(3.00%)</u>	<u>Decreasing to</u> <u>(4.00%)</u>	<u>Decreasing to</u> <u>(5.00%)</u>
Board of Education OPEB Plan .....	\$ 26,284,000	\$ 29,587,000	\$ 33,479,000

For additional information regarding the Town's other post-employment benefits, see Appendix A - Excerpts from the Town's Annual Comprehensive Financial Report, June 30, 2023, Exhibit K Note IV. E ("Other Postemployment Benefits").

### **Investment of Operating Funds**

Eligible investments for Connecticut municipalities are governed by Connecticut General Statutes Sections 7-400 and 7-402. For additional information regarding the Town's investments, see Annual Comprehensive Financial Report, June 30, 2022, Note III. A ("Cash and Investments").

**General Fund Revenues and Expenditures**  
**Four Year Summary of Audited Revenues and Expenditures and Estimated Actual (GAAP Basis)**  
**and Estimated Actuals & Adopted Budget (Budgetary Basis) (000s)**

	<b>Adopted Budget 2025 <sup>1</sup></b>	<b>Estimated Actual 2024 <sup>1</sup></b>	<b>Actual 2023</b>	<b>Actual 2022</b>	<b>Actual 2021</b>	<b>Actual 2020</b>
<b>Revenues:</b>						
Property Taxes .....	\$ 334,212	\$ 328,086	\$ 319,104	\$ 316,545	\$ 298,261	\$ 290,590
Intergovernmental Revenues .....	39,399	40,285	39,658	33,680	32,626	33,689
Charges for Services .....	18,478	16,914	18,741	18,582	18,925	15,260
Income from Investments .....	8,833	10,991	3,812	615	1,047	2,525
Net change in fair value .....	-	(845)	(109)	(979)	(459)	-
Other .....	56	781	885	315	163	828
<b>Total Revenues.....</b>	<b>400,978</b>	<b>396,212</b>	<b>382,091</b>	<b>368,758</b>	<b>350,563</b>	<b>342,892</b>
<b>Expenditures:</b>						
General Government .....	44,476	45,803	42,356	41,669	39,024	41,094
Finance .....	6,248	5,748	5,045	4,582	4,764	5,182
Public Safety .....	40,762	36,909	33,441	35,072	33,319	32,647
Public Works .....	15,665	15,521	14,341	12,621	13,752	16,708
Health & Welfare .....	9,712	9,302	8,467	7,676	7,862	8,156
Culture & Recreation .....	10,584	10,098	9,875	9,446	6,527	6,437
Education .....	251,460	241,402	232,752	218,902	212,687	205,361
Debt Service .....	22,071	22,029	23,382	24,860	22,618	22,773
<b>Total Expenditures.....</b>	<b>400,978</b>	<b>386,812</b>	<b>369,659</b>	<b>354,828</b>	<b>340,553</b>	<b>338,358</b>
<b>Excess (Deficiency) of Revenues</b>						
<b>Over Expenditures.....</b>	<b>-</b>	<b>9,400</b>	<b>12,432</b>	<b>13,930</b>	<b>10,010</b>	<b>4,534</b>
<b>Other Financing Sources (Uses):</b>						
Bond Premium .....	-	-	-	-	-	-
Insurance Proceeds .....	-	-	-	-	-	-
Operating Transfers in .....	-	-	115	120	125	129
Operating Transfers out .....	-	(8,500)	(10,366)	(10,526)	(9,439)	(571)
<b>Net Other Financing Sources (Uses) ...</b>	<b>-</b>	<b>(8,500)</b>	<b>(10,251)</b>	<b>(10,406)</b>	<b>(9,314)</b>	<b>(442)</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over Exps. and Other Financing Uses .....</b>						
<b>Exps. and Other Financing Uses .....</b>	<b>-</b>	<b>900</b>	<b>2,181</b>	<b>3,524</b>	<b>696</b>	<b>4,092</b>
<b>Fund Balance, July 1 .....</b>	<b>47,405</b>	<b>46,505</b>	<b>44,324</b>	<b>40,800</b>	<b>40,104</b>	<b>36,012</b>
<b>Residual Equity Transfers .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year .....</b>	<b>n/a</b>	<b>\$ 47,405</b>	<b>\$ 46,505</b>	<b>\$ 44,324</b>	<b>\$ 40,800</b>	<b>\$ 40,104</b>

<sup>1</sup> Subject to audit.

	<b>Adopted Budget 2025 <sup>1</sup></b>	<b>Estimated Actual 2024 <sup>1</sup></b>	<b>Actual 2023</b>	<b>Actual 2022</b>	<b>Actual 2021</b>	<b>Actual 2020</b>
Nonspendable.....	n/a	\$ -	\$ 742	\$ -	\$ -	\$ -
Committed.....	n/a	4,500	4,701	4,534	4,228	3,633
Assigned.....	n/a	-	-	-	-	1,652
Unassigned .....	n/a	42,905	41,062	39,790	36,572	34,819
<b>Total Fund Equity .....</b>	<b>\$ -</b>	<b>\$ 47,405</b>	<b>\$ 46,505</b>	<b>\$ 44,324</b>	<b>\$ 40,800</b>	<b>\$ 40,104</b>

<sup>1</sup> Subject to audit.

## **VII. Legal and Other Information**

### **Legal Matters**

Pullman & Comley, LLC is serving as Bond Counsel with respect to the authorization and issuance of the Bonds and Notes will render its opinions in substantially the forms attached hereto as Appendix B and Appendix C.

### **Litigation**

In the opinion of the Town Attorney, there are no claims or litigation pending or to his knowledge threatened, which would individually or in the aggregate result in a final judgment or judgments against the Town which would have a material adverse effect on the finances of the Town or which would impact the validity of the Bonds the power of the Town to levy and collect taxes to pay the principal of and interest on the Bonds.

The Connecticut Department of Energy and Environmental Protection (“DEEP”) issued three Notices of Violation (“NOVs”) to the Town, dated October 31, 2019, January 6, 2020 and February 27, 2020, respectively, alleging violations of Connecticut’s solid waste, polychlorinated biphenyl (“PCB”), and water pollution statutes and regulations with regard to past activities at the Town’s Reclamation Yard. The U. S. Environmental Protection Agency (“EPA”) also issued a Notice of Violation to the Town dated January 17, 2020 alleging that PCB concentrations in debris at the Reclamation Yard exceed allowable levels under federal regulations. To respond to and resolve the DEEP and EPA NOVs, the Town must fully investigate and delineate and, as necessary, remediate contamination at the Reclamation Yard in conformance with DEEP and EPA approvals. The Town must also apply for and complete closure actions of the solid waste disposal areas at the Reclamation Yard pursuant to a closure plan approved by DEEP. The Town does not yet have the requisite approvals to commence the remediation of the Reclamation Yard. In addition, the Town continues to investigate and remediate locations where fill material from the Reclamation Yard was used improperly for Town projects during the years 2013 - 2016 pursuant to Consent Order 2020002DEEP dated October 26, 2020 by and between the DEEP and the Town. The Town has incurred, and it is expected that the Town may continue to incur, substantial capital expenditures to resolve the NOVs and to fulfill its obligations under the Consent Order, the total amount of which is not now determinable. The Town’s licensed environmental professionals have previously estimated the costs of both closure and other clean-up to range between \$10-\$15 million, but the anticipated costs are unknown at this time.

The Town also was issued a Notice of Violation from DEEP, NOVWSPCB020-001, dated Sept. 8, 2020. This NOV is related to PCB conditions at the Town’s Wastewater Treatment Plant. Malcolm Beeler is the licensed environmental professional of record and is completing groundwater and other monitoring at the site to address the NOV. The Town has not yet discussed with DEEP or EPA what actions must be taken to remediate the site and, to that end, what the costs associated with same might be.

On June 14, 2021, the Town was contacted by representatives of the Federal Emergency Management Agency (“FEMA”) to advise the Town that an earlier issued Notice of Violation (“NOV”) regarding the reconstructed Penfield Pavilion was being reinstated after the Town’s appeals were denied by FEMA on March 31, 2021. This NOV relates to the reconstructed Penfield Pavilion re-built after Storm Sandy. As a result, the Town has currently concluded negotiations with FEMA and has obtained approvals from town bodies to move forward with construction to repair the building to bring it into compliance with the pertinent FEMA regulations. The Town’s outside construction experts and licensed environmental professionals believe that the costs to resolve the outstanding construction issues will be approximately \$13 million. Such estimate is based on current information which could change.

The Town is a party to an administrative appeal entitled Garden Homes Management Corporation et al. v. Fairfield Town Plan and Zoning Commission, HHD-CV14-6053481-S, where the Court issued an order on November 29, 2021 finding the Town liable for contempt of court sanctions for exceeding the scope of the trial court’s remand order. The amount of the contempt sanctions has not been determined at this time, however, it is the Town’s present understanding that the Plaintiff in this case claims about \$3,000,000 in damages as a contempt sanction. The Town intends to continue to vigorously defend the claimed amount of the contempt sanctions, and it is uncertain at this time the amount of any contempt sanction that may enter against the Town.

*(The remainder of this page intentionally left blank.)*

## ***Transcript and Documents Furnished at Delivery***

Upon delivery of the Bonds and the Notes, the winning purchasers will be furnished with the following documents:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the Notes or the levy or collection of taxes to pay them.
2. A Certificate on behalf of the Town, signed by the First Selectman and Interim Chief Fiscal Officer of the Town which will be dated the date of delivery and which will certify, to the best of said officials' knowledge and belief, that at the time bids were accepted on the Bonds and the Notes, the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.
3. Receipts for the purchase price of the Bonds and the Notes.
4. Executed Continuing Disclosure Agreements for the Bonds and the Notes, substantially in the forms attached hereto as Appendices D and E, respectively.
5. The approving opinions of Pullman & Comley, LLC, Bond Counsel, of Bridgeport and Hartford, Connecticut, substantially in the forms attached hereto as Appendices B and C.
6. The Town of Fairfield has prepared an Official Statement for the Bonds and the Notes which is dated June \_\_, 2024. The Town deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12(b)(1), but it is subject to revision or amendment. The Town will make available to the winning purchaser of the Bonds and to each winning purchaser of the Notes a reasonable number of the final Official Statement at the Town's expense. The copies of the Official Statement will be made available to the winning purchasers within seven business days of the bid opening. If the Town's Municipal Advisor is provided with the necessary information from the winning purchasers by noon of the day following the day bids on the Bonds and the Notes are received, the copies of the Official Statement will include an additional cover page and other pages indicating the interest rates, ratings, yields or re-offering prices, the name of the managing underwriter, and the name of the insurer, if any, on the Bonds and the Notes. The winning purchasers shall arrange with the Municipal Advisor the method of delivery of the copies of the Official Statement. Additional copies of the Official Statement may be obtained by the winning purchasers at their own expense by arrangement with the printer.

A transcript of the proceedings taken by the Town in authorizing the Bonds and the Notes will be kept on file at the offices of U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut 06103 and may be examined upon reasonable request.

**Concluding Statement**

This Official Statement is not to be construed as a contract or agreement between the Town and the purchaser or holders of the Bonds or the Notes. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representation of fact, and no representation is made that any of such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provisions of law are subject to repeal or amendment.

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

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

**Town of Fairfield, Connecticut**

By: \_\_\_\_\_  
WILLIAM A. GERBER, *First Selectman*

By: \_\_\_\_\_  
DAVID M. BECKER, *Interim Chief Fiscal Officer*

June \_\_, 2024

## ***Appendix A***

### ***Excerpts from the Town's Annual Comprehensive Financial Report For Fiscal Year Ending June 30, 2023***

The following includes excerpts from the Annual Comprehensive Financial Report of the Town of Fairfield, Connecticut for the fiscal year ended June 30, 2023. The supplemental data which was a part of the report has not been reproduced herein. A copy of the complete report is available upon request from Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, 53 River Street, Suite 1, Milford, Connecticut 06460. Telephone (203) 878-4945.



## **Independent Auditors' Report**

**Board of Finance  
Town of Fairfield, Connecticut**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Fairfield, Connecticut ("Town"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, as of June 30, 2023, 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.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists.

**Board of Finance  
Town of Fairfield, Connecticut**

Page 2

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, budgetary comparisons, and the pension and other post-employment benefit schedules as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



**Board of Finance  
Town of Fairfield, Connecticut**

Page 3

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2023 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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'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's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

Wethersfield, Connecticut  
December 27, 2023



# Town of Fairfield

Sullivan Independence Hall  
Finance Department

725 Old Post Road  
Fairfield, Connecticut 06824

Phone (203) 256-3065  
Fax (203) 255-7380

## Management's Discussion and Analysis For the Year Ended June 30, 2023 (Thousands)

As management of the Town of Fairfield, Connecticut ("Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023. The amounts presented are in thousands.

### Financial highlights

The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Change in net position	\$ 27,707	\$ 120	\$ 27,827
Total net position	317,734	1,790	319,524
Unrestricted net position	(66,873)	1,446	(65,427)

The Town's total net position increased by \$27,827. The increase is substantially due to the following:

#### Governmental fund activity:

- positive operations of the general fund of \$ 2,181
- positive operations of the capital projects fund of 20,947
- positive operations of the other governmental funds of 15,231

#### Business-type fund activity:

- positive operations of the parking authority of 120

#### Conversion to accrual basis on Exhibit E:

- capital outlay net of depreciation/amortization expense of 3,184
- net long-term debt activity of (13,275)
- change in pension liability of 2,340
- change in OPEB liability of 728
- change in environmental liability of 1,121
- change in pension and OPEB deferred outflows/inflows of resources of (8,033)

**Management’s Discussion and Analysis (continued)**  
**(Thousands)**

---

- During the year, the Town implemented GASB Statement No. 96 - Subscription-Based Information Technology Arrangements. The implementation of this statement had no impact on beginning equity, but had the following impact on Town’s financial statements:

	<u>Governmental Activities</u>
Capital assets:	
Intangible right-to-use subscription assets	\$ 3,523
Long-term liabilities:	
Subscription liability	3,523

- The Town’s governmental funds reported combined ending fund balances of \$157,504, an increase of \$38,359, in comparison with the prior year. The change is substantially due to the governmental activity noted above and positive operations in the debt service fund of \$8,984, Water Pollution Control Authority fund of \$1,259 and ARPA fund of \$1,472.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$41,062 or 11.76% of total general fund expenditures and other financing uses (budgetary basis). This represents a 0.01% increase over the previous fiscal year’s percent of 11.75%.
- The Town’s total debt increased by \$9,780 (4.94%) during the current fiscal year mostly as a result of the current year issuance of general obligation bonds of \$24,271, refunding bonds of \$13,455, and permanently financed bond anticipation notes of \$5,760 offset by scheduled principal payments and refunding payments of \$34,425 made during the year.
- Net capital assets increased by \$973 during the current fiscal year. The increase is attributable to capital asset additions for construction in progress, building and improvements, machinery and equipment and infrastructure in excess of disposals and depreciation/amortization expense.

**Overview of the basic financial statements**

This discussion and analysis is intended to serve as an introduction to the Town of Fairfield’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 financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**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, deferred outflows of resources, liabilities and deferred inflows of resources, with the net difference 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.

## Management's Discussion and Analysis (continued)

### (Thousands)

---

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).

The government-wide financial statements present the functions of the Town that are principally supported by taxes, intergovernmental revenues and various charges for services (governmental activities). The governmental activities of the Town include general government, finance, public safety, public works, health and welfare, culture and recreation, education and interest expense. The business-type activities of the Town include the Parking Authority.

**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 the Town'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.

For 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 Capital Projects Fund, both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules elsewhere in this report.

**Proprietary funds.** The Town maintains two proprietary funds. Enterprise funds are used to report the functions presented as business-type activities in the government-wide financial statements. The Town uses an enterprise fund to report the activities of the Parking Authority.

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 self-insured medical benefits and various other self-insured risks.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Parking Authority. The Parking Authority is considered a major fund.

The basic proprietary fund financial statements can be found on Exhibits F, G and H of this report.

## Management's Discussion and Analysis (continued) (Thousands)

---

**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.

**Notes to 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.

**Required supplementary information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information as follows:

- A budgetary comparison schedule for the General Fund to demonstrate compliance with this budget.
- Schedules to demonstrate the Town's progress in funding its obligation to provide pension and OPEB benefits.

**Other information.** The combining schedules referred to earlier in connection with other 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. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$319,524 at the close of the most recent fiscal year.

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

A portion of the Town's net position of \$48,276 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is (\$65,427). This is an increase of \$33,223 from the prior year.

Net position over time serves as a useful indicator of a Town's financial position. The analysis below focuses on the net position and changes in net position.

**Management's Discussion and Analysis (continued)**  
**(Thousands)**

**Summary Statement of Net Position**  
**June 30**  
**(Thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>(as restated)</u>				<u>(as restated)</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current and other assets	\$ 249,456	\$ 208,073	\$ 2,227	\$ 1,926	\$ 251,683	\$ 209,999
Capital assets (net)	<u>549,264</u>	<u>547,869</u>	<u>3,476</u>	<u>3,898</u>	<u>552,740</u>	<u>551,767</u>
Total assets	<u>798,720</u>	<u>755,942</u>	<u>5,703</u>	<u>5,824</u>	<u>804,423</u>	<u>761,766</u>
Deferred outflows of resources	<u>67,002</u>	<u>66,449</u>	<u>-</u>	<u>-</u>	<u>67,002</u>	<u>66,449</u>
Long-term liabilities outstanding	430,583	422,783	2,852	3,059	433,435	425,842
Other liabilities	<u>69,462</u>	<u>70,859</u>	<u>358</u>	<u>326</u>	<u>69,820</u>	<u>71,185</u>
Total liabilities	<u>500,045</u>	<u>493,642</u>	<u>3,210</u>	<u>3,385</u>	<u>503,255</u>	<u>497,027</u>
Deferred inflows of resources	<u>47,943</u>	<u>38,722</u>	<u>703</u>	<u>769</u>	<u>48,646</u>	<u>39,491</u>
Net investment in capital assets	336,331	338,652	344	568	336,675	339,220
Restricted	48,276	51,127	-	-	48,276	51,127
Unrestricted	<u>(66,873)</u>	<u>(99,752)</u>	<u>1,446</u>	<u>1,102</u>	<u>(65,427)</u>	<u>(98,650)</u>
Total net position	<u>\$ 317,734</u>	<u>\$ 290,027</u>	<u>\$ 1,790</u>	<u>\$ 1,670</u>	<u>\$ 319,524</u>	<u>\$ 291,697</u>

- During the fiscal year, there was a net increase in capital assets of \$973 primarily due to current year additions for various school related renovations and paving projects offset by depreciation/amortization expense.
- In addition, there was an increase in long-term debt of \$9,780 during the current fiscal year mostly as a result of the current year issuance of general obligation bonds of \$24,271, refunding bonds of \$13,455, and permanently financed bond anticipation notes of \$5,760 offset by the refunded bonds of \$14,470 and scheduled principal payments of \$19,955 made during the year.
- There was also a decrease in the estimated environmental liability of \$1,121 to 11,191. The Town has committed fund balance in the capital project fund for the total estimated environmental liability of \$14,780.

**Management's Discussion and Analysis (continued)**  
**(Thousands)**

The Town's net position increased \$27,827 as detailed below.

**Statement of Changes in Net Position**  
**For the Years Ended June 30**  
**(Thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues:						
Program revenues:						
Charges for services	\$ 41,229	\$ 34,870	\$ 1,170	\$ 951	\$ 42,399	\$ 35,821
Operating grants and contributions	50,055	47,460	-	-	50,055	47,460
Capital grants and contributions	10,142	9,023	-	-	10,142	9,023
General revenues:						
Property taxes	320,221	311,079	-	-	320,221	311,079
Grants and contributions not restricted to specific programs	5,831	3,368	-	-	5,831	3,368
Income from investments	4,485	(1,716)	10	13	4,495	(1,703)
Other	1,041	622	-	-	1,041	622
Total revenues	<u>433,004</u>	<u>404,706</u>	<u>1,180</u>	<u>964</u>	<u>434,184</u>	<u>405,670</u>
Expenses:						
General government	13,322	18,741	-	-	13,322	18,741
Finance	7,043	6,611	-	-	7,043	6,611
Public safety	61,086	50,396	-	-	61,086	50,396
Public works	30,394	27,366	-	-	30,394	27,366
Health and welfare	12,086	11,241	-	-	12,086	11,241
Culture and recreation	13,064	13,151	-	-	13,064	13,151
Education	263,339	242,283	-	-	263,339	242,283
Interest	4,963	4,242	-	-	4,963	4,242
Parking authority	-	-	1,060	996	1,060	996
Total expenses	<u>405,297</u>	<u>374,031</u>	<u>1,060</u>	<u>996</u>	<u>406,357</u>	<u>375,027</u>
Change in net position	27,707	30,675	120	(32)	27,827	30,643
Net position - July 1	<u>290,027</u>	<u>259,352</u>	<u>1,670</u>	<u>1,702</u>	<u>291,697</u>	<u>261,054</u>
Net position - June 30	<u>\$ 317,734</u>	<u>\$ 290,027</u>	<u>\$ 1,790</u>	<u>\$ 1,670</u>	<u>\$ 319,524</u>	<u>\$ 291,697</u>

Key elements of the increase are as follows:

**Governmental activities**

Governmental activities net position increased \$27,707. The significant reason for the increase are detailed below:

- Property tax revenue increased \$9,142 driven by an increase in the levy needed to support the budget

**Management’s Discussion and Analysis (continued)**  
**(Thousands)**

---

- Operating grants and contributions increased by \$2,595 during the year, primarily due to COVID-19 related grants, including ARPA and ESSER
- Capital grants and contributions increased by \$1,119 primarily due to the receipt of the second installment for the ARPA grant expended for capital related items
- General government expenses decreased by \$5,419 substantially due to a decrease in employee benefit expenses.
- Public safety expenses increased by \$10,690 substantially due to an increase in pension expense from the prior year as well as the addition of police body camera software of \$2,775.
- Education expenses increased by \$21,056 substantially due to the increase in the education budget, COVID related education grants expended and an increase in pension and OPEB expense of \$1,658.

**Business-type activities**

- The parking authority had an increase in net position of \$120 as a result an increase in charges for services (permit fees) of \$219 due to the increase in the use of parking lots in comparison to prior year.

**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 reported a combined ending fund balance of \$157,504 an increase of \$38,359 in comparison with the prior year.

Nonspendable	\$ 862
Restricted	48,156
Committed	53,454
Assigned	13,970
Unassigned	<u>41,062</u>
Total	<u>\$ 157,504</u>

**General fund**

The general fund is the operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was \$41,062, while total fund balance was \$46,505. Total fund balance increased \$2,181 as a result of operations as discussed below in budgetary highlights.

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 fund expenditures. Unassigned fund balance represents 11.76% of total general fund budgetary basis expenditures and other financing uses, while total fund balance represents 13.25% of that same amount, as compared to 11.75% and 13.09% for the prior year.



**Management's Discussion and Analysis (continued)**  
**(Thousands)**

**General fund budgetary highlights**

**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**  
**(Thousands )**

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Revenues:					
Property taxes	\$ 319,303	\$ -	\$ 319,303	\$ 319,104	\$ (199)
Intergovernmental	6,987	1,343	8,330	8,419	89
Charges for services	17,455	1,273	18,728	18,741	13
Interest and dividends	706	3,074	3,780	3,812	32
Net change in fair value	(78)	-	(78)	(109)	(31)
Other	612	177	789	885	96
Total revenues	<u>344,985</u>	<u>5,867</u>	<u>350,852</u>	<u>350,852</u>	<u>-</u>
Expenditures:					
Current					
General government	44,926	(2,028)	42,898	42,102	796
Finance	5,476	(23)	5,453	5,097	356
Public safety	33,622	81	33,703	33,542	161
Public works	14,677	(444)	14,233	14,117	116
Health and welfare	8,538	33	8,571	8,462	109
Culture and recreation	9,424	414	9,838	9,692	146
Education	202,492	-	202,492	202,331	161
Debt service	23,643	(260)	23,383	23,382	1
Total expenditures	<u>342,798</u>	<u>(2,227)</u>	<u>340,571</u>	<u>338,725</u>	<u>1,846</u>
Excess (deficiency) of revenues over expenditures	<u>2,187</u>	<u>8,094</u>	<u>10,281</u>	<u>12,127</u>	<u>1,846</u>
Other financing sources (uses):					
Cancellation of prior year encumbrances	-	-	-	19	19
Transfers in	115	-	115	115	-
Transfers out	(2,302)	(8,094)	(10,396)	(10,366)	30
Net other financing sources (uses)	<u>(2,187)</u>	<u>(8,094)</u>	<u>(10,281)</u>	<u>(10,232)</u>	<u>49</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	1,895	<u>\$ 1,895</u>
Fund balance - July 1, 2022				<u>39,790</u>	
Fund balance - June 30, 2023				<u>\$ 41,685</u>	

## **Management's Discussion and Analysis (continued)**

### **(Thousands)**

---

The Town ended the year with significant positive revenue variances for several revenue lines. The Town amended the final revenues budgets and increased the appropriations to fund a transfer out to the debt services fund. The revenues variance were as follows:

- Intergovernmental budget was increased by \$1,343 due to an unbudgeted state grant received during the year
- Charges for services budget was increased by \$1,273 as a result of monies received in excess of budget for recreation program fees and building permit fees
- Interest and dividends budget was increased by \$3,074 due to the increase in investment income due to more investible monies and an increase in interest rates

Significant expenditure budgetary variances, transfers and additional appropriations were as follows:

- General government budget was decreased by \$2,028 due to the use of the contingency line
- Public works budget was decreased by \$444 due to savings in overtime and contractual services based upon the low number of snow storms during the fiscal year and warmer winter months
- Culture and recreation budget was increased by \$414 due to the continued recovery of programs since the pandemic
- Transfers out budget was increased by \$8,094 to fund a transfer of the budget variance described above to the debt service fund

### **Capital projects fund**

Capital projects fund intergovernmental revenues totaled \$1,903 during the year, of which \$207 were school construction grants. Expenditures totaled \$14,387 consisting primarily of school expansion and renovation and the water treatment plant hardening and micro grid project expenditures. The fund balance increased from \$18,607 to \$39,554 as a result of the bond issue and the timing for expenditures. The fund balance also includes \$14,780 to fund the remediation cost for the environmental liability.

### **Proprietary funds.**

The Town's proprietary funds provide the same information found in the government-wide financial statements, but in more detail. The Town has two proprietary funds: Parking Authority and the Internal Service Fund which is used for workers' compensation, general liability and various types of medical related claims.

### **Parking authority**

Net position of the parking authority at year end was \$1,790, an increase of \$120 as compared to a \$32 decrease in the prior year. The increase is due to higher parking fee revenues of \$219 due to the increase in the number of parking permits purchased as compared to the previous year.

### **Internal service fund**

Unrestricted net position of the Internal Service Fund at the end of the year amounted to \$7,470 an increase of \$1,438 from the prior year balance of \$6,032. This is a result of lower-than-expected claims and a decrease in the claim liability of \$1,017.

**Management's Discussion and Analysis (continued)**  
**(Thousands)**

**Capital assets and debt administration**

**Capital assets.** The Town's investment in capital assets amounts to \$552,740 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, intangible right-use assets, land improvements, buildings and improvements, machinery and equipment, vehicles, and infrastructure. The net increase in the Town's net capital assets for the current fiscal year was \$973 or 0.18%, mostly due to current year additions for various school related renovations offset by depreciation/amortization expense.

**Capital Assets - Net**  
**June 30**  
**(thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2023</u>	<u>2022</u> (as restated)	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u> (as restated)
Land	\$ 33,794	\$ 33,390	\$ -	\$ -	\$ 33,794	\$ 33,390
Construction in progress	69,588	85,612	-	-	69,588	85,612
Intangible right-to-use assets	4,802	5,658	2,844	3,176	7,646	8,834
Land improvements	5,648	4,524	458	504	6,106	5,028
Buildings and improvements	355,613	346,051	130	167	355,743	346,218
Vehicles	11,281	10,278	-	-	11,281	10,278
Machinery and equipment	14,204	11,511	44	51	14,248	11,562
Infrastructure	54,334	50,845	-	-	54,334	50,845
<b>Total</b>	<b>\$ 549,264</b>	<b>\$ 547,869</b>	<b>\$ 3,476</b>	<b>\$ 3,898</b>	<b>\$ 552,740</b>	<b>\$ 551,767</b>

Major capital asset events during the current fiscal year included the following:

Construction in progress additions of:

Roger Ludlowe and Sherman McKinley roof repairs	\$ 2,529
Duck Farm Bridge construction	1,562

Buildings additions from construction in progress of:

Holland Hill expansion and renovations	18,097
Roger Sherman Elementary School renovations	2,945

Machinery and equipment additions of:

Security and safety equipment	870
Golf carts and haulers	649

Infrastructure additions from construction in progress of:

Valley Road Bridge	2,892
--------------------	-------

**Management's Discussion and Analysis (continued)**  
**(Thousands)**

**Capital assets (continued)**

Additional information on the Town's capital assets can be found in Note III. D.

**Long-term debt.** At the end of the current fiscal year, the Town's long-term debt totaled \$211,133. The debt is backed by the full faith and credit of the Town.

**Long-Term Debt**  
**June 30**  
**(Thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
General obligation bonds	\$ 196,166	\$ 183,276	-	-	196,166	183,276
Bond anticipation notes*	5,760	8,189	-	-	5,760	8,189
Equipment financing notes	890	471	-	-	890	471
Clean water notes payable	-	148	-	-	-	148
Leases	2,343	2,416	3,132	3,330	5,475	5,746
Subscriptions	2,842	3,523	-	-	2,842	3,523
<b>Total</b>	<b>\$ 208,001</b>	<b>\$ 198,023</b>	<b>\$ 3,132</b>	<b>\$ 3,330</b>	<b>\$ 211,133</b>	<b>\$ 201,353</b>

\* Permanently financed

The Town's total debt increased by \$9,780 (54.94%) during the current fiscal year as a result of the current year issuance of general obligation bonds of \$24,271, refunding bonds of \$13,455, and permanently financed bond anticipation notes of \$5,760 offset by scheduled principal payments and refunded bonds of \$34,435 made during the year.

The Town's short-term bond anticipation notes decreased from \$5,666 to \$2,330 during the year based upon the cash flow needs and the subsequent permanent financing for various Town and school projects.

Moody's, Standard and Poor's and Fitch Ratings continue to express the highest levels of confidence in the Town, its management and its ability to manage an increasing debt burden by all awarding their highest AAA rating to the Town.

State Statutes limit the amount of general obligation debt a governmental entity may issue to 7 times total prior year tax collections including interest and lien fees. The current debt limitation for the Town is \$2,212,595, which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note III. G.

## **Management's Discussion and Analysis (continued)** **(Thousands)**

---

### **Economic factors and next year's budgets and rates**

- At June 2023, the unemployment rate for the Town was 2.80% as compared to 3.60% in the prior year. The rate is lower than the State's average unemployment rate of 3.70% and a national unemployment rate of 3.60%.
- Inflationary trends in the region compare favorably to national indices
- Public school population remained stable for the fiscal year

All of these factors were considered in preparing the Town's budget for the 2024 fiscal year

### **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 government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, Town of Fairfield, Independence Hall, 725 Old Post Road, Fairfield, Connecticut 06824.

---

**Basic  
Financial  
Statements**

---

Town of Fairfield, Connecticut

Statement of Net Position  
June 30, 2023  
(Thousands)

<u>Assets</u>	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>
Current assets:			
Cash	\$ 8,951	\$ 1,752	\$ 10,703
Investments	195,257	340	195,597
Receivables (net):			
Property taxes	3,489	-	3,489
Assessments and use	605	-	605
Intergovernmental	3,132	-	3,132
Leases	648	58	706
Loan	76	-	76
Accounts	1,675	4	1,679
Other	33	-	33
Total current assets	<u>213,866</u>	<u>2,154</u>	<u>216,020</u>
Noncurrent assets:			
Restricted assets:			
Temporarily restricted:			
Cash	8	8	16
Investments	14,636	-	14,636
Permanently restricted:			
Investments	120	-	120
Total restricted assets	<u>14,764</u>	<u>8</u>	<u>14,772</u>
Receivables (net):			
Property taxes	7,631	-	7,631
Assessments and use	928	-	928
Loan	2,151	-	2,151
Leases	10,116	65	10,181
Total receivables (net)	<u>20,826</u>	<u>65</u>	<u>20,891</u>
Capital assets (net of accumulated depreciation/amortization):			
Land	33,794	-	33,794
Construction in progress	69,588	-	69,588
Intangible right-to-use assets	4,802	2,844	7,646
Land improvements	5,648	458	6,106
Buildings and improvements	355,613	130	355,743
Vehicles	11,281	-	11,281
Machinery and equipment	14,204	44	14,248
Infrastructure	54,334	-	54,334
Total capital assets (net of accumulated depreciation/amortization)	<u>549,264</u>	<u>3,476</u>	<u>552,740</u>
Total noncurrent assets	<u>584,854</u>	<u>3,549</u>	<u>588,403</u>
Total assets	<u>798,720</u>	<u>5,703</u>	<u>804,423</u>
<u>Deferred Outflows of Resources</u>			
Pension related	40,464	-	40,464
OPEB related	26,538	-	26,538
Total deferred outflows of resources	<u>67,002</u>	<u>-</u>	<u>67,002</u>

(Continued)

Notes to financial statements are an integral part of this statement.

Town of Fairfield, Connecticut

Statement of Net Position  
June 30, 2023  
(Thousands)

	Governmental Activities	Business-type Activities	Total
<u>Liabilities</u>			
Current liabilities:			
Accounts payable	\$ 13,986	\$ 58	\$ 14,044
Retainage payable	262	-	262
Accrued payroll and related liabilities	14,990	5	14,995
Accrued interest payable	3,155	-	3,155
Unearned revenue	4,317	-	4,317
Security deposits	-	8	8
Bond anticipation notes	2,330	-	2,330
Other	980	-	980
Long-term debt	18,362	280	18,642
Compensated absences	1,008	7	1,015
Heart and hypertension	804	-	804
Environmental obligation	4,831	-	4,831
Claims payable	4,437	-	4,437
Total current liabilities	<u>69,462</u>	<u>358</u>	<u>69,820</u>
Noncurrent liabilities:			
Performance bonds	5,635	-	5,635
Long-term debt and related liabilities	199,321	2,852	202,173
Compensated absences	4,030	-	4,030
Heart and hypertension	2,276	-	2,276
Net pension liability	98,903	-	98,903
Net OPEB liability	103,651	-	103,651
Environmental liability	8,972	-	8,972
Claims payable	7,795	-	7,795
Total noncurrent liabilities	<u>430,583</u>	<u>2,852</u>	<u>433,435</u>
Total liabilities	<u>500,045</u>	<u>3,210</u>	<u>503,255</u>
<u>Deferred Inflows of Resources</u>			
Advance property tax collections	7,110	-	7,110
Advance permit fees collections	-	585	585
Deferred charge on refunding	1,581	-	1,581
Pension related	5,030	-	5,030
OPEB related	24,200	-	24,200
Leases related	10,022	118	10,140
Total deferred inflows of resources	<u>47,943</u>	<u>703</u>	<u>48,646</u>
<u>Net Position</u>			
Net investment in capital assets	336,331	344	336,675
Restricted for:			
Endowments:			
Nonexpendable	120	-	120
Expendable	9,009	-	9,009
Care of animals	809	-	809
Public works	15,534	-	15,534
Community development housing	2,943	-	2,943
ECC/public safety	134	-	134
ARPA funded projects	17,172	-	17,172
Cafeteria operations	2,555	-	2,555
Unrestricted	(66,873)	1,446	(65,427)
Total net position	<u>\$ 317,734</u>	<u>\$ 1,790</u>	<u>\$ 319,524</u>

(Concluded)

Notes to financial statements are an integral part of this statement.



Town of Fairfield, Connecticut

Statement of Activities  
For the Year Ended June 30, 2023  
(Thousands)

Functions/Programs	Program Revenues				Net Revenues (Expenses) and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 13,322	\$ 4,123	\$ -	\$ 6,026	\$ (3,173)	\$ -	\$ (3,173)
Finance	7,043	-	-	-	(7,043)	-	(7,043)
Public safety	61,086	5,095	1,337	-	(54,654)	-	(54,654)
Public works	30,394	17,511	1,490	3,909	(7,484)	-	(7,484)
Health and welfare	12,086	1,298	1,134	-	(9,654)	-	(9,654)
Culture and recreation	13,064	8,671	322	-	(4,071)	-	(4,071)
Education	263,339	4,531	45,772	207	(212,829)	-	(212,829)
Interest	4,963	-	-	-	(4,963)	-	(4,963)
Total governmental activities	405,297	41,229	50,055	10,142	(303,871)	-	(303,871)
Business-type activities:							
Parking authority	1,060	1,170	-	-	-	110	110
Total	\$ 406,357	\$ 42,399	\$ 50,055	\$ 10,142	\$ (303,871)	\$ 110	\$ (303,761)
General revenues:							
Property taxes					320,221	-	320,221
Grants and contributions not restricted to specific programs					5,831	-	5,831
Income from investments					4,485	10	4,495
Other					1,041	-	1,041
Total general revenues					331,578	10	331,588
Change in net position					27,707	120	27,827
Net position - July 1, 2022					290,027	1,670	291,697
Net position - June 30, 2023					\$ 317,734	\$ 1,790	\$ 319,524

Notes to financial statements are an integral part of this statement.

Town of Fairfield, Connecticut

Governmental Funds  
Balance Sheet  
June 30, 2023  
(Thousands)

	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash	\$ 5,086	\$ -	\$ 3,873	\$ 8,959
Investments	68,212	52,175	54,868	175,255
Restricted investments	5,635	-	9,121	14,756
Receivables (net)				
Property taxes	8,145	-	-	8,145
Assessments and use fees	-	-	991	991
Intergovernmental	389	1,157	1,586	3,132
Leases	10,764	-	-	10,764
Loan	-	-	2,262	2,262
Accounts	413	39	702	1,154
Due from other funds	10,558	-	8,920	19,478
Other	-	-	33	33
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 109,202</u>	<u>\$ 53,371</u>	<u>\$ 82,356</u>	<u>\$ 244,929</u>
<u>Liabilities</u>				
Accounts payable	\$ 6,889	\$ 3,350	\$ 3,284	\$ 13,523
Retainage payable	-	262	-	262
Accrued payroll and related liabilities	14,961	-	29	14,990
Due to other funds	8,920	5,898	4,302	19,120
Unearned revenue	35	3,477	805	4,317
Bond anticipation notes	-	830	1,500	2,330
Performance bonds	5,635	-	-	5,635
Other	980	-	-	980
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>37,420</u>	<u>13,817</u>	<u>9,920</u>	<u>61,157</u>
<u>Deferred Inflows of Resources</u>				
Unavailable revenue				
Property taxes	8,145	-	-	8,145
Advance property tax collections	7,110	-	-	7,110
Sewer assessment and use charges	-	-	991	991
Leases related	10,022	-	-	10,022
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total deferred inflows of resources	<u>25,277</u>	<u>-</u>	<u>991</u>	<u>26,268</u>
<u>Fund Balances</u>				
Nonspendable	742	-	120	862
Restricted	-	-	48,156	48,156
Committed	4,701	39,554	9,199	53,454
Assigned	-	-	13,970	13,970
Unassigned	41,062	-	-	41,062
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances	<u>46,505</u>	<u>39,554</u>	<u>71,445</u>	<u>157,504</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 109,202</u>	<u>\$ 53,371</u>	<u>\$ 82,356</u>	<u>\$ 244,929</u>

(Continued)

Notes to financial statements are an integral part of this statement.

**Town of Fairfield, Connecticut**  
**Reconciliation of Fund Balance**  
**to Net Position of Governmental Activities**  
**June 30, 2023**  
**(Thousands)**

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different from the governmental funds balance sheet due to:

Total fund balances (Exhibit C, Page 1)	<u>\$ 157,504</u>
---	-------------------

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Beginning capital assets (net)	547,869
Capital asset additions (net of construction in progress)	22,604
Depreciation/amortization expense	(19,420)
Disposal and sale of capital assets	(1,789)
	<u>549,264</u>

Total	<u>549,264</u>
-------	----------------

Other long-term assets and deferred outflows of resources are not available resources and, therefore, are not reported in the funds:

Property tax and sewer assessment interest and lien accrual	4,808
Allowance for doubtful accounts	(1,326)
Deferred outflows related to pension	40,464
Deferred outflows related to OPEB	26,538
	<u>70,484</u>

Total	<u>70,484</u>
-------	---------------

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

Property tax and sewer assessment receivable - accrual basis change	<u>9,136</u>
---	--------------

Internal service funds are used by management to charge the cost of various self-insured risk premiums to benefiting activities

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	<u>7,470</u>
---	--------------

Some liabilities and deferred inflows of resources, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds and notes payable	(202,816)
Leases payable	(2,343)
Subscription payable	(2,842)
Premium	(9,682)
Compensated absences	(5,038)
Heart and hypertension	(3,080)
Net pension liability	(98,903)
Net OPEB liability	(103,651)
Environmental liability	(13,803)
Accrued interest payable	(3,155)
Deferred charges on refunding	(1,581)
Deferred inflows of resources related to pension	(5,030)
Deferred inflows of resources related to OPEB	(24,200)
	<u>(476,124)</u>

Total	<u>(476,124)</u>
-------	------------------

Net Position (Exhibit A)	<u><u>\$ 317,734</u></u>
--------------------------	--------------------------

Notes to financial statements are an integral part of this statement.	(Concluded)
---	-------------

## Town of Fairfield, Connecticut

**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2023**  
**(Thousands)**

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$319,104	\$ -	\$ -	\$ 319,104
Intergovernmental	39,658	1,903	21,131	62,692
Charges for services	18,741	213	21,814	40,768
Income from investments	3,812	-	247	4,059
Net change in fair value	(109)	-	535	426
Contributions	-	2,235	1,101	3,336
Other	885	156	-	1,041
Total revenues	<u>382,091</u>	<u>4,507</u>	<u>44,828</u>	<u>431,426</u>
Expenditures:				
Current:				
General government	42,356	3	434	42,793
Finance	5,045	-	-	5,045
Public safety	33,441	-	7,250	40,691
Public works	14,341	1	10,783	25,125
Health and welfare	8,467	-	1,317	9,784
Culture and recreation	9,875	-	2,857	12,732
Education	232,752	-	16,863	249,615
Capital outlay	-	14,383	917	15,300
Debt service	23,382	-	1,858	25,240
Total expenditures	<u>369,659</u>	<u>14,387</u>	<u>42,279</u>	<u>426,325</u>
Excess (deficiency) of revenues over expenditures	<u>12,432</u>	<u>(9,880)</u>	<u>2,549</u>	<u>5,101</u>
Other financing sources (uses):				
Issuance of debt	-	30,031	917	30,948
Issuance of refunding bonds	-	-	13,455	13,455
Payment to refunded bond escrow agent	-	-	(14,524)	(14,524)
Premium	-	-	3,297	3,297
Insurance recoveries	-	82	-	82
Transfers in	115	714	10,321	11,150
Transfers out	(10,366)	-	(784)	(11,150)
Net other financing sources (uses)	<u>(10,251)</u>	<u>30,827</u>	<u>12,682</u>	<u>33,258</u>
Net change in fund balances	2,181	20,947	15,231	38,359
Fund balances - July 1, 2022	<u>44,324</u>	<u>18,607</u>	<u>56,214</u>	<u>119,145</u>
Fund balances - June 30, 2023	<u>\$ 46,505</u>	<u>\$ 39,554</u>	<u>\$ 71,445</u>	<u>\$ 157,504</u>

Notes to financial statements are an integral part of this statement.

Town of Fairfield, Connecticut

Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2023  
(Thousands)

Amounts reported in the statement of activities (Exhibit B) are different due to:

Net change in fund balances - total governmental funds (Exhibit D) \$ 38,359

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/amortization expense

Capital outlay	22,604
Depreciation/amortization expense	<u>(19,420)</u>

Total 3,184

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase/decrease net position. In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold or donated.

Disposal of capital assets	<u>(1,789)</u>
----------------------------	----------------

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

Change in property tax and sewer assessment receivable - accrual basis change	896
Change in property tax and sewer assessment interest and lien revenue	<u>600</u>

Total 1,496

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

Debt issued or incurred:	
Bonds, notes and bond anticipation notes (permanently financed)	(44,135)
Premium	(3,297)
Leases	(137)
Subscriptions	(131)

Principal repayments:	
Bonds and notes	18,933
Refunded bonds	14,470
Leases	210
Subscriptions	<u>812</u>

Total (13,275)

(Continued)

Notes to financial statements are an integral part of this statement.

Town of Fairfield, Connecticut

Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2023  
(Thousands)

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/amortization of:	
Premium	\$ 1,068
Compensated absences	590
Heart and hypertension	339
Net pension liability	2,340
Net OPEB liability	728
Environmental liability	1,121
Accrued interest payable	81
Deferred charge on refunding	60
Deferred outflows related to pension	(14,320)
Deferred inflows related to pension	3,685
Deferred outflows related to OPEB	14,873
Deferred inflows related to OPEB	<u>(12,271)</u>
Total	<u>(1,706)</u>
Internal service funds are used by management to charge the cost of various self-insured risk premiums to benefiting activities	<u>1,438</u>
Change in net position (Exhibit B)	<u>\$ 27,707</u>

(Concluded)

Notes to financial statements are an integral part of this statement.

## Town of Fairfield, Connecticut

**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2023**  
**(Thousands)**

	Enterprise Fund Parking Authority	Internal Service Fund
<u>Assets</u>		
Current assets:		
Cash	\$ 1,752	\$ -
Investments	340	20,002
Receivables (net):		
Leases	58	-
Accounts	4	163
Total current assets	2,154	20,165
Noncurrent assets:		
Temporarily restricted assets:		
Cash	8	-
Receivables:		
Leases	65	-
Capital assets (net of accumulated depreciation/amortization):		
Land improvements	458	-
Intangible right-to-use land improvement	2,844	-
Buildings and improvements	130	-
Equipment	44	-
Total capital assets (net of accumulated depreciation/amortization)	3,476	-
Total noncurrent assets	3,549	-
Total assets	5,703	20,165
<u>Liabilities</u>		
Current liabilities:		
Accounts payable	58	463
Accrued payroll	5	-
Security deposits	8	-
Long-term debt	280	-
Compensated absences	7	-
Claims payable	-	4,437
Total current liabilities	358	4,900
Noncurrent liability:		
Long-term debt	2,852	-
Claims payable	-	7,795
Total liabilities	3,210	12,695
<u>Deferred Inflows of Resources</u>		
Advance permit fees collections	585	-
Leases related	118	-
Total deferred inflows of resources	703	-
<u>Net Position</u>		
Net investment in capital assets	344	-
Unrestricted	1,446	7,470
Total net position	\$ 1,790	\$ 7,470

Notes to financial statements are an integral part of this statement.

## Town of Fairfield, Connecticut

**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended June 30, 2023**  
**(Thousands)**

	Enterprise Fund <u>Parking Authority</u>	Internal Service Fund <u>Fund</u>
Operating revenues:		
Charges for services	\$ 1,054	\$ 15,865
Leases	88	-
Other	28	-
	<u>1,170</u>	<u>15,865</u>
Total operating revenues		
Operating expenses:		
Salaries and benefits	175	-
Fiscal and operational services	115	-
Insurance	77	-
Police and contracted services	95	-
Utilities	35	-
Processing and other fees	43	-
Repairs and maintenance	23	-
Supplies	3	-
Depreciation/amortization	429	-
Claims incurred	-	12,643
Administration	-	1,784
	<u>995</u>	<u>14,427</u>
Total operating expenses		
Operating income (loss)	<u>175</u>	<u>1,438</u>
Nonoperating revenues (expenses):		
Income from investments	10	-
Interest expense	(65)	-
	<u>120</u>	<u>1,438</u>
Change in net position		
Total net position - July 1, 2022	<u>1,670</u>	<u>6,032</u>
Total net position - June 30, 2023	<u><u>\$ 1,790</u></u>	<u><u>\$ 7,470</u></u>

Notes to financial statements are an integral part of this statement.



**Town of Fairfield, Connecticut**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2023**  
**(Thousands)**

	Enterprise Fund Parking Authority	Internal Service Fund
Cash flows from (used in) operating activities:		
Receipts from customers	\$ 1,026	\$ -
Receipts from lease payments	145	-
Receipts for charges for services	-	15,865
Cash paid to suppliers	(257)	-
Cash paid to employees	(287)	-
Cash paid for benefits and claims	-	(13,660)
Cash paid for administration	-	(1,752)
	627	453
Cash flows from (used in) investing activities:		
Sale (purchase) of investments	(110)	(453)
Income from investments	10	-
	(100)	(453)
Cash flows from (used in) capital and related financing activities:		
Purchase of capital assets	(7)	-
Principal payments - leases	(198)	-
Interest payments - leases	(65)	-
	(270)	-
Net cash from (used in) capital and related financing activities	(270)	-
Net increase (decrease) in cash	257	-
Cash - July 1, 2022 (including restricted cash)	1,503	-
Cash - June 30, 2023 (including restricted cash)	\$ 1,760	\$ -
Reconciliation of operating income (loss) to net cash from (used in) operating activities		
Operating income (loss)	\$ 175	\$ 1,438
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:		
Depreciation and amortization	429	-
(Increase) decrease in:		
Accounts receivable	7	7
Lease receivable	57	-
Increase (decrease) in:		
Accounts payable and accrued liabilities	23	25
Deferred inflows - advance collections - permit fees	(8)	-
Deferred inflows - leases related	(56)	-
Claims payable	-	(1,017)
	627	453
Net cash from (used in) operating activities	\$ 627	\$ 453

Notes to financial statements are an integral part of this statement.

Town of Fairfield, Connecticut  
**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**June 30, 2023**  
**(Thousands)**

	<u>Pension and OPEB Trust Funds</u>
<u>Assets</u>	
Investments:	
Mutual funds:	
Equity	\$ 290,120
Money market	3,780
Bond	39,309
Fixed income	111,956
Alternative investments:	
Real estate funds	34,152
Private equity funds	35,670
	<hr/>
Total investments	514,987
Receivables:	
Interest and dividends	61
	<hr/>
Total assets	515,048
	<hr/>
<u>Liabilities</u>	
Accounts payable	177
Due to general fund	358
Claims payable	322
Unearned revenue	8
	<hr/>
Total liabilities	865
	<hr/>
<u>Net Position</u>	
Restricted for:	
Pension benefits	433,989
OPEB benefits	80,194
	<hr/>
Total net position	<u>\$ 514,183</u>

Notes to financial statements are an integral part of this statement.

## Town of Fairfield, Connecticut

**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2023**  
**(Thousands)**

	<u>Pension and OPEB Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 22,028
Plan members	<u>2,391</u>
Total contributions	<u>24,419</u>
Investment income (loss):	
Change in fair value of investments	30,749
Recoveries	549
Interest and dividends	<u>10,224</u>
Total investment income (loss)	41,522
Less investment expenses	<u>326</u>
Net investment income (loss)	<u>41,196</u>
Total additions	<u>65,615</u>
Deductions:	
Benefits	37,543
Administration	<u>238</u>
Total deductions	<u>37,781</u>
Change in net position	27,834
Net position - July 1, 2022	<u>486,349</u>
Net position - June 30, 2023	<u><u>\$ 514,183</u></u>

Notes to financial statements are an integral part of this statement.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**History and organization**

The Town of Fairfield, Connecticut ("Town") operates under a Representative Town Meeting ("RTM"), Board of Selectmen, Board of Finance form of government and provides the following public services as authorized by its charter: public safety (police and fire), public works, health and social services, culture and recreation, education and general administrative services.

The accompanying financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. The Town is financially accountable for the pension and OPEB trust funds and therefore, they are considered fiduciary component units. The financial statements of the fiduciary component units are reported as pension and OPEB trust funds in the fiduciary fund financial statements. The pension and OPEB trust funds do not issue separate financial statements.

**I. Summary of significant accounting policies****A. 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. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

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

Separate financial statements are provided for governmental, proprietary 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.

**B. 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. 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 revenues 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension and OPEB benefits, certain other employee benefits, and certain other long-term liabilities are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

**B. Measurement focus, basis of accounting and financial statement presentation (continued)**

Property taxes, expenditure reimbursement type grants, certain intergovernmental revenues, charges for services, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. For reimbursement grants, the Town considers revenues, including property taxes, to be available if they are collected within one year of the end of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items, including property taxes, are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

General Fund	The government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
Capital Projects Fund	Accounts for the financial resources to be used for major capital asset construction and/or purchases. The types of revenues recorded in this fund are grant revenue, contributions and other fees.

The Town reports the following major proprietary fund:

Parking Authority	Accounts for the activities of the Town train station parking operations.
-------------------	---

Additionally, the Town reports the following fund types:

Special Revenue Funds	Accounts for and reports the proceeds of specific revenue resources that are restricted or committed to expenditures for specified purposes other than debt.
Debt Service Fund	Accounts for and reports resources and expenditures that are assigned for the repayment of debt.
Permanent Funds	Reports resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the Town's programs.
Internal Service Fund	Accounts for risk financing activities for medical insurance benefits and other self-insured risks.
Pension Trust Funds	Accounts for the activities of the Town Employees' Retirement Plan and the Police and Fire Retirement Plan, which accumulate resources for pension benefit payments to qualified employees.
Other Post-Employment Benefit ("OPEB") Trust Funds	Accounts for the activities of the Town and Police and Fire OPEB Plans, which accumulate resources for retiree medical and life insurance benefits.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**B. Measurement focus, basis of accounting and financial statement presentation (continued)**

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise and internal service fund are charges for parking permits and fees and charges benefiting various types of self-insurance. Operating expenses for the enterprise fund and internal service fund include salaries, benefits, repairs and maintenance, the cost of insurance, administrative expenses and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB and pension and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position of the Town of Fairfield pension and OPEB plans and the Connecticut State Teachers' Retirement System ("TRS") and the Connecticut State Retiree Health Insurance Plan ("RHIP") have been determined on the same basis as they are reported by the Town of Fairfield pension and OPEB plans, TRS, and RHIP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

**C. Assets, liabilities, deferred outflows/inflows of resources and equity****1. Cash and investments****a. Cash**

The Town considers cash as cash on hand and demand deposits. For cash flow purposes the Town considers as cash equivalents money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

**b. Investments**

In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust (as defined), in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. For the capital nonrecurring fund, not more than 31.00% can be invested in equity securities. Investment income for pooled investments is recorded in the general fund. For all investments investment income is recorded in the fund in which it was earned.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

**C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**

State Treasurer’s Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c - 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

The Town's pension and OPEB funds have adopted a formal investment policy that defines allowable investments, prohibited investments, prohibited transactions, asset allocation guidelines, diversification guidelines and fixed income and cash guidelines.

The following was the Town's adopted asset allocation policy for both the Town’s pension and OPEB Plans:

Asset Class	Target Allocation	
	Town's Pension	Town's OPEB
Equities	50.00%	60.00%
Fixed income	35.00%	20.00%
Private equity	10.00%	10.00%
Real estate	5.00%	10.00%
Total	100.00%	100.00%

**c. Method used to value investments**

Investments for the Town are reported at fair value except as described below. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Certain pension investments are valued using the most recent valuation available from the external fund manager and are based on net asset value. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets, which may be materially higher or lower than values determined if a readily available market for the securities existed.

**Fair value of investments**

The Town measures and records its investments using fair value measurement guidelines established by accounting principles generally accepted in the United States of America (GAAP). These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1	Quoted prices for identical investments in active markets
Level 2	Observable inputs: quoted prices for identical securities in markets that are not active. The fair value was determined based on quoted prices in less active, dealer or broker markets. Fair values are primarily obtained from third party pricing services for identical or comparable assets
Level 3	Unobservable inputs

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

d. Investment risk policies

Interest rate risk	Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. For governmental funds only, excluding permanent funds, the Town’s target duration is 3.50 years and at no time should exceed 4.50 years.
Credit risk	Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity’s complete failure. The Town’s investment policy limits investments purchases to securities with a credit rating within the top two categories of nationally recognized rating services.
Concentration of credit risk	Concentration of credit risk is the risk attributed to the magnitude of an entity’s investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town’s deposits cannot be 75% or more of the total capital in any one depository.
Custodial credit risk	Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Town requires depositories to have a IDC ranking of 200 or higher and a Kroll rating of B- or higher.
Foreign currency risk	Foreign currency risk is the risk that the value of the investment may be affected by changes in the rate of exchange. The Town does not have a formal policy with respect to the foreign currency risk.

2. Receivables and payables

a. Interfunds

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

b. Property taxes and other receivables

In the government-wide financial statements, all trade, property tax, sewer use, sewer assessment and loan receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 2.00% to 21.00% of outstanding receivable balances and are calculated based upon prior collections.

Property taxes are assessed on property as of October 1. Taxes are billed in the following July and are due in four installments: July 1, October 1, January 1 and April 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date.



Town of Fairfield, Connecticut

Notes to Financial Statements  
 As of and for the Year Ended June 30, 2023  
 (Amounts expressed in thousands)

**C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**

In the fund financial statements, property tax revenues and sewer use and assessments are recognized when they become available. Only taxes and sewer use and assessments collected during the fiscal year are recorded as revenue.

Loan receivables consist of Community Development Block Grant loans. The Town provides low interest loans for residential rehabilitation as well as loans to local businesses for facility improvements.

**c. Leases receivable**

The Town is a lessor for noncancellable leases of land and buildings. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include:

Discount Rate	The Town uses its estimated incremental borrowing rate as the discount rate used to discount the expected lease receipts to present value.
Lease Term	The lease term includes the noncancellable period of the lease.
Lease Payments	Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**3. Restricted assets**

The restricted assets for the Town are restricted for performance bonds, security deposits and endowments. Performance bonds are temporarily restricted until the monies are returned to the vendor after satisfactory completion of contract or the Town calls the bond for nonperformance. The trust agreement restricts the expenditure of the investment income only for the designated purpose.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)****4. Capital assets**

Capital assets are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost as noted in the table below and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items and capital assets received in service concession arrangements are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Assets	Years	Threshold
Land improvements	20	\$ 10,000
Buildings and improvements	45	10,000
Machinery and equipment	5 - 20	10,000
Vehicles	6 - 15	10,000
Infrastructure	20 - 70	100,000
Intangible right-to-use leased assets	Lease term	50,000
Intangible right-to-use subscription assets	Subscription term	50,000

**5. 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, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The Town reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide statements for differences between expected and actual experience, changes in assumptions and net difference between projected and actual earnings on plan investments. The deferred outflow or inflow related to differences between expected and actual experience and changes in assumptions will be amortized over the average remaining service life of all plan members. The deferred outflow or inflow related to the net difference between projected and actual earnings on plan investments will be amortized over a five-year period.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**

Deferred inflows of resources also include deferred inflows relating to advance refunding of debt. These amounts are deferred and are amortized over the shorter of the life of the old or new debt.

Deferred inflows of resources include deferred inflows relating to the lease receivable. These amounts are deferred and are amortized to lease revenue in a systematic and rational manner over the term of the lease.

Advance tax collections and permit fees represent taxes and permit fees associated with a future period. This amount is recognized during the period in which the revenue is associated.

For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds' balance sheet. The governmental funds report unavailable revenues from several sources: property taxes (including advance collections, if any), sewer assessment, use charges and other charges. These amounts are recognized as an inflow of resources in the period that the amounts become available.

**6. Compensated absences**

Employees are paid by a prescribed formula for absence due to vacation and sickness. The eligibility for vacation pay vests when earned; however, unused sick leave may only be accumulated for use in future absences. Compensated absences are only reported in governmental funds if they are due and payable to an employee who has resigned or retired before or at fiscal year-end. The General Fund is the primary source to liquidate compensated absences.

**7. Long-term liabilities**

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

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

Town of Fairfield, Connecticut

Notes to Financial Statements  
 As of and for the Year Ended June 30, 2023  
 (Amounts expressed in thousands)

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

8. Lease and subscription liabilities

The Town is a lessee for noncancellable leases of buildings and equipment. Additionally, the Town has certain software subscriptions that require recognition in the financial statements. The Town recognizes a lease/subscription liability and an intangible right-to-use lease/subscription asset (lease/subscription asset) in the government-wide financial statements. The Town recognizes lease/subscription liabilities with an initial, individual value of \$50,000 or more.

At the commencement of a lease/subscription, the Town initially measures the lease/subscription liability at the present value of payments expected to be made during the term. Subsequently, the lease/subscription liability is reduced by the principal portion of payments made. The lease/subscription asset is initially measured as the initial amount of the lease/subscription liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the lease/subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases and subscriptions include:

Discount rate	The Town uses the interest rate charged by the lessor/subscription vendor as the discount rate to discount the expected payments to the present value. When the interest rate charged is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate.
Term	The lease/subscription term includes the noncancellable period of the lease/agreement.
Payments	Lease/subscription payments included in the measurement of the liability are composed of fixed payments and any purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease or subscriptions and will remeasure the lease/subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the lease/subscription liability.

Lease/subscription assets are reported with other capital assets and lease/subscription liabilities are reported with long-term debt on the statement of net position.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

9. Net position and fund balances

In the government-wide financial statements, net position is classified into the following categories:

Net Investment in Capital Assets	This category presents the net position that reflects capital assets net of depreciation/amortization and net of only the debt applicable to the acquisition or construction of these assets. Debt issued for non-capital purposes, and unspent bond proceeds, are excluded.
Restricted Net Position	This category presents the net position restricted by external parties (creditors, grantors, contributors or laws and regulations).
Unrestricted Net Position	This category presents the net position of the Town which is not classified in the preceding two categories.

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

In the fund financial statements, fund balances are classified into the following categories:

Nonspendable	This category presents amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
Restricted	This category presents amounts that can be spent only for specific purposes because of enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
Committed	This category presents amounts that can be used only for specific purposes determined by a formal action of the highest level of decision-making authority for the Town. Commitments may be established, modified or rescinded only through resolutions approved by the Board of Finance, this includes properly approved purchase orders (encumbrances).
Assigned	This category presents amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent is expressed by the approval of a resolution by the Board of Finance.
Unassigned	This category presents amounts that do not meet the criteria above and are available for any purpose. This category is only reported in the general fund for positive amounts and in any other fund that has a fund balance deficit.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Finance has provided otherwise in its commitment or assignment actions.

**Minimum fund balance policy**

The Board of Finance has adopted a minimum fund balance policy for the General Fund. The policy establishes the intent to maintain a level of unassigned fund balance of at least 7.25% to 11.00% of annual budgeted expenditures. Further, once unassigned fund balance is greater than 8.00%, the Board of Finance may transfer any excess above 8.00% to the Town's Internal Service Fund.

**10. Use of estimates**

The preparation of the 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, deferred outflows and inflows of resources including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year. Actual results could differ from those estimates.

**11. Reclassifications**

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**II. Stewardship, compliance and accountability****A. Basis of budgeting**

The Town has legally adopted annual budgets for the General Fund and the Water Pollution Control Authority ("WPCA").

The Town uses the budgetary basis of accounting under which purchase orders for contracts or other commitments are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in the budgetary statements included as required supplementary information.

Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

**B. Donor-restricted endowments**

The Town has received certain endowments for conservation activities and the improvement and betterment of the Fairfield Library and Fairfield public schools. The amounts are reflected in net position as restricted for endowments. Investment income is approved for disbursement by the Library Board and the Board of Education and is included in restricted fund balance.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**B. Donor-restricted endowments (continued)**

At year end, there is \$3,963 of appreciation for the Library endowment and no appreciation available for appropriation from the H. Smith Richardson Conservation Fund and Simeon and Carrie Pease Fund.

The Town allocates investment income of donor-restricted endowments in accordance with donor restrictions and Connecticut law, which has adopted the provisions of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). Under UPMIFA, investment income earned on donor-restricted endowment funds is considered to be unrestricted in the absence of explicit donor restrictions. Further, in the absence of explicit donor restrictions regarding investment appreciation, such appreciation is treated the same as the related investment income. Investment losses that reduce the value of endowment investments below the original principal amount serve to reduce restricted net position or unrestricted net position, depending upon the applicable donor's stipulations regarding the treatment of investment income and appreciation.

**C. Capital projects authorizations**

The following is a summary of project authorizations and unexpended balances:

<u>Project Name</u>	<u>Project Authorization</u>	<u>Cumulative Expenditure</u>	<u>Balance</u>
W.P.C.A. facility improvements	\$ 15,900	\$ 13,049	\$ 2,851
Sherman Elementary renovation	3,200	2,945	255
Storm Sandy facilities restoration	5,156	3,409	1,747
FLHS expansion	15,538	15,018	520
Kings Highway/Commerce Drive	5,389	2,836	2,553
WPCF improvements	21,201	13,252	7,949
Commerce Drive/State Street bridge	2,959	13	2,946
Capital projects	86,345	58,108	28,237
Nonrecurring capital projects	25,850	25,794	56
Valley Road bridge	3,200	2,513	687
Mill Hill renovation	23,276	22,700	576
Holland Hill expansion	18,541	18,097	444
FWMS roof	3,000	2,431	569
Smith Rich clubhouse	7,270	6,828	442
Giant steps-309 Barberry Road	5,124	5,111	13
Remediation costs - Town	1,484	1,454	30
Remediation costs - WPCA	202	50	152
DPW vehicles and equipment	3,920	3,809	111
BOE roofs and bathrooms	3,653	1,030	2,623

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
 (Amounts expressed in thousands)

**C. Capital projects authorizations (continued)**

<u>Project Name</u>	<u>Project Authorization</u>	<u>Cumulative Expenditure</u>	<u>Balance</u>
Duck Farm Road bridge	\$ 3,730	\$ 1,701	\$ 2,029
Town facility upgrade	1,950	4	1,946
Emergency radio project	7,000	22	6,978
Tide Gates system project	2,250	9	2,241
Transfer station repairs	450	79	371
RLMS turf field	4,125	54	4,071
Phase 1 - air conditioning at schools	22,701	59	22,642
HVAC - Fitts House-FWHS	1,094	36	1,058
Roofs - Sherman and Riverfield	3,482	1,514	1,968
Penfield remediation	10,600	121	10,479
Tide Gates - Turney Creek and Riverside	7,150	-	7,150
East trunk replacement project	11,000	-	11,000
DPW vehicles and equipment - Phase 2	2,377	-	2,377
Total	<u>\$ 329,117</u>	<u>\$ 202,046</u>	<u>\$ 127,071</u>

**III. Detailed notes****A. Cash and investments****1. Deposits – custodial credit risk**

At year end, the Town's bank balance was exposed to custodial credit risk as follows:

Bank balance	<u>\$ 93,543</u>
Uninsured and uncollateralized	\$ 67,687
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>22,812</u>
Total amount subject to custodial credit risk	<u>\$ 90,499</u>

Financial instruments that potentially subject the Town to significant concentrations of credit risk consist primarily of cash. From time to time, the Town's cash account balances exceed the Federal Deposit Insurance Corporation limit. The Town reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.



## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**A. Cash and investments (continued)****2. Investments**

- a. The Town's investments (including restricted investments) consisted of the following types and maturities. Specific identification was used to determine maturities:

Type of Investment	Investment Maturities (In Years)				
	Fair Value	N/A	Less Than 1	1-5 Years	5-10 Years
Mutual funds:					
Equity	\$ 295,070	\$ 295,070	\$ -	\$ -	\$ -
Money market	16,978	-	16,978	-	-
Bond	39,309	-	-	-	39,309
Fixed income	114,393	-	-	-	114,393
Exchange traded funds	8	8	-	-	-
Alternative investments:					
Real estate funds	34,152	34,152	-	-	-
Private equity funds	35,670	35,670	-	-	-
Certificates of deposit	83,205	-	83,205	-	-
Pooled fixed income	34,320	-	34,320	-	-
Bank money market	2,994	-	2,994	-	-
Mortgage-backed securities	24,004	-	2,273	21,731	-
U.S. government agency obligations	10,738	-	3,051	7,644	43
Municipal bonds	33,757	-	2,130	21,509	10,118
Corporate bonds	742	-	-	665	77
Total	725,340	<u>\$ 364,900</u>	<u>\$ 144,951</u>	<u>\$ 51,549</u>	<u>\$ 163,940</u>
Less fiduciary funds	<u>(514,987)</u>				
Other funds	<u>\$ 210,353</u>				

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**A. Cash and investments (continued)**

b. The Town had the following recurring fair value measurements:

	Amount	Quoted Market Prices in Active Markets Level 1	Significant Observable Inputs Level 2
<u>Investments by fair value level</u>			
Mutual funds:			
Equity	\$ 295,070	\$ 295,070	\$ -
Money market	16,978	16,978	-
Bond	39,309	39,309	-
Fixed income	114,393	114,393	-
Exchange traded funds	8	8	-
Mortgage-backed securities	24,004	-	24,004
U.S. government agency obligations	10,738	-	10,738
Municipal bonds	33,757	-	33,757
Corporate bonds	742	-	742
Total investments by fair value level	<u>534,999</u>	<u>\$ 465,758</u>	<u>\$ 69,241</u>
<u>Investments measured at the net asset value (NAV)</u>			
Alternative investments:			
Real estate funds	34,152		
Private equity funds	35,670		
Total investments measured at NAV	<u>69,822</u>		
<u>Other investments not subject to fair value measurement</u>			
Certificates of deposit	83,205		
Pooled fixed income	34,320		
Bank money market	2,994		
Total other investments	<u>120,519</u>		
Total investments	<u>\$ 725,340</u>		

Level 1: Quoted prices for identical investments in active markets

Level 2: Observable inputs: quoted prices for identical securities in markets that are not active. The fair value was determined based on quoted prices in less active, dealer or broker markets. Fair values are primarily obtained from third party pricing services for identical or comparable assets.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**A. Cash and investments (continued)****c. Investments measured at the net asset value (NAV)**

Investments valued using the net asset value (NAV) per share (or its equivalent) are considered “alternative investments” and, unlike more traditional investments, generally do not have readily obtainable market values and take the form of limited partnerships. The Town values these investments based on the partnerships’ audited financial statements. If June 30 statements are available, those values are used preferentially.

However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is estimated from the most recently available valuation taking into account subsequent calls and distributions. The following table represents the unfunded commitments, redemption frequency (if currently eligible), and the redemption notice period for the Town’s alternative investments measured at the NAV:

<u>Investment Description</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Real estate funds	1 \$ 34,152	\$ -	Quarterly	90 days
Private equity funds	2 35,670	76,794	Not permitted	Not permitted
Total investments measured at the NAV	<u>\$ 69,822</u>	<u>\$ 76,794</u>		

1. Real estate funds - This type includes 1 real estate fund that invests primarily in U.S. commercial real estate. This fund permits redemptions quarterly with 90 days notice. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Town’s ownership interest in partners’ capital.
2. Private equity funds - This type includes 3 private equity funds that invest primarily in private equity limited partnerships. One of the funds has a portfolio of approximately 40 private equity partnerships. The nature of the investments is that distributions are received through the liquidation of the underlying assets of the fund. Liquidations of the underlying investments vary based upon the limited partnership and the date of the Town’s investment. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**A. Cash and investments (continued)**

- d. The Town's investments subject to credit risk have average ratings by Standard & Poor's as follows:

Type of Investment	Ratings					Totals
	AAA	AA	A	BBB	Unrated	
Mutual funds:						
Money market	\$ -	\$ -	\$ -	\$ -	\$ 16,978	\$ 16,978
Bond	-	-	39,309	-	-	39,309
Fixed income	-	108,546	5,847	-	-	114,393
Pooled fixed income	34,320	-	-	-	-	34,320
Mortgage-backed securities	-	24,004	-	-	-	24,004
U.S. government agency obligations	10,738	-	-	-	-	10,738
Municipal bonds	13,884	19,873	-	-	-	33,757
Corporate bonds	572	-	93	77	-	742
<b>Total</b>	<b>\$ 59,514</b>	<b>\$ 152,423</b>	<b>\$ 45,249</b>	<b>\$ 77</b>	<b>\$ 16,978</b>	<b>\$ 274,241</b>

- e. Certain investments are covered by the Securities Investor Protection Corporation ("SIPC") up to \$500, including \$250 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, bonds, debentures, certificates of deposit and money market funds.

The following Town investments are held by the counterparty's trust department or agent but not in the Town's name and, therefore, are subject to custodial credit risk as follows:

	Total	Less Insured Amounts	Amount Subject To Custodial Credit Risk
Municipal bonds	\$33,757	\$ 500	\$ 33,257
Corporate bonds	742	171	571
<b>Total</b>	<b>\$34,499</b>	<b>\$ 671</b>	<b>\$ 33,828</b>

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**B. Receivables**

1. Receivable balances have been disaggregated by type and presented separately in the financial statements. Only receivables for the Town's government-wide financial statements with allowances for uncollectible accounts, including the applicable allowances for uncollectible accounts, are presented below:

	Property Taxes		
	Taxes	Interest and Lien Fees	Total
	Current portion	\$ 2,769	\$ 720
Long term portion	5,376	3,516	8,892
Less allowance for uncollectible	(373)	(888)	(1,261)
Net long term portion	5,003	2,628	7,631
Total receivable	\$ 8,145	\$ 4,236	\$ 12,381

	Assessments and Use Fees			
	Assessments and Use Fees	Interest and Lien Fees	Total	CDBG Loans
	Current portion	\$ 382	\$ 223	\$ 605
Long term portion	609	349	958	2,186
Less allowance for uncollectible	(28)	(2)	(30)	(35)
Net receivables	581	347	928	2,151
Total receivable	\$ 991	\$ 572	\$ 1,563	\$ 2,262

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**B. Receivables (continued)****2. Leases receivable**Governmental Activities:

<u>Description</u>	<u>Lease Receivable</u>	<u>Deferred Inflows of Resources</u>	<u>Lease Revenue</u>	<u>Lease Interest Revenue</u>
Cell towers	\$ 4,671	\$ 4,351	\$ 328	\$ 160
Parking spaces	2,943	2,706	363	105
Building rentals	1,217	1,134	236	46
Patio rental	1,666	1,569	34	54
Playground area	14	14	-	-
Waste facility	253	248	22	9
Total	10,764	<u>\$ 10,022</u>	<u>\$ 983</u>	<u>\$ 374</u>
Less current portion	<u>(648)</u>			
Long-term portion	<u>\$ 10,116</u>			

<u>Description</u>	<u>Terms</u>
Cell towers	The Town is lessor for 7 lease agreements for the right to use various cell towers. The leases include five agreements with automatic renewal terms and two agreements with no renewal terms. All cell tower agreements range from 8-26 years left on their current terms.
Parking spaces	The Town is lessor for 4 lease agreements for the right to use parking spaces. None of the four leases include any extension terms. Lease agreements range from 2-11 years.
Building rentals	The Town is lessor for 4 lease agreements for the right to use various buildings within the Town. Three of the four agreements do not have additional extension terms. One has 3, 1-year renewal options. Fairfield Community Theater has a lease term that will mature in 2069 and St. Paul's Nursery School will mature in 2102.
Patio rental	The Town is lessor for a lease agreement for the patio rental of the Fairfield Community Theatre beginning in June 2019. The lease agreement includes 3 10-year automatic extension terms that the Town will exercise.
Playground area	The Town is lessor for a lease agreement for the playground rental of the Saint Paul's Nursery School beginning in May 2003. The agreement is a 99-year lease with no extension terms the Town can exercise.
Waste facility	The Town is lessor for a lease agreement for the leaf and yard waste facility beginning in January 2023. The agreement is a 6-year lease with no extension terms the Town can exercise.

One of the parking space leases is to the Town's Parking Authority (enterprise fund). The annual lease payments for the fiscal year totaled \$235.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

B. Receivables (continued)

Business-Type Activities:

<u>Description</u>	<u>Lease Receivable</u>	<u>Deferred Inflows of Resources</u>	<u>Lease Revenue</u>	<u>Lease Interest Revenue</u>
Restaurants and shops	\$ 123	\$ 118	\$ 57	\$ 4
Less current portion	(58)			
Long-term portion	\$ 65			

<u>Description</u>	<u>Terms</u>
Restaurants and shops	The Parking Authority is lessor for 3 10-year lease agreements for the lease of three restaurants. Based on this agreement, the Town is receiving monthly payments through September 2025. There are no renewal options included in these lease agreements.

C. Interfund accounts

1. Interfund payables and receivables

A summary of interfund balances is as follows:

<u>Major Funds:</u>		<u>Corresponding Fund</u>	<u>Due From</u>	<u>Due To</u>
General Fund:				
Capital Projects Fund	*	N/A	\$ 5,898	\$ -
Community Development Block Grant	**	N/A	1,300	-
Special Education	*	N/A	-	826
ECC/Public Safety	*	N/A	505	-
Affordable Housing	*	N/A	195	-
Public School Lunch	*	N/A	54	-
Miscellaneous Grants	*	N/A	1,837	-
Downtown Parking	*	N/A	124	-
Donations	*	N/A	287	-
Debt Service	*	N/A	-	8,094
Employees' OPEB Trust Fund	**	N/A	358	-
Total General Fund			10,558	8,920

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

C. Interfund accounts (continued)

		Corresponding Fund	Due From	Due To
Capital Projects Fund	*	General fund	\$ -	\$ 5,898
<u>Other Governmental Funds:</u>				
Community Development Block Grant	**	General fund	-	1,300
Special Education	*	General fund	826	-
ECC/Public Safety	*	General fund	-	505
Affordable Housing	*	General fund	-	195
Public School Lunch	*	General fund	-	54
Miscellaneous Grants	*	General fund	-	1,837
Downtown Parking	*	General fund	-	124
Donations	*	General fund	-	287
Debt Service	*	General fund	8,094	-
Total Other Governmental Funds			8,920	4,302
Employees' OPEB Trust Fund	**	General fund	-	358
Grand total			<u>\$ 19,478</u>	<u>\$ 19,478</u>

\*The interfund balances resulted from the time lag between the dates payments occurred between funds for interfund goods, payroll and services provided.

\*\*The interfund balances resulted from pooled cash deficits.

2. Interfund transfers

A summary of interfund transfers is as follows:

Major Funds	Corresponding Fund	Transfers In	Transfers Out
General Fund:			
Capital Projects Fund	N/A	\$ -	\$ 45
ECC/Public Safety Fund	N/A	-	1,707
Library Fund	N/A	115	-
Debt Service Fund	N/A	-	8,614
Total General Fund		<u>115</u>	<u>10,366</u>



Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

C. Interfund accounts (continued)

	Corresponding Fund	Transfers In	Transfers Out
Capital Projects Fund:			
General Fund	N/A	\$ 45	\$ -
Water Pollution Control Authority Fund	N/A	669	-
Total Capital Projects Fund		<u>714</u>	<u>-</u>
Other Governmental Funds:			
Library Fund	General Fund	-	115
ECC/Public Safety Fund	General Fund	1,707	-
Water Pollution Control Authority Fund	Capital Projects Fund	-	669
Debt Service Fund	General Fund	8,614	-
Total Other Governmental Funds		<u>10,321</u>	<u>784</u>
Total		<u>\$ 11,150</u>	<u>\$11,150</u>

Transfers are used to move budgeted appropriations from the general fund for funding of the following activities:

Capital Project Funds	\$ 45
ECC/Public Safety Fund	1,707
Debt Service Fund	8,614

The library transfer is from endowments to offset the budgeted appropriations for the library.

The water pollution control authority transfers monies from the operating fund to capital projects fund for large multi-year projects.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**D. Capital assets**

Capital asset activity for the fiscal year was as follows:

<b>Governmental activities:</b>	Balance July 1, 2022 (as restated)	Increases	Decreases	Balance June 30, 2023
<u>Capital assets, not being depreciated/amortized:</u>				
Land	\$ 33,390	\$ 404	\$ -	\$ 33,794
Construction in progress	85,612	10,449	26,473	69,588
Total capital assets, not being depreciated/amortized	119,002	10,853	26,473	103,382
<u>Capital assets, being depreciated/amortized:</u>				
Intangible right-to-use assets	6,029	409	230	6,208
Land improvements	8,648	1,722	57	10,313
Buildings and improvements	547,828	21,460	-	569,288
Vehicles	25,439	2,450	2,209	25,680
Machinery and equipment	24,032	6,429	3,075	27,386
Infrastructure	148,709	5,754	10	154,453
Total capital assets, being depreciated/amortized	760,685	38,224	5,581	793,328
Total capital assets	879,687	49,077	32,054	896,710
<u>Less accumulated depreciated/amortized for:</u>				
Intangible right-to-use assets	371	1,265	230	1,406
Land improvements	4,124	582	41	4,665
Buildings and improvements	201,777	11,898	-	213,675
Vehicles	15,161	768	1,530	14,399
Machinery and equipment	12,521	2,642	1,981	13,182
Infrastructure	97,864	2,265	10	100,119
Total accumulated depreciated/amortized	331,818	19,420	3,792	347,446
Total capital assets, being depreciated/amortized, net	428,867	18,804	1,789	445,882
Capital assets, net	<u>\$ 547,869</u>	<u>\$ 29,657</u>	<u>\$ 28,262</u>	<u>\$ 549,264</u>

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
 (Amounts expressed in thousands)

**D. Capital assets (continued)**

Intangible right-to-use assets by category are as follows:

	Asset	Accumulated Amortization
Intangible right-to-use land improvements	\$ 2,358	\$ 471
Intangible right-to-use machinery and equipment	197	83
Intangible right-to-use subscription assets	3,653	852
Total intangible right-to use assets	<u>\$ 6,208</u>	<u>\$ 1,406</u>

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

General government	\$ 557
Finance	206
Public safety	1,674
Public works	4,239
Health and welfare	75
Culture and recreation	1,558
Education	11,111
Total depreciation/amortization expense	<u>\$19,420</u>

<b>Business-type activities:</b>	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
<u>Capital assets, being depreciated/amortized:</u>				
Intangible right-to-use land improvements	\$ 3,509	\$ -	\$ -	\$ 3,509
Land improvements	704	-	-	704
Buildings and improvements	1,089	7	-	1,096
Machinery and equipment	93	-	-	93
Total capital assets, being depreciated/amortized	<u>5,395</u>	<u>7</u>	<u>-</u>	<u>5,402</u>
<u>Less accumulated depreciation/amortization for:</u>				
Intangible right-to-use land improvements	333	333	-	666
Land improvements	200	45	-	245
Buildings and improvements	922	44	-	966
Machinery and equipment	42	7	-	49
Total accumulated depreciation/amortization	<u>1,164</u>	<u>96</u>	<u>-</u>	<u>1,260</u>
Capital assets, net	<u>\$ 4,231</u>	<u>\$ (89)</u>	<u>\$ -</u>	<u>\$ 4,142</u>

Depreciation/amortization expense was charged to the Parking Authority Fund.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
 (Amounts expressed in thousands)

**E. Construction commitments**

The Town had the following construction commitments:

Wastewater Treatment Plant hardening	\$ 128
Duck Farm Road bridge	1,583
Riverfield Elementary School roof	767
Sherman Elementary School roof	723
Stratfield streetscape improvements	1,518
Fairfield Woods MS elevator	82
FLHS building automation	111
Police Department HVAC	40
Lake Mohegan splash pad	14
Burr Elementary boiler replacement	566
Post tension tennis courts-Dwight and Woods	396
Warde High School HVAC	97
	<hr/>
Total	<u><u>\$ 6,025</u></u>

**F. Short-term liabilities: bond anticipation notes**

The Town is using bond anticipation notes (“BANs”) prior to the issuance of the bonds at the completion of the project.

Short-term liability activity for the fiscal year was as follows:

Purpose	Maturity Date	Coupon Rate	Balance July 1, 2022	Additions	Reductions	Permanently Financed	Balance June 30, 2023
General Purpose	7/8/2022	2.00%	\$ 4,075	\$ -	\$ 4,075	\$ -	\$ -
Schools	7/8/2022	2.00%	1,591	-	1,591	-	-
General Purpose	7/7/2023	2.50%	-	7,507	-	5,760	1,747
Schools	7/7/2023	2.50%	-	583	-	-	583
			<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total			<u><u>\$ 5,666</u></u>	<u><u>\$ 8,090</u></u>	<u><u>\$ 5,666</u></u>	<u><u>\$ 5,760</u></u>	<u><u>\$ 2,330</u></u>

In July 2023, the Town issued \$25,605 of general obligation bonds which permanently financed a portion of the bond anticipation notes outstanding at fiscal year-end. These bonds mature through 2043 and carry interest rates of 4.00% - 5.00%.

In July 2023, the Town issued \$8,170 of bond anticipation notes that mature in July 2024, and carry a coupon interest rate of 4.50% and a true interest cost of 3.42%.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

G. Changes in long-term liabilities

Bonds, notes, leases, and subscriptions are direct obligations and pledge the full faith and credit of the Town.

1. Summary of changes

The following is a summary of changes in long-term liabilities during the fiscal year:

Governmental Activities:

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2022	Additions	Deductions	Refunded	Balance June 30, 2023	Current Portion	Long-Term Portion
<u>General purpose:</u>											
Refunding issue	\$ 5,447	2008	01/01/23	3.375%-5.00%	(as restated) \$ 388	\$ -	\$ 388	\$ -	\$ -	\$ -	\$ -
Debt issue	500	2014	06/30/35	2.00%-4.00%	325	-	25	300	-	-	-
Refunding issue	2,467	2015	07/15/27	1.75%-4.00%	1,925	-	362	-	1,563	369	1,194
Refunding issue	8,845	2016	07/15/30	2.00%-5.00%	6,800	-	489	-	6,311	566	5,745
Debt issue	3,500	2016	06/30/37	2.00%-5.00%	2,625	-	175	-	2,450	175	2,275
Debt issue	10,885	2017	07/13/37	3.00%-5.00%	9,120	-	570	-	8,550	570	7,980
Debt issue	3,157	2018	07/01/38	3.00%-3.75%	2,324	-	321	-	2,003	332	1,671
Debt issue	7,011	2019	07/01/39	2.00%-3.00%	6,310	-	350	-	5,960	350	5,610
Refunding issue	5,332	2020	06/30/33	2.00%-5.00%	4,854	-	499	-	4,355	507	3,848
Debt issue	10,980	2020	07/01/41	2.00%-5.00%	10,980	-	545	-	10,435	545	9,890
Debt issue	19,794	2021	07/01/41	2.00%-5.00%	19,794	-	989	-	18,805	990	17,815
Debt issue	18,318	2022	07/01/42	4.00%-5.00%	7,336	10,982	-	-	18,318	1,138	17,180
Refunding issue	267	2022	07/15/34	3.00%-5.00%	-	267	-	-	267	24	243
Total general purpose	96,503				72,781	11,249	4,713	300	79,017	5,566	73,451
<u>Schools:</u>											
Refunding issue	40,623	2008	01/01/23	3.375%-5.00%	2,900	-	2,900	-	-	-	-
Refunding issue	25,011	2012	06/30/26	2.00%-5.00%	10,090	-	2,520	7,570	-	-	-
Debt issue	11,000	2014	06/30/35	2.00%-4.00%	7,150	-	550	6,600	-	-	-
Refunding issue	21,773	2015	07/15/27	1.75%-4.00%	15,395	-	2,698	-	12,697	2,746	9,951
Refunding issue	17,995	2016	07/15/30	2.00%-5.00%	14,420	-	1,036	-	13,384	989	12,395
Debt issue	16,811	2016	06/30/37	2.00%-5.00%	12,611	-	840	-	11,771	840	10,931
Debt issue	2,000	2017	07/13/37	3.00%-5.00%	1,675	-	100	-	1,575	105	1,470
Debt issue	13,868	2018	07/01/38	3.00%-3.75%	12,801	-	404	-	12,397	568	11,829
Debt issue	8,699	2019	07/01/39	2.00%-5.00%	7,740	-	480	-	7,260	480	6,780
Refunding issue	13,533	2020	06/30/33	2.00%-5.00%	12,331	-	1,266	-	11,065	1,288	9,777
Debt issue	12,105	2020	07/01/41	2.00%-5.00%	12,105	-	605	-	11,500	605	10,895
Debt issue	6,101	2021	07/01/41	2.00%-5.00%	6,101	-	431	-	5,670	305	5,365
Debt issue	14,142	2022	07/01/42	4.00%-5.00%	853	13,289	-	-	14,142	612	13,530
Refunding issue	13,188	2022	07/15/34	3.00%-5.00%	-	13,188	-	-	13,188	2,931	10,257
Total schools	216,849				116,172	26,477	13,830	14,170	114,649	11,469	103,180

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

G. Changes in long-term liabilities (continued)

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2022	Additions	Deductions	Refunded	Balance June 30, 2023	Current Portion	Long-Term Portion
Sewer:											
Refunding issue	\$ 160	2008	01/01/23	3.375%-5.00%	\$ 12	\$ -	\$ 12	\$ -	\$ -	\$ -	\$ -
Debt issue	2,500	2021	07/01/41	2.00%-5.00%	2,500	-	-	-	2,500	125	2,375
Total sewer	2,660				2,512	-	12	-	2,500	125	2,375
Total bonds	313,512				191,465	37,726	18,555	14,470	196,166	17,160	179,006
Bond anticipation notes (permanently financed)					-	5,760	-	-	5,760	-	5,760
<u>Notes (direct borrowings):</u>											
Mower (Golf)	131	2019	08/10/22	5.27%	28	-	28	-	-	-	-
Copiers	242	2020	9/30/23	2.50%	115	-	65	-	50	50	-
Copiers	372	2022	11/01/25	2.10%	328	-	91	-	237	93	144
Golf carts and haulers	649	2023	11/01/27	2.97%	-	649	46	-	603	117	486
Clean Water - CWF 399C	29,436	2003	07/31/22	2.00%	148	-	148	-	-	-	-
Total notes	30,830				619	649	378	-	890	260	630
Total bonds and notes payable					192,084	44,135	18,933	14,470	202,816	17,420	185,396
Leases payable					2,416	137	210	-	2,343	137	2,206
Subscription payable					3,523	131	812	-	2,842	805	2,037
Total long-term debt					198,023	44,403	19,955	14,470	208,001	18,362	189,639
Premium					7,453	3,297	1,068	-	9,682	-	9,682
Total long-term debt and related liabilities					205,476	47,700	21,023	14,470	217,683	18,362	199,321

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

G. Changes in long-term liabilities (continued)

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2022	Additions	Deductions	Refunded	Balance June 30, 2023	
									Current Portion	Long-Term Portion
Compensated absences					\$ 5,628	\$ 140	\$ 730	\$ -	\$ 5,038	\$ 4,030
Heart and hypertension					3,419	171	510	-	3,080	804
Net pension liability					101,243	44,133	46,473	-	98,903	-
Net OPEB liability					104,379	37,579	38,307	-	103,651	-
Environmental liability					14,924	-	1,121	-	13,803	4,831
Claims payable					12,049	1,683	2,541	-	11,191	3,396
Total long-term liabilities					<u>\$ 447,118</u>	<u>\$ 131,406</u>	<u>\$ 110,705</u>	<u>\$ 14,470</u>	<u>\$ 453,349</u>	<u>\$ 28,401</u>
										<u>\$ 424,948</u>

All bonds and notes will be liquidated by the General Fund, except for clean water loan 399C, which is liquidated by the Water Pollution Control Authority Fund.

All other long-term liabilities listed above are also generally liquidated by the General Fund, except for the environmental liability which will be liquidated from the capital project fund.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**G. Changes in long-term liabilities (continued)**Business-Type Activities:

The following are the changes in long-term liabilities, which will be funded from enterprise fund operations:

<u>Description</u>	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2023</u>	<u>Current Portion</u>	<u>Long-Term Portion</u>
Leases	\$ 3,330	\$ -	\$ 198	\$ 3,132	\$ 280	\$ 2,852

## 2. The following is a summary of principal and interest amounts of bond and note maturities:

<u>Fiscal Year</u>	<u>Bonds</u>		<u>Notes</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 17,160	\$ 6,142	\$ 260	\$ 39
2025	17,345	5,799	218	28
2026	17,525	5,039	179	18
2027	15,025	4,328	138	10
2028	15,045	3,723	95	1
2029	13,425	3,228	-	-
2030	11,745	2,804	-	-
2031	11,645	2,438	-	-
2032	10,140	2,108	-	-
2033	10,125	1,813	-	-
2034	7,935	1,555	-	-
2035	7,940	1,324	-	-
2036	7,370	1,098	-	-
2037	7,371	880	-	-
2038	6,350	685	-	-
2039	5,670	524	-	-
2040	4,770	342	-	-
2041	4,055	230	-	-
2042	4,050	116	-	-
2043	1,475	30	-	-
Totals	<u>\$ 196,166</u>	<u>\$ 44,206</u>	<u>\$ 890</u>	<u>\$ 96</u>

**3. Assets pledged as collateral**

The Town's outstanding equipment financing notes of \$890 are secured with collateral of the equipment purchased.



## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**G. Changes in long-term liabilities (continued)****4. Statutory debt limitations**

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

<u>Category</u>	<u>Debit Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 711,191	\$ 86,524	\$ 624,667
Schools	1,422,383	115,232	1,307,151
Sewer	1,185,319	2,500	1,182,819
Urban renewal	1,027,276	-	1,027,276
Pension deficit	948,255	-	948,255

The total overall statutory debt limit for the Town is equal to 7 times the annual receipts for the prior year taxation:

\$ 2,212,595

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

**5. Authorized/unissued bonds**

The amount of authorized and unissued bonds as follows:

General purpose	\$ 39,271
Schools	32,811
Sewers	<u>13,513</u>
Total	<u>\$ 85,595</u>

**6. Current year advance refunding**

In July 2022, the Town issued \$13,455 of general obligation refunding bonds with interest rates of 3.00% - 5.00%. These refunding bonds were issued to defease bonds issued in January 2012 and bonds issued in July 2014. The refunding resulted in an economic gain of \$637,328 and a decrease in debt service payments of \$741,535.

**7. Environmental liability**

The Town has identified multiple sites throughout the Town that will require environmental testing, hazard investigation, and remediation related to contamination due to the use of fill pile from the Town's reclamation yard, the Water Pollution Control Facility, Penfield Pavilion and related parking lot and additional sites throughout the Town. The estimated cost of remediation is \$13,803. The Town has committed fund balance to fund the cost of the remediation for the total estimated liability in the capital projects fund.

The estimate is subject to change due to price changes, technology changes or other changes. The pollution remediation liability does not reflect any recovery of outlays because it is unknown at this time whether the Town will be able to recover remediation costs from other parties.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

G. Changes in long-term liabilities (continued)

8. Leases

Lease agreements are summarized as follows:

Governmental Activities:

Description	Year	Lease Term (years)	Interest Rate*	Original Amount	Balance June 30, 2023
Electric golf carts	2022/2023	2-5	2.00/2.97%	\$ 368	\$ 131
Town copiers	2022	4	2.00%	60	23
Education maintenance garage	2022	19	2.00%	2,359	2,189
Total				<u>\$ 2,787</u>	<u>\$ 2,343</u>

Business-Type Activities:

Description	Year	Lease Term (years)	Interest Rate*	Original Amount	Balance June 30, 2023
Parking lots	2022	2-11	2.00%	<u>\$ 3,509</u>	<u>\$ 3,132</u>

\*All interest rates have been imputed based on the rate from recently issued debt as there were no interest rates specified in the lease agreement.

Governmental Activities:

Description	Terms
Electric golf carts	The lease is not renewable and the Town will not acquire the equipment at the end of the term.
Town copiers	The lease is not renewable and the Town will not acquire the equipment at the end of the term.
Education maintenance garage	The lease term includes ten-year additional terms that the Town anticipates renewing.

Business-Type Activities:

Description	Terms
Parking lots	The parking lots include a two-year and eleven-year lease terms. The Town plans to renew one of the parking lots. The Town currently makes semi-annual and annual payments for both parking lots.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**G. Changes in long-term liabilities (continued)**

The following is a summary of lease payable principal and interest payments to maturity:

Year Ending June 30	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 137	\$ 48	\$ 280	\$ 53
2025	128	45	296	47
2026	129	42	312	41
2027	135	39	329	35
2028	130	36	347	29
2029	116	34	365	22
2030	121	31	384	14
2031	126	29	403	7
2032	132	26	416	6
2033	138	24	-	-
2034	144	21	-	-
2035	150	18	-	-
2036	156	15	-	-
2037	163	12	-	-
2038	170	9	-	-
2039	177	5	-	-
2040	91	4	-	-
Totals	<u>\$ 2,343</u>	<u>\$ 438</u>	<u>\$ 3,132</u>	<u>\$ 254</u>

**9. Subscription arrangements**

Subscription arrangements are summarized as follows:

Governmental Activities:

<u>Description</u>	<u>Year</u>	<u>Subscription Term (years)</u>	<u>Interest Rate*</u>	<u>Original Amount</u>	<u>Balance June 30, 2023</u>
Police body camera software	2022	4	3.00%	\$ 2,755	\$ 2,097
Fire dispatch system	2022	4	3.00%	114	87
Phone system	2021	14	3.00%	584	550
Digital learning software	2023	3	3.00%	160	88
Video editing software	2021	2	3.00%	40	20
Total				<u>\$ 3,653</u>	<u>\$ 2,842</u>

\* All interest rates have been imputed based on the rate from recently issued debt as there were no interest rates specified in the subscription agreement.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

G. Changes in long-term liabilities (continued)

Description	Terms
Police body camera software	The Town has a subscription arrangement for the police body camera software and cloud storage of camera footage. This arrangement includes an option to extend for 5 years. The Town plans to exercise the extension.
Fire dispatch system	The Town has a subscription arrangement for the fire dispatch system software. This arrangement includes an option to extend for 5 years. The Town plans to exercise the extension.
Phone system	The Town has a subscription arrangement for the phone system software. This arrangement includes an option to extend for 5 years. The Town plans to exercise the extension.
Digital learning software	The Town has three subscription arrangements for digital learning softwares. Two of these arrangements are multi-year agreements and one is for three years. These arrangements do not include an option to extend.
Video editing software	The Town has one subscription arrangement for video editing software. This arrangement is a multi-year agreement and does not include an option to extend.

Governmental Activities

Year Ending June 30	Principal	Interest
2024	\$ 805	\$ 85
2025	809	61
2026	787	37
2027	38	13
2028	40	12
2029	41	11
2030	42	10
2031	43	8
2032	45	7
2033	46	6
2034	47	4
2035	49	3
2036	50	2
Totals	<u>\$ 2,842</u>	<u>\$ 259</u>

10. Heart hypertension

Under Connecticut General Statutes, the Town is obligated to pay for certain former public safety employees job related medical costs for the remainder of the employee’s life. The liability represents actuarially based estimates of future costs.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**H. Fund balance classifications and restricted net position**

Fund balances are composed of the following:

Fund Balance Component	General Fund	Capital Projects Fund	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Lease receivable	\$ 742	\$ -	\$ -	\$ 742
Education programs	-	-	20	20
Library programs	-	-	70	70
Conservation programs	-	-	30	30
Total nonspendable	<u>742</u>	<u>-</u>	<u>120</u>	<u>862</u>
<u>Restricted:</u>				
Conservation	-	-	434	434
Care of animals	-	-	809	809
Sanitary sewer operations*	-	-	15,534	15,534
Community development programs	-	-	2,144	2,144
Housing programs	-	-	799	799
Library operations	-	-	8,575	8,575
ECC/public safety	-	-	134	134
Town approved projects (ARPA)	-	-	17,172	17,172
Cafeteria operations*	-	-	2,555	2,555
Total restricted	<u>-</u>	<u>-</u>	<u>48,156</u>	<u>48,156</u>
<u>Committed:</u>				
General government	29	-	-	29
Finance - information systems	237	-	-	237
Public safety - fire department	157	-	-	157
Public works - operations	919	-	-	919
Construction contracts	-	6,025	-	6,025
Remediation costs	-	14,780	-	14,780
Approved projects	-	18,749	-	18,749
Public safety - police and port security	-	-	2,499	2,499
Fairfield center improvements	-	-	341	341
Health and rehabilitation programs	4	-	-	4
Park and recreation programs	46	-	1,560	1,606
Education programs	3,309	-	2,372	5,681
Other	-	-	2,427	2,427
Total committed	<u>4,701</u>	<u>39,554</u>	<u>9,199</u>	<u>53,454</u>
<u>Assigned:</u>				
Debt service	-	-	13,970	13,970
<u>Unassigned</u>	<u>41,062</u>	<u>-</u>	<u>-</u>	<u>41,062</u>
Total	<u>\$ 46,505</u>	<u>\$ 39,554</u>	<u>\$ 71,445</u>	<u>\$ 157,504</u>
General Fund encumbrances totaled:	<u>\$ 4,701</u>			

\*The amount of net position restricted by enabling legislation totaled:

\$ 18,089

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

IV. Other information

A. Risk management

The Town purchases commercial insurance coverage for all the following risks and limits as detailed below:

Coverage (not in thousands)	Limit	Deductible	Aggregate
General liability	\$ 1,000,000	\$ 500,000	
Auto	1,000,000	500,000	
Law enforcement liability, public officials and school leaders	1,000,000	100,000	
Damage to Town property	1,000,000	100,000	
Pollution	1,000,000	125,000	\$2,000,000
Flood damage	10,000,000	500,000	10,000,000
Excess liability	10,000,000		
Medical insurance individual stop loss	150,000		
Workers compensation stop loss:			
Employees	600,000		
Police, fire and EMT	750,000		

The Town is exposed to various risks for which it has retained the risk of loss including torts; theft or, damage to and destruction of assets; natural disaster; general liability; workers' compensation; and employee and post-retiree group medical. Settled claims have not exceeded commercial coverage in any of the past three years, and there has not been any significant reductions in insurance coverage from amounts held in prior years.

The Town utilizes a risk management fund (the Internal Service Fund) to account for and finance its uninsured risks of loss. The fund records all claim expenditures and liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

All Town departments and agencies are charged premiums by the Internal Service Fund, which are included in department and agency expenditures, to cover the estimated cost of claims payment based on historical cost estimates of the amounts needed to pay prior and current year claims. Claims liabilities include an estimate of claims incurred but not reported and are the Town's best estimate based on available information.

The claims liability reported in the fund is based upon accounting principles, which require that a liability for estimated claims incurred but not reported be recorded. The amount of claim accrual is based on the ultimate costs of settling the claim, which include past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**A. Risk management (continued)**

	Claims Payable July 1	Current Year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30	Current Portion	Long-Term Portion
<u>General Liability</u>						
2021-2022	\$ 2,404	\$ 520	\$ 664	\$ 2,260	\$ 1,130	\$ 1,130
2022-2023	2,260	762	628	2,394	1,197	1,197
<u>Workers Compensation</u>						
2021-2022	9,478	1,660	1,349	9,789	2,447	7,342
2022-2023	9,789	921	1,913	8,797	2,199	6,598
<u>Subtotal</u>						
2021-2022	11,882	2,180	2,013	12,049	3,577	8,472
2022-2023	12,049	1,683	2,541	11,191	3,396	7,795
<u>Medical Insurance</u>						
2021-2022	746	11,572	11,118	1,200	1,200	-
2022-2023	1,200	10,960	11,119	1,041	1,041	-
<u>Totals</u>						
2021-2022	12,628	13,752	13,131	13,249	4,777	8,472
2022-2023	<u>\$ 13,249</u>	<u>\$ 12,643</u>	<u>\$ 13,660</u>	<u>\$ 12,232</u>	<u>\$ 4,437</u>	<u>\$ 7,795</u>

**B. Commitments and litigation**

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

The Town is a defendant in various lawsuits. The outcome of these lawsuits is not presently determinable. The resolution of these matters is not expected to have a material adverse effect on the financial condition of the Town.

**C. Tax abatements (amounts not in thousands)**

An economic development tax incentive program was enacted pursuant to Section 12-65b of the Connecticut General Statutes. This program is intended to attract new businesses to the Town and encourage the expansion of existing businesses to strengthen the Town's tax base.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**C. Tax abatements (amounts not in thousands) (continued)**

The program is designed to provide the Town with the opportunity to create new employment, enhance the tax base, encourage technological innovation or investment, or address other goals of the Town. The program is available for strategic businesses, locally owned small business, restaurants and other retail establishments, affordable housing, warehousing and distribution centers.

The economic development tax incentive amount is based upon the total cost of improvements to real property. The form of the adjustment or reduction in the assessed value of that portion of the real property is comprised of the qualifying new construction or expansion.

Improvements of \$500,000 to \$3,000,000 will qualify for a 3 year phase-in, improvements of \$3,000,001 to \$10,000,000 will qualify for a 5 year phase-in and improvements valued at greater than \$10,000,001 will qualify for a 7 year phase-in.

There is currently 1 company participating in the economic development tax incentive program.

The amount of the tax abatement under these programs was approximately \$102,000.

**V. Pensions and other post-employment benefit (“OPEB”) plans****A. Town pension plans****1. Plan description****a. Plan administration**

The Town administers two single-employer defined benefit pension plans (the Employees' Retirement Plan and the Police and Fire Retirement Plan), which provide pensions for all permanent full-time employees of the Town, excluding certified employees of the Board of Education. Both pension plans grant the authority to establish and amend the benefit terms to the Representative Town Meeting. The Employees' Retirement Plan is closed to employees hired after April 1, 2011. The plans do not issue separate, stand-alone financial reports.

Management of each plan is vested in a Joint Retirement and Investment Board, which consists of appointed by employees elected by the employee groups represented in the Plan.

**b. Plan membership**

As of July 1, 2022 for Employees and Police and Fire, the plans' membership consisted of:

	<u>Employees</u>	<u>Police and Fire</u>
Inactive members and beneficiaries currently receiving benefits	595	236
Active members	<u>342</u>	<u>197</u>
Total	<u><u>937</u></u>	<u><u>433</u></u>



Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

A. Town pension plans (continued)

2. Benefit provisions

	Employees' Retirement Plan	Police and Fire Retirement Plan
Normal retirement	Public works: Age 59 1/2 with 10 years of service	Police: Age 51 with 25 years of service
	All others: Age 62 with 10 years of service	Fire: 30 years of service regardless of age
Benefit calculation	Public works: 2.2% of the average of final salary over the period of highest 2 consecutive years' times years of service	Police members hired prior to March 18, 2013 and Fire members hired prior to March 10, 2012, the retirement benefit is calculated at 2% of base salary plus longevity for each year of service up to 10 years, plus 2.5% for years 11-20, 3% for years 21-25, and 4% for years 26-30. The maximum benefit is 80% of base salary plus longevity.
	Educational Office Professionals and Professional and Technical Employees and department heads: 2.275% of a member's highest salary times years of service	For members hired after the dates above, the benefit is calculated in the same way as for previously hired employees until the period following 25 years. After 25 years, the benefit is calculated at 3% for each year of service up to a maximum of 70% for Police and 75% for Fire.
	Other members: 1.25% of final salary up to \$7,800 plus 2.3% of the excess for all other members	
Service connected disability amount	50% of the member's annual base salary on the date of the accident or injury reduced by any workers' compensation benefits being received after retirement	Not less than 66 2/3% of the member's annual base salary, plus longevity on the date of the accident.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

A. Town pension plans (continued)

	Employees' Retirement Plan	Police and Fire Retirement Plan
Non-service connected disability amount	Calculated in the same manner as regular retirement benefits	Calculated in the same manner as regular retirement benefits
Non-service connected disability service requirement	10 years of service	5 years of service
Death benefit	Death benefits as a result of an accident occurring during the course of Town employment will be equal to 50% of member's highest salary.	Pre-retirement: 25% of the member's final pay after one year of service. After five years of service, benefits are payable equal to 1% of final salary multiplied by years of service to a maximum of ten years plus 1 ½% of final salary multiplied by years of service in excess of 10 years to a maximum of 25% of final pay.
	Death benefits from causes not related to Town employment will be equal to the member's accumulated contributions with interest shall be paid to the member's spouse or beneficiary, if there is no spouse. If the member was eligible to retire at the time of death, the spouse may elect to receive 50% of the member's benefit as if the member had retired.	Post-retirement: 75% of the member's retirement benefit. If death is incurred in the line of duty, the benefit is equal to 50% of the member's final salary.
Cost of living adjustments	Adjusted according to the US Consumer Price Index, but not to exceed 3%	Adjusted according to the US Consumer Price Index, but not to exceed 3%

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

A. Town pension plans (continued)

3. Contributions

	<u>Employees' Retirement Plan</u>	<u>Police and Fire Retirement Plan</u>
Town employees	4.00%	4.75%
Town average contribution rate of covered payroll was	24.12%	38.03%

4. Investments

a. Investment policy

The pension plans' policy in regard to the allocation of invested assets is established and may be amended by the Joint Retirement and Investment Board by a majority vote of its members. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

The following was the Board's adopted asset allocation policy for both the Employees' and Police and Fire Retirement Plans:

	<u>Employees and Police and Fire</u>	
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities	30.00%	5.70%
International equities	20.00%	7.90%
U.S. bonds	25.00%	1.95%
International bonds	10.00%	(0.13%)
Private equity	10.00%	10.92%
Real estate	<u>5.00%</u>	6.27%
Total	<u>100.00%</u>	
Long-term inflation expectation		<u>2.40%</u>
Long-term expected nominal return		<u>6.90%</u>

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

A. Town pension plans (continued)

b. Concentrations

The Town's pension fund had an investment in a real estate LP fund totaling 6.29% of the pension plans' net position.

In addition, the Town's pension fund had an investment in a private equity LP totaling 7.96% of the pension plans' net position.

c. Rate of return

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 (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.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation (see the discussion of the pension plan's investment policy) are summarized above.

d. Annual money-weighted rate of return

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

	<u>Employees</u>	<u>Police and Fire</u>
Rate of return	8.04%	8.00%

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

5. Net pension liability

The components of the net pension liability were as follows:

	<u>Employees</u>	<u>Police and Fire</u>
Total pension liability	\$ 270,354	\$ 262,538
Plan fiduciary net position	<u>225,438</u>	<u>208,551</u>
Net pension liability	<u>\$ 44,916</u>	<u>\$ 53,987</u>
Plan fiduciary net position as percentage of the total pension liability	<u>83.39%</u>	<u>79.44%</u>

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

A. Town pension plans (continued)

6. Actuarial methods and significant assumptions

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Employees</u>	<u>Police and Fire</u>
Valuation date	July 1, 2022	July 1, 2022
Actuarial cost method	Entry age	Entry age
Inflation	2.40%	2.40%
Salary increases	2.40%	3.50%-4.70%
Investment rate of return	6.90%	6.90%
Mortality Rates	PubG-2010 Mortality table with generational projection per the MP-2020 scale	PubS-2010 Mortality table with generational projection per the MP-2020 scale

7. Changes from prior year

a. Changes in assumptions

There were no changes in assumptions.

b. Changes in benefit terms

There were no changes in benefit terms.

8. Discount rate

The discount rate used to measure the total pension liability was as follows:

	<u>Employees</u>	<u>Police and Fire</u>
Discount rate	6.90%	6.90%

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 plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**A. Town pension plans (continued)****9. Changes in the net pension liability**

The Town's net pension liability was measured at June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated as noted below:

The changes in net pension liability for each plan for the fiscal year were as follows:

<u>Valuation date: July 1, 2022</u>	<u>Increase (Decrease)</u>		
<u>Employees' Retirement Plan</u>	<u>(a)</u> <u>Total Pension Plan</u> <u>Liability</u>	<u>(b)</u> <u>Fiduciary Net</u> <u>Position</u>	<u>(a) - (b)</u> <u>Net Pension</u> <u>Liability</u>
Balance at July 1, 2022	<u>\$ 263,767</u>	<u>\$ 217,108</u>	<u>\$ 46,659</u>
Service cost	2,442	-	2,442
Interest	17,871	-	17,871
Differences between expected and actual experience	933	-	933
Contributions - employer	-	5,063	(5,063)
Contributions - member	-	900	(900)
Net investment income	-	17,138	(17,138)
Benefit payments, including refunds of member contributions	(14,659)	(14,659)	-
Administrative expenses	-	(112)	112
Net change	<u>6,587</u>	<u>8,330</u>	<u>(1,743)</u>
Balance at June 30, 2023	<u>\$ 270,354</u>	<u>\$ 225,438</u>	<u>\$ 44,916</u>

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**A. Town pension plans (continued)**

<u>Valuation date: July 1, 2022</u>	<u>Increase (Decrease)</u>		
<u>Police and Fire Retirement Plan</u>	<u>(a)</u> <u>Total Pension Plan</u> <u>Liability</u>	<u>(b)</u> <u>Fiduciary Net</u> <u>Position</u>	<u>(a) - (b)</u> <u>Net Pension</u> <u>Liability</u>
Balance at July 1, 2022	\$ 254,439	\$ 199,855	\$ 54,584
Service cost	3,450	-	3,450
Interest	17,299	-	17,299
Differences between expected and actual experience	1,941	-	1,941
Contributions - employer	-	6,669	(6,669)
Contributions - member	-	928	(928)
Net investment income	-	15,775	(15,775)
Benefit payments, including refunds of member contributions	(14,591)	(14,591)	-
Administrative expenses	-	(85)	85
Net change	8,099	8,696	(597)
Balance at June 30, 2023	<u>\$ 262,538</u>	<u>\$ 208,551</u>	<u>\$ 53,987</u>

**10. Sensitivity of the net pension liability to changes in the discount rate**

The following presents the net pension liability, calculated using the current discount rate 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 or 1-percentage-point higher than the current rate:

<u>Net pension liability</u>	<u>Discount</u> <u>Rate</u>	<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Discount</u> <u>Rate</u>	<u>1%</u> <u>Increase</u>
Town plan	<u>6.90%</u>	<u>\$ 75,992</u>	<u>\$ 44,916</u>	<u>\$ 18,710</u>
Police plan	<u>6.90%</u>	<u>\$ 88,329</u>	<u>\$ 53,987</u>	<u>\$ 25,682</u>

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**A. Town pension plans (continued)****11. Pension expense and deferred outflows and inflows of resources**

The Town recognized pension expense of \$7,751 for the Town Employees' Plan and \$12,276 for the Police and Fire Employees' Plan. The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Employees' Retirement Plan</b>	Deferred	Deferred	
Description of Outflows/Inflows	Outflows of	Inflows of	Net
	Resources	Resources	
Differences between expected and actual experience	\$ 587	\$ 771	\$ (184)
Changes in assumptions	934	349	585
Net difference between projected and actual earnings on investments	<u>6,704</u>	<u>-</u>	<u>6,704</u>
Total	<u>\$ 8,225</u>	<u>\$ 1,120</u>	<u>\$ 7,105</u>
<b>Police and Fire Retirement Plan</b>	Deferred	Deferred	
Description of Outflows/Inflows	Outflows of	Inflows of	Net
	Resources	Resources	
Differences between expected and actual experience	\$ 14,946	\$ 2,305	\$ 12,641
Changes in assumptions	5,367	1,605	3,762
Net difference between projected and actual earnings on investments	<u>11,926</u>	<u>-</u>	<u>11,926</u>
Total	<u>\$ 32,239</u>	<u>\$ 3,910</u>	<u>\$ 28,329</u>



## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**A. Town pension plans (continued)**

Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of actives and inactives in years for each of the following plans:

<u>Plan</u>	<u>Years</u>
Employees' Plan	2.7
Police and Fire Plan	6.6

Actual investment earnings below (or above) projected earnings are amortized over 5 years for both plans.

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

<u>Year Ending</u> <u>June 30,</u>	<u>Employees</u>	<u>Police and</u> <u>Fire</u>
2024	\$ 1,171	\$ 4,676
2025	(1,022)	2,433
2026	7,450	9,657
2027	(494)	9,335
2028	-	2,051
Thereafter	-	177
Total	<u>\$ 7,105</u>	<u>\$ 28,329</u>

**B. Defined contribution retirement savings plan**

The Town administers a single employer, defined contribution plan, which covers employees hired after April 1, 2011, who are members of various bargaining units. The plan is not included in the Town's financial statements. The plan was approved as part of the union contracts and any subsequent amendments would occur as part of future collective bargaining agreements.

Each employee will participate in the Town's defined contribution plan. Each employee shall be required to contribute at least 4.00% to the plan but may contribute the maximum allowed under IRS regulations. The Town shall match the employee's contribution up to a maximum of 5.00% for one of the contracts and 4.00% for the remaining contracts in the Plan. The Town's contribution shall not vest until the employee has been continuously employed for 5 years for all plans. The contributions made by employees and employer totaled \$1,201 and \$570, respectively.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

C. Connecticut state teachers' retirement system

1. Plan description

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

2. Benefit provisions

Normal retirement	Age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut
Benefit calculation	2.00% 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	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
Early retirement amount	Benefit amounts are reduced by 6.00% per year for the first 5 years preceding normal retirement age and 4.00% per year for the next 5 years preceding the normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3.00% per year by which retirement precedes normal retirement date
Service connected disability amount	2.00% 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. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of social security benefits and workers' compensation cannot exceed 75% of annual average salary
Non-service connected disability service requirement	Five years of credited service
Vesting - service	10 years of service
Vesting - amount	100%
Pre-retirement death benefit amount	Lump-sum return of contributions with interest or surviving spouse benefit depending on length of service

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**C. Connecticut state teachers' retirement system (continued)****3. Contributions****State of Connecticut**

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 amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The contributions are actuarially determined as an amount that, when combined with employee contributions and investment earnings, 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.

**Employer (school districts)**

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

**Employees**

Each teacher is required to contribute 7.00% of their pensionable wages for the pension benefit.

**4. Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions**

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

Town's proportionate share of the collective net pension liability	\$	-
State's proportionate share of the collective net pension liability associated with the Town		<u>390,691</u>
Total	\$	<u>390,691</u>
During the year, the Town recognized pension expense and revenue for on-behalf amounts for contributions to the plan by the State of:	\$	<u>30,803</u>

The collective net pension liability was measured as of June 30, 2022, and the collective total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of June 30, 2022. The Town has no proportionate share of the collective net pension liability.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**C. Connecticut state teachers' retirement system (continued)****5. Actuarial assumptions**

The collective total pension liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	6.90%
Inflation	2.50%
Salary increases	3.25-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019

Future cost-of-living increases - 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 3.00% and a maximum of 5.00% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 6.00% per annum. If the return on assets in the previous year was less than 8.50%, the maximum increase is 1.50%. 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 5.00% per annum. If the return on assets in the previous year was less than 11.50%, the maximum increase is 3.00%, and if the return on the assets in the previous year was less than 8.50%, the maximum increase is 1.00%.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

**Changes in assumptions and inputs**

There were no changes in assumptions from the prior measurement date.

**Long-term expected rate of return**

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.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**C. Connecticut state teachers' retirement system (continued)**

The target asset allocation and best estimates of geometric rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity fund	20.00%	5.40%
Developed market international stock fund	11.00%	6.40%
Emerging market international stock fund	9.00%	8.60%
Core fixed income fund	13.00%	0.80%
Emerging market debt fund	5.00%	3.80%
High yield bond fund	3.00%	3.40%
Real estate fund	19.00%	5.20%
Private equity	10.00%	9.40%
Private credit	5.00%	6.50%
Alternative investments	3.00%	3.10%
Liquidity fund	2.00%	(0.40%)
Total	<u>100.00%</u>	

**6. Discount rate**

The discount rate used to measure the collective total pension liability was 6.90%. 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 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 collective total pension liability.

**7. Sensitivity of the collective net pension liability to changes in the discount rate**

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

**8. Plan fiduciary net position**

Detailed information about the Connecticut State Teachers' Retirement Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2022.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**D. Total pension plans**

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
Employees	\$ 44,916	\$ 8,225	\$ 1,120	\$ 7,751
Police and Fire	<u>53,987</u>	<u>32,239</u>	<u>3,910</u>	<u>12,276</u>
Total	<u>\$ 98,903</u>	<u>\$ 40,464</u>	<u>\$ 5,030</u>	<u>\$ 20,027</u>

**E. Other post-employment benefit plans****1. Plan description****a. Plan administration**

The Town administers three single-employer, post-retirement healthcare plans for the Town, Police and Fire and Education for the Town of Fairfield Other Post Employment Benefits ("OPEB") plans. The plans are considered to be part of the Town's financial reporting entity. The Town and Police and Fire employees' plans are included in the Town's financial reports as Other Post-Employment Benefit Trust Funds. The Education plan does not have assets accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75. The plans do not issue stand-alone financial reports.

**b. Plan membership**

As of July 1, 2022 for Town, Police and Fire and Education, the plans' membership consisted of:

	<u>Employees</u>	<u>Police and Fire</u>	<u>Education</u>
Inactive members and beneficiaries currently receiving benefits	206	168	54
Active members	<u>245</u>	<u>198</u>	<u>1,454</u>
Total	<u>451</u>	<u>366</u>	<u>1,508</u>

**2. Benefit provisions**

The Town plan provides for medical, dental and life insurance benefits for all eligible Town, Police and Fire retirees and their spouses. The Education plan provides medical and dental benefits for all 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.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)

3. Contributions

Authority:	Joint Retirement and Investment Board
Amendments to contributions:	Union contracts
Employer contributions:	
Employees	\$4,460
Police and Fire	\$5,836
Percentage of covered payroll:	
Employees	23.24%
Police and Fire	33.94%
<b>Group</b>	<b>Contributions</b>
<b>Employer</b>	The Town's contributions are made based upon the actuarially determined amount.
<b>Employees:</b>	
Town:	
Public works and department heads	15.00%
TELE/ECC	13.50%
THEA	12.25%
Nurses and PETA	16.00%
Police and Fire	3.25%
Education:	
Noncertified paraprofessionals	16.00% for single and 25.00% for dependent
Secretaries	18.00% for single and 23.00% for dependent

Teachers who no longer work for the Town are allowed by State Statute to participate in the Town's group medical insurance plan until they formally begin receiving benefits from the State Teachers' Retirement Plan. These teachers are required to contribute the cost of the insurance to the Town.

<b>Retirees:</b>	<b>Contributions</b>
Town:	
Public works and department heads	If hired on or before June 24, 2013, shall pay the same as they did at time of retirement for pre-65 coverage. If hired after June 24, 2013, shall pay the same percentage as active employees for pre-65 coverage
TELE/ECC	Shall pay the same percentage as active employees for pre-65 coverage

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)

<b>Retirees:</b>	<b>Contributions</b>
Town:	
THEA	If hired on or before December 31, 2018, at age 65, shall contribute 13.00%. If hired on or after January 1, 2019 shall contribute same as active employees
Nurses and PETA	If hired after June 30, 2010, shall pay the same percentage as active employees for pre-65 coverage
Professional and technical	If hired after July 1, 2006, shall pay the same percentage as active employees for pre-65 coverage
Police	If hired after March 18, 2013, shall pay the same percentage as active employees for pre-65 coverage
Fire	The plan members are not required to contribute to the plan
Education:	
Noncertified paraprofessionals	100.00%
Secretaries	100.00%

4. Investments

a. Investment policy

The OPEB plans' policy in regard to the allocation of invested assets is established and may be amended by the Joint Retirement and Investment Board by a majority vote of its members. It is the policy of the Town's Retirement Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.



## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**E. Other post-employment benefit plans (continued)**

The following was the Board's adopted asset allocation policy for both the Employees' and Police and Fire OPEB plans:

	Employees, Police and Fire and Education	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities	36.00%	5.70%
International equities	24.00%	7.90%
U.S. bonds	14.00%	1.95%
International bonds	6.00%	(0.13%)
Private equity	10.00%	10.92%
Real estate	10.00%	6.27%
Total	100.00%	
Long-term inflation expectation		2.40%
Long-term expected nominal return		6.90%

**b. Concentrations**

The Town's OPEB funds had an investment in a real estate LP fund totaling 8.46% of total OPEB plans' net position.

**c. Rate of return**

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 OPEB 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.

Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation are summarized above.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)

d. Annual money-weighted rate of return

The annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was as follows:

	<u>Employees</u>	<u>Police and Fire</u>
Rate of return	11.18%	10.56%

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

5. Net OPEB liability

The components of the net OPEB liability were measured as of June 30, 2023 and were as follows:

	<u>Employees</u>	<u>Police and Fire</u>	<u>Education</u>
OPEB liability	\$ 61,444	\$ 92,814	\$ 29,587
Plan fiduciary net position	<u>38,382</u>	<u>41,812</u>	<u>-</u>
Net OPEB liability	<u>\$ 23,062</u>	<u>\$ 51,002</u>	<u>\$ 29,587</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>62.47%</u>	<u>45.05%</u>	<u>0.00%</u>

6. Actuarial methods and significant assumptions

The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	<u>Employee</u>	<u>Police and Fire</u>	<u>Education</u>
Valuation date	July 1, 2022	July 1, 2022	July 1, 2022
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset valuation method	5 year smoothing	5 year smoothing	N/A
Investment rate of return	6.90%	6.90%	3.65%
Initial medical trend rate	6.20%	6.20%	6.40%
Ultimate medical trend rate	3.80%	3.80%	4.00%
Inflation	2.40%	2.40%	2.40%
Mortality	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for General employees, with generational projection per the MP-2020 Scale	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Public Safety employees, with generational projection per the MP-2020 Scale	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Teachers, projected to the valuation date with Scale MP-2020

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**E. Other post-employment benefit plans (continued)****7. Changes from prior year****a. Changes in assumptions**

Changes in assumptions are listed below:

Employees and Police

	<b>From</b>	<b>To</b>
Discount rate	7.00%	6.90%

Education

	<b>From</b>	<b>To</b>
Discount rate	3.54%	3.65%

**b. Changes in benefit terms**

There were no changes in benefit terms.

**8. Discount rate**

The discount rate used to measure the total OPEB liability was as follows:

	<u>Employees</u>	<u>Police and Fire</u>	<u>Education</u>
Discount rate	6.90%	6.90%	3.65%

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 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.

The Education discount rate was based on the municipal bond rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**E. Other post-employment benefit plans (continued)****9. Changes in the OPEB liability**

The Town's OPEB liabilities were measured at June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated as noted below.

The changes in OPEB liability for each plan for the fiscal year were as follows:

Valuation date: July 1, 2022	Increase (Decrease)		
<b>Employees' OPEB Plan</b>	(a) Total OPEB Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net OPEB Liability
Balance at July 1, 2022	\$ 67,745	\$ 33,443	\$ 34,302
Service cost	1,255	-	1,255
Interest	4,708	-	4,708
Differences between expected and actual experience	(10,251)	-	(10,251)
Changes in assumptions	1,552		1,552
Contributions - employer	-	4,460	(4,460)
Net investment income	-	4,064	(4,064)
Benefit payments, including refunds of member contributions	(3,565)	(3,565)	-
Administrative expenses	-	(20)	20
Net change	(6,301)	4,939	(11,240)
Balance at June 30, 2023	<u>\$ 61,444</u>	<u>\$ 38,382</u>	<u>\$ 23,062</u>

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**E. Other post-employment benefit plans (continued)**

<u>Valuation date: July 1, 2022</u>	<u>Increase (Decrease)</u>		
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
<u>Police and Fire OPEB Plan</u>	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balance at July 1, 2022	\$ 87,133	\$ 35,943	\$ 51,190
Service cost	1,852	-	1,852
Interest	6,066	-	6,066
Differences between expected and actual experience	(278)	-	(278)
Changes in assumptions	2,769	-	2,769
Contributions - employer	-	5,836	(5,836)
Contributions - member	-	563	(563)
Net investment income	-	4,219	(4,219)
Benefit payments, including refunds of member contributions	(4,728)	(4,728)	-
Administrative expenses	-	(21)	21
Net change	5,681	5,869	(188)
Balance at June 30, 2023	<u>\$ 92,814</u>	<u>\$ 41,812</u>	<u>\$ 51,002</u>

<u>Valuation date: July 1, 2022</u>	<u>Total OPEB Liability</u>
<u>Education OPEB Plan</u>	
Balance at July 1, 2022	\$ 18,887
Service cost	926
Interest	680
Differences between expected and actual experience	17,730
Changes in assumptions	(7,429)
Benefit payments	(1,207)
Net change	10,700
Balance at June 30, 2023	<u>\$ 29,587</u>

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**E. Other post-employment benefit plans (continued)****10. Sensitivity of the OPEB liability to changes in the discount rate**

The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

<u>OPEB Liability</u>	<u>Discount Rate</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Employees	6.90%	\$ 30,388	\$ 23,062	\$ 16,932
Police and Fire	6.90%	62,014	51,002	41,785
Education	3.65%	32,569	29,587	26,964

**11. Sensitivity of the OPEB liability to changes in the healthcare cost trend rate**

The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current trend rates:

<u>OPEB Liability</u>	<u>Trend Rate</u>	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Employees	6.20%-3.80%	\$ 16,094	\$ 23,062	\$ 31,459
Police and Fire	6.20%-3.80%	39,858	51,002	64,668
Education	6.40%-4.00%	26,284	29,587	33,479

**12. OPEB expense and deferred outflows and inflows of resources related to OPEB**

For the fiscal year, the Town recognized OPEB expense as follows:

Employees' OPEB Plan	\$ 547
Police and Fire OPEB Plan	4,876
Education OPEB Plan	<u>2,750</u>
Total	<u>\$ 8,173</u>

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**E. Other post-employment benefit plans (continued)**

The Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Employees OPEB Plan</u>	Deferred	Deferred	
<u>Description of Outflows/Inflows</u>	<u>Outflows of</u>	<u>Inflows of</u>	<u>Net</u>
	<u>Resources</u>	<u>Resources</u>	
Differences between expected and actual experience	\$ -	\$ 8,724	\$ (8,724)
Changes in assumptions	1,636	2,394	(758)
Net difference between projected and actual earnings on OPEB plan investments	<u>1,251</u>	<u>-</u>	<u>1,251</u>
Total	<u>\$ 2,887</u>	<u>\$ 11,118</u>	<u>\$ (8,231)</u>
<u>Police and Fire OPEB Plan</u>	Deferred	Deferred	
<u>Description of Outflows/Inflows</u>	<u>Outflows of</u>	<u>Inflows of</u>	<u>Net</u>
	<u>Resources</u>	<u>Resources</u>	
Differences between expected and actual experience	\$ 21	\$ 1,649	\$ (1,628)
Changes in assumptions	2,888	682	2,206
Net difference between projected and actual earnings on OPEB plan investments	<u>1,029</u>	<u>-</u>	<u>1,029</u>
Total	<u>\$ 3,938</u>	<u>\$ 2,331</u>	<u>\$ 1,607</u>
<u>Education OPEB Plan</u>	Deferred	Deferred	
<u>Description of Outflows/Inflows</u>	<u>Outflows of</u>	<u>Inflows of</u>	<u>Net</u>
	<u>Resources</u>	<u>Resources</u>	
Differences between expected and actual experience	\$ 15,995	\$ 2,681	\$ 13,314
Changes in assumptions	<u>3,718</u>	<u>8,070</u>	<u>(4,352)</u>
Total	<u>\$ 19,713</u>	<u>\$ 10,751</u>	<u>\$ 8,962</u>

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**E. Other post-employment benefit plans (continued)**

Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of actives and inactive in years for each of the following plans:

<u>Plan</u>	<u>Years</u>
Employees' Plan	4.7
Police and Fire Employees' Plan	7.3
Education	7.6

Actual investment earnings below (or above) projected earnings are amortized over 5 years for both plans.

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

<u>Year Ending June 30,</u>	<u>Employees</u>	<u>Police and Fire</u>	<u>Education</u>
2024	\$ (3,144)	\$ (36)	\$ 1,144
2025	(2,825)	(192)	1,144
2026	(1,492)	1,306	1,178
2027	(770)	(190)	1,229
2028	-	276	1,371
Thereafter	-	443	2,896
Total	<u>\$ (8,231)</u>	<u>\$ 1,607</u>	<u>\$ 8,962</u>

**F. Connecticut state teachers' retirement board retiree health insurance plan****1. Plan description**

Teachers, principals, superintendents or supervisors engaged in service of public schools that are currently receiving a retirement or disability benefit through the Connecticut Teachers' Retirement System are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan ("TRS-RHIP") - a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board ("TRB"). Chapter 167a Section 10-183t of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).



Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

F. Connecticut state teachers' retirement board retiree health insurance plan (continued)

2. Benefit provisions

The Plan provides for retiree health insurance benefits. Eligibility is as follows:

Normal retirement	Age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut
Early retirement	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
Service connected disability service requirement	No service requirement
Non-service connected disability service requirement	Five years of credited service
Vesting - service	10 years of service

**Retiree health care coverage**

Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of health care benefits. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost.

The subsidy amount is set by statute. A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$440 per month towards coverage under a local school district plan.

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

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**F. Connecticut state teachers' retirement board retiree health insurance plan (continued)**

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

**3. Contributions****State of Connecticut**

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State pays for one third of plan costs through an annual appropriation in the General Fund.

**Employer (school districts)**

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

**Employees**

Each member is required to contribute 1.25% of their pensionable wages.

**4. OPEB liabilities, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB**

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

Town's proportionate share of the collective net OPEB liability	\$	-
State's proportionate share of the collective net OPEB liability associated with the Town		34,216
Total	\$	34,216
During the year, the Town recognized OPEB expense and revenue for on-behalf amounts for contributions to the plan by the State of:		
	\$	436

The collective net OPEB liability was measured as of June 30, 2022, and the collective total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The Town has no proportionate share of the collective net OPEB liability.

Town of Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023  
(Amounts expressed in thousands)

F. Connecticut state teachers' retirement board retiree health insurance plan (continued)

5. Actuarial assumptions

The collective total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	3.00%
Discount rate	3.53%
Inflation	2.50%
Health care cost trend rate (Medicare)	5.125% decreasing to 4.50% by 2031
Salary increases	3.00-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019
Year fund net position will be depleted	2027

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

Changes in assumptions and inputs

- The discount rate was increased from 2.17% to 3.53% to reflect the change in the Municipal Bond Index rate.

Long-term expected rate of return

The long-term expected rate of return on OPEB 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 OPEB 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

All the plan assets are assumed to be invested in cash equivalents due to the need for liquidity. The expected geometric rate of return is 1.50%. Since there have not been any changes to the asset allocation and the recent economic downturn is expected to be temporary, the funding rate of 3.00% continues to be used for the long-term investment rate of return as of June 30, 2022.

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**F. Connecticut state teachers' retirement board retiree health insurance plan (continued)****6. Discount rate**

The discount rate used to measure the total OPEB liability was 3.53%. The Municipal Bond Index Rate of 3.54% was used in the determination in the discount rate. 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 annual State contributions will equal the most recent 5-year average of state contributions.

**7. Sensitivity of the collective net OPEB liability to changes in the discount rate and the health care cost trend rate**

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

**8. Plan fiduciary net position**

Detailed information about the Connecticut State Teachers' OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2022.

**G. Total OPEB plans**

	Net/Total OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Employees	\$ 23,062	\$ 2,887	\$ 11,118	\$ 547
Police and Fire	51,002	3,938	2,331	4,876
Education (Total)	29,587	19,713	10,751	2,750
Total	<u>\$ 103,651</u>	<u>\$ 26,538</u>	<u>\$ 24,200</u>	<u>\$ 8,173</u>

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**H. Pension and other post-employment benefit plan statements**

**Pension and Other Post-Employment Benefit Trust Funds**  
**Combining Statement of Fiduciary Net Position**  
**June 30, 2023**  
**(Thousands)**

	Pension Trust Funds		Other Post-Employment Benefit Trust Funds		Total
	Employees	Police and Fire	Employees	Police and Fire	
<u>Assets</u>					
Investments:					
Mutual funds:					
Equity	\$ 120,498	\$ 112,032	\$ 27,818	\$ 29,772	\$ 290,120
Money market	1,957	1,799	14	10	3,780
Bond	20,476	18,833	-	-	39,309
Fixed income	50,295	46,259	7,123	8,279	111,956
Alternative investments:					
Real estate funds	14,222	13,080	3,425	3,425	34,152
Private equity funds	17,990	16,548	566	566	35,670
Total investments	225,438	208,551	38,946	42,052	514,987
Receivables:					
Interest and dividends	-	-	22	39	61
Total assets	225,438	208,551	38,968	42,091	515,048
<u>Liabilities</u>					
Accounts payable	-	-	82	95	177
Due to general fund	-	-	358	-	358
Claims payable	-	-	138	184	322
Unearned revenue	-	-	8	-	8
Total liabilities	-	-	586	279	865
<u>Net Position</u>					
Restricted for:					
Pension benefits	225,438	208,551	-	-	433,989
OPEB benefits	-	-	38,382	41,812	80,194
Total net position	\$ 225,438	\$ 208,551	\$ 38,382	\$ 41,812	\$ 514,183

## Town of Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**  
**(Amounts expressed in thousands)**

**H. Pension and other post-employment benefit plan statements (continued)**

**Pension and Other Post-Employment Benefit Trust Funds**  
**Combining Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2023**  
**(Thousands)**

	Pension Trust Funds		Other Post-Employment Benefit Trust Funds		Total
	Employees	Police and Fire	Employees	Police and Fire	
Additions:					
Contributions:					
Employer	\$ 5,063	\$ 6,669	\$ 4,460	\$ 5,836	\$ 22,028
Plan members	900	928	-	563	2,391
Total contributions	5,963	7,597	4,460	6,399	24,419
Investment income (loss):					
Change in fair value of investments	12,472	11,476	3,364	3,437	30,749
Recoveries	286	263	-	-	549
Interest and dividends	4,536	4,176	714	798	10,224
Total investment income (loss)	17,294	15,915	4,078	4,235	41,522
Less investment expenses	156	140	14	16	326
Net investment income (loss)	17,138	15,775	4,064	4,219	41,196
Total additions	23,101	23,372	8,524	10,618	65,615
Deductions:					
Benefits	14,659	14,591	3,565	4,728	37,543
Administration	112	85	20	21	238
Total deductions	14,771	14,676	3,585	4,749	37,781
Change in net position	8,330	8,696	4,939	5,869	27,834
Net position - July 1, 2022	217,108	199,855	33,443	35,943	486,349
Net position - June 30, 2023	\$ 225,438	\$ 208,551	\$ 38,382	\$ 41,812	\$ 514,183

Town of Fairfield, Connecticut

Notes to Financial Statements  
 As of and for the Year Ended June 30, 2023  
 (Amounts expressed in thousands)

VI. Prior period adjustments

As a result of the implementation of GASB Statement No. 96, intangible right-to-use subscription assets and subscription liability were recorded as beginning balances. There was no impact on beginning net position. The amounts recorded were increases to the following financial statement accounts:

	<u>Governmental Activities</u>
Capital assets:	
Intangible right-to-use subscription assets	\$ 3,523
Long-term liabilities:	
Subscription liability	3,523

\*\*\*\*\*

# Required Supplementary Information

Type	Description
Budgetary	Schedule of Revenues and Other Financing Sources - Budget and Actual - General Fund
	Schedule of Expenditures and Other Financing Uses - Budget and Actual - General Fund
	Notes to Required Supplementary Information - Budgets and Budgetary Accounting
<hr/>	
<u>Pension Plans</u> Employees' Police and Fire State Teachers' Retirement System	Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns
	Schedule of Proportionate Share of the Collective Net Pension Liability
	Schedule of Contributions
	Notes to Required Supplementary Information
<hr/>	
<u>Other Post-Employment Benefits Plans</u> Employees' Police and Fire Education State Teachers' Retirement Board Retiree Health Insurance Plan	Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Investment Returns
	Schedule of Proportionate Share of the Collective Net OPEB Liability
	Schedule of Contributions
	Notes to Required Supplementary Information



## Town of Fairfield, Connecticut

## Required Supplementary Information

**General Fund**  
**Schedule of Revenues and Other Financing Sources -**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**  
**(Thousands)**

	<u>Original Budget</u>	<u>Additional Appropriations and Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Property taxes</u>					
Current year levy	\$ 314,955	\$ -	\$ 314,955	\$ 316,005	\$ 1,050
Prior years levy	2,779	-	2,779	1,734	(1,045)
Interest on delinquent taxes	1,459	-	1,459	1,241	(218)
Telecommunications access lines	110	-	110	124	14
Total property taxes	<u>319,303</u>	<u>-</u>	<u>319,303</u>	<u>319,104</u>	<u>(199)</u>
<u>Intergovernmental</u>					
State grants for education	1,120	-	1,120	1,179	59
Other state grants	5,867	1,343	7,210	7,240	30
Total intergovernmental	<u>6,987</u>	<u>1,343</u>	<u>8,330</u>	<u>8,419</u>	<u>89</u>
<u>Charges for services</u>					
Licenses and permits	3,959	227	4,186	4,203	17
Fines	240	51	291	291	-
Department and other	11,283	798	12,081	11,785	(296)
Rents	1,973	197	2,170	2,462	292
Total charges for services	<u>17,455</u>	<u>1,273</u>	<u>18,728</u>	<u>18,741</u>	<u>13</u>
<u>Income from investments</u>					
Interest and dividends	706	3,074	3,780	3,812	32
Net change in fair value	(78)	-	(78)	(109)	(31)
Total income from investments	<u>628</u>	<u>3,074</u>	<u>3,702</u>	<u>3,703</u>	<u>1</u>
Other	612	177	789	885	96
Total revenues	344,985	5,867	350,852	350,852	-
<u>Other financing sources</u>					
Cancellation of prior year encumbrances	-	-	-	19	19
Transfers in	115	-	115	115	-
Total revenue and other financing sources	<u>\$ 345,100</u>	<u>\$ 5,867</u>	<u>\$ 350,967</u>	<u>\$ 350,986</u>	<u>\$ 19</u>

See Notes to Required Supplementary Information.

Town of Fairfield, Connecticut  
Required Supplementary Information

General Fund  
Schedule of Expenditures and Other Financing Uses -  
Budget and Actual  
For the Year Ended June 30, 2023  
(Thousands)

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
<u>General government</u>					
Administrative and general:					
Board of selectmen	\$ 587	\$ 8	\$ 595	\$ 591	\$ 4
Town clerk	603	18	621	585	36
Fair TV	102	-	102	89	13
Administrative services	98	-	98	83	15
Registrar of voters	308	4	312	308	4
Zoning board of appeals	6	-	6	4	2
Town planning and zoning commission	693	35	728	715	13
Probate court	28	-	28	27	1
Historical district commission	12	-	12	3	9
Conservation commission	828	37	865	778	87
Shellfish commission	9	-	9	7	2
Legal services	707	35	742	742	-
Miscellaneous contingencies	30	-	30	6	24
Retiree benefits	19,974	-	19,974	19,974	-
Human resources	4,790	(240)	4,550	4,550	-
Medical benefits	11,244	-	11,244	11,232	12
Economic development commission	318	7	325	309	16
Harbor management commission	23	-	23	22	1
Total administrative and general	40,360	(96)	40,264	40,025	239
Other:					
Private agencies	968	12	980	980	-
Private school transportation	1,180	-	1,180	1,097	83
Contingency	2,418	(1,944)	474	-	474
Total other	4,566	(1,932)	2,634	2,077	557
Total general government	44,926	(2,028)	42,898	42,102	796
<u>Finance</u>					
Finance	1,067	29	1,096	1,016	80
Purchasing	380	14	394	375	19
Assessor	870	30	900	788	112
Tax collector	615	32	647	620	27
Information systems	2,179	(128)	2,051	2,047	4
Board of finance	110	-	110	110	-
Unemployment compensation	255	-	255	141	114
Total finance	5,476	(23)	5,453	5,097	356
<u>Public safety</u>					
Fire	14,514	(141)	14,373	14,373	-
Police	16,098	143	16,241	16,238	3
Animal control	343	78	421	421	-
Street lighting	504	-	504	465	39
Hydrant and water service	2,012	-	2,012	1,902	110
Emergency management	151	1	152	143	9
Total public safety	33,622	81	33,703	33,542	161

See Notes to Required Supplementary Information.

(Continued)

Town of Fairfield, Connecticut  
Required Supplementary Information

General Fund  
Schedule of Expenditures and Other Financing Uses -  
Budget and Actual  
For the Year Ended June 30, 2023  
(Thousands)

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
<u>Public works</u>					
Public works administration	\$ 379	\$ 15	\$ 394	\$ 385	\$ 9
Public works operations	12,731	(418)	12,313	12,265	48
Building	728	(89)	639	638	1
Engineering	839	48	887	829	58
Total public works	14,677	(444)	14,233	14,117	116
<u>Health and welfare</u>					
Health	3,216	199	3,415	3,380	35
Human services	735	17	752	678	74
Solid waste and recycling	4,587	(183)	4,404	4,404	-
Total health and welfare	8,538	33	8,571	8,462	109
<u>Culture and recreation</u>					
Libraries	3,775	123	3,898	3,812	86
Penfield pavilion complex	204	-	204	203	1
Parks and recreation	796	64	860	860	-
Parks department	1,867	65	1,932	1,932	-
Beaches and lifeguards	858	62	920	861	59
Golf courses	1,924	100	2,024	2,024	-
Total culture and recreation	9,424	414	9,838	9,692	146
Education	202,492	-	202,492	202,331	161
Debt service	23,643	(260)	23,383	23,382	1
Total expenditures	342,798	(2,227)	340,571	338,725	1,846
<u>Other financing uses</u>					
Transfers out:					
Emergency communications center	1,712	-	1,712	1,682	30
Capital projects fund	45	-	45	45	-
Fire safety fund	25	-	25	25	-
Debt service fund	520	8,094	8,614	8,614	-
Total transfers out	2,302	8,094	10,396	10,366	30
Total expenditures and other financing uses	<u>\$ 345,100</u>	<u>\$ 5,867</u>	<u>\$ 350,967</u>	<u>\$ 349,091</u>	<u>\$ 1,876</u>

(Concluded)

Town of Fairfield, Connecticut

Notes to Required Supplementary Information

Budgets and Budgetary Accounting  
For the Year Ended June 30, 2023

The Town adheres to the following procedures in establishing the budgetary data included in the general fund financial statements. The operating budget, which is prepared by function and department, includes proposed expenditures and the means of financing them.

Formal budgetary integration is employed as a management control device during the year.

This budget is adopted on a basis consistent with Generally Accepted Accounting Principles (modified accrual basis) with the following exceptions:

1. The Town does not budget for as revenue or expenditures payments made for the State Teachers' pension and OPEB by the State of Connecticut on the Town's behalf
2. Encumbrances are reported as expenditures for the budgetary basis of accounting

Reconciliation to Exhibit D

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary Basis - RSI-1	\$ 350,852	\$ 338,725
Prior year encumbrances liquidated in the current year	-	4,396
Encumbrances outstanding at year end charged to budgetary expenditures	-	(4,701)
State Teachers' Retirement on behalf amount	30,803	30,803
State Teachers' OPEB on behalf amount	<u>436</u>	<u>436</u>
GAAP Basis - Exhibit D	<u>\$ 382,091</u>	<u>\$ 369,659</u>

Annually in May, the proposed budget is presented at a Representative Town Meeting, at which taxpayer comments are obtained. Prior to July 1, the budget is legally enacted through passage of a resolution.

The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.

The Board of Finance is authorized to transfer budgeted amounts between departments. However, any revisions that alter the total expenditures must be approved at a Representative Town Meeting.

The Board of Education is authorized under state law to make any transfers required within their budget at their discretion. Additionally, as required by the Charter, these transfers must be reported to the Board of Selectmen. Any additional appropriations must have Board of Education and Board of Selectmen approval and, if over one-half of one percent of the annual budget, Town Meeting approval.

Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in budgetary reports (RSI 1) as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the capital projects funds and those specifically reappropriated by the Board of Finance.

There were additional appropriations from additional revenue sources made during the year of: \$ 5,867

Town of Fairfield, Connecticut  
Required Supplementary Information

Employees' Retirement Plan  
Last Ten Years  
(Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>										
Total pension liability:	\$ 2,442	\$ 2,542	\$ 3,164	\$ 3,194	\$ 3,456	\$ 3,563	\$ 3,843	\$ 3,808	\$ 3,697	\$ 3,590
Service cost	17,871	17,651	17,476	16,548	16,357	15,956	15,179	14,744	13,426	12,900
Differences between expected and actual experience	933	(1,865)	(1,266)	414	(3,650)	182	(607)	1,629	(1,618)	-
Change in benefit terms	-	-	2,522	-	-	-	-	-	-	-
Changes in assumptions	-	2,765	(2,962)	8,125	(993)	(1,917)	18,592	(3,417)	12,556	-
Benefit payments, including refunds of member contributions	(14,659)	(13,679)	(17,854)	(12,232)	(12,180)	(11,666)	(10,679)	(11,291)	(9,952)	(9,232)
Net change in total pension liability	6,587	7,414	1,080	16,049	2,990	6,118	26,328	5,473	18,109	7,258
Total pension liability - July 1	263,767	256,353	255,273	239,224	236,234	230,116	203,788	198,315	180,206	172,948
Total pension liability - June 30 (a)	\$ 270,354	\$ 263,767	\$ 256,353	\$ 255,273	\$ 239,224	\$ 236,234	\$ 230,116	\$ 203,788	\$ 198,315	\$ 180,206
Plan fiduciary net position	\$ 5,063	\$ 5,603	\$ 5,712	\$ 4,852	\$ 5,040	\$ 4,890	\$ 3,761	\$ 4,056	\$ 4,964	\$ 4,935
Contributions - employer	900	910	992	1,043	1,135	883	1,494	1,289	1,299	1,318
Net investment income (loss)	17,138	(21,695)	58,075	1,509	10,012	16,159	17,851	2,215	4,703	25,733
Benefit payments, including refunds of member contributions	(14,659)	(13,679)	(17,854)	(12,232)	(12,180)	(11,666)	(10,679)	(11,291)	(9,952)	(9,320)
Recovery expenses	-	(1,013)	-	-	-	-	-	-	(28)	(205)
Administration	(112)	(44)	(143)	(161)	(129)	(139)	(194)	(122)	(146)	(148)
Net change in plan fiduciary net position	8,330	(29,918)	46,782	(4,989)	3,878	10,127	12,233	(3,853)	840	22,313
Plan fiduciary net position - July 1	217,108	247,026	200,244	205,233	201,355	191,228	178,995	182,848	182,008	159,695
Plan fiduciary net position - June 30 (b)	\$ 225,438	\$ 217,108	\$ 247,026	\$ 200,244	\$ 205,233	\$ 201,355	\$ 191,228	\$ 178,995	\$ 182,848	\$ 182,008
Net pension liability (asset) - June 30 (a)-(b)	\$ 44,916	\$ 46,659	\$ 9,327	\$ 55,029	\$ 33,991	\$ 34,879	\$ 38,888	\$ 24,793	\$ 15,467	\$ (1,802)
Plan fiduciary net position as a percentage of the total pension liability	83.39%	82.31%	96.36%	78.44%	85.79%	85.24%	83.10%	87.83%	92.20%	101.00%
Covered payroll	\$ 20,994	\$ 21,515	\$ 25,185	\$ 26,772	\$ 27,907	\$ 29,833	\$ 30,790	\$ 32,713	\$ 32,922	\$ 34,865
Net pension liability as a percentage of covered payroll	213.95%	216.87%	37.03%	205.55%	121.80%	116.91%	126.30%	75.79%	46.98%	(5.17%)
<b>Schedule of Investment Returns</b>										
Annual money weighted rate of return, net of investment expense	8.04%	(8.97%)	29.54%	0.60%	5.19%	8.51%	10.08%	1.21%	2.59%	16.07%

## Town of Fairfield, Connecticut

## Required Supplementary Information

Employees' Retirement Plan  
Schedule of Contributions  
Last Ten Years  
(Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contributions	\$ 5,063	\$ 5,603	\$ 5,717	\$ 4,770	\$ 5,041	\$ 4,815	\$ 3,761	\$ 4,056	\$ 4,964	\$ 4,935
Contributions in relation to the actuarially determined contribution	5,063	5,603	5,712	4,852	5,040	4,890	3,761	4,056	4,964	4,935
Contribution excess (deficiency)	\$ -	\$ -	\$ (5)	\$ 82	\$ (1)	\$ 75	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 20,994	\$ 21,515	\$ 25,185	\$ 26,772	\$ 27,907	\$ 29,833	\$ 30,790	\$ 32,713	\$ 32,922	\$ 34,865
Contributions as a percentage of covered payroll	24.12%	26.04%	22.68%	18.12%	18.06%	16.39%	12.22%	12.40%	15.08%	14.15%

Town of Fairfield, Connecticut  
Notes to Required Supplementary Information

Employees' Retirement Plan  
Schedule of Contributions  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2022	July 1, 2021	July 1, 2020	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2016	July 1, 2015	July 1, 2015	July 1, 2014
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level dollar, open	Level dollar, open	Level dollar, open
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Inflation rate	2.40%	2.40%	2.40%	2.60%	2.75%	2.75%	2.75%	3.00%	3.00%	1.25%
Salary increases	2.40%, average, including inflation	2.40%, average, including inflation	2.40%, average, including inflation	2.40%, average, including inflation	2.75% - 4.50%, average, including inflation	2.75% - 4.50%, average, including inflation	2.75% - 4.50%, average, including inflation	2.50%, average, including inflation	2.50%, average, including inflation	2.50%, average, including inflation
Investment rate of return (net)	6.90%	6.90%	7.00%	7.00%	7.00%	7.00%	7.00%	7.50%	7.50%	7.50%
Mortality rate	Pub-2010 tables projected to the valuation date with scale MP-2020	Pub-2010 tables projected to the valuation date with scale MP-2020	Pub-2010 tables projected to the valuation date with scale MP-2020	RP-2014 Adjusted to 2006, projected to valuation date with Scale MP-2018	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 Table Dataset Mortality Table projected to valuation date with Scale MP-2015	RP-2014 Table Dataset Mortality Table projected to valuation date with Scale MP-2015	RP-2000 Mortality Table, combined table for non-annuitants and annuitants projected to the valuation date with Scale AA

**Town of Fairfield, Connecticut**  
**Required Supplementary Information**  
**Police and Fire Employees' Retirement Plan**  
**Last Ten Years**  
**(Thousands)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>										
Total pension liability:	\$ 3,450	\$ 3,257	\$ 3,516	\$ 3,238	\$ 3,342	\$ 3,303	\$ 2,882	\$ 2,674	\$ 2,596	\$ 2,520
Service cost	17,299	15,829	16,073	14,984	14,505	14,135	14,177	13,749	13,036	12,630
Differences between expected and actual experience	1,941	16,328	(4,339)	3,720	2,085	634	(3,510)	2,519	(4,108)	-
Changes in benefit terms	-	-	-	-	(25)	-	-	-	-	-
Changes in assumptions	-	3,002	(2,289)	8,539	(1,250)	(1,445)	9,630	(2,870)	8,308	-
Benefit payments, including refunds of member contributions	(14,591)	(13,446)	(18,852)	(11,686)	(11,718)	(11,062)	(10,349)	(10,779)	(10,034)	(9,610)
Net change in total pension liability	8,099	24,970	(5,891)	18,795	6,939	5,565	12,830	5,293	9,798	5,540
Total pension liability - July 1	254,439	229,469	235,360	216,565	209,626	204,061	191,231	185,938	176,140	170,600
Total pension liability - June 30 (a)	<u>\$ 262,538</u>	<u>\$ 254,439</u>	<u>\$ 229,469</u>	<u>\$ 235,360</u>	<u>\$ 216,565</u>	<u>\$ 209,626</u>	<u>\$ 204,061</u>	<u>\$ 191,231</u>	<u>\$ 185,938</u>	<u>\$ 176,140</u>
Plan fiduciary net position:										
Contributions - employer	\$ 6,669	\$ 6,006	\$ 6,223	\$ 4,812	\$ 4,660	\$ 4,280	\$ 3,355	\$ 3,341	\$ 5,092	\$ 3,955
Contributions - member	928	916	880	864	793	726	741	770	623	589
Net investment income (loss)	15,775	(18,356)	53,416	1,574	9,937	14,938	16,471	2,054	4,475	24,665
Benefit payments, including refunds of member contributions	(14,591)	(13,446)	(18,852)	(11,686)	(11,718)	(11,062)	(10,349)	(10,779)	(10,034)	(9,616)
Recovery expenses	-	(933)	-	-	-	-	-	-	(43)	(197)
Administration	(85)	(40)	(134)	(153)	(112)	(125)	(175)	(113)	(152)	(133)
Net change in plan fiduciary net position	8,696	(25,853)	41,533	(4,589)	3,560	8,757	10,043	(4,727)	(39)	19,263
Plan fiduciary net position - July 1	199,855	225,708	184,175	188,764	185,204	176,447	166,404	171,131	171,170	151,907
Plan fiduciary net position - June 30 (b)	<u>\$ 208,551</u>	<u>\$ 199,855</u>	<u>\$ 225,708</u>	<u>\$ 184,175</u>	<u>\$ 188,764</u>	<u>\$ 185,204</u>	<u>\$ 176,447</u>	<u>\$ 166,404</u>	<u>\$ 171,131</u>	<u>\$ 171,170</u>
Net pension liability - June 30 (a)-(b)	<u>\$ 53,987</u>	<u>\$ 54,584</u>	<u>\$ 3,761</u>	<u>\$ 51,185</u>	<u>\$ 27,801</u>	<u>\$ 24,422</u>	<u>\$ 27,614</u>	<u>\$ 24,827</u>	<u>\$ 14,807</u>	<u>\$ 4,970</u>
Plan fiduciary net position as a percentage of the total pension liability	79.44%	78.55%	98.36%	78.25%	87.16%	88.35%	86.47%	87.02%	92.04%	97.18%
Covered payroll	\$ 17,536	\$ 17,572	\$ 17,128	\$ 16,892	\$ 16,302	\$ 16,396	\$ 16,319	\$ 15,905	\$ 14,072	\$ 14,283
Net pension liability as a percentage of covered payroll	307.86%	310.63%	21.96%	303.01%	170.54%	148.95%	169.21%	156.10%	105.22%	34.80%
<b>Schedule of Investment Returns</b>										
Annual money weighted rate of return, net of investment expense	8.00%	(8.96%)	29.84%	1.00%	5.20%	8.54%	10.03%	1.19%	2.62%	16.05%

See Notes to Required Supplementary Information.



**Town of Fairfield, Connecticut**  
**Required Supplementary Information**  
**Police and Fire Employees' Retirement Plan**  
**Schedule of Contributions**  
**Last Ten Years**  
**(Thousands)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contributions	\$ 6,669	\$ 6,006	\$ 6,223	\$ 4,812	\$ 4,656	\$ 4,284	\$ 3,355	\$ 3,341	\$ 5,092	\$ 3,920
Contributions in relation to the actuarially determined contribution	6,669	6,006	6,223	4,812	4,660	4,280	3,355	3,341	5,092	3,955
Contribution excess (deficiency)	\$ -	\$ -	\$ -	\$ -	\$ 4	\$ (4)	\$ -	\$ -	\$ -	\$ 35
Covered payroll	\$17,536	\$17,572	\$ 17,128	\$16,892	\$16,302	\$ 16,396	\$ 16,319	\$15,905	\$ 14,072	\$14,283
Contributions as a percentage of covered payroll	38.03%	34.18%	36.33%	28.49%	28.59%	26.10%	20.56%	21.01%	36.19%	27.69%

Town of Fairfield, Connecticut  
Notes to Required Supplementary Information  
Police and Fire Employees' Retirement Plan  
Schedule of Contributions  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2022	July 1, 2021	July 1, 2020	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2016	July 1, 2015	July 1, 2015	July 1, 2014
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level dollar, open	Level dollar, open	Level dollar, open
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Inflation rate	2.40%	2.40%	2.40%	2.60%	2.75%	2.75%	2.75%	3.00%	3.00%	1.25%
Salary increases	3.5% - 4.7%, average, including inflation	3.5% - 4.7%, average, including inflation	3.5% - 4.7%, average, including inflation	3.5% - 4.7%, average, including inflation	3.5% - 4.7%, average, including inflation	3.50% - 10.00%, average, including inflation	3.50% - 12.75%, average, including inflation	2.0% - 2.50%, average, including inflation	2.0% - 2.50%, average, including inflation	2.5%, average, including inflation
Investment rate of return (net)	6.90%	6.90%	7.00%	7.00%	7.00%	7.00%	7.00%	7.50%	7.50%	7.50%
Mortality rate	Pub-2010 tables projected to the valuation date with scale MP-2020	Pub-2010 tables projected to the valuation date with scale MP-2020	Pub-2010 tables projected to the valuation date with scale MP-2020	RP-2014 Adjusted to 2006, projected to valuation date with Scale MP-2018	RP-2014 Adjusted to 2006, projected to valuation date with Scale MP-2017	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 Table Dataset Mortality Table projected to valuation date with Scale MP-2015	RP-2014 Table Dataset Mortality Table projected to valuation date with Scale MP-2015	RP-2000 Mortality Table, combined table for non-annuitants and projected to the valuation date with Scale AA

Town of Fairfield, Connecticut  
Required Supplementary Information  
Connecticut State Teachers' Retirement System  
Last Nine Years (3)  
(Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
	<b>Schedule of Proportionate Share of the Collective Net Pension Liability</b>								
Town's proportion of the collective net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the collective net pension liability associated with the Town	390,691	320,179	404,262	360,022	277,598	284,890	300,561	234,535	216,781
Total	\$ 390,691	\$ 320,179	\$ 404,262	\$ 360,022	\$ 277,598	\$ 284,890	\$ 300,561	\$ 234,535	\$ 216,781
Town's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Town's proportionate share of the collective net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the collective total pension liability	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.50%
	<b>Schedule of Contributions</b>								
Contractually required contribution (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0%, proportional share of the collective net pension liability

(3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

**Town of Fairfield, Connecticut**  
**Notes to Required Supplementary Information**  
**Connecticut State Teachers' Retirement System**  
**Schedule of Contributions**  
**Last Nine Years (1)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Changes of benefit terms	None	None	None	None	Beginning January 1, 2018, member contributions increased from 6.00% to 7.00% of salary	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016	June 30, 2016	June 30, 2014	June 30, 2014	June 30, 2012

Actuarial methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed
Remaining amortization period	27.8 years	27.8 years	30 years	30 years	20.4 years	20.4 years	21.4 years	21.4 years	22.4 years
Asset valuation method	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%
Salary increases	3.00%-6.50%, average, including inflation	3.00%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation
Cost-of-living adjustments	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date
Investment rate of return (net)	6.90%	6.90%	6.90%	6.90%	8.00%	8.00%	8.50%	8.50%	8.50%
Mortality rate	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA

(1) This schedule is intended to present information for 10 years. Additional years will be presented as they become available.

Town of Fairfield, Connecticut  
Required Supplementary Information

Employees' Other Post-Employment Benefit ("OPEB") Plan  
Last Seven Years (1)  
(Thousands)

	2023	2022	2021	2020	2019	2018	2017
<b>Schedule of Changes in Net OPEB Liability and Related Ratios</b>							
OPEB liability:	\$ 1,255	\$ 1,225	\$ 1,206	\$ 1,141	\$ 1,194	\$ 1,359	\$ 1,297
Service cost	4,708	4,641	4,648	4,298	4,741	4,555	4,361
Interest	-	-	-	-	(3,329)	-	-
Changes of benefit terms							
Differences between expected and actual experience	(10,251)	(1,893)	(314)	(261)	(3,320)	(261)	(148)
Changes in assumptions	1,552	-	(2,721)	1,387	(764)	-	-
Benefit payments, including refunds of member contributions	(3,565)	(2,615)	(3,143)	(3,229)	(3,071)	(2,852)	(2,722)
Net change in total OPEB liability	(6,301)	1,358	(324)	3,336	(4,549)	2,801	2,788
OPEB liability - July 1	67,745	66,387	66,711	63,375	67,924	65,123	62,335
OPEB liability - June 30 (a)	<u>\$ 61,444</u>	<u>\$ 67,745</u>	<u>\$ 66,387</u>	<u>\$ 66,711</u>	<u>\$ 63,375</u>	<u>\$ 67,924</u>	<u>\$ 65,123</u>
Plan fiduciary net position:							
Contributions - employer	\$ 4,460	\$ 4,288	\$ 3,494	\$ 5,606	\$ 4,820	\$ 4,700	\$ 4,482
Contributions - member	-	25	101	94	29	22	-
Net investment income	4,064	(4,738)	8,510	1,015	773	1,126	2,034
Benefit payments, including refunds of member contributions	(3,565)	(2,615)	(3,143)	(3,229)	(3,071)	(2,852)	(2,722)
Administration	(20)	(13)	(20)	(5)	(4)	(11)	(14)
Net change in plan fiduciary net position	4,939	(3,053)	8,942	3,481	2,547	2,985	3,780
Plan fiduciary net position - July 1	33,443	36,496	27,554	24,073	21,526	18,541	14,761
Plan fiduciary net position - June 30 (b)	<u>\$ 38,382</u>	<u>\$ 33,443</u>	<u>\$ 36,496</u>	<u>\$ 27,554</u>	<u>\$ 24,073</u>	<u>\$ 21,526</u>	<u>\$ 18,541</u>
Net OPEB liability (asset) - June 30 (a)-(b)	<u>\$ 23,062</u>	<u>\$ 34,302</u>	<u>\$ 29,891</u>	<u>\$ 39,157</u>	<u>\$ 39,302</u>	<u>\$ 46,398</u>	<u>\$ 46,582</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>62.47%</u>	<u>49.37%</u>	<u>54.97%</u>	<u>41.30%</u>	<u>37.99%</u>	<u>31.69%</u>	<u>28.47%</u>
Covered payroll	<u>\$ 19,191</u>	<u>\$ 18,994</u>	<u>\$ 18,994</u>	<u>\$ 19,616</u>	<u>\$ 18,907</u>	<u>\$ 20,176</u>	<u>\$ 19,447</u>
Net OPEB liability as a percentage of covered payroll	<u>120.17%</u>	<u>180.59%</u>	<u>157.37%</u>	<u>199.62%</u>	<u>207.87%</u>	<u>229.97%</u>	<u>239.53%</u>
<b>Schedule of Investment Returns</b>							
Annual money weighted rate of return, net of investment expense	<u>11.18%</u>	<u>(14.23%)</u>	<u>31.14%</u>	<u>4.14%</u>	<u>3.52%</u>	<u>4.31%</u>	<u>11.81%</u>

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

See Notes to Required Supplementary Information.

Town of Fairfield, Connecticut  
Required Supplementary Information

Police and Fire Employees' Other Post-Employment Benefit ("OPEB") Plan  
Last Seven Years (1)  
(Thousands)

	2023	2022	2021	2020	2019	2018	2017
<b>Schedule of Changes in Net OPEB Liability and Related Ratios</b>							
OPEB liability:							
Service cost	\$ 1,852	\$ 1,611	\$ 1,615	\$ 1,530	\$ 1,482	\$ 1,517	\$ 1,449
Interest	6,066	5,871	5,673	5,337	5,309	5,073	4,830
Changes of benefit terms	-	-	-	-	(311)	-	-
Differences between expected and actual experience	(278)	(753)	(960)	(889)	(1,305)	(239)	204
Changes in assumptions	2,769	-	162	907	(726)	-	-
Benefit payments, including refunds of member contributions	(4,728)	(3,802)	(3,456)	(2,984)	(2,959)	(2,979)	(3,186)
Net change in total OPEB liability	5,681	2,927	3,034	3,901	1,490	3,372	3,297
OPEB liability - July 1	87,133	84,206	81,172	77,271	75,781	72,409	69,112
OPEB liability - June 30 (a)	<u>\$ 92,814</u>	<u>\$ 87,133</u>	<u>\$ 84,206</u>	<u>\$ 81,172</u>	<u>\$ 77,271</u>	<u>\$ 75,781</u>	<u>\$ 72,409</u>
Plan fiduciary net position:							
Contributions - employer	\$ 5,836	\$ 5,573	\$ 4,048	\$ 6,363	\$ 4,960	\$ 4,850	\$ 4,755
Contributions - member	563	547	529	605	531	509	520
Net investment income	4,219	(4,878)	8,187	983	737	1,682	1,609
Benefit payments, including refunds of member contributions	(4,728)	(3,802)	(3,456)	(2,984)	(2,959)	(2,979)	(3,186)
Administration	(21)	(14)	(16)	(5)	(4)	(8)	(14)
Net change in plan fiduciary net position	5,869	(2,574)	9,292	4,962	3,265	4,054	3,684
Plan fiduciary net position - July 1	35,943	38,517	29,225	24,263	20,998	16,944	13,260
Plan fiduciary net position - June 30 (b)	<u>\$ 41,812</u>	<u>\$ 35,943</u>	<u>\$ 38,517</u>	<u>\$ 29,225</u>	<u>\$ 24,263</u>	<u>\$ 20,998</u>	<u>\$ 16,944</u>
Net OPEB liability (asset) - June 30 (a)-(b)	<u>\$ 51,002</u>	<u>\$ 51,190</u>	<u>\$ 45,689</u>	<u>\$ 51,947</u>	<u>\$ 53,008</u>	<u>\$ 54,783</u>	<u>\$ 55,465</u>
Plan fiduciary net position as a percentage of the total OPEB liability	45.05%	41.25%	45.74%	36.00%	31.40%	27.71%	23.40%
Covered payroll	<u>\$ 17,196</u>	<u>\$ 16,152</u>	<u>\$ 16,152</u>	<u>\$ 16,776</u>	<u>\$ 16,169</u>	<u>\$ 17,539</u>	<u>\$ 16,905</u>
Net OPEB liability as a percentage of covered payroll	296.59%	316.93%	282.87%	309.65%	327.84%	312.35%	328.10%
<b>Schedule of Investment Returns</b>							
Annual money weighted rate of return, net of investment expense	<u>10.56%</u>	<u>(11.79%)</u>	<u>29.81%</u>	<u>4.15%</u>	<u>3.52%</u>	<u>8.92%</u>	<u>11.81%</u>

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

See Notes to Required Supplementary Information.

**Town of Fairfield, Connecticut**  
**Required Supplementary Information**  
**Other Post-Employment Benefit ("OPEB") Plans**  
**Schedule of Contributions**  
**Last Ten Years**  
**(Thousands)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
	<b><u>Employees' Plan</u></b>									
Actuarially determined contributions	\$ 4,247	\$ 4,135	\$ 4,375	\$ 4,260	\$ 4,822	\$ 4,703	\$ 4,482	\$ 4,282	\$ 4,633	\$ 4,430
Contributions in relation to the actuarially determined contribution	4,460	4,288	3,494	5,606	4,820	4,700	4,482	4,534	4,777	4,590
Contribution excess (deficiency)	<u>\$ 213</u>	<u>\$ 153</u>	<u>\$ (881)</u>	<u>\$ 1,346</u>	<u>\$ (2)</u>	<u>\$ (3)</u>	<u>\$ -</u>	<u>\$ 252</u>	<u>\$ 144</u>	<u>\$ 160</u>
Covered payroll	<u>\$ 19,191</u>	<u>\$ 18,994</u>	<u>\$ 18,994</u>	<u>\$ 19,616</u>	<u>\$ 18,907</u>	<u>\$ 20,176</u>	<u>\$ 19,447</u>	<u>\$ 18,744</u>	<u>\$ 17,851</u>	<u>N/A</u>
Contributions as a percentage of covered payroll	<u>23.24%</u>	<u>22.58%</u>	<u>18.40%</u>	<u>28.58%</u>	<u>25.49%</u>	<u>23.30%</u>	<u>23.05%</u>	<u>24.19%</u>	<u>26.76%</u>	<u>N/A</u>
	<b><u>Police and Fire Employees' Plan</u></b>									
Actuarially determined contributions	\$ 5,597	\$ 5,459	\$ 5,284	\$ 5,149	\$ 4,961	\$ 4,847	\$ 4,755	\$ 4,549	\$ 4,750	\$ 4,548
Contributions in relation to the actuarially determined contribution	5,836	5,573	4,048	6,363	4,960	4,850	5,275	4,747	4,861	4,659
Contribution excess (deficiency)	<u>\$ 239</u>	<u>\$ 114</u>	<u>\$ (1,236)</u>	<u>\$ 1,214</u>	<u>\$ (1)</u>	<u>\$ 3</u>	<u>\$ 520</u>	<u>\$ 198</u>	<u>\$ 111</u>	<u>\$ 111</u>
Covered payroll	<u>\$ 17,196</u>	<u>\$ 16,152</u>	<u>\$ 16,152</u>	<u>\$ 16,776</u>	<u>\$ 16,169</u>	<u>\$ 17,539</u>	<u>\$ 16,905</u>	<u>\$ 16,294</u>	<u>\$ 14,607</u>	<u>N/A</u>
Contributions as a percentage of covered payroll	<u>33.94%</u>	<u>34.50%</u>	<u>25.06%</u>	<u>37.93%</u>	<u>30.68%</u>	<u>27.65%</u>	<u>31.20%</u>	<u>29.13%</u>	<u>33.28%</u>	<u>N/A</u>

N/A - Not available

Town of Fairfield, Connecticut  
Notes to Required Supplementary Information  
Employee and Police and Fire Employees' Other Post-Employment Benefit (OPEB) Plans  
Schedule of Contributions  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2022	July 1, 2020	July 1, 2020	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2016	July 1, 2014	July 1, 2014	July 1, 2012
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level dollar	Level dollar	Level dollar
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Healthcare inflation rate - initial	6.20%	6.25%	6.25%	7.00%	7.75%	7.75%	7.75%	9.00%	9.00%	9.00%
Healthcare inflation rate - ultimate	3.80%	4.40%	4.40%	4.60%	4.75%	4.75%	4.75%	5.00%	5.00%	5.00%
Salary increases	2.75% - 12.75%	2.75% - 12.75%	2.75% - 12.75%	2.75% - 12.75%	2.75% - 12.75%	2.75% - 12.75%	2.75% - 12.75%	2.75% - 12.75%	2.75% - 12.75%	2.50% - 6.50%
Investment rate of return (net)	6.90%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.50%	7.50%	7.50%
Mortality rate	Pub-2010 tables projected to the valuation date with scale MP-2020	Pub-2010 tables projected to the valuation date with scale MP-2020	Pub-2010 tables projected to the valuation date with scale MP-2020	RP-2014 adjusted to 2006 Blue Collar Mortality Table projected to valuation date with scale MP-2018	RP-2014 adjusted to 2006 with generational mortality improvement to current year under Projection Scale MP-2016	RP-2014 adjusted to 2006 with generational mortality improvement to current year under Projection Scale MP-2016	RP-2014 adjusted to 2006 with generational mortality improvement to current year under Projection Scale MP-2016	RP-2014 Table Dataset Mortality Table projected to valuation date with Scale MP-2015	RP-2014 Table Dataset Mortality Table projected to valuation date with Scale MP-2015	RP-2000 Mortality Table, combined table for non-annuitants and annuitants, projected to the valuation date with Scale AA



## Town of Fairfield, Connecticut

## Required Supplementary Information

**Education Other Post-Employment Benefit ("OPEB") Plan**  
**Last Six Years (1)**  
**(Thousands)**

**Schedule of Changes in OPEB Liability**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
OPEB liability:						
Service cost	\$ 926	\$ 578	\$ 692	\$ 516	\$ 453	\$ 458
Interest	680	446	501	629	652	613
Differences between expected and actual experience	17,730	-	(3,234)	(64)	904	(212)
Changes in assumptions	(7,429)	(1,831)	816	4,206	(292)	(520)
Benefit payments, including refunds of member contributions	<u>(1,207)</u>	<u>(716)</u>	<u>(696)</u>	<u>(689)</u>	<u>(754)</u>	<u>(471)</u>
Net Change in OPEB liability	10,700	(1,523)	(1,921)	4,598	963	(132)
OPEB liability - July 1	<u>18,887</u>	<u>20,410</u>	<u>22,331</u>	<u>17,733</u>	<u>16,770</u>	<u>16,902</u>
OPEB liability - June 30 *	<u>\$ 29,587</u>	<u>\$ 18,887</u>	<u>\$ 20,410</u>	<u>\$ 22,331</u>	<u>\$ 17,733</u>	<u>\$ 16,770</u>

\* There are no assets that are being accumulated in a trust that meets the criteria in GASB No. 75 to pay benefits.

Covered employee payroll information is not available.

(1) This schedule is intended to present information for 10 years. Additional years will be presented as they become available.

## Town of Fairfield, Connecticut

## Required Supplementary Information

Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan  
Last Six Years (3)  
(Thousands)

	2023	2022	2021	2020	2019	2018
<b><u>Schedule of Proportionate Share of the Collective Net OPEB Liability</u></b>						
Town's proportion of the collective net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the collective net OPEB liability associated with the Town	34,216	34,883	60,296	56,148	55,494	73,327
Total	\$ 34,216	\$ 34,883	\$ 60,296	\$ 56,148	\$ 55,494	\$ 73,327
Town's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)
Town's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the collective total OPEB liability	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%

**Schedule of Contributions**

Contractually required contribution (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0% proportional share of the collective net OPEB liability

(3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

See Notes to Required Supplementary Information.

Town of Fairfield, Connecticut

Notes to Required Supplementary Information  
 Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan  
 Schedule of Contributions  
 Last Six Years (1)

	2023	2022	2021	2020	2019	2018
Changes of benefit terms	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2022	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016
Actuarial methods and assumptions used to determine contribution rates:						
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percentage, open	Level percentage, closed	Level percentage, closed	Level percentage, open	Level percentage, open	Level percentage, open
Amortization period	30 years	30 years	30 years	30 years	30 years	30 years
Asset valuation method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation rate	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%
Healthcare inflation rate	Initial 6.75% decreasing to 4.50% (ultimate) by 2023	Initial 5.125% decreasing to 4.50% (ultimate) by 2023	Initial 5.125% decreasing to 4.50% (ultimate) by 2023	Initial 5.95% decreasing to 4.75% (ultimate) by 2025	Initial 5.95% decreasing to 4.75% (ultimate) by 2025	Initial 7.25% decreasing to 5.00% (ultimate) by 2022
Salary increases	3.00% to 6.50%, including inflation	3.00% to 6.50%, including inflation	3.00% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation
Investment rate of return (net)	3.00%	3.00%	3.00%	3.00%	3.00%	4.25%
Mortality rate	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

***Appendix B***

***Form of Opinion of Bond Counsel – The Bonds***

**FORM OF OPINION OF BOND COUNSEL**

July \_\_, 2024

Town of Fairfield  
John J. Sullivan Independence Town Hall  
725 Old Post Road  
Fairfield, Connecticut 06824

We have acted as Bond Counsel in connection with the issuance by the Town of Fairfield, Connecticut (the “Town”), of its \$\_\_\_\_\_ General Obligation Bonds, Issue of 2024, dated July \_\_, 2024 (the “Bonds”). In such capacity, we have examined a record of proceedings of the Town authorizing the Bonds, a Tax Compliance Agreement of the Town, dated the date hereof (the “Agreement”), such law and such other proceedings, certifications, and documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We are of the opinion that when the Bonds are duly certified by U.S. Bank Trust Company, National Association, the Bonds will be valid and legally binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

The Internal Revenue Code of 1986 (the “Code”) establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds.

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

In our opinion, under existing statutes and court decisions, (i) interest on the Bonds is excluded from gross income for federal income tax purposes; and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. We express no opinion regarding other federal income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We are further of the opinion that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other state income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Bonds.

The foregoing opinion is based upon existing laws, regulations, rules and court decisions. We undertake no responsibility to inform you of changes in law or fact occurring after the date hereof which may affect the conclusions herein. In addition, we have not undertaken to advise in the future whether any events after the date of issuance of the Bonds, including the adoption of federal tax legislation, may affect the tax status of interest on the Bonds.

Respectfully,

PULLMAN & COMLEY, LLC

**Appendix C**

***Form of Opinion of Bond Counsel – The Notes***

**FORM OF OPINION OF BOND COUNSEL**

July \_\_, 2024

Town of Fairfield  
John J. Sullivan Independence Town Hall  
725 Old Post Road  
Fairfield, Connecticut 06824

We have acted as Bond Counsel in connection with the issuance by the Town of Fairfield, Connecticut (the “Town”), of its \$ \_\_\_\_\_ General Obligation Bond Anticipation Notes, dated July \_\_, 2024 (the “Notes”). In such capacity, we have examined a record of proceedings of the Town authorizing the Notes, a Tax Compliance Agreement of the Town, dated the date hereof (the “Agreement”), such law and such other proceedings, certifications, and documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We are of the opinion that when the Notes are duly certified by U.S. Bank Trust Company, National Association, the Notes will be valid and legally binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

The Internal Revenue Code of 1986 (the “Code”) establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Notes in order that interest on the Notes be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes to ensure that interest on the Notes shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Notes.

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



In our opinion, under existing statutes and court decisions, (i) interest on the Notes is excluded from gross income for federal income tax purposes; and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. We express no opinion regarding other federal income tax consequences caused by ownership or disposition of, or receipt of interest on the Notes.

We are further of the opinion that, under existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other State income tax consequences caused by ownership or disposition of, or receipt of interest on the Notes.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Notes.

The foregoing opinion is based upon existing laws, regulations, rules and court decisions. We undertake no responsibility to inform you of changes in law or fact occurring after the date hereof which may affect the conclusions herein. In addition, we have not undertaken to advise in the future whether any events after the date of issuance of the Notes, including the adoption of federal tax legislation, may affect the tax status of interest on the Notes.

Respectfully,

PULLMAN & COMLEY, LLC

***Appendix D***

***Form of Continuing Disclosure Agreement – The Bonds***

**FORM OF  
CONTINUING DISCLOSURE AGREEMENT FOR BONDS  
BY THE TOWN OF FAIRFIELD, CONNECTICUT**

**In Connection With The Issuance and Sale of  
\$ \_\_\_\_\_ Town of Fairfield, Connecticut  
General Obligation Bonds, Issue of 2024**

This Continuing Disclosure Agreement (“Agreement”) is made as of July \_\_, 2024, by the Town of Fairfield, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of its \$ \_\_\_\_\_ General Obligation Bonds, Issue of 2024, dated July \_\_, 2024 (the “Bonds”).

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

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

“EMMA” means the Electronic Municipal Market Access System as described in the 1934 Act Release #59062 and maintained by the Municipal Securities Rulemaking Board for the purposes of the Rule and as further described in Section 13 hereof.

“Final Official Statement” means the official statement of the Issuer dated June \_\_, 2024 prepared in connection with the issuance of the Bonds.

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

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

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

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

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

**Section 2. Annual Reports.**

(a) The Issuer shall provide or cause to be provided to the MSRB, in accordance with the provisions of the Rule and of this Agreement, the following annual financial information and operating data regarding the Issuer:

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

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

- (A) the amounts of the gross and net taxable grand list;
- (B) a listing of the ten largest taxpayers on the grand list, together with each such taxpayer's taxable valuation thereon;
- (C) the percentage and amount of the annual property tax levy collected and uncollected;
- (D) a schedule of the annual debt service on outstanding long-term bonded indebtedness;
- (E) a calculation of the net direct debt, total direct debt, and total overall net debt (reflecting overlapping and underlying debt);
- (F) the total direct debt, total net direct debt and total overall net debt of the Issuer per capita;
- (G) the ratios of total direct debt and total overall net debt of the Issuer to the Issuer's net taxable grand list;
- (H) a statement of statutory debt limitations and debt margins; and
- (I) the funding status of the Issuer's pension benefit obligations.

(b) The above-referenced information is expected to be provided by the filing of and cross reference to the Issuer's audited financial statements. The information may be provided in whole or in part by cross-reference to other documents provided to the MSRB, including official statements of the Issuer which will be available from the MSRB's internet web site or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report or the annual adopted budget.

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

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

months after the close of such preceding Fiscal Year End. The Issuer agrees that if audited information is not available eight months after the close of any Fiscal Year End, it shall submit unaudited information by such time and will submit audited information when available.

**Section 4. Event Notices.**

**(a)** The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Bonds, notice of the occurrence of such event:

- (i)** principal and interest payment delinquencies;
- (ii)** unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii)** unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv)** substitution of credit or liquidity providers, or their failure to perform;
- (v)** adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds;
- (vi)** tender offers;
- (vii)** bankruptcy, insolvency, receivership, or a similar proceeding by the Issuer;
- (viii)** Bond defeasances;
- (ix)** rating changes; and
- (x)** default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

**(b)** The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Bonds, notice of the occurrence of such event, if material:

- (i)** non-payment related defaults;
- (ii)** modifications to rights of Bondholders;
- (iii)** Bond calls;
- (iv)** release, substitution, or sale of property securing repayment of the Bonds;

(v) consummation of a merger, consolidation, acquisition involving the Issuer, other than the ordinary course of business, or the sale of all or substantially all the assets of the Issuer, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms;

(vi) appointment of a successor or additional trustee, or the change in the name of the trustee; and

(vii) incurrence of a financial obligation of the Issuer or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders.

*Note to clauses (a)(x) and (b)(vii): For purposes of the events identified in clauses (a)(x) and (b)(vii), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.*

**Section 5. Notice of Failure.** The Issuer agrees to provide or cause to be provided, in a timely manner to the MSRB, notice of any failure by the Issuer to provide the annual financial information described in Section 2(a) of this Agreement on or before the date set forth in Section 3 hereof.

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

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

**Section 8. Amendment; Waiver.** Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) the Agreement as so amended would have complied with the requirements of the Rule as of the date of the Agreement, taking in account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

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

**Section 10. Indemnification.** The Issuer agrees to indemnify and save its officials, officers and employees harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any such liabilities due to any such person's malicious, wanton, or willful act. The obligations of the Issuer under this Section shall survive, notwithstanding that such person may no longer be serving in such capacity.

**Section 11. Enforceability.** The Issuer agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. The present address of the Issuer is John J. Sullivan Independence Town Hall, 725 Old Post Road, Fairfield, Connecticut 06824. In the event the Issuer does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Issuer's obligations hereunder. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute default of the Issuer with respect to the Bonds.

**Section 12. Governing Law.** This Agreement shall be governed by the laws of the State of Connecticut.

**Section 13. Method of Filing.** To the extent filings are required to be made to the MSRB under this Agreement, the Issuer shall transmit such filings or notices in an electronic format to the continuing disclosure service portal provided through MSRB's EMMA as provided at <http://emma.msrb.org/> or any similar system that is acceptable to the SEC.

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

**TOWN OF FAIRFIELD, CONNECTICUT**

By: \_\_\_\_\_  
William A. Gerber, First Selectman

By: \_\_\_\_\_  
David M. Becker, Interim Chief Fiscal Officer

***Appendix E***

***Form of Continuing Disclosure Agreement – The Notes***



**FORM OF  
CONTINUING DISCLOSURE AGREEMENT FOR NOTES  
BY THE TOWN OF FAIRFIELD, CONNECTICUT**

**In Connection With The Issuance and Sale of  
\$ \_\_\_\_\_ Town of Fairfield, Connecticut  
General Obligation Bond Anticipation Notes**

This Continuing Disclosure Agreement (“Agreement”) is made as of July \_\_, 2024, by the Town of Fairfield, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of its \$ \_\_\_\_\_ General Obligation Bond Anticipation Notes, dated July \_\_, 2024 (the “Notes”).

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

“EMMA” means the Electronic Municipal Market Access System as described in the 1934 Act Release #59062 and maintained by the Municipal Securities Rulemaking Board for the purposes of the Rule and as further described in Section 10 hereof.

“Final Official Statement” means the official statement of the Issuer dated June \_\_, 2024 prepared in connection with the issuance of the Notes.

“Listed Events” shall mean any of the events listed in Section 2 of this Agreement.

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

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

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

**Section 2. Event Notices.**

(a) The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Notes, notice of the occurrence of such event:

- (i) principal and interest payment delinquencies;
- (ii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) substitution of credit or liquidity providers, or their failure to perform;

(v) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Notes, or other events affecting the tax status of the Notes;

(vi) tender offers;

(vii) bankruptcy, insolvency, receivership, or a similar proceeding by the Issuer;

(viii) Note defeasances;

(ix) rating changes

(x) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

(b) The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Notes, notice of the occurrence of such event, if material:

(i) non-payment related defaults;

(ii) modifications to rights of Note holders;

(iii) Note calls;

(iv) release, substitution, or sale of property securing repayment of the Notes;

(v) consummation of a merger, consolidation, acquisition involving the Issuer, other than the ordinary course of business, or the sale of all or substantially all the assets of the Issuer, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms;

(vi) appointment of a successor or additional trustee, or the change in the name of the trustee;

(vii) incurrence of a financial obligation of the Issuer or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders.

*Note to clauses (a)(x) and (b)(vii): For purposes of the events identified in clauses (a)(x) and (b)(vii), the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.*

**Section 3. Termination of Reporting Obligation.** The Issuer's obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Notes.

**Section 4. Agent.** The Issuer may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

**Section 5. Amendment; Waiver.** Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Notes and (ii) the Agreement as so amended would have complied with the requirements of the Rule as of the date of the Agreement, taking in account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

**Section 6. Additional Information.** Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communications, or including any other information in any annual report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any annual report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future annual report or notice of occurrence of a Listed Event.

**Section 7. Indemnification.** The Issuer agrees to indemnify and save its officials, officers and employees harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any such liabilities due to any such person's malicious, wanton, or willful act. The obligations of the Issuer under this Section shall survive, notwithstanding that such person may no longer be serving in such capacity.

**Section 8. Enforceability.** The Issuer agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Notes. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Notes of such failure. The present address of the Issuer is John J. Sullivan Independence Town Hall, 725 Old Post Road, Fairfield, Connecticut 06824. In the event the Issuer does not cure such failure, the right of any beneficial owner of the Notes to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Issuer's obligations hereunder. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute default of the Issuer with respect to the Notes.

**Section 9. Governing Law.** This Agreement shall be governed by the laws of the State of Connecticut.

**Section 10. Method of Filing.** To the extent filings are required to be made to the MSRB under this Agreement, the Issuer shall transmit such filings or notices in an electronic format to the continuing disclosure service portal provided through MSRB's EMMA as provided at <http://emma.msrb.org/> or any similar system that is acceptable to the SEC.

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

**TOWN OF FAIRFIELD, CONNECTICUT**

By: \_\_\_\_\_  
William A. Gerber, First Selectman

By: \_\_\_\_\_  
David M. Becker, Interim Chief Fiscal Officer

***Appendix F***

***Notice of Sale – The Bonds***

**NOTICE OF SALE**

**TOWN OF FAIRFIELD, CONNECTICUT  
\$33,890,000 GENERAL OBLIGATION BONDS, ISSUE OF 2024  
BOOK-ENTRY-ONLY**

NOTICE IS GIVEN that ELECTRONIC BIDS via Grant Street Group’s MuniAuction (“MuniAuction”) website at [www.grantstreet.com](http://www.grantstreet.com) will be received by the TOWN OF FAIRFIELD, CONNECTICUT (the “Issuer”) between 11:00 A.M and 11:15 A.M. (E.T.) on THURSDAY,

**JUNE 20, 2024**

(the “Sale Date”) for the purchase, when issued, of all (but not less than all) of the Issuer’s \$33,890,000 General Obligation Bonds, Issue of 2024, dated July 5, 2024 (the “Bonds”), at no less than par and accrued interest from the date of the Bonds to the date of delivery, if any, maturing on July 1 in the principal amounts and in each of the years as follows:

<u>Maturity</u>	<u>Amount (\$)</u>	<u>Maturity</u>	<u>Amount (\$)</u>
2025	1,700,000	2035	1,700,000
2026	1,700,000	2036	1,700,000
2027	1,700,000	2037	1,700,000
2028	1,700,000	2038	1,695,000
2029	1,700,000	2039	1,690,000
2030	1,700,000	2040	1,690,000
2031	1,700,000	2041	1,690,000
2032	1,700,000	2042	1,675,000
2033	1,700,000	2043	1,675,000
2034	1,700,000	2044	1,675,000

The Bonds will bear interest commencing January 1, 2025 and semiannually thereafter on July 1 and January 1 in each year until maturity, as further described in the Preliminary Official Statement (as hereinafter defined), at the rate or rates per annum specified by the winning bidder.

Electronic bids must be submitted via MuniAuction (see “Electronic Bidding Procedures”). To bid, bidders must have: (1) completed the registration form on either the MuniAuction website or any municipal debt auction website powered by MuniAuction, and (2) requested and received admission to the Issuer’s auction (as described under “Electronic Bidding Procedure - Registration and Admission to Bid” below). The use of MuniAuction shall be at the bidders’ risk and expense, and the Issuer shall have no liability with respect to its use by the bidders. **No other method of submitting bids will be accepted.**

## **Optional Redemption**

The Bonds maturing on or before July 1, 2032 are not subject to redemption prior to maturity. The Bonds maturing July 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on or after July 1, 2032, either in whole or in part at any time, in such order of maturity and amount as the Issuer may determine, and by lot within a maturity, at the respective prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
July 1, 2032 and thereafter	100.0%

## **Nature of Obligation**

The Bonds will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount, except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended.

## **Bank Qualification**

The Bonds SHALL NOT be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986 for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

## **Registration**

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Issuer or its agent to DTC or its nominee as registered owner of the Bonds. Principal and interest payments by DTC to participants of DTC will be the responsibility of DTC; principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from

the Issuer, the Paying Agent will pay principal of and interest on the Bonds directly to DTC so long as DTC or its nominee, Cede & Co, is the bondholder.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Issuer fails to identify another qualified securities depository to replace DTC, or (b) the Issuer determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Issuer will authenticate and deliver replacement Bonds in the form of fully registered certificates. Any such replacement Bonds will provide that interest will be payable by check mailed by the Paying Agent to the registered owner whose name appears on the registration books of the Issuer as of the close of business on the record date preceding each interest payment date.

### **Record Date**

The record dates for the Bonds will be the fifteenth day of December and June, or the preceding business day if such fifteenth day is not a business day, in each year.

### **Proposals**

Each bid must be for the entire \$33,890,000 of the Bonds in accordance with the requirements prescribed herein and by the Rules of MuniAuction. Each proposal must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of one-twentieth of one percent (1/20 of 1%) or one-eighth of one percent (1/8 of 1%) the rate or rates of interest per annum which the Bonds are to bear, provided that such proposal shall not state (a) more than one interest rate for any Bonds having a like maturity or (b) any interest rate for any Bonds of one maturity which exceeds the interest rate stated in such proposal for Bonds of a different maturity by more than three (3) percentage points. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery. For the purpose of the bidding process, the time as maintained on [www.grantstreet.com](http://www.grantstreet.com) shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost ("TIC") to the Issuer, as described under "Basis of Award" below, represented by the rate or rates of interest and the bid price specified in their respective bids. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. No proposal for less than par and accrued interest to the date of delivery will be considered.

### **Basis of Award; Right to Reject Proposals; Waiver; Postponement; Change of Terms**

Unless all bids are rejected, as between proposals which comply with this Notice of Sale, the Bonds will be awarded to the bidder whose bid proposes the lowest true interest cost ("TIC") to the Issuer. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one bidder making said offer at the same lowest TIC, the Bonds will be sold to the bidder whose proposal is selected by the Issuer by lot from among all such proposals. It is requested that each proposal be accompanied by a statement of the percentage of TIC computed



and rounded to six decimal places. Such statement shall not be considered as part of the proposal. The purchase price must be paid in immediately available federal funds.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Issuer further reserves the right to postpone the sale to another time and date in its sole discretion for any reason, including Internet difficulties. The Issuer will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Upon the establishment of an alternative sale date, any bidder may submit proposals for the purchase of the Bonds in accordance with the provisions of this Notice of Sale.

### **CUSIP Numbers**

The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of Phoenix Advisors LLC to obtain CUSIP numbers for the Bonds prior to delivery, and Phoenix Advisors, LLC, will provide the CUSIP Service Bureau with the final details of the sale, including the identity of the winning bidder. The Issuer will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of Phoenix Advisors, LLC to obtain such numbers and to supply them to the Issuer in a timely manner. Neither the failure to print such CUSIP number on any bond, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

### **Electronic Proposals Bidding Procedure**

#### Registration and Admission to Bid

To bid, bidders must first visit the MuniAuction website at “[www.grantstreet.com](http://www.grantstreet.com)” where, if they have never registered with either MuniAuction or any municipal debt auction website powered by MuniAuction, they can register and then request admission to bid in the auction for the Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 for their ID Number or password. The Issuer will determine whether any request for admission is granted.

## Bidding Procedures

All bids must be submitted electronically on the MuniAuction website at [www.grantstreet.com](http://www.grantstreet.com). No telephone, telefax, telegraph or personal delivery bids will be accepted. Bidders may change and submit bids as many times as they wish during the auction; provided, however, that each bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") on the Bonds when compared to the immediately preceding bid of such bidder. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. The last bid submitted by a bidder before the end of the auction will be compared to all other final bids submitted by others to determine the winning bidder(s). During the bidding, no bidder will see any other bidder's bid but each bidder will be able to see its ranking (i.e., "Leader", "Cover", "3<sup>rd</sup>", etc.).

If any bid becomes a leading bid within two minutes prior to the scheduled end of the bidding, then the time period for submission of bids will automatically extend by two (2) minutes from the time such new leading bid was received (the "Two-Minute Rule"). The Two-Minute Rule will remain in effect as long as bids received by MuniAuction meet the requirements of the Two-Minute Rule described herein.

Bidders should verify the accuracy of their final bids and compare them to the winning bid reported on the MuniAuction Observation Page immediately after the auction.

## Rules of MuniAuction

The "Rules of MuniAuction" can be viewed on the MuniAuction website at [www.grantstreet.com](http://www.grantstreet.com) and are incorporated by reference in this official Notice of Sale. Bidders must comply with the Rules of MuniAuction in addition to the requirements of this official Notice of Sale. In the event the Rules of MuniAuction conflict with this official Notice of Sale, this official Notice of Sale shall prevail.

A bidder submitting a winning bid is irrevocably obligated to purchase the Bonds at the rates and prices of the winning bid, if acceptable to the Issuer, as set forth in this Notice of Sale. Winning bids are not officially awarded to the Bidder until formally accepted by the Issuer.

Neither the Issuer, its Bond Counsel nor MuniAuction is responsible for technical difficulties that result in the loss of a bidder's internet connection with MuniAuction, slowness in transmission of bids, or other technical problems. If for any reason a bidder is disconnected from MuniAuction's auction page during the auction after having submitted a winning bid, such Bid is valid and binding upon the bidder, unless the Issuer exercises its right to reject bids, as set forth in this Notice of Sale. Bids that generate error messages are not accepted until the error is corrected and the bid is received prior to the deadline.

Bidders accept and agree to abide by all terms and conditions specified in this Notice of Sale (including amendments, if any) related to each auction. Neither the Issuer, its Bond Counsel nor MuniAuction is responsible to any bidder for any defect or inaccuracy in this Notice of Sale, amendments, or the Preliminary Official Statement for the Bonds as they appear on MuniAuction.

Only bidders who request and receive admission to an auction may submit Bids. The Issuer, its Bond Counsel and MuniAuction reserve the right to deny access to MuniAuction to any bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion. Neither the Issuer, its Bond Counsel nor MuniAuction is responsible for protecting the confidentiality of a bidder's MuniAuction password.

If two (2) bids are submitted in the auction by the same or two or more different bidders and result in the same TIC, the first confirmed bid received by MuniAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in TIC. Bidders must compare their final bids to those shown on the observation pages immediately after the bidding time period ends, and if they disagree with the final results shown on the observation pages they must report them to MuniAuction within fifteen (15) minutes after the bidding time period ends. Regardless of the final results reported by MuniAuction, the Bonds are definitively awarded to winning bidders only upon official award by the Issuer. If, for any reason, the Issuer fails to: (i) award the Bonds to the winning bidder reported by MuniAuction, or (ii) deliver the Bonds to the winning bidders at settlement, neither the Issuer's Bond Counsel nor MuniAuction will be liable for damages.

### **Certifying Agent, Registrar, Paying Agent and Transfer Agent**

The Bonds will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

### **Delivery, Payment and Closing Requirements**

At or prior to the delivery of the Bonds the purchaser shall be furnished, without cost, with (a) the approving opinion of Pullman & Comley, LLC of Bridgeport, Connecticut, Bond Counsel ("Bond Counsel") (see "Bond Counsel Opinion" below); (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Bonds, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Bonds or the power of the Issuer to levy and collect taxes to pay them; (c) a signed copy of the Official Statement prepared for this bond issue; (d) a certificate of Issuer Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Bonds.

The Bonds will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer ("FAST") on or about July 5, 2024 (the "Closing Date").

The Issuer will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Issuer's costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under securities or “Blue Sky” laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

### **Bond Counsel Opinion**

The legality of the issue will be passed upon by Bond Counsel and the purchaser will be furnished with its opinion, without charge, substantially in the form set forth in Appendix B to the Official Statement. The opinion will state that the Bonds are valid and binding obligations of the Issuer. If the Competitive Sale Rule (as defined below in the “Establishment of Issue Price” section) is met, Bond Counsel will require as a precondition to release of its opinion that the purchaser of such Bonds deliver to it a completed “issue price” certificate, or similar certificate, regarding expectations or public offering prices, as applicable, with respect to the Bonds awarded to such bidder, as described below under “Establishment of Issue Price”.

### **Establishment of Issue Price**

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986 (the “Code”), relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Bonds an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public (the “Initial Offering Price”) or the actual sales price or prices of the Bonds, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this “Establishment of Issue Price” section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Jessica G. Kennedy, Pullman & Comley, LLC, 850 Main Street, 8<sup>th</sup> Floor, Bridgeport, Connecticut, Telephone: (203) 330-2215, E-mail: [jkennedy@pullcom.com](mailto:jkennedy@pullcom.com) and (2) the Municipal Advisor at Matthew Spoerndle, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Telephone: (203) 878-4945, E-mail: [mspoerndle@muniadvisors.com](mailto:mspoerndle@muniadvisors.com) (the “Municipal Advisor”). Questions related to this “Establishment of Issue Price” section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this “Establishment of Issue Price” section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

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

By submitting a bid, a bidder represents to the Issuer that it has an established industry reputation for underwriting new issuances of municipal bonds such as the Bonds, represents that such bidder’s bid is submitted for or on behalf of such bidder by an officer or agent who is duly

authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds, and understands that upon award by the Issuer that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Issuer.

By submitting a bid, the bidder agrees that if the Competitive Sale Rule (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

***Notification of Contact Information of Winning Bidder.*** Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this “Establishment of Issue Price” section.

***Competitive Sale Rule.*** The Issuer intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Rule”) because:

- (1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost (“TIC”), as set forth in this Notice of Sale.

***Competitive Sale Rule Met.*** The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. Within two (2) hours of award (or such other time as agreed to by Bond Counsel), the winning bidder shall provide Bond Counsel and the Municipal Advisor, via e-mail, a completed “ISSUE PRICE CERTIFICATE” in the form attached hereto as Attachment A.

***Competitive Sale Rule Not Met.*** In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Bonds (the “Actual Sales Rule”) is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Bonds as the issue price of that Maturity (the “Hold-the-Offering-Price Rule”), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not

satisfied, the winning bidder, by 4:30 p.m. (E.T.) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (I) of the first price at which ten percent (10%) of each Maturity of Bonds has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel; i.e., those Maturities of the Bonds that satisfy the Actual Sales Rule as of the Sale Date. After such receipt, the Issuer, or Bond Counsel on behalf of the Issuer, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Bonds shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.

For those Maturities of Bonds subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Bonds (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Bonds to the Public on or before the date of award at the Initial Offering Prices and (ii) agree, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell unsold Bonds of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual

Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

**Definitions.** For purposes of this “Establishment of Issue Price” section:

- (1) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

## **Official Statement**

For more information regarding the Bonds or the Issuer, reference is made to the Preliminary Official Statement dated June 13, 2024 (the “Official Statement”) describing the Bonds and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at [www.grantstreet.com](http://www.grantstreet.com) and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Matthew Spoerndle, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Telephone: (203) 878-4945, E-mail: [mspoerndle@muniadvisors.com](mailto:mspoerndle@muniadvisors.com). The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Bonds or by the seventh (7th) business day after the day bids on the Bonds are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day

after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Bonds, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

### **Continuing Disclosure Agreement**

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the “Agreement”), to provide annual financial information and operating data including audited financial statements, notice of the occurrence of certain events with respect to the Bonds within ten (10) business days of such event, and timely notice of any failure by the Issuer to provide annual reports on or before the date specified in the Agreement. A form of the Agreement is attached to the Official Statement as Appendix D. The purchaser’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to delivery of the Bonds, an executed Agreement.

TOWN OF FAIRFIELD, CONNECTICUT

WILLIAM A. GERBER  
First Selectman

DAVID M. BECKER  
Interim Chief Fiscal Officer

June 13, 2024



**ATTACHMENT A**

**ISSUE PRICE CERTIFICATE**

*(If Competitive Sale Rule Met)*

TOWN OF FAIRFIELD, CONNECTICUT  
\$ \_\_\_\_\_ GENERAL OBLIGATION BONDS, ISSUE OF 2024  
Dated July 5, 2024

The undersigned, on behalf of [UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. ***Due Authorization.*** The undersigned is a duly authorized representative of [SHORT NAME OF UNDERWRITER], the purchaser of the Bonds.

2. ***Purchase Price.*** The TOWN OF FAIRFIELD, CONNECTICUT (the “Issuer”) sold to [SHORT NAME OF UNDERWRITER], for delivery on or about July 5, 2024, the Bonds at a price of par (\$ \_\_\_\_\_), plus an aggregate net premium of \$ \_\_\_\_\_ and less an underwriter’s discount of \$ \_\_\_\_\_, resulting in an aggregate net purchase price of \$ \_\_\_\_\_.

3. ***Reasonably Expected Initial Offering Price.***

(a) As of June 20, 2024 (the “Sale Date”), the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in **Schedule A** (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as **Schedule B** is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

4. ***Defined Terms.***

(a) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than fifty percent (50%) common ownership, directly or indirectly.

(c) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of the selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

5. ***Representations and Information.*** The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986 and the Treasury Regulations thereunder (collectively, the “Code”). The undersigned understands that the foregoing information will be relied upon by the Issuer in making its certification as to issue price of the Bonds under the Code and with respect to compliance with the federal income tax rules affecting the Bonds. Pullman & Comley, LLC, bond counsel, may rely on the foregoing representations in rendering its opinion on the exclusion from federal gross income of the interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer relating to the Bonds. Except as set forth above, no third party may rely on the foregoing certifications, and no party may rely hereon for any other purpose.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of June 20, 2024.

[UNDERWRITER]

By: \_\_\_\_\_  
Name:  
Title:

**Schedule A to Issue Price Certificate**

<u>Maturity, July 1</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Price (\$, not Yield)</u>
2025	1,700,000		
2026	1,700,000		
2027	1,700,000		
2028	1,700,000		
2029	1,700,000		
2030	1,700,000		
2031	1,700,000		
2032	1,700,000		
2033	1,700,000		
2034	1,700,000		
2035	1,700,000		
2036	1,700,000		
2037	1,700,000		
2038	1,695,000		
2039	1,690,000		
2040	1,690,000		
2041	1,690,000		
2042	1,675,000		
2043	1,675,000		
2044	1,675,000		

**Schedule B to Issue Price Certificate**

***Appendix G***

***Notice of Sale – The Notes***

## NOTICE OF SALE

### TOWN OF FAIRFIELD, CONNECTICUT \$8,860,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES BOOK-ENTRY-ONLY

NOTICE IS GIVEN that ELECTRONIC BIDS *solely* via Grant Street Group's MuniAuction ("MuniAuction") website at [www.grantstreet.com](http://www.grantstreet.com) will be received by the TOWN OF FAIRFIELD, CONNECTICUT (the "Issuer") between 11:30 A.M. and 11:45 A.M. on THURSDAY,  
**JUNE 20, 2024**

(the "Sale Date") for the purchase of the Issuer's \$8,860,000 General Obligation Bond Anticipation Notes (the "Notes"). Electronic bids must be submitted via MuniAuction (see "Electronic Bidding Procedures"). To bid, bidders must have: (1) completed the registration form on either the MuniAuction website or any municipal debt auction website powered by MuniAuction, and (2) requested and received admission to the Issuer's auction (as described under "Electronic Bidding Procedure - Registration and Admission to Bid" below). The use of MuniAuction shall be at the bidders' risk and expense, and the Issuer shall have no liability with respect to its use by the bidders. **No other method of submitting bids will be accepted.**

#### **The Notes**

The Notes are expected to be dated July 5, 2024 and will mature and be payable to the registered owner on July 3, 2025 as further described in the Preliminary Official Statement (as hereinafter defined). The Notes will bear interest (which interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months) payable at maturity at the rate or rates per annum fixed in the proposal or proposals accepted for their purchase, which rates shall be in multiples of 1/100 of 1% per annum.

#### **Nature of Obligation**

The Notes will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Notes when due. Unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended. The information in this Notice of Sale is only a brief summary of certain provisions of the Notes. For further information about the Notes, reference is hereby made to the Preliminary Official Statement.

## **Bank Qualification**

The Notes SHALL NOT be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986 for purposes of the deduction by financial institutions for interest expense allocable to the Notes.

## **Registration**

The Notes will be issued by means of a book-entry system with no physical distribution of note certificates made to the public. The Notes will be issued in registered form and one note certificate for each interest rate will be issued to The Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Notes in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser(s), as a condition to delivery of the Notes, will be required to deposit the Note certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Notes will be payable by the Issuer or its agent to DTC or its nominee as registered owner of the Notes. Principal and interest payments by DTC to participants of DTC will be the responsibility of DTC; principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from the Issuer, the Paying Agent will pay principal of and interest on the Notes directly to DTC so long as DTC or its nominee, Cede & Co, is the Noteholder.

## **Bid Specifications; Basis of Award; Right to Reject Proposals; Waiver; Postponement; Change of Terms**

Each bid for the purchase of the Notes must be in accordance with the requirements prescribed herein and by the Rules of MuniAuction. A proposal may be for all or any part of the Notes but any proposal for a part must be for at least \$100,000, or a whole multiple thereof, except one such proposal for a part may include the odd \$60,000, and a separate proposal will be required for each part of the Notes for which a separate interest rate is bid. Unless all bids are rejected, the Notes will be awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost (“NIC”), computed as to each interest rate stated by adding the total interest which will be paid at such rate and deducting therefrom the premium offered, if any. As between proposals resulting in the same lowest net interest cost to the Issuer, the award will be made on the basis of the highest principal amount of the Notes specified. No bid for less than par and accrued interest, if any, will be considered and the Issuer reserves the right to award to any bidder all or any part of the Notes bid for in its proposal. If a bidder is awarded only a part of the Notes bid for in its proposal, any premium offered in such proposal will be proportionately reduced so that the resulting net interest cost to the Issuer with respect to the Notes awarded is the same as that contained in the bidder’s proposal with respect to the entire amount bid, carried to six decimal places. The purchase price must be paid in immediately available federal funds.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Issuer further reserves the right to postpone the sale to another time and date in its sole discretion for any reason, including Internet difficulties. The Issuer will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Upon the establishment of an alternative sale date, any bidder may submit proposals for the purchase of the Notes in accordance with the provisions of this Notice of Sale.

## **Electronic Bidding Procedures**

### Registration and Admission to Bid

To bid, bidders must first visit the MuniAuction website at “**www.grantstreet.com**” where, if they have never registered with either MuniAuction or any municipal debt auction website powered by MuniAuction, they can register and then request admission to bid in the auction for the Notes. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 for their ID Number or password. The Issuer will determine whether any request for admission is granted.

### Bidding Procedures

All bids must be submitted electronically on the MuniAuction website at **www.grantstreet.com**. No telephone, telefax, telegraph or personal delivery bids will be accepted. Bidders may change and submit bids as many times as they wish during the auction; provided, however, that each bid submitted subsequent to a bidder’s initial bid must result in a lower net interest cost (“NIC”) on the Notes when compared to the immediately preceding bid of such bidder. The last bid submitted by a bidder before the end of the auction will be compared to all other final bids submitted by others to determine the winning bidder(s). During the bidding, no bidder will see any other bidder’s bid, but each bidder will be able to see its ranking (i.e., “Leader”, “Cover”, “3<sup>rd</sup>”, etc.).

If any bid becomes a leading bid within two (2) minutes prior to the scheduled end of the bidding, then the time period for submission of bids will automatically extend by two (2) minutes from the time such new leading bid was received (the “Two-Minute Rule”). The Two-Minute Rule will remain in effect as long as bids received by MuniAuction meet the requirements of the Two-Minute Rule described herein.

Bidders should verify the accuracy of their final bids and compare them to the winning bid reported on the MuniAuction Observation Page immediately after the auction.

### Rules of MuniAuction

The “Rules of MuniAuction” can be viewed on the MuniAuction website at **www.grantstreet.com** and are incorporated by reference in this official Notice of Sale. Bidders must comply with the Rules of MuniAuction in addition to the requirements of this official Notice of Sale. In the event the Rules of MuniAuction conflict with this official Notice of Sale, this official Notice of Sale shall prevail.

An electronic bid shall be deemed an irrevocable offer to purchase the Notes on the terms provided in the Notice of Sale, and shall be binding upon the bidder. Separate proposals to purchase any part of the Notes may be contained in the same electronic bid as a convenience to the bidder. If more than one electronic bid shall be submitted by the same bidder for any part of the Notes, each such bid shall be considered a separate proposal for purchase of such part. The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of MuniAuction, the use of such facilities being the sole risk of the prospective bidder.



For purposes of the electronic bid process, the time as maintained on the MuniAuction website shall constitute the official time. For information purposes only, bidders are requested to state in their electronic bids the net interest cost to the Issuer, as described in this Notice of Sale. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale.

### **CUSIP Numbers**

The deposit of the Notes with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of Phoenix Advisors LLC to obtain CUSIP numbers for the Notes prior to delivery, and Phoenix Advisors, LLC, will provide the CUSIP Service Bureau with the final details of the sale, including the identity of the winning bidder(s). The Issuer will not be responsible for any delay occasioned by the inability to deposit the Notes with DTC due to the failure of Phoenix Advisors, LLC to obtain such numbers and to supply them to the Issuer in a timely manner. Neither the failure to print such CUSIP number on any note, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

### **Certifying Agent, Registrar, Paying Agent and Transfer Agent**

The Notes will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

### **Delivery, Payment and Closing Requirements**

At or prior to the delivery of the Notes the winning bidder shall be furnished, without cost, with (a) the approving opinion of Pullman & Comley, LLC of Bridgeport, Connecticut, Bond Counsel (“Bond Counsel”); (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Notes, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Notes or the power of the Issuer to levy and collect taxes to pay them; (c) a copy of the Official Statement prepared for this note issue; (d) a certificate of Issuer Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Notes.

The Notes will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer (“FAST”) on or about July 5, 2024 (the “Closing Date”).

The Issuer will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Issuer’s costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Notes for sale under securities or “Blue Sky” laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

## **Bond Counsel Opinion**

The legality of the issue will be passed upon by Bond Counsel and the purchaser will be furnished with its opinion, without charge, substantially in the form set forth in Appendix C to the Official Statement. The opinion will state that the Notes are valid and binding obligations of the Issuer. Bond Counsel will require as a precondition to release of its opinion that the purchaser of such Notes deliver to it a completed “issue price” certificate, or similar certificate, regarding expectations or public offering prices, as applicable, with respect to the Notes awarded to such bidder, as described below under “Establishment of Issue Price”.

## **Establishment of Issue Price**

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986 (the “Code”) relating to the exclusion of interest on the Notes from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Notes an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public (the “Initial Offering Price”) or the actual sales price or prices of the Notes, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this “Establishment of Issue Price” section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Jessica G. Kennedy, Esq., Pullman & Comley, LLC, 850 Main Street, 8<sup>th</sup> Floor, Bridgeport, Connecticut 06604, Telephone: (203) 330-2215, E-mail: [jkennedy@pullcom.com](mailto:jkennedy@pullcom.com) and (2) the Municipal Advisor at Matthew Spoerndle, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Telephone: (203) 878-4945, E-mail: [mspoerndle@muniadvisors.com](mailto:mspoerndle@muniadvisors.com) (the “Municipal Advisor”). Questions related to this “Establishment of Issue Price” section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this “Establishment of Issue Price” section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Notes pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds or notes who have established industry reputations for underwriting new issuances of municipal bonds or notes.

By submitting a bid, a bidder represents to the Issuer that it has an established industry reputation for underwriting new issuances of municipal bonds or notes such as the Notes, represents that such bidder’s bid is submitted for or on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes, and understands that upon award by the Issuer that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Issuer.

By submitting a bid, the bidder agrees that if the Competitive Sale Rule (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

**Notification of Contact Information of Winning Bidder.** Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this “Establishment of Issue Price” section.

**Competitive Sale Rule.** The Issuer intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the “Competitive Sale Rule”) because:

- (1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds or notes who have established industry reputations for underwriting new issuances of municipal bonds or notes; and
- (4) the Issuer anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the lowest net interest cost, as set forth in this Notice of Sale.

**Competitive Sale Rule Met.** The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. The winning bidder will be required to deliver to Bond Counsel on behalf of the Issuer prior to the delivery of the Notes a completed “Certificate as to Issue Price” (in form satisfactory to Bond Counsel) for such Notes, setting forth the Initial Offering Price.

**Competitive Sale Rule Not Met.** In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Notes (the “Actual Sales Rule”) is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Notes as the issue price of that Maturity (the “Hold-the-Offering-Price Rule”), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not satisfied, the winning bidder, by 4:30 p.m. (E.T.) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (I) of the first price at which ten percent (10%) of each Maturity has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel; i.e., those Maturities that satisfy the Actual Sales Rule as of the Sale Date. After such receipt, the Issuer, or Bond Counsel on behalf of the Issuer, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Notes shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.

For those Maturities of Notes subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Notes (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Notes to the Public on or before the date of award at the Initial Offering Prices and (ii) agree, on behalf of each Underwriter participating in the purchase of the Notes, that each Underwriter will neither offer nor sell unsold Notes of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Notes to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Notes to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Notes of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Notes of that Maturity or all Notes of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Notes of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Notes of that Maturity or all Notes of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

**Definitions.** For purposes of this “Establishment of Issue Price” section:

- (1) “Maturity” means Notes with the same credit and payment terms. Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

- (4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

## **Official Statement**

For more information regarding the Notes or the Issuer, reference is made to the Preliminary Official Statement dated June 13, 2024 (the “Official Statement”) describing the Notes and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at [www.grantstreet.com](http://www.grantstreet.com) and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Matthew Spoerndle, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Telephone: (203) 878-4945, E-mail: [mspoerndle@muniadvisors.com](mailto:mspoerndle@muniadvisors.com). The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Notes or by the seventh (7th) business day after the day bids on the Notes are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Notes, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

## **Continuing Disclosure Agreement**

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the “Agreement”), to provide notice of the occurrence of certain events with respect to the Notes within ten (10) business days of such event. A form of the Agreement is attached to the Official Statement as Appendix E. The purchaser’s obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to delivery of the Notes, an executed Agreement.

TOWN OF FAIRFIELD, CONNECTICUT

WILLIAM A. GERBER  
First Selectman

DAVID M. BECKER  
Interim Chief Fiscal Officer

June 13, 2024