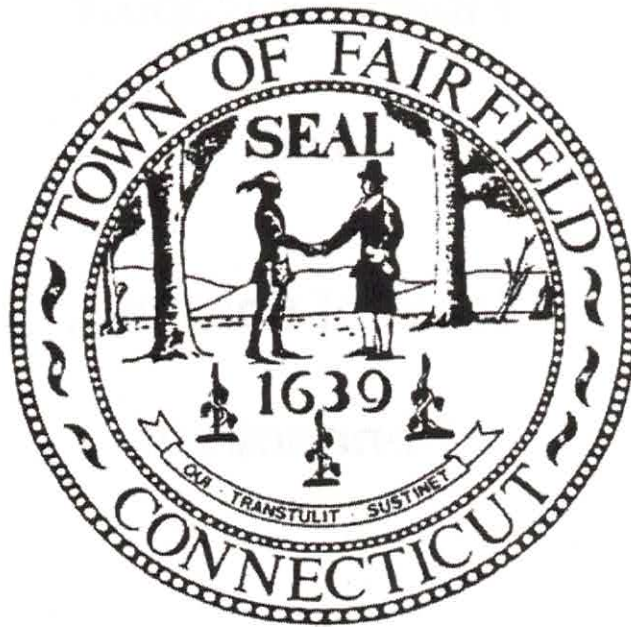


Town of Fairfield, Connecticut



Annual Comprehensive Financial Report For The Year Ended June 30, 2021

**Annual Comprehensive
Financial Report**

of the

**Town of Fairfield,
Connecticut**

**For the Year Ended
June 30, 2021**

**Prepared by:
Finance Department**

**Caitlin T. Bosse
Controller**

**Jared Schmitt
Fiscal Officer**

Town of Fairfield, Connecticut
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

Table of Contents

	<u>Page</u>
<u>Introductory Section</u>	
Letter of Transmittal	1-4
Organizational Chart	5
Principal Officials	6
Certificate of Achievement for Excellence in Financial Reporting for the Year Ended June 30, 2020	7
<u>Financial Section</u>	
Independent Auditors' Report	8-10
Management's Discussion and Analysis	11-22
<u>Exhibits</u>	
<u>Basic Financial Statements</u>	
<u>Government-Wide Financial Statements</u>	
A Statement of Net Position	23-24
B Statement of Activities	25
<u>Fund Financial Statements</u>	
C Balance Sheet - Governmental Funds and Reconciliation of Fund Balance to Net Position of Governmental Activities	26-27
D Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	28
E Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29-30
F Statement of Net Position - Proprietary Funds	31
G Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	32
H Statement of Cash Flows - Proprietary Funds	33
I Statement of Fiduciary Net Position - Fiduciary Funds	34
J Statement of Changes in Fiduciary Net Position - Fiduciary Funds	35
K Notes to Financial Statements	36-95

Town of Fairfield, Connecticut
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

Table of Contents

		<u>Page</u>
<u>RSI</u>	<u>Required Supplementary Information</u>	
	<u>Budgetary Comparison Schedules</u>	
	<u>General Fund</u>	
1A	Schedule of Revenues and Other Financing Sources - Budget and Actual – General Fund	96
1B	Schedule of Expenditures and Other Financing Uses - Budget and Actual – General Fund	97-98
1C	Notes to Required Supplementary Information	99
	<u>Employees' Retirement Plan</u>	
2A	Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns	100
2B	Schedule of Contributions	101
2C	Notes to Required Supplementary Information	102
	<u>Police and Fire Employees' Retirement Plan</u>	
3A	Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns	103
3B	Schedule of Contributions	104
3C	Notes to Required Supplementary Information	105
	<u>Connecticut State Teachers' Retirement System</u>	
4A	Schedule of Proportionate Share of the Net Pension Liability and Schedule of Contributions	106
4B	Notes to Required Supplementary Information	107

Town of Fairfield, Connecticut
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

Table of Contents

		<u>Page</u>
<u>RSI</u>	<u>Other Post-Employment Benefit ("OPEB") Plan - Town</u>	
5A	Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Investment Returns - Employees' OPEB Plan	108
5B	Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Investment Returns - Police and Fire Employees' OPEB Plan	109
5C	Schedule of Contributions	110
5D	Notes to Required Supplementary Information	111
	<u>Other Post-Employment Benefit ("OPEB") Plan - Education</u>	
6	Schedule of Changes in OPEB Liability	112
	<u>Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan</u>	
7A	Schedule of Proportionate Share of the Net OPEB Liability and Schedule of Contributions	113
7B	Notes to Required Supplementary Information	114
<u>Schedules</u>	<u>Supplemental Schedules</u>	
	<u>General Fund</u>	
1	Combining Balance Sheet	115
2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	116
3	Report of Tax Collector	117
	<u>Other Governmental Funds</u>	
4	Combining Balance Sheet	118-120
5	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	121-123
6	Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Water Pollution Control Authority	124

Town of Fairfield, Connecticut
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

Table of Contents

<u>Tables</u>	<u>Statistical Section</u>	<u>Page</u>
1	Net Position by Component	125
2	Changes in Net Position	126-127
3	Fund Balances - Governmental Funds	128
4	Changes in Fund Balances - Governmental Funds	129
5	Assessed and Estimated Actual Value of Taxable Property	130
6	Principal Property Taxpayers	131
7	Property Tax Rates, Levies and Collections	132
8	Ratios of Outstanding Debt by Type	133
9	Ratios of General Bonded Debt Outstanding	134
10	Schedule of Debt Limitation	135
11	Legal Debt Margin Information	136
12	Demographic and Economic Statistics	137
13	Principal Employers	138
14	Full-Time Equivalent Town Employees by Function/Program	139
15	Full-Time Equivalent Employees by Function/Program	140
16	Operating Indicators by Function/Program	141
17	Capital Asset Statistics by Function/Program	142

Introductory Section



Town of Fairfield

Sullivan Independence Hall
Finance Department

725 Old Post Road
Fairfield, Connecticut 06824

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

December 29, 2021

To the Honorable First Selectwoman, Members of the Board of Selectmen, Members of the Board of Finance and Citizens of the Town of Fairfield, Connecticut.

The Finance Department is pleased to present the Annual Comprehensive Financial Report (ACFR) of the Town of Fairfield, Connecticut (Town) for the year ended June 30, 2021. The report includes the independent auditors' report as required by Connecticut Statutes. The report is prepared in conformity with generally accepted accounting principles (GAAP) and standards set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Town. Management of the Town is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the calculation of costs and benefits requires estimates and judgments by management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

PKF O'Connor Davies, LLP, a public accounting firm fully licensed and qualified to perform audits of municipalities within the State of Connecticut, has audited the financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Fairfield, Connecticut for the fiscal year ended June 30, 2021, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Fairfield's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town was part of a broader, federal and state mandated "Single Audit" designed to meet the special needs of grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Town's separately issued Single Audit Report.

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

Profile of the Town of Fairfield

The Town of Fairfield covers approximately 31.3 square miles and is located on Long Island Sound immediately west of the City of Bridgeport. Fairfield is bordered by Westport, Weston, Easton, Trumbull and Bridgeport. Fairfield is primarily a residential community; however, there is significant commercial development scattered throughout the Town. The Town is serviced by the Connecticut Turnpike (I-95), the Merritt Parkway (Conn. 15) and the Metro North commuter railroad. Fairfield is the home to both Fairfield University and Sacred Heart University. The 2021 population was 61,740. The Town was originally settled in 1639.

The Town currently operates under a Charter most recently revised in 2006. There is a newly formed Charter Revision Committee with the result of producing a document to be approved by the Board of Selectmen then sent to the Secretary of the State's office for approval and then to a referendum in November 2022. The Town functions under a Board of Selectmen, Representative Town Meeting (RTM) form of government, adopted in 1947. The RTM is the final budget-making authority and the legislative body of the Town. The RTM consists of 40 members, elected for 2 year terms from 10 voting districts. The Board of Selectmen consists of 3 members, chaired by the First Selectwoman and is elected every 4 years. The First Selectwoman serves as the Chief Elected Official of the Town. The Board of Finance consists of 9 members, elected for 6 year terms on a staggered basis. The financial administrator of the Town is the Chief Fiscal Officer. The Chief Fiscal Officer oversees the Accounting, Internal Audit and Budget functions as well as the Purchasing Department, the Assessor's Office, the Tax Collector's office, and the Information Technology Department. The Accounting Office is administered by the Controller and accounts for all Town funds. The Controller is responsible for maintaining the financial records of the Town and for the financial reporting of the Town's activities and operations. The Assessor's Office develops the list of property and related assessments for all real estate, personal property and motor vehicles for the purpose of taxation. The Tax Collector's Office bills, collects, processes and deposits taxes, interest and fees on all taxable property in the Town.

The annual budget serves as the foundation for the Town's financial planning and control. The Town maintains budgetary controls with the objectives to ensure compliance with legal provisions embodied in the annual appropriated budget, approved by the RTM or by referendum, if one is called. The Town maintains an encumbrance accounting system as one technique of accomplishing budgetary controls. As demonstrated by the budgetary schedules included in the financial section of this report, the Town continues to meet its responsibility for sound financial management. In addition to budgetary required supplementary information schedules, RSI-1A and 1B, RSI 1C describes the budget process used by the Town.

Local Economy and Major Initiatives

Possessing a highly educated workforce, two outstanding universities and an exceptional quality of life, Fairfield remains a top choice for business, earning a designation by the non-profit Yankee Institute for Public Policy as Connecticut's "most business friendly Town". Fairfield's economy is strong and diverse, and includes roughly 3,000 businesses ranging from well-known companies such as R.C. Bigelow Tea to many smaller local establishments and entrepreneurial start-ups.

The Town of Fairfield recognizes that in order to attract new business investment, it needs to provide a living environment conducive to the successful recruitment of top talent. To that end, the Town has strived to develop an amenity-rich, walkable and vibrant community that easily allows the integration of work and personal life. Fairfield has also embraced the principles of smart growth, and is actively seeking opportunities to thoughtfully grow its commercial grand list, particularly around its transit hubs. Fairfield boasts three Metro North rail stations, the newest of which--Fairfield Metro--features platforms that can accommodate up to twelve rail cars, a sky bridge and at grade parking for over 1,300 vehicles.

Once home to heavy industry, the Fairfield Metro area continues to evolve, thanks in large part to updated zoning regulations that encourage mixed use, transit oriented development, which permit residential uses with greater density and relaxed parking requirements. Trademark Fairfield, a 5-story, 140,000 sf mixed use development, with 101 apartments over ground floor retail, was the first such project, and opened in late 2017. A larger, second phase development, which includes 160 apartments, with structured parking and additional retail, opened two years later. Seeking to build on this progress, the Town completed in 2019 a planning study to facilitate additional growth opportunities surrounding both the Fairfield Metro and downtown stations, including the former Exide Battery site, which was sold this past year and is now poised for redevelopment.

In Fairfield Center, work was recently completed on a 90-unit luxury residential development on the former Knights of Columbus site, just steps from the downtown train station. The iconic Fairfield Community Theatre, was sold in 2019 to prominent local developer Kleban Properties, and has been renovated in partnership with Sacred Heart University into a premier cinema, performing arts and education venue. Within the past few years, Fairfield has added three assisted living residential communities, the first of which, Sturges Ridge by Benchmark Senior Living, celebrated its three year anniversary this past October. Maplewood and Sunrise Senior Living have completed similar projects in the Southport and Stratfield sections of Fairfield, respectively, providing much-needed housing options, particularly for seniors requiring specialized care. Relatedly, a 148-unit, independent living residential project was approved for the former Fairfield Lumber yard site downtown, and is expected to break ground early next year.

Fairfield is fortunate to be home to two nationally acclaimed, private universities, both of which have been growing and making significant investments in their on-campus facilities. Fairfield University, completed work on a new \$40 million building to house its Dolan School of Business, which opened this past year, and has embarked on a project to replace the venerable Alumni Hall with a new 3,500-seat convocation hall and arena. Across Town, Sacred Heart University has started construction on a new ice hockey arena on its West Campus, after completing work on three new residence halls.

Much of the past two years has been impacted by the global pandemic. The Town of Fairfield moved swiftly to respond and to support its business community by providing information and guidance, fast-tracking its permitting process to facilitate outdoor dining and launching a small business grant program. To date, the Town's COVID Small Business Assistance Program has provided micro-grants to eighty small businesses adversely impacted by the pandemic. The Fairfield Economic Development Commission (EDC) continues to support these and other initiatives aimed at supporting Fairfield's existing business base, creating opportunities for new business investment and expanding the commercial component of the Town's grand list.

The Town has a significant tax base that continually ranks within the five largest in the state; it has very high wealth and income levels; has a moderate debt burden, which is planned for quick retirement; and its pension plans remain at high funding levels.

These facts are echoed within the municipal credit industry. Fairfield is one of a small number of towns and cities throughout the United States that has been awarded the esteemed AAA rating by Moody's Investor Services, Standard & Poor's and Fitch Ratings. All three of these rating services have reconfirmed their highest ratings for Fairfield during the past year. Additionally, Standard & Poor's Rating Services (S&P), rated the Town's Financial Management Assessment (FMA) as "very strong", their highest score, with "strong" financial policies and practices, and conservative budgeting practices.

Long-Term Financial Planning

The Town's long-term financial planning is focused on maintaining a moderate to low debt service to general fund expenditure ratio and to increase its general fund balance to budget ratio.

In July 2021, the Town issued \$28,395,000 of general obligation bonds and \$13,855,000 of bond anticipation notes. The majority of the bonds and the bond anticipation notes were used to fund the Town's capital replacement program for both Town and School projects; larger building maintenance and improvement projects, public safety equipment, engineering studies, a large school expansion and two large Water Pollution Control Authority projects. Any additional large school renovation expenditure that may be identified and incurred would be subject to bonding in future fiscal years.

Relevant Financial Policies

The Town's financial policies have been applied consistently with the prior year and had no notable current year effect on the financial statements. There were no developments at the State level that impacted the current year financial statements.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. This was the eighteenth consecutive year that the Town has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. The consistent and diligent work by the department throughout the year helps to make the development and completion of the ACFR a less daunting task. For that, each member has my sincere appreciation. In particular, I would to thank Town Controller Caitlin Bosse for her commitment to the detailed preparation required to successfully complete this report.

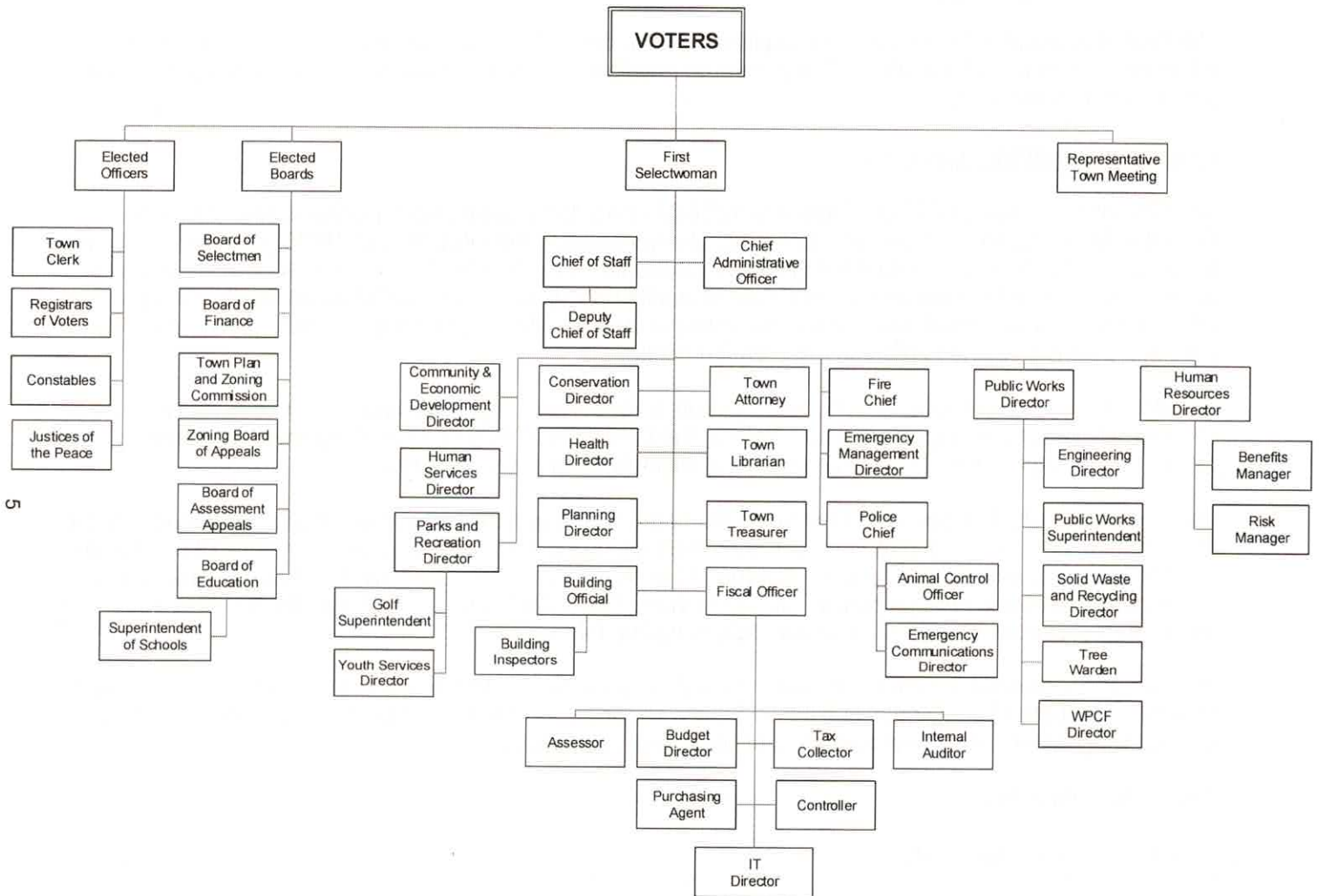
This annual comprehensive financial report reflects a commitment to the citizens of Fairfield, the Board of Finance, the Board of Selectmen, and the RTM, and all concerned readers of this report, to provide information in conformance with the highest standards of financial accountability.

Respectfully submitted,



Jared Schmitt
Chief Fiscal Officer

Town of Fairfield, Connecticut



Town of Fairfield, Connecticut

Principal Officials

June 30, 2021

Board of Selectmen

Brenda L. Kupchick, First Selectwoman
Thomas M. Flynn
Nancy E. Lefkowitz

Board of Finance

James B. Brown, Chairman
Christopher W. Dewitt, Vice Chairman
Mary E. LeClerc, Secretary
Lori T. Charlton
David Fogel
Sheila Marmion
John Mitola
Jack Testani
James Walsh

Administration

Town Clerk.....	Elizabeth P. Browne
Town Attorney.....	James Baldwin
Fiscal Officer.....	Jared Schmitt
Interim Public Works Director.....	John Marsilio
Police Chief.....	Robert Kalamaras
Fire Chief.....	Denis McCarthy
Director of Human Resources.....	James Haselkamp
Health Director.....	Sands Cleary
Town Librarian (Interim).....	Jan Fisher
Planning Director.....	James Wendt
Conservation Director.....	Tim Bishop
Assessor.....	Ross Murray
Tax Collector.....	David Kluczowski
Controller.....	Caitlin T. Bosse
Recreation Director.....	Anthony Calabrese
Purchasing Director.....	Gerald Foley
Building Inspector.....	Shawn Reed

Board of Education

Christine Vitale, Chairman
Nick Aysseh, Vice Chairman
Jessica Gerber, Secretary
Carol Guernsey
Jennifer Jacobson
Jennifer Maxon-Kennelly
Jeffrey Peterson
Trisha Pytko
Bonnie Rotelli

Michael Cummings, Superintendent of Schools



Government Finance Officers Association

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

Presented to

**Town of Fairfield
Connecticut**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Financial Section

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Fairfield, Connecticut ("Town"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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

Page 2

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Fairfield, Connecticut, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other 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 introductory section, supplemental schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Page 3

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2021, 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 29, 2021



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, 2021 (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, 2021. 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:

	Governmental Activities	Business-Type Activities	Total
Change in net position	\$ 30,417	\$ (200)	\$ 30,217
Total net position	259,583	1,702	261,285
Unrestricted net position	(110,354)	901	(109,453)

The Town's total net position increased by \$30,217. The increase is substantially due to the following:

Governmental fund activity:

positive operations of the general fund of	\$ 696
negative operations of the capital projects fund of	(706)
positive operations of the other governmental funds of	17,738

Business-type fund activity:

negative operations of the parking authority of	(200)
---	-------

Conversion to accrual basis on Exhibit E:

capital outlay net of depreciation expense of	26,560
disposal of capital assets of	(1,494)
net principal debt activity of	(4,421)
amortization of premium of	1,114
change in environmental liability of	(17,351)
change in pension liability of	93,126
change in OPEB liability of	17,445
change in pension and OPEB deferred outflows/inflows of resources of	(101,781)
positive operations of the internal service fund of	1,565

Management's Discussion and Analysis (continued)

(Thousands)

- The Town's governmental funds reported combined ending fund balances of \$91,127, an increase of \$17,728, in comparison with the prior year. The change is substantially due to the recognition of ARPA funding for revenue loss of \$12,415 during the year. These fund will be appropriated and spent in subsequent fiscal years. Additional analysis is included in the Financial Analysis of the Town's Funds section.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$36,572 or 11.34% of total general fund expenditures and other financing uses (budgetary basis). This represents a 0.29% increase over the previous fiscal year's percent of 11.05%.
- The Town's total debt increased by \$2,651 (1.46%) during the current fiscal year as a result of the current year issuance of general obligation bonds of \$14,497 and permanently financed bond anticipation notes of \$9,600 offset by scheduled principal payments of \$21,446 made during the year.
- Net capital assets increased by \$24,946 during the current fiscal year. The increase is attributable to capital asset additions for construction in progress, land improvements, buildings and improvements, vehicles and machinery and equipment in excess of disposals and depreciation 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.

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.

Management's Discussion and Analysis (continued)

(Thousands)

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 statements 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.

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.

Management's Discussion and Analysis (continued)

(Thousands)

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

Government-wide financial analysis

The business type activities for the Parking Authority are included in the reporting entity this year.

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 \$261,285 at the close of the most recent fiscal year.

By far 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.

The analysis below focuses on the net position and changes in net position. Unrestricted net position at year-end totaled (\$109,453). This is an increase of \$ 5,894 from the prior year.

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

Summary Statement of Net Position
June 30
(Thousands)

	<u>Governmental Activities</u>		<u>Business-Type</u>		<u>Totals</u>	
	<u>(as restated)</u>				<u>(as restated)</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 174,729	\$ 150,303	\$ 1,271	\$1,319	\$176,000	\$ 151,622
Capital assets (net)	537,218	512,152	801	921	538,019	513,073
Total assets	711,947	662,455	2,072	2,240	714,019	664,695
Deferred outflows of resources	24,111	55,282	-	-	24,111	55,282
Long-term liabilities outstanding	311,486	407,099	-	-	311,486	407,099
Other liabilities	75,373	63,607	65	338	75,438	63,945
Total liabilities	386,859	470,706	65	338	386,924	471,044
Deferred inflows of resources	89,616	17,865	305	-	89,921	17,865
Net investment in capital assets	331,548	324,855	801	921	332,349	325,776
Restricted	38,389	20,639	-	-	38,389	20,639
Unrestricted	(110,354)	(116,328)	901	981	(109,453)	(115,347)
Total net position	\$ 259,583	\$ 229,166	\$ 1,702	\$1,902	\$261,285	\$ 231,068

A portion of the Town's net position of \$38,389 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is (\$109,453).

The Town's net position increased by \$30,217 during the current fiscal year. The increase is due to positive operations in the general fund and other governmental funds of \$696 and \$17,738, respectively and the different basis of accounting (accrual versus modified accrual) for capital assets and long-term debt.

During the fiscal year, there was a net increase in capital assets of \$24,946 primarily due to current year additions for various school related renovations and paving projects offset by the scheduled depreciation expense. In addition, there was an increase in long-term debt of \$2,651 during the current fiscal year as a result of the current year issuance of general obligation bonds of \$14,497 and permanently financed bond anticipation notes of \$9,600 offset by scheduled principal payments of \$21,446 made during the year. There was also an increase in the estimated environmental liability of \$17,351.

The Town has committed \$8,922 of fund balance in the capital project fund toward the estimated liability.

Management's Discussion and Analysis (continued)

(Thousands)

Net position may serve over time as a useful indicator of a Town's financial position. The Town's net position increased \$30,217 as detailed below.

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

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 34,940	\$ 30,684	\$ 762	\$ 1,159	\$ 35,702	\$ 31,843
Operating grants and contributions	42,377	39,603	-	-	42,377	39,603
Capital grants and contributions	17,938	5,748	-	-	17,938	5,748
General revenues:						
Property taxes	295,831	294,147	-	-	295,831	294,147
Grants and contributions not restricted to specific programs	2,276	2,907	-	-	2,276	2,907
Income from investments	3,334	3,099	-	7	3,334	3,106
Other	261	828	-	-	261	828
Total revenues	396,957	377,016	762	1,166	397,719	378,182
Expenses:						
General government	13,167	13,621	-	-	13,167	13,621
Finance	6,152	6,795	-	-	6,152	6,795
Public safety	46,121	57,530	-	-	46,121	57,530
Public works	44,192	33,473	-	-	44,192	33,473
Health and welfare	9,662	10,334	-	-	9,662	10,334
Culture and recreation	11,650	11,116	-	-	11,650	11,116
Education	232,066	234,956	-	-	232,066	234,956
Interest	3,530	5,872	-	-	3,530	5,872
Parking authority	-	-	962	1,077	962	1,077
Total expenses	366,540	373,697	962	1,077	367,502	374,774
Change in net position	30,417	3,319	(200)	89	30,217	3,408
Net position - July 1	229,166	224,823	1,902	1,813	231,068	226,636
Restatements (see note VI)	-	1,024	-	-	-	1,024
Net position - June 30	\$ 259,583	\$ 229,166	\$ 1,702	\$ 1,902	\$ 261,285	\$ 231,068

Key elements of the increase are as follows:

Governmental activities

- Charges for services increased by \$4,256 during the year, primarily due to increases in parks and recreation fees of \$942, WPCA revenue of \$1,098, and conveyance taxes of \$1,714. This is due to an increase in recreation programs as pandemic related restrictions lessened, increase in sewer use fees due to people working from home and due to the increase in housing market activity.

Management's Discussion and Analysis (continued)

(Thousands)

- Operating grants and contributions increased by \$2,774 during the year, primarily due to COVID-19 related grants.
- Capital grants and contributions increased by \$12,190 primarily due to an increase for ARPA of \$12,415 offset by slight decreases in other grants.
- Public safety expenses decreased by \$11,409 substantially due to a decrease in pension and OPEB expense of \$9,917 from the prior year.
- Public works expenses increased by \$10,719 substantially due to an increase in the environmental liability of \$17,351 offset by decreases of approximately \$3,200 due to supply chain issues and vacancies as a result of early retirements.
- Education expenses decreased by \$2,890 substantially due to a decrease in pension and OPEB expense of \$10,645 offset by an increase in the education budget and actual of \$5,891 and expenditures in the education nonlapsing of \$3,633 for COVID-19 related costs.

Business-type activities

- The parking authority had a decrease of net position of \$200. This is \$289 less than prior year as a result of lower charges of \$331 due to the COVID-19 pandemic which was offset by decreases in contracted services of \$85.

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 \$91,127, an increase of \$17,728 in comparison with the prior year.

The components of fund balance were as follows:

Nonspendable	\$ 120
Restricted	38,269
Committed	31,918
Assigned	2,420
Unassigned	18,400
Total	<u>\$ 91,127</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 \$36,572, while total fund balance was \$40,800. Total fund balance increased \$696 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 11.34% of total general fund budgetary basis expenditures and other financing uses, while total fund balance represents 12.59% of that same amount, as compared to 11.05% and 12.72% 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, 2021
(Thousands)

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Revenues					
Property taxes	\$ 293,783	\$ 4,050	\$ 297,833	\$ 298,261	\$ 428
Intergovernmental	4,926	585	5,511	6,070	559
Charges for services	16,277	2,250	18,527	18,925	398
Income from investments	1,736	-	1,736	1,047	(689)
Net change in fair value	231	-	231	(459)	(690)
Other	100	-	100	163	63
Total revenues	317,053	6,885	323,938	324,007	69
Expenditures					
Current					
General government	38,782	889	39,671	39,350	321
Finance	4,996	273	5,269	4,790	479
Public safety	34,151	(772)	33,379	33,335	44
Public works	15,653	(971)	14,682	14,487	195
Health and welfare	8,312	(150)	8,162	7,862	300
Culture and recreation	7,015	28	7,043	6,776	267
Education	183,976	-	183,976	183,859	117
Debt service	22,564	54	22,618	22,618	-
Total expenditures	315,449	(649)	314,800	313,077	1,723
Excess (deficiency) of revenues over expenditures	1,604	7,534	9,138	10,930	1,792
Other financing sources (uses)					
Appropriation of fund balance	-	176	176	-	(176)
Transfers in	125	-	125	125	-
Transfers out	(1,729)	(7,710)	(9,439)	(9,439)	-
Net other financing sources (uses)	(1,604)	(7,534)	(9,138)	(9,314)	(176)
Net change in fund balance	\$ -	\$ -	\$ -	1,616	\$ 1,616
Fund balance - July 1, 2020				34,690	
Fund balance - June 30, 2021				<u>\$ 36,306</u>	

Management's Discussion and Analysis (continued)

(Thousands)

Significant revenue final budgetary variances were as follows:

- Property taxes revenue was more than the amount budgeted by \$428 primarily due to conservative budgeting due to the pandemic. In addition, the revenue budget was increased by \$4,050 to fund remediation costs as detailed below.
- Intergovernmental revenue was more than the amount budgeted by \$559 primarily due to unbudgeted COVID-19 pandemic related grants received and conservative budgeting based upon the lack of stability in prior year's State funding.
- Income from investments and net change in fair value was less than the amount budgeted by \$1,379 primarily due to lower than expected interest rates.

Significant budget transfers and additional appropriations included an increase to property taxes, intergovernmental and charges for services \$6,885 for transfers to capital projects for future remediation costs, appropriation of fund balance of \$176 and an increase of \$1,321 to retiree benefits to increase the contribution amounts to the OPEB trust funds.

Capital projects fund

Capital Projects Fund intergovernmental revenues totaled \$4,477 during the year, of which \$2,037 were school construction grants and \$1,685 were CDBG-Disaster Recovery. Expenditures totaled \$39,063 consisting primarily of school expansion and renovation and the water treatment plant hardening and micro grid project expenditures. The fund balance decreased from \$3,798 to \$3,092 as a result of the timing for expenditures and permanent financing

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 used for workers' compensation, general liability and various types of medical related claims.

Parking authority

The Parking Authority is included in the substantially reporting entity for the fiscal year ended June 30, 2021.

Net position of the parking authority at year end amounted to \$1,702, a decrease of \$200 as compared to an \$89 increase in the prior year. The decrease is due to lower charges for services of \$331 as a result of the COVID-19 pandemic offset by a decrease in contracted services of \$85.

Internal service fund

Unrestricted net position of the Internal Service Fund at the end of the year amounted to \$5,966, an increase of \$1,565 from the prior year balance of \$4,401. This was due to an increase in charges for services and decrease in claims incurred for medical claims compared to last year. Claims activity was lower than anticipated.

Capital assets and debt administration

Capital assets. The Town's investment in capital assets amounts to \$538,019 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles, intangible assets and infrastructure. The net increase in the Town's net capital assets for the current fiscal year was \$24,946 or 4.9%, mostly due to current year additions for various school related renovations offset by the scheduled depreciation expense.

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

Capital Assets - Net
June 30
(thousands)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 35,248	\$ 33,792	\$ -	\$ -	\$ 35,248	\$ 33,792
Construction in progress	68,723	43,633	-	-	68,723	43,633
Land improvements	4,524	3,440	209	626	4,733	4,066
Buildings and improvements	356,975	360,458	549	253	357,524	360,711
Vehicles	8,882	7,566	-	-	8,882	7,566
Machinery and equipment	11,272	11,530	43	42	11,315	11,572
Intangible assets	124	181	-	-	124	181
Infrastructure	51,470	51,552	-	-	51,470	51,552
Total	\$ 537,218	\$ 512,152	\$ 801	\$ 921	\$ 538,019	\$ 513,073

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

Construction in progress additions of:

Smith Richardson clubhouse renovation	\$ 3,010
Water treatment plant hardening project	5,137
WPCA Easton tank pumps construction	2,054
WPCA Easton Turnpike main replacement	1,921
Roger Sherman Elementary School renovation	1,171
Mill Hill Elementary School renovation	13,339

Land improvements addition:

Fairfield Ludlowe High School tennis court	546
--	-----

Building additions from construction in progress of:

Fairfield Wood Middle School roof replacement	2,431
Navy housing	896
Walter Fitzgerald campus improvements	3,445

Vehicles purchases of:

Police vehicles and fire truck	2,324
--------------------------------	-------

Machinery and equipment of:

Townwide telephone system	841
---------------------------	-----

Infrastructure additions from construction in progress:

WPCA Easton tank force main replacement	1,921
---	-------

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

Management's Discussion and Analysis (continued)

(Thousands)

Long-term debt. At the end of the current fiscal year, the Town had total bonds and notes outstanding of \$183,682. This entire amount comprises debt backed by the full faith and credit of the Town.

General Long-term Obligations		
June 30		
(Thousands)		
	2021	2020
General obligation bonds	\$ 172,022	\$168,507
Equipment financing notes	166	331
Clean water notes payable	1,894	3,605
Bond anticipation notes	9,600	8,588
Total	<u>\$ 183,682</u>	<u>\$181,031</u>

The Town's total debt increased by \$2,651 (1.46%) during the current fiscal year as a result of the current year issuance of general obligation bonds of \$14,497 and permanently financed bond anticipation notes of \$9,600 offset by scheduled principal payments and refunded bonds of \$21,446 made during the year.

The Town's short-term debt increased from \$2,832 to \$7,800 during the year due to bond anticipation notes being issued to 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 \$2,037,070, 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.

Economic factors and next year's budgets and rates

- At June 2021, the unemployment rate for the Town was 5.4% as compared to the state's average unemployment rate of 7.7% and a national unemployment rate of 5.9%. This compares to 11.1% for the prior year. The decreases are due to the job market recovery subsequent to the coronavirus pandemic.
- Inflationary trends in the region compare favorably to national indices.
- Public school population experienced a slight decrease for the tenth consecutive year.
- The potential impact of the pandemic on the local economy, businesses and Town revenues is being closely monitored. For fiscal year 2021, there was a continued negative impact on recreation fees from pre pandemic levels, but other revenues such as building permits and conveyance taxes were positively impacted. The Town did not see any impact on tax collections for the prior fiscal year and there is no indication that there will be an impact on 2022 collections.

All of these factors were considered in preparing the Town's budget for the 2022 fiscal year.

Management's Discussion and Analysis (continued)

(Thousands)

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, 2021
(Thousands)

<u>Assets</u>	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>
Current assets:			
Cash	\$ 6,314	\$ 1,030	\$ 7,344
Investments	129,040	229	129,269
Receivables			
Property taxes	4,498	-	4,498
Assessments and use	547	-	547
Intergovernmental	2,707	-	2,707
Loan	204	-	204
Accounts	2,008	5	2,013
Other	38	-	38
Total current assets	145,356	1,264	146,620
Noncurrent assets:			
Restricted assets:			
Temporarily restricted:			
Cash	79	7	86
Investments	15,589	-	15,589
Permanently restricted:			
Investments	120	-	120
Total restricted assets	15,788	7	15,795
Receivables (net):			
Property taxes	10,972	-	10,972
Assessments and use	977	-	977
Loan	1,636	-	1,636
Total receivables (net)	13,585	-	13,585
Capital assets (net of accumulated depreciation):			
Land	35,248	-	35,248
Construction in progress	68,723	-	68,723
Land improvements	4,524	209	4,733
Buildings and improvements	356,975	549	357,524
Vehicles	8,882	-	8,882
Machinery and equipment	11,272	43	11,315
Intangible assets (net of accumulated amortization)	124	-	124
Infrastructure	51,470	-	51,470
Total capital assets (net of accumulated depreciation)	537,218	801	538,019
Total noncurrent assets	566,591	808	567,399
Total assets	711,947	2,072	714,019
<u>Deferred Outflows of Resources</u>			
Pension related	17,222	-	17,222
OPEB related	6,889	-	6,889
Total deferred outflows of resources	24,111	-	24,111

(Continued)

Town of Fairfield, Connecticut

Statement of Net Position
June 30, 2021
(Thousands)

	Governmental Activities	Business-type Activities	Total
<u>Liabilities</u>			
Current liabilities:			
Accounts payable	\$ 13,680	\$ 39	\$ 13,719
Retainage payable	1,328	-	1,328
Accrued payroll and related liabilities	14,027	12	14,039
Accrued interest payable	3,178	-	3,178
Unearned revenue	1,102	-	1,102
Customer deposits	-	7	7
Bond anticipation notes	7,800	-	7,800
Other	1,717	-	1,717
Bonds and notes payable	19,755	-	19,755
Compensated absences	968	7	975
Heart and hypertension	838	-	838
Environmental obligation	6,663	-	6,663
Claims payable	4,317	-	4,317
Total current liabilities	75,373	65	75,438
Noncurrent liabilities:			
Performance bonds	5,527	-	5,527
Bonds, notes and related liabilities	170,054	-	170,054
Compensated absences	3,871	-	3,871
Heart and hypertension	2,271	-	2,271
Net pension liability	13,088	-	13,088
Net OPEB liability	95,990	-	95,990
Environmental obligation	12,374	-	12,374
Claims payable	8,311	-	8,311
Total noncurrent liabilities	311,486	-	311,486
Total liabilities	386,859	65	386,924
<u>Deferred Inflows of Resources</u>			
Advance property tax collections	2,868	-	2,868
Advance collections - permit fees	-	305	305
Deferred charge on refunding	1,701	-	1,701
Pension related	65,069	-	65,069
OPEB related	19,978	-	19,978
Total deferred inflows of resources	89,616	305	89,921
<u>Net Position</u>			
Net investment in capital assets	331,548	801	332,349
Restricted for:			
Endowments:			
Nonexpendable	120	-	120
Expendable	10,141	-	10,141
Public works	12,167	-	12,167
Education	574	-	574
Housing	2,361	-	2,361
Construction projects	12,342	-	12,342
Other purposes	684	-	684
Unrestricted	(110,354)	901	(109,453)
Total net position	\$ 259,583	\$ 1,702	\$ 261,285
			(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, 2021
(Thousands)

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 13,167	\$ 5,987	\$ 31	\$ 12,961	\$ 5,812	\$ -	\$ 5,812
Finance	6,152	-	-	-	(6,152)	-	(6,152)
Public safety	46,121	12,027	1,340	-	(32,754)	-	(32,754)
Public works	44,192	3,697	2,169	4,977	(33,349)	-	(33,349)
Health and welfare	9,662	4,226	1,026	-	(4,410)	-	(4,410)
Culture and recreation	11,650	7,293	392	-	(3,965)	-	(3,965)
Education	232,066	1,710	37,419	-	(192,937)	-	(192,937)
Interest	3,530	-	-	-	(3,530)	-	(3,530)
Total governmental activities	366,540	34,940	42,377	17,938	(271,285)	-	(271,285)
Business-type activities:							
Parking authority	962	762	-	-	-	(200)	(200)
Total	<u>\$ 367,502</u>	<u>\$ 35,702</u>	<u>\$ 42,377</u>	<u>\$ 17,938</u>	<u>\$ (271,285)</u>	<u>\$ (200)</u>	<u>\$ (271,485)</u>
General Revenues:							
Property taxes					295,831	-	295,831
Grants and contributions not restricted to specific programs					2,276	-	2,276
Income from investments					3,334	-	3,334
Other					261	-	261
Total General Revenues					<u>301,702</u>	<u>-</u>	<u>301,702</u>
Change in Net Position					30,417	(200)	30,217
Net Position - July 1, 2020 (as restated)					<u>229,166</u>	<u>1,902</u>	<u>231,068</u>
Net Position - June 30, 2021					<u>\$ 259,583</u>	<u>\$ 1,702</u>	<u>\$ 261,285</u>

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

Town of Fairfield, Connecticut

Balance Sheet
Governmental Funds
June 30, 2021
(Thousands)

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Cash	\$ 4,795	\$ -	\$ 1,598	\$ 6,393
Investments	38,451	27,905	43,267	109,623
Restricted investments	5,527	-	10,182	15,709
Receivables (net)				
Property taxes	10,775	-	-	10,775
Assessments and use fees	-	-	960	960
Intergovernmental	968	504	1,235	2,707
Loan	-	-	1,875	1,875
Accounts	198	-	720	918
Due from other funds	21,975	-	290	22,265
Other	13	-	25	38
Total Assets	<u>\$ 82,702</u>	<u>\$ 28,409</u>	<u>\$ 60,152</u>	<u>\$ 171,263</u>
<u>Liabilities</u>				
Accounts payable	\$ 6,690	\$ 5,032	\$ 966	\$ 12,688
Retainage payable	-	1,328	-	1,328
Accrued payroll	13,983	-	44	14,027
Due to other funds	290	11,157	9,897	21,344
Unearned revenue	52	-	1,050	1,102
Bond anticipation notes	-	7,800	-	7,800
Performance bonds	5,527	-	-	5,527
Other	1,717	-	-	1,717
Total Liabilities	<u>28,259</u>	<u>25,317</u>	<u>11,957</u>	<u>65,533</u>
<u>Deferred Inflows of Resources</u>				
Unavailable revenue				
Property taxes	10,775	-	-	10,775
Advance property tax collections	2,868	-	-	2,868
Sewer assessment and use charges	-	-	960	960
Total Deferred Inflows of Resources	<u>13,643</u>	<u>-</u>	<u>960</u>	<u>14,603</u>
<u>Fund Balances</u>				
Nonspendable	-	-	120	120
Restricted	-	12,342	25,927	38,269
Committed	4,228	8,922	18,768	31,918
Assigned	-	-	2,420	2,420
Unassigned	36,572	(18,172)	-	18,400
Total Fund Balances	<u>40,800</u>	<u>3,092</u>	<u>47,235</u>	<u>91,127</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 82,702</u>	<u>\$ 28,409</u>	<u>\$ 60,152</u>	<u>\$ 171,263</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, 2021
(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)	\$ 91,127
---	-----------

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

Beginning capital assets	512,152
Capital asset additions (net of construction in progress)	44,158
Depreciation expense	(17,598)
Disposal and sale of capital assets	(1,494)
Total	537,218

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	6,550
Allowance for doubtful accounts	(1,326)
Deferred outflows related to pension	17,222
Deferred outflows related to OPEB	6,889
Total	29,335

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	11,735
---	--------

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	5,966
---	-------

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	(183,682)
Premium	(6,127)
Compensated absences	(4,839)
Heart and hypertension	(3,109)
Net pension liability	(13,088)
Net OPEB liability	(95,990)
Environmental obligation	(19,037)
Accrued interest payable	(3,178)
Deferred charges on refunding	(1,701)
Deferred inflows related to pension	(65,069)
Deferred inflows related to OPEB	(19,978)
Total	(415,798)

Net Position (Exhibit A)	\$ 259,583
--------------------------	-------------------

(Concluded)

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

Town of Fairfield, Connecticut

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021
(Thousands)

	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	\$ 298,261	\$ -	\$ -	\$ 298,261
Intergovernmental	32,626	4,477	24,324	61,427
Charges for services	18,925	-	15,882	34,807
Income from investments	1,047	-	230	1,277
Net change in fair value	(459)	-	2,516	2,057
Contributions	-	500	664	1,164
Other	163	98	-	261
Total revenues	<u>350,563</u>	<u>5,075</u>	<u>43,616</u>	<u>399,254</u>
Expenditures:				
Current:				
General government	39,024	-	1,486	40,510
Finance	4,764	-	-	4,764
Public safety	33,319	-	3,220	36,539
Public works	13,752	-	5,821	19,573
Health and welfare	7,862	-	588	8,450
Culture and recreation	6,527	-	1,800	8,327
Education	212,687	-	11,478	224,165
Capital outlay	-	39,063	-	39,063
Debt service	22,618	-	3,384	26,002
Total expenditures	<u>340,553</u>	<u>39,063</u>	<u>27,777</u>	<u>407,393</u>
Excess (deficiency) of revenues over expenditures	<u>10,010</u>	<u>(33,988)</u>	<u>15,839</u>	<u>(8,139)</u>
Other financing sources (uses):				
Issuance of debt	-	24,097	-	24,097
Premium	-	-	1,770	1,770
Transfers in	125	9,185	703	10,013
Transfers out	(9,439)	-	(574)	(10,013)
Net other financing sources (uses)	<u>(9,314)</u>	<u>33,282</u>	<u>1,899</u>	<u>25,867</u>
Net change in fund balances	696	(706)	17,738	17,728
Fund balances - July 1, 2020 (as restated)	<u>40,104</u>	<u>3,798</u>	<u>29,497</u>	<u>73,399</u>
Fund Balances - June 30, 2021	<u><u>\$ 40,800</u></u>	<u><u>\$ 3,092</u></u>	<u><u>\$ 47,235</u></u>	<u><u>\$ 91,127</u></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, 2021
(Thousands)

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

Net change in fund balances - total governmental funds (Exhibit D)	<u>\$ 17,728</u>
--	------------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense

Capital outlay	44,158
Depreciation expense	<u>(17,598)</u>
Total	<u>26,560</u>

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

Disposal of capital assets	<u>(1,494)</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	(2,610)
Change in property tax and sewer assessment interest and lien revenue	<u>313</u>
Total	<u>(2,297)</u>

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

Debt issued or incurred	
Bonds, notes and bond anticipation notes (permanently financed)	(24,097)
Premium	<u>(1,770)</u>
Principal repayments	
General obligation bonds and notes	<u>21,446</u>
Total	<u>(4,421)</u>

(Continued)

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, 2021
(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:

Amortization of premium	\$ 1,114
Change in:	
Compensated absences	230
Heart and hypertension	81
Pension liability	93,126
OPEB liability	17,445
Environmental obligation	(17,351)
Accrued interest payable	(148)
Amortization of deferred charge on refunding	60
Amortization of deferred outflows related to pension	(29,590)
Amortization of deferred inflows related to pension	(56,865)
Amortization of deferred outflows related to OPEB	(1,581)
Amortization of deferred inflows related to OPEB	(13,745)
Total	(7,224)
The net revenue (expense) of the activities of the internal service funds are reported with governmental activities as they are used by management to charge costs of various self-insured risk premiums to benefiting activities	1,565
Change in net position (Exhibit B)	\$ 30,417

(Concluded)

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

Town of Fairfield, Connecticut

Statement of Net Position
Proprietary Funds
June 30, 2021
(Thousands)

	Enterprise Fund Parking Authority	Internal Service Fund
<u>Assets</u>		
Current assets:		
Cash	\$ 1,030	\$ -
Restricted cash	7	-
Investments	229	19,417
Accounts receivable	5	169
	<hr/>	<hr/>
Total assets	1,271	19,586
	<hr/>	<hr/>
Capital assets (net of accumulated depreciation):		
Land improvements	549	-
Buildings and improvements	209	-
Equipment	43	-
	<hr/>	<hr/>
Total capital assets (net of accumulated depreciation)	801	-
	<hr/>	<hr/>
Total assets	2,072	19,586
	<hr/>	<hr/>
<u>Liabilities</u>		
Current liabilities:		
Accounts payable	39	992
Accrued payroll	12	-
Customer deposits	7	-
Compensated absences	7	-
Claims payable	-	4,317
	<hr/>	<hr/>
Total current liabilities	65	5,309
	<hr/>	<hr/>
Noncurrent liability:		
Claims payable	-	8,311
	<hr/>	<hr/>
Total liabilities	65	13,620
	<hr/>	<hr/>
<u>Deferred Inflows of Resources</u>		
Advanced collections - permit fees	305	-
	<hr/>	<hr/>
<u>Net Position</u>		
Net investment in capital assets	801	-
Unrestricted	901	5,966
	<hr/>	<hr/>
Total net position	\$ 1,702	\$ 5,966
	<hr/>	<hr/>

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

Town of Fairfield, Connecticut
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021
(Thousands)

	Enterprise Fund <u>Parking Authority</u>	Internal Service Fund <u>Fund</u>
Operating revenues		
Charges for services	\$ 693	\$15,459
Rental income	<u>69</u>	<u>-</u>
Total operating revenues	<u>762</u>	<u>15,459</u>
Operating expenses		
Salaries and benefits	159	-
Fiscal and operational services	108	-
Rent	355	-
Insurance	74	-
Police and contracted services	68	-
Utilities	36	-
Processing and other fees	15	-
Repairs and maintenance	21	-
Supplies	1	-
Depreciation	125	-
Claims incurred	-	12,400
Administration	<u>-</u>	<u>1,494</u>
Total operating expenses	<u>962</u>	<u>13,894</u>
Operating income (loss)	(200)	1,565
Total Net Position - July 1, 2020 (as restated)	<u>1,902</u>	<u>4,401</u>
Total Net Position - June 30, 2021	<u><u>\$ 1,702</u></u>	<u><u>\$ 5,966</u></u>

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

Town of Fairfield, Connecticut

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021
(Thousands)

	Enterprise Fund Parking Authority	Internal Service Fund
Cash flows from (used in) operating activities		
Receipts from customers	\$ 795	\$ -
Receipts for charges for services	-	15,459
Cash paid to suppliers	(578)	-
Cash paid to employees	(257)	-
Cash paid for benefits and claims	-	(11,980)
Cash paid for administration	-	(746)
Net cash from (used in) operating activities	<u>(40)</u>	<u>2,733</u>
Cash flows from (used in) capital and related financing activities		
Purchase of capital assets	<u>(5)</u>	<u>-</u>
Cash flows from (used in) investing activities		
Purchase of investments	<u>-</u>	<u>(2,733)</u>
Net increase (decrease) in cash	(45)	-
Cash - July 1, 2020 (including restricted cash)	<u>1,082</u>	<u>-</u>
Cash - June 30, 2021 (including restricted cash)	<u>\$ 1,037</u>	<u>\$ -</u>
Reconciliation of operating income (loss) to net cash from (used in) operating activities		
Operating income (loss)	\$ (200)	\$ 1,565
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities		
Depreciation and amortization	125	-
(Increase) decrease in Accounts receivable	2	217
Increase (decrease) in Accounts and other payables	33	531
Claims payable	-	420
Net cash from (used in) operating activities	<u>\$ (40)</u>	<u>\$ 2,733</u>

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

Town of Fairfield, Connecticut

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2021

(Thousands)

	Pension and OPEB Trust Funds
	<hr/>
<u>Assets</u>	
Investments:	
U.S. government agency obligations	\$ 150
Real estate funds	28,040
Hedge funds and private equity funds	38,605
Municipal bonds	150
Mutual funds:	
Equity	318,961
Fixed income	156,349
Money market	6,896
	<hr/>
Total investments	549,151
Interest and dividends	90
	<hr/>
Total assets	549,241
	<hr/>
<u>Liabilities</u>	
Accounts payable	323
Due to general fund	921
Claims payable	250
	<hr/>
Total liabilities	1,494
	<hr/>
<u>Net Position</u>	
Restricted for:	
Pension benefits	472,734
OPEB benefits	75,013
	<hr/>
Total net position	\$ 547,747
	<hr/>

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

Town of Fairfield, Connecticut

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2021
(Thousands)

	Pension and OPEB Trust Funds
	<u> </u>
Additions:	
Contributions:	
Employer	\$ 19,477
Plan members	<u>2,502</u>
Total contributions	<u>21,979</u>
Investment income (loss):	
Change in fair value of investments	120,574
Interest and dividends	<u>7,735</u>
Total investment income (loss)	128,309
Less investment expenses	<u>121</u>
Net investment income (loss)	<u>128,188</u>
Total additions	<u>150,167</u>
Deductions:	
Benefits	43,305
Administration	<u>313</u>
Total deductions	<u>43,618</u>
Change in net position	106,549
Net position - July 1, 2020	<u>441,198</u>
Net position - June 30, 2021	<u><u>\$547,747</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, 2021
(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 they 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, 2021
(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 revenues 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 Plan, 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, 2021
(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 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% 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, 2021
(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	55.00%	70.00%
Fixed income	35.00%	20.00%
Private equity	5.00%	-
Private 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, 2021
(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. The Town's target duration is 3.5 years and at no time should exceed 4.5 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 1 to 15% 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, 2021
(Amounts expressed in thousands)

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

In the fund financial statements, property tax revenues are recognized when they become available. Only taxes 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.

3. Restricted assets

The restricted assets for the Town are restricted for performance bonds and endowments. Performance bonds are 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.

4. Capital assets

Capital assets, which include construction in progress, property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), 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 of more than \$10,000 for equipment and \$100,000 for infrastructure (amounts not rounded) 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.

Property, plant and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	20
Buildings and improvements	45
Machinery and equipment	5 - 20
Vehicles	6 - 15
Infrastructure	20 - 70
Intangible assets (software)	10

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

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

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.

Advance tax collections represent taxes 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.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

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

8. 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 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.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

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

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.

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% of annual budgeted expenditures. Further, once unassigned fund balance is greater than 8%, the Board of Finance may transfer any excess above 8% to the Town's Internal Service Fund.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**9. 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.

10. 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. At year end, there is \$4,803 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.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

C. Capital projects authorizations

The following is a summary of Capital Projects:

<u>Project Name</u>	<u>Project Authorization</u>	<u>Cumulative Expenditures</u>	<u>Balance</u>
Infrastructure improvements	\$ 1,200	\$ 724	\$ 476
MUNIS	1,690	1,586	104
W.P.C.A. facility improvements	15,900	11,905	3,995
FWHS roof	11,035	7,249	3,786
Sherman Elementary renovation	3,200	2,914	286
Roof warranty extension	725	682	43
Riverfield School renovation	16,600	16,363	237
Storm Sandy facilities restoration	5,156	3,408	1,748
Osborn Hill remediation	4,536	4,284	252
FLHS expansion	15,538	15,018	520
Penfield repair and restoration	7,447	7,315	132
Kings Highway/Commerce Drive	3,449	2,791	658
WPCF improvements	12,681	9,599	3,082
Commerce Drive/ State Street bridge	2,759	-	2,759
Capital projects	71,226	40,405	30,821
Nonrecurring capital projects	25,850	25,794	56
Valley Road bridge	3,200	2,504	696
Mill Hill renovation	23,276	14,533	8,743
Townwide Telephone system	867	841	26
Holland Hill expansion	18,541	18,011	530
FWMS roof	3,000	2,431	569
Smith Rich clubhouse	7,270	6,640	630
Total	\$ 255,146	\$ 194,997	\$ 60,149

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

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

At year end, the Town's bank balance was \$75,489 and was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 36,251
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>13,396</u>
Total amount subject to custodial credit risk	<u>\$ 49,647</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.

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	Fair Value	Investment Maturities (In Years)		
		N/A	Less Than 1	1-5 Years
<u>Mutual Funds:</u>				
Equity	\$ 328,445	\$ 328,445	\$ -	\$ -
Money market	35,166	-	35,166	-
Fixed income	156,348	-	156,348	-
Real estate funds	28,040	28,040	-	-
Private equity limited partnership investments	38,605	38,605	-	-
Certificates of deposit	67,629	-	67,629	-
Pooled fixed income	23,357	-	23,357	-
U.S. government agency obligations	1,232	-	1,232	-
Municipal bonds	15,157	-	6,418	8,739
Corporate bonds	150	-	150	-
Total	<u>\$ 694,129</u>	<u>\$ 395,090</u>	<u>\$ 290,300</u>	<u>\$ 8,739</u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(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>			
<u>Mutual Funds:</u>			
Equity	\$ 328,445	\$ 328,445	\$ -
Money market	35,166	35,166	-
Fixed income	156,348	156,348	-
U.S. government agency obligations	1,232	-	1,232
Municipal bonds	15,157	-	15,157
Corporate bonds	150	-	150
Total investments by fair value level	<u>536,498</u>	<u>\$ 519,959</u>	<u>\$ 16,539</u>
<u>Investments Measured at the Net Asset Value (NAV)</u>			
Real estate funds	28,040		
Private equity limited partnership investments	<u>38,605</u>		
Total investments measured at NAV	<u>66,645</u>		
<u>Other Investments not Subject to Fair Value Measurement</u>			
Certificates of deposit	67,629		
Pooled fixed income	<u>23,357</u>		
Total other investments	<u>90,986</u>		
Total Investments	<u>\$694,129</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, 2021
(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:

Investment Description		Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Real estate funds	1	\$ 28,040	\$ -	Quarterly	90 days
Private equity limited partnership investments	2	38,605	8,560	Not permitted	Not permitted
Total investments measured at the NAV		<u>\$ 66,645</u>	<u>\$ 8,560</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 limited partnership investments - This type includes 2 private equity funds that invest primarily in private equity limited partnerships. One of the funds has a portfolio of approximately 40 private equity partnerships. These investments can never be redeemed but instead, the nature of the investments in this type is that distributions are received through the liquidation of the underlying assets of the fund. Currently, there is no estimate of when underlying investments will be liquidated. 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, 2021
(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	BB	Unrated	
Mutual funds:							
Money market	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,166	\$ 35,166
Fixed income	86,626	15,553	26,746	26,353	669	401	156,348
Pooled fixed income	23,357	-	-	-	-	-	23,357
U.S. government agency obligations	1,232	-	-	-	-	-	1,232
Municipal bonds	1,382	12,858	917	-	-	-	15,157
Corporate bonds	-	-	-	150	-	-	150
Total	<u>\$ 112,597</u>	<u>\$ 28,411</u>	<u>\$ 27,663</u>	<u>\$ 26,503</u>	<u>\$ 669</u>	<u>\$ 35,567</u>	<u>\$ 231,410</u>

- 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	\$ 15,157	\$ 500	\$ 14,657
U.S. government agency obligations	1,232	1,000	232
Corporate bonds	150	150	-
Total	<u>\$ 16,539</u>	<u>\$ 1,650</u>	<u>\$ 14,889</u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

B. Receivables

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	<u>\$ 3,059</u>	<u>\$ 1,439</u>	<u>\$ 4,498</u>		
Long term portion	7,716	4,517	12,233		
Less allowance for uncollectible	<u>(373)</u>	<u>(888)</u>	<u>(1,261)</u>		
Net long term portion	<u>\$ 7,343</u>	<u>\$ 3,629</u>	<u>\$10,972</u>		

	Assessments and Use Fees				
	Assesments and Use Fees	Interest and Lien Fees	Total	CDBG Loans	Outside Services
Current portion	<u>\$ 337</u>	<u>\$ 210</u>	<u>\$ 547</u>	<u>\$ 204</u>	<u>\$ 473</u>
Long term portion	623	384	1,007	1,671	-
Less allowance for uncollectible	<u>(28)</u>	<u>(2)</u>	<u>(30)</u>	<u>(35)</u>	<u>(45)</u>
Net receivables	<u>\$ 595</u>	<u>\$ 382</u>	<u>\$ 977</u>	<u>\$ 1,636</u>	<u>\$ 428</u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

C. Interfund accounts**1. Interfund payables and receivables**

A summary of interfund balances is as follows:

	Fund	Due From	Due To
Major Funds			
General Fund:			
Capital Projects Fund	N/A	\$ 11,157	\$ -
Community Development Block Grant	N/A	709	-
Special Education	N/A	-	142
Public Safety	N/A	7,174	-
Affordable Housing	N/A	1,032	-
Public School Lunch	N/A	-	148
Miscellaneous Grants	N/A	900	-
Downtown Parking	N/A	12	-
Donations	N/A	70	-
Employees' OPEB Trust Fund	N/A	921	-
Total General Fund		<u>21,975</u>	<u>290</u>
Capital Projects Fund	General fund	<u>-</u>	<u>11,157</u>
Other Governmental Funds			
Special Revenue Funds:			
Community Development Block Grant	General fund	-	709
Special Education	General fund	142	-
Public Safety	General fund	-	7,174
Affordable Housing	General fund	-	1,032
Public School Lunch	General fund	148	-
Miscellaneous Grants	General fund	-	900
Downtown Parking	General fund	-	12
Donations	General fund	-	70
Total Other Governmental Funds		<u>290</u>	<u>9,897</u>
Employees' OPEB Trust Fund	General fund	<u>-</u>	<u>921</u>
Grand total		<u><u>\$ 22,265</u></u>	<u><u>\$ 22,265</u></u>

All interfund balances resulted from the time lag between the dates payments occurred between funds for interfund goods, payroll and services provided or in instances where certain funds do not have an operations cash account.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

C. Interfund accounts (continued)**2. Interfund transfers**

A summary of interfund transfers is as follows:

	Corresponding Fund	Transfers In	Transfers Out
Major Funds			
General Fund:			
Capital Projects Fund	N/A	\$ -	\$ 8,736
Public Safety Fund	N/A	-	25
Public School Lunch Fund	N/A	-	525
Debt Service Fund	N/A	-	153
Library Permanent Funds	N/A	125	-
Total General Fund		125	9,439
Capital Projects Fund:			
General Fund	N/A	8,736	-
Water Pollution Control Authority Fund	N/A	449	-
Total Capital Projects Fund		9,185	-
Other Governmental Funds:			
Public Safety Fund	General Fund	25	-
Public School Lunch Fund	General Fund	525	-
Water Pollution Control Authority Fund	Capital Projects Fund	-	449
Debt Service Fund	General Fund	153	-
Library Permanent Funds	General Fund	-	125
Total Other Governmental Funds		703	574
Grand Total		<u>\$ 10,013</u>	<u>\$ 10,013</u>

Transfers are used to move budgeted appropriations from the general fund for funding of the capital fund and various programs and activities in other funds. Transfers are also used for certain debt service activity.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

D. Capital assets

Capital asset activity for the fiscal year was as follows:

	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
<u>Governmental activities:</u>				
<u>Capital assets, not being depreciated:</u>				
Land	\$ 33,792	\$ 1,456	\$ -	\$ 35,248
Construction in progress	43,633	32,898	7,808	68,723
Total capital assets, not being depreciated	77,425	34,354	7,808	103,971
<u>Capital assets, being depreciated:</u>				
Land improvements	4,937	3,208	-	8,145
Buildings and improvements	540,011	8,264	985	547,290
Vehicles	22,492	2,324	951	23,865
Machinery and equipment	22,534	1,545	1,738	22,341
Intangible assets	454	-	-	454
Infrastructure	144,818	2,271	-	147,089
Total capital assets, being depreciated	735,246	17,612	3,674	749,184
Total capital assets	812,671	51,966	11,482	853,155
<u>Less accumulated depreciation for:</u>				
Land improvements	1,497	2,124	-	3,621
Buildings and improvements	179,553	11,149	387	190,315
Vehicles	14,926	991	934	14,983
Machinery and equipment	11,004	924	859	11,069
Intangible assets	273	57	-	330
Infrastructure	93,266	2,353	-	95,619
Total accumulated depreciation	300,519	17,598	2,180	315,937
Total capital assets, being depreciated, net	434,727	14	1,494	433,247
Capital assets, net	\$ 512,152	\$ 34,368	\$ 9,302	\$ 537,218

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

General government	\$ 367
Finance	242
Public safety	1,032
Public works	4,184
Health and welfare	65
Culture and recreation	2,000
Education	9,708
Total depreciation expense	<u>\$ 17,598</u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

D. Capital assets (continued)

Business-type activities:	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
<u>Capital assets, being depreciated:</u>				
Land improvements	\$ 704	\$ -	\$ -	\$ 704
Buildings and improvements	1,117	-	-	1,117
Machinery and equipment	70	5	-	75
Total capital assets, being depreciated	1,891	5	-	1,896
<u>Less accumulated depreciation for:</u>				
Land improvements	78	77	-	155
Buildings and improvements	864	44	-	908
Machinery and equipment	28	4	-	32
Total accumulated depreciation	970	125	-	1,095
Total capital assets, being depreciated, net	921	(120)	-	801
Capital assets, net	\$ 921	\$ (120)	\$ -	\$ 801

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

Parking Authority	<u>\$ 125</u>
-------------------	---------------

E. Construction commitments

The Town had the following construction commitments:

Easton Pump Station & Force Main Replacement	\$ 1,074
Wastewater Treatment Plant Generator	38
Wastewater Treatment Plant Hardening	1,350
Wastewater Treatment Plant Micro-Grid	677
Valley Road Bridge	36
Mill Hill School	7,409
Holland Hill School	218
H Smith Richardson Clubhouse	54
Burr Elementary School Roof	230
Kings Highway Pedestrian Improvements	76
New ECC Center at SHU	1,022
FLHS Generator Replacement	71
Tomlinson Middle School Tennis Courts	39
Osborn Hill Roof Replacement	48
Total	<u>\$ 12,342</u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

F. Short-term obligations - 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 obligation activity for the fiscal year was as follows:

Type of Obligation	Maturity Date	Coupon Rate	Balance July 1, 2020	Additions	Reductions	Permanently Financed	Balance June 30, 2021
General Purpose	7/10/2020	3.00%	\$ 2,832	\$ -	\$ 2,832	\$ -	\$ -
General Purpose	7/9/2021	2.00%	-	9,203	-	4,500	4,703
Schools	7/9/2021	2.00%	-	8,197	-	5,100	3,097
Total			\$ 2,832	\$ 17,400	\$ 2,832	\$ 9,600	\$ 7,800

The bond anticipation notes mature in July 2021, and carry a coupon interest rate of 2.0%. In July 2021, the Town issued \$28,395 of general obligation bonds which permanently financed a portion of the bond anticipation notes outstanding at fiscal year-end. These bonds mature through 2041 and carry interest rates of 2.0% - 5.0%.

In July 2021, the Town issued \$13,855 of bond anticipation notes that mature in July 2022, and carry a coupon interest rate of 2.0% and a true interest cost of 0.14%.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

G. Changes in long-term obligations**1. Summary of changes**

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

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Current Portion	Long-Term Portion
General Obligation Bonds:										
General Purpose:										
Refunding issue	\$ 5,447	2008	01/01/23	3.375%-5.00%	\$ 1,159	\$ -	\$ 383	\$ 776	\$ 388	\$ 388
Debt issue	802	2009	07/15/21	5.00%	297	-	297	-	-	-
Refunding issue	1,764	2012	06/30/26	2.00%-5.00%	582	-	292	290	90	200
Debt issue	11,000	2014	06/30/35	2.00%-4.00%	8,250	-	550	7,700	550	7,150
Refunding issue	2,467	2015	07/15/27	1.75%-4.00%	2,359	-	74	2,285	341	1,944
Refunding issue	8,845	2016	07/15/30	2.00%-5.00%	8,316	-	479	7,837	487	7,350
Debt issue	3,500	2016	06/30/37	2.00%-5.00%	2,975	-	175	2,800	175	2,625
Debt issue	10,885	2017	07/13/37	3.00%-5.00%	10,013	-	520	9,493	468	9,025
Debt issue	3,157	2018	07/01/38	3.00%-3.75%	2,901	-	256	2,645	117	2,528
Debt issue	7,011	2019	07/01/39	2.00% - 3.00%	7,011	-	351	6,660	351	6,309
Refunding issue	5,332	2020	06/30/33	2.00% - 5.00%	5,332	-	478	4,854	499	4,355
Debt issue	10,980	2020	07/01/41	2.00% - 5.00%	4,350	6,630	-	10,980	-	10,980
Total General Purpose	71,190				53,545	6,630	3,855	56,320	3,466	52,854
Schools:										
Refunding issue	40,623	2008	01/01/23	3.375%-5.00%	8,638	-	2,851	5,787	2,886	2,901
Debt issue	18,608	2009	07/15/21	5.00%	3,678	-	3,678	-	-	-
Refunding issue	25,011	2012	06/30/26	2.00%-5.00%	16,098	-	1,758	14,340	4,450	9,890
Debt issue	26,945	2012	07/15/32	2.125%-4.00%	1,950	-	1,950	-	-	-
Debt issue	500	2014	06/30/35	2.00%-4.00%	375	-	25	350	25	325
Refunding issue	21,773	2015	07/15/27	1.75%-4.00%	19,571	-	1,496	18,075	2,699	15,376
Refunding issue	17,995	2016	07/15/30	2.00%-5.00%	17,079	-	991	16,088	1,008	15,080
Debt issue	16,811	2016	06/30/37	2.00%-5.00%	14,291	-	840	13,451	840	12,611
Debt issue	2,000	2017	07/13/37	3.00%-5.00%	1,842	-	90	1,752	202	1,550
Debt issue	13,524	2018	07/01/38	3.00%-3.75%	13,524	-	344	13,180	583	12,597
Debt issue	8,699	2019	07/01/39	2.00% - 5.00%	8,699	-	479	8,220	479	7,741
Refunding issue	13,533	2020	06/30/33	2.00% - 5.00%	13,533	-	1,202	12,331	1,266	11,065
Debt issue	12,105	2020	07/01/41	2.00% - 5.00%	4,238	7,867	-	12,105	-	12,105
Total Schools	218,127				123,516	7,867	15,704	115,679	14,438	101,241
Sewer:										
Refunding issue	160	2008	01/01/23	3.375%-5.00%	34	-	11	23	11	12
Total Bonds	289,477				177,095	14,497	19,570	172,022	17,915	154,107
Bond Anticipation Notes (Permanently Financed)										
					-	9,600	-	9,600	-	9,600

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

G. Changes in long-term obligations (continued)

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Current Portion	Long-Term Portion
<u>Notes (direct borrowings):</u>										
Equipment financing notes:										
Golf equipment	\$ 336	2018	05/01/24	3.00%	\$ 201	\$ -	\$ 67	\$ 134	\$ 67	\$ 67
Golf equipment	21	2018	05/01/24	3.00%	13	-	4	9	4	5
Copiers	360	2017	10/31/23	2.50%	117	-	94	23	23	-
Clean water:										
CWF 399C	29,436	2003	07/31/22	2.00%	3,605	-	1,711	1,894	1,746	148
Total Notes	30,153				3,936	-	1,876	2,060	1,840	220
Total Bonds/Notes					181,031	24,097	21,446	183,682	19,755	163,927
Premium					5,471	1,770	1,114	6,127	-	6,127
Total Bonds/Notes and related liabilities					186,502	25,867	22,560	189,809	19,755	170,054
Compensated absences					5,069	2,661	2,891	4,839	968	3,871
Heart and hypertension					3,190	449	530	3,109	838	2,271
Net pension liability					106,214	43,028	136,154	13,088	-	13,088
Net OPEB liability					113,435	15,349	32,794	95,990	-	95,990
Environmental obligation					1,686	17,945	594	19,037	6,663	12,374
Claims payable					12,208	12,400	11,980	12,628	4,317	8,311
Total Long-Term Obligations					\$ 428,304	\$ 117,699	\$ 207,503	\$ 338,500	\$ 32,541	\$ 305,959

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.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

G. Changes in long-term obligations (continued)

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>
2022	\$ 17,915	\$ 5,695	\$ 1,840	\$ 23
2023	17,171	4,924	188	2
2024	14,195	4,151	32	1
2025	14,385	3,530	-	-
2026	12,470	2,935	-	-
2027	11,940	2,452	-	-
2028	13,955	2,076	-	-
2029	10,305	1,738	-	-
2030	8,605	1,460	-	-
2031	8,510	1,233	-	-
2032	8,215	1,040	-	-
2033	5,090	870	-	-
2034	5,090	719	-	-
2035	5,090	585	-	-
2036	4,460	459	-	-
2037	4,461	339	-	-
2038	3,215	231	-	-
2039	2,770	159	-	-
2040	1,870	64	-	-
2041	1,155	39	-	-
2042	1,155	13	-	-
Totals	<u>\$ 172,022</u>	<u>\$ 34,712</u>	<u>\$ 2,060</u>	<u>\$ 26</u>

2. Assets pledged as collateral

The Town's outstanding equipment financing notes of \$166 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, 2021
(Amounts expressed in thousands)

G. Changes in long-term obligations (continued)**3. 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:

Category	Debit Limit	Net Indebtedness	Balance
General Purpose	\$ 654,773	\$ 65,523	\$ 589,250
Schools	1,309,545	123,876	1,185,669
Sewer	1,091,288	23	1,091,265
Urban Renewal	945,783	-	945,783
Pension Deficit	873,030	-	873,030

The total overall statutory debt limit for the Town is equal to seven times annual receipts from prior year taxation, \$2,037,070.

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.

4. Authorized/unissued bonds

The amount of authorized, unissued bonds are \$56,596 for school and \$49,930 for general purpose.

5. Prior year defeasance of debt

In prior years, the Town defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability of the defeased bonds are not included in the Town's financial statements. At fiscal year-end, \$18,000 of bonds outstanding are considered defeased.

6. Environmental obligation

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 \$19,037.

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.

At year-end, \$8,922 of fund balance in the capital projects fund has been committed to fund the costs of remediation.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(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	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Education programs	\$ -	\$ -	\$ 20	\$ 20
Library programs	-	-	70	70
Conservation programs	-	-	30	30
Total nonspendable	-	-	120	120
<u>Restricted:</u>				
Construction projects	-	12,342	-	12,342
Conservation	-	-	455	455
Public safety - care of animals	-	-	684	684
Sanitary sewer operations*	-	-	12,167	12,167
Culture and recreation:				
Community development programs	-	-	1,730	1,730
Housing programs	-	-	631	631
Library operations	-	-	9,686	9,686
Cafeteria operations*	-	-	574	574
Total restricted	-	12,342	25,927	38,269
<u>Committed:</u>				
General government	334	-	-	334
Finance - information systems	67	-	-	67
Public safety - fire department	16	-	-	16
Public works - operations	774	-	-	774
Remediation costs	-	8,922	-	8,922
Public safety - police and port security	-	-	1,628	1,628
Fairfield center improvements	-	-	306	306
Park and recreation programs	249	-	1,157	1,406
Education programs	2,788	-	1,795	4,583
Capital grant	-	-	12,415	12,415
Other	-	-	1,467	1,467
Total committed	4,228	8,922	18,768	31,918
<u>Assigned:</u>				
Debt service	-	-	2,420	2,420
<u>Unassigned</u>	36,572	(18,172)	-	18,400
Total	\$ 40,800	\$ 3,092	\$ 47,235	\$ 91,127

General Fund encumbrances totaled \$4,228.

*The amount of restricted net position, which was restricted by enabling legislation, totaled \$12,741.

Water Pollution Control Authority and cafeteria fund balances are reported as restricted by enabling legislation.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

IV. Other information**A. Risk management**

Except for the purchase of commercial insurance coverage for all Town buildings (flood, fire and casualty), errors and omissions, general liability umbrella policy with a retention limit of \$500,000 (amount not rounded) per incident, law enforcement liability insurance policy with a deductible of \$50,000 (amount not rounded), workers' compensation excess policy with a retention limit of \$750,000 (amount not rounded) per incident for fire department employees and \$600,000 (amount not rounded) for all other employees and employee group medical claims in excess of \$150,000 (amount not rounded), the Town is exposed to various risks for which it has retained the risk of loss including torts; theft of, 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.

The Town is a self-insured provider of claims under C.G.S. 7-433c, the Heart and Hypertension Act. The death benefits liability is adjusted annually to reflect cost of living increases. The present value of benefits was computed at an assumed rate of return of three percent. The plan is funded monthly by budget appropriations as required.

	Claims Payable July 1	Current Year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30	Current Portion	Long-Term Portion
Heart and Hypertension						
2019-2020	\$ 2,846	\$ 810	\$ 466	\$ 3,190	\$ 530	\$ 2,660
2020-2021	3,190	449	530	3,109	838	2,271

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(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>						
2019-2020	\$ 1,562	\$ 796	\$ 418	\$ 1,940	\$ 970	\$ 970
2020-2021	1,940	844	380	2,404	1,202	1,202
<u>Workers Compensation</u>						
2019-2020	11,028	705	1,940	9,793	2,448	7,345
2020-2021	9,793	1,368	1,683	9,478	2,369	7,109
<u>Subtotal</u>						
2019-2020	12,590	1,501	2,358	11,733	3,418	8,315
2020-2021	11,733	2,212	2,063	11,882	3,571	8,311
<u>Medical Insurance</u>						
2019-2020	786	8,629	8,940	475	475	-
2020-2021	475	10,188	9,917	746	746	-
<u>Totals</u>						
2019-2020	13,376	10,130	11,298	12,208	3,893	8,315
2020-2021	<u>\$ 12,208</u>	<u>\$ 12,400</u>	<u>\$ 11,980</u>	<u>\$ 12,628</u>	<u>\$ 4,317</u>	<u>\$ 8,311</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. In the opinion of the Town attorney, the resolution of these matters will not 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.

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.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

C. Tax abatements (continued)

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 \$100.

D. Contingencies*Coronavirus*

In March 2020, the United States declared the outbreak of Coronavirus a national emergency. Similarly, the Governor of the State of Connecticut declared a state of emergency. Although the national shut down has ended, the Coronavirus continues to have an impact on the economy including effects on the Town's economically sensitive revenues such as park and recreation program fees, parking revenues, interest earnings and certain other charges for services. This has been offset to varying degrees by increases in building permit fees and conveyance taxes. In addition, the supply chain has been disrupted and prices have increased for various types of items, including construction costs. The pandemic has also resulted in labor shortages.

In response to the pandemic and the economic impact on local governments, the federal government has provided the following funding beginning in April 2020 and April 2021. The Town had received grants from the federal government for the costs and impact of the pandemic as follows:

Grant Name	Amount
Coronavirus Relief Fund ("CRF")	\$ 1,246
Education Stabilization Fund ("ESF")	403
American Rescue Plan Act ("ARPA")	<u>12,415</u>
Total	<u>\$ 14,064</u>

The second payment of the ARPA grant of \$12,415 is to be received in fiscal year 2022.

The Town is continuously monitoring its financial condition and will take proactive measures as necessary to maintain operations and meet its obligations. Given this level of uncertainty, management cannot reasonably estimate the complete impact on the Town's future financial position at this time.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

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 Employees' Retirement Plans'), which provide pensions for all permanent full-time employees of the Town, excluding certified employees of the Board of Education and police and fire personnel. 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, 2020 for Employees' and Police and Fire Employees', the plans' membership consisted of:

	<u>Employees'</u>	<u>Police and Fire Employees'</u>
Inactive members and beneficiaries currently receiving benefits	579	220
Active members	<u>436</u>	<u>196</u>
Total	<u><u>1,015</u></u>	<u><u>416</u></u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

A. Town pension plans (continued)**2. Benefit provisions**

	Employees' Retirement Plan	Police and Fire Employees' Retirement Plan
Normal retirement	<p>Public works: Age 59 1/2 with 10 years of service</p> <p>All others: Age 62 with 10 years of service</p>	<p>Police: Age 51 with 25 years of service</p> <p>Fire: 30 years of service regardless of age</p>
Benefit calculation	<p>Public works: 2.2% of the average of final salary over the period of highest 2 consecutive years' times years of service</p> <p>Educational Office Professionals and Professional and Technical Employees and department heads: 2.275% of a member's highest salary times years of service</p> <p>Other members: 1.25% of final salary up to \$7,800 plus 2.3% of the excess for all other members</p>	<p>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.</p> <p>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.</p>
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, 2021
(Amounts expressed in thousands)

A. Town pension plans (continued)

	Employees' Retirement Plan	Police and Fire Employees' 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 exceed to 3%	Adjusted according to the US Consumer Price Index, but not exceed to 3%

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
 (Amounts expressed in thousands)

A. Town pension plans (continued)**3. Contributions**

	Employees' Retirement Plan	Police and Fire Employees' Retirement Plan
Town employees	4.00%	4.75%
Town average contribution rate of covered payroll was	22.68%	36.33%

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 Employees' Retirement Plans:

Asset Class	Target Allocation
U.S. equities	33.00%
International equities	22.00%
U.S. bonds	25.00%
International bonds	10.00%
Private equity	5.00%
	5.00%
Total	100.00%

b. Concentrations

There were no investments in any one organization that represents 5% or more of the pension plans' net position.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

A. Town pension plans (continued)**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 in the following table:

Asset Class	Employees' and Police and Fire Employees'	
	Long-Term Expected Real Rate of Return	Weighting
U.S. equities	3.00%	0.99%
International equities	6.30%	1.39%
U.S. bonds	1.10%	0.28%
International bonds	0.80%	0.08%
Private equity	9.20%	0.46%
Private real estate	5.50%	0.28%
Total		3.48%
Long-Term Inflation Expectation		2.40%
Long-Term Expected Nominal Return		5.88%

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:

	Employees'	Police and Fire Employees'
Rate of return	29.54%	29.84%

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

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

A. Town pension plans (continued)**5. Net pension liability**

The components of the net pension liability were as follows:

	<u>Employees'</u>	<u>Police and Fire Employees'</u>
Total pension liability	\$ 256,353	\$ 229,469
Plan fiduciary net position	<u>247,026</u>	<u>225,708</u>
Net pension liability	<u>\$ 9,327</u>	<u>\$ 3,761</u>
Plan fiduciary net position as percentage of the total pension liability	<u>96.36%</u>	<u>98.36%</u>

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 Employees'</u>
Valuation date	July 1, 2020	July 1, 2020
Actuarial cost method	Entry age	Entry age
Inflation	2.40%	2.40%
Salary increases	2.40%	3.50%-4.70%
Investment rate of return	7.00%	7.00%
Mortality Rates	Pub-2010 Public Retirement plans amount-weighted mortality tables with separate tables for general employees projected to the valuation date with scale MP-2020	Pub-2010 Public Retirement plans amount-weighted mortality tables with separate tables for public safety employees 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, 2021
(Amounts expressed in thousands)

A. Town pension plans (continued)**7. Changes from prior year****a. Changes in assumptions**

- The inflation rate was adjusted to 2.40% from 2.60%.
- The mortality assumption was updated from Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables with separate tables for General Employees, projected to the valuation date with Scale MP-2019 to Scale MP-2020.

b. Changes in benefit terms

- Employees' Plan: The Town offered an early retirement incentive program (ERIP) that included an enhanced benefit of up to an additional 6.00% of final salary with a modified early retirement reduction scale.

Certain employees opted to participate in the plan. The offer window is now closed.

8. Discount rate

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

	<u>Employees'</u>	<u>Police and Fire Employees'</u>
Discount rate	7.00%	7.00%

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that 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, 2021
(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, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020.

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Employees' Retirement Plan			
Balance at July 1, 2020	\$ 255,273	\$ 200,244	\$ 55,029
Service cost	3,164	-	3,164
Interest	17,476	-	17,476
Differences between expected and actual experience	(1,266)	-	(1,266)
Changes in benefit terms	2,522	-	2,522
Changes in assumptions	(2,962)	-	(2,962)
Contributions - employer	-	5,712	(5,712)
Contributions - member	-	992	(992)
Net investment income	-	58,075	(58,075)
Benefit payments, including refunds of member contributions	(17,854)	(17,854)	-
Administrative expenses	-	(143)	143
Net change	1,080	46,782	(45,702)
Balance at June 30, 2021	\$ 256,353	\$ 247,026	\$ 9,327
Police and Fire Employees' Retirement Plan			
Balance at July 1, 2020	\$ 235,360	\$184,175	\$ 51,185
Service cost	3,516	-	3,516
Interest	16,073	-	16,073
Differences between expected and actual experience	(4,339)	-	(4,339)
Changes in assumptions	(2,289)	-	(2,289)
Contributions - employer	-	6,223	(6,223)
Contributions - member	-	880	(880)
Net investment income	-	53,416	(53,416)
Benefit payments, including refunds of member contributions	(18,852)	(18,852)	-
Administrative expenses	-	(134)	134
Net change	(5,891)	41,533	(47,424)
Balance at June 30, 2021	\$ 229,469	\$225,708	\$ 3,761

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

A. Town pension plans (continued)**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 of 7.00%:

<u>Net pension liability (asset)</u>	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
Employees'	<u>\$ 40,983</u>	<u>\$ 9,327</u>	<u>\$ (17,183)</u>
Police and Fire Employees'	<u>\$ 34,656</u>	<u>\$ 3,761</u>	<u>\$ (21,761)</u>

11. Pension expense and deferred outflows and inflows of resources

The Town recognized pension expense of \$3,373 for the Town Employees' Plan and \$1,892 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:

<u>Employees' Retirement Plan</u> <u>Description of Outflows/Inflows</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ 203	\$ 1,806	\$ (1,603)
Changes in assumptions	3,733	2,472	1,261
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>26,908</u>	<u>(26,908)</u>
Total	<u>\$ 3,936</u>	<u>\$ 31,186</u>	<u>\$ (27,250)</u>

<u>Police and Fire Employees' Retirement Plan</u> <u>Description of Outflows/Inflows</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ 4,278	\$ 4,875	\$ (597)
Changes in assumptions	9,008	3,566	5,442
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>25,442</u>	<u>(25,442)</u>
Total	<u>\$ 13,286</u>	<u>\$ 33,883</u>	<u>\$ (20,597)</u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(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 inactive in years for each of the following plans:

Plan	Years
Employees' Plan	3.4
Police and Fire Employees' Plan	6.4

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:

Year Ending June 30,	Employees'	Police and Fire Employees'
2022	\$ (6,395)	\$ (3,852)
2023	(5,208)	(3,847)
2024	(6,779)	(5,074)
2025	(8,868)	(7,317)
2026	-	(93)
Thereafter	-	(414)
Total	<u>\$ (27,250)</u>	<u>\$ (20,597)</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% 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% for one of the contracts and 4% 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 \$796 and \$425, respectively.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(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.

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, 2021
(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 salary 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 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 net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>404,262</u>
Total	<u><u>\$404,262</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The Town has no proportionate share of the net pension liability.

During the year, the Town recognized pension expense and revenue of \$25,930 for on-behalf amounts for contributions to the plan by the State.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

C. Connecticut state teachers' retirement system (continued)**5. Actuarial assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	6.90%
Inflation	2.50%
Salary increases	3.00-6.50%, 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, 2020 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 salary increases assumption was decreased from 3.25% to 3.00%.
- The mortality tables were changed from the RPH-2014 White Collar Table, projected to the year 2020 using the BB improvement scale to the PubT-2010 Table, projected generationally with MP-2019.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

C. Connecticut state teachers' retirement system (continued)**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.

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%	5.60%
Developed market international stock fund	11.00%	6.00%
Emerging market international stock fund	9.00%	7.90%
Core fixed income fund	16.00%	2.10%
Inflation linked bond fund	5.00%	1.10%
Emerging market debt fund	5.00%	2.70%
High yield bond fund	6.00%	4.00%
Real estate fund	10.00%	4.50%
Private equity	10.00%	7.30%
Alternative investments	7.00%	2.90%
Liquidity fund	1.00%	0.40%
Total	<u>100.00%</u>	

6. Discount rate

The discount rate used to measure the 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 total pension liability.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

C. Connecticut state teachers' retirement system (continued)**7. Sensitivity of the net pension liability to changes in the discount rate**

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

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, 2020.

D. Total pension plans

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Employees' Retirement Plan	\$ 9,327	\$ 3,936	\$ 31,186	\$ 3,373
Police and Fire Employees' Retirement Plan	3,761	13,286	33,883	1,892
Total	<u>\$ 13,088</u>	<u>\$ 17,222</u>	<u>\$ 65,069</u>	<u>\$ 5,265</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.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)**b. Plan membership**

As of July 1, 2020 for Town, Police and Fire and Education, the plans' membership consisted of:

	<u>Town</u>	<u>Police and Fire</u>	<u>Education</u>
Inactive members and beneficiaries currently receiving benefits	233	196	53
Active members	<u>252</u>	<u>191</u>	<u>1,532</u>
Total	<u>485</u>	<u>387</u>	<u>1,585</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.

3. Contributions

Authority:	Joint Retirement and Investment Board
Amendments to contributions:	Union contracts
Employer contributions:	
Employees'	\$3,494
Police and Fire Employees'	\$4,048
Percentage of covered payroll:	
Employees'	18.40%
Police and Fire Employees'	25.06%
Group	Contributions
Employer	The Town's contributions are made based upon the actuarially determined amount.
Employees:	
Town	The plan members are not required to contribute to the plan
Police and Fire	3.25%
Paraprofessionals	The plan members are not required to contribute to the plan
Nurses	2.50%

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)

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.

Retirees:	Contributions
Town	Employees hired on or before December 31, 2018, at age 65, shall contribute 13.00%. Employees hired on or after January 1, 2019 shall contribute 12.25%
Police and Fire	The plan members are not required to contribute to the plan
Teachers and administrators	100.00%
Paraprofessionals	100.00%
Nurses	2.50%

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.

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

<u>Asset Class</u>	<u>Target Allocation</u>
U.S. Equities	42.00%
Non-U.S. Equities	28.00%
International Bonds	20.00%
Private Real Estate	10.00%
Total	<u>100.00%</u>

b. Concentrations

There were no investments in any one organization that represents 5% or more of the OPEB plans' net position.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)**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 geometric means real rates of return for each major asset class included in the OPEB plan's target asset allocation are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Weighting</u>
U.S. Equities	4.60%	1.93%
Non-U.S. Equities	7.10%	1.99%
International Bonds	0.90%	0.18%
Private Real Estate	5.50%	0.55%
Total		4.65%
Long-Term Inflation Expectation		2.40%
Long-Term Expected Nominal Return		7.05%

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.

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 Employees'</u>
Rate of return	31.14%	29.81%

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

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)**5. Net OPEB liability**

The components of the net OPEB liability were as follows:

	Employees'	Police and Fire Employees'	Education
OPEB liability	\$ 66,387	\$ 84,206	\$ 20,410
Plan fiduciary net position	36,496	38,517	-
Net OPEB liability	<u>\$ 29,891</u>	<u>\$ 45,689</u>	<u>\$ 20,410</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>54.97%</u>	<u>45.74%</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:

	Town	Police and Fire	Education
Valuation date	July 1, 2020	July 1, 2020	July 1, 2020
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	7.00%	7.00%	2.16%
Initial medical trend rate	6.25%	6.25%	6.50%
Ultimate medical trend rate	4.40%	4.40%	4.40%
Inflation	2.40%	2.40%	2.40%
Mortality	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables with separate tables for General Employees, projected to the valuation date with Scale MP-2020	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables with separate tables for Public Safety Employees, projected to the valuation date with Scale MP-2020	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables with separate 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, 2021
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)**7. Changes from prior year****a. Changes in assumptions**

The Town's plans had the following changes in assumptions:

- Mortality rates were adjusted from Pub-2010 Public Retirement Plans amount-weighted mortality tables with separate tables for general public safety employees/teachers, projected to the valuation date with scale MP-2019 and to scale MP-2020.
- The discount rate decreased from 2.21% to 2.16% for the Education Plan.
- The inflation rate decrease from 2.60% to 2.40% for all plans.

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 Employees'</u>	<u>Education</u>
Discount rate	7.00%	7.00%	2.16%

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 index) as of the measurement date.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(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, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2020.

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

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Employees' OPEB Plan			
Balance at July 1, 2020	\$ 66,711	\$ 27,554	\$ 39,157
Service cost	1,206	-	1,206
Interest	4,648	-	4,648
Differences between expected and actual experience	(314)	-	(314)
Changes in assumptions	(2,721)	-	(2,721)
Contributions - employer	-	3,494	(3,494)
Contributions - member	-	101	(101)
Net investment income	-	8,510	(8,510)
Benefit payments, including refunds of member contributions	(3,143)	(3,143)	-
Administrative expenses	-	(20)	20
Net change	(324)	8,942	(9,266)
Balance at June 30, 2021	\$ 66,387	\$ 36,496	\$ 29,891
Police and Fire Employees' OPEB Plan			
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at July 1, 2020	\$ 81,172	\$ 29,225	\$ 51,947
Service cost	1,615	-	1,615
Interest	5,673	-	5,673
Differences between expected and actual experience	(960)	-	(960)
Changes in assumptions	162	-	162
Contributions - employer	-	4,048	(4,048)
Contributions - member	-	529	(529)
Net investment income	-	8,187	(8,187)
Benefit payments, including refunds of member contributions	(3,456)	(3,456)	-
Administrative expenses	-	(16)	16
Net change	3,034	9,292	(6,258)
Balance at June 30, 2021	\$ 84,206	\$ 38,517	\$ 45,689

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)

<u>Education OPEB Plan</u>	<u>Total OPEB Liability</u>
Balance at July 1, 2020	\$ 22,331
Service cost	692
Interest	501
Differences between expected and actual experience	(3,234)
Changes in assumptions	816
Benefit payments	(696)
Net change	(1,921)
Balance at June 30, 2021	<u>\$ 20,410</u>

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 of 7.00% for Town employees' and Police and Fire employees' and 2.16% for Education employees:

<u>Total/Net OPEB Liability</u>	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Town Employees'	<u>\$ 37,981</u>	<u>\$ 29,891</u>	<u>\$ 23,143</u>
Police and Fire Employees'	<u>\$ 56,561</u>	<u>\$ 45,689</u>	<u>\$ 36,698</u>
Education	<u>\$ 22,813</u>	<u>\$ 20,410</u>	<u>\$ 18,357</u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)**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 of 6.25% decreasing to 4.40% for the Town and Police and Fire plans and 6.50% decreasing to 4.40% for the Education plan:

Total/Net OPEB Liability	1% Decrease	Current Health Care Trend Rate	1% Increase
Employees'	\$ 22,425	\$ 29,891	\$ 38,913
Police and Fire Employees'	\$ 35,130	\$ 45,689	\$ 58,774
Education	\$ 17,885	\$ 20,410	\$ 23,435

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	\$ 1,559
Police and Fire Employees' OPEB Plan	3,264
Education OPEB Plan	1,127
Total	\$ 5,950

The Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Employees' OPEB Plan Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ -	\$ 2,135	\$ (2,135)
Changes in assumptions	901	2,606	(1,705)
Net difference between projected and actual earnings on OPEB plan investments	-	4,447	(4,447)
Total	\$ 901	\$ 9,188	\$ (8,287)

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

E. Other post-employment benefit plans (continued)

Police and Fire Employees' OPEB Plan	Deferred	Deferred	
Description of Outflows/Inflows	Outflows of Resources	Inflows of Resources	Net
Differences between expected and actual experience	\$ 74	\$ 2,347	\$ (2,273)
Changes in assumptions	795	423	372
Net difference between projected and actual earnings on OPEB plan investments	-	4,327	(4,327)
Total	<u>\$ 869</u>	<u>\$ 7,097</u>	<u>\$ (6,228)</u>

Education OPEB Plan	Deferred	Deferred	
Description of Outflows/Inflows	Outflows of Resources	Inflows of Resources	Net
Differences between expected and actual experience	\$ 721	\$ 3,182	\$ (2,461)
Changes in assumptions	4,398	511	3,887
Total	<u>\$ 5,119</u>	<u>\$ 3,693</u>	<u>\$ 1,426</u>

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:

Plan	Years
Employees' Plan	5.7
Police and Fire Employees' Plan	7.2
Education	14.6

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:

Year Ending June 30,	Employees'	Police and Fire Employees'	Education
2022	\$ (2,071)	\$ (1,422)	\$ 71
2023	(2,106)	(1,338)	71
2024	(2,028)	(1,505)	71
2025	(1,707)	(1,659)	71
2026	(375)	(164)	103
Thereafter	-	(140)	1,039
Total	<u>\$ (8,287)</u>	<u>\$ (6,228)</u>	<u>\$ 1,426</u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

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.

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 the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare 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 \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost.

The subsidy amount is set by statute, and has not increased since July of 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

F. Connecticut state teachers' retirement board retiree health insurance plan (continued)

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).

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

Survivor health care coverage

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

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 annual salary.

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 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 net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the Town were as follows:

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

F. Connecticut state teachers' retirement board retiree health insurance plan (continued)

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>60,296</u>
Total	<u>\$ 60,296</u>

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The Town has no proportionate share of the net OPEB liability.

The Town recognized OPEB expense and revenue of \$626 for on-behalf amounts for contributions to the plan by the State.

5. Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	3.00%
Inflation	2.50%
Health care cost trend rate (Medicare)	5.125% decreasing to 4.50% by 2023
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	2021

The actuarial assumptions used in the June 30, 2020 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 Medicare health care cost trend rate changed from 5.00% decreasing to 4.75% by 2028 to 5.125% decreasing to 4.50% by 2023.
- The salary increases assumption was decreased from 3.25% to 3.00%.
- The mortality tables were changed from the RPH-2014 White Collar Table, projected to the year 2020 using the BB improvement scale to the PubT-2010 Table, projected generationally with MP-2019.
- The discount rate was decreased from 3.50% to 2.21% to reflect the change in the Municipal Bond Index rate.

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

F. Connecticut state teachers' retirement board retiree health insurance plan (continued)

Additionally, expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on January 1, 2019. Further, the expected rate of inflation was decreased and the real wage growth assumption was increased.

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 rate of return is 2.00%. 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, 2020.

6. Discount rate

The discount rate used to measure the total OPEB liability was 2.21%. The Municipal Bond Index Rate 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 OPEB liability to changes in the discount rate and the health care cost trend rate

The Town's proportionate share of the 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, 2020.

G. Total OPEB plans

	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Employees'	\$ 29,891	\$ 901	\$ 9,188	\$ 1,559
Police and Fire Employees'	45,689	869	7,097	3,264
Education	20,410	5,119	3,693	1,127
Total	<u>\$ 95,990</u>	<u>\$ 6,889</u>	<u>\$ 19,978</u>	<u>\$ 5,950</u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

H. Pension and other post-employment benefit plan statements

Combining Statement of Fiduciary Net Position
Pension and Other Post-Employment Benefit Trust Funds
June 30, 2021
(Thousands)

	Pension Trust Funds		Other Post-Employment Benefit Trust Funds		
	Employees'	Police and Fire Employees'	Employees'	Police and Fire Employees'	Total
<u>Assets</u>					
Investments:					
U.S. government agency obligations	\$ -	\$ -	\$ 75	\$ 75	\$ 150
Real estate funds	11,635	10,801	2,802	2,802	28,040
Hedge funds and private equity funds	20,161	18,444	-	-	38,605
Municipal bonds	-	-	75	75	150
Mutual funds:					
Equity	138,565	125,952	26,577	27,867	318,961
Fixed income	74,120	68,173	7,087	6,969	156,349
Money market	2,544	2,339	1,009	1,004	6,896
Total investments	247,025	225,709	37,625	38,792	549,151
Receivables:					
Interest and dividends	1	-	28	61	90
Total assets	247,026	225,709	37,653	38,853	549,241
<u>Liabilities</u>					
Accounts payable	-	1	130	192	323
Due to general fund	-	-	921	-	921
Claims payable	-	-	106	144	250
Total liabilities	-	1	1,157	336	1,494
<u>Net Position</u>					
Restricted for:					
Pension benefits	247,026	225,708	-	-	472,734
OPEB benefits	-	-	36,496	38,517	75,013
Total net position	\$ 247,026	\$ 225,708	\$ 36,496	\$ 38,517	\$ 547,747

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

H. Pension and other post-employment benefit plan statements (continued)

Combining Statement of Changes in Fiduciary Net Position
Pension and Other Post-Employment Benefit Trust Funds
For the Year Ended June 30, 2021
(Thousands)

	Pension Trust Funds		Other Post-Employment Benefit Trust Funds		
	Employees'	Police and Fire Employees'	Employees'	Police and Fire Employees'	Total
Additions:					
Contributions:					
Employer	\$ 5,712	\$ 6,223	\$ 3,494	\$ 4,048	\$ 19,477
Plan members	992	880	101	529	2,502
Total contributions	6,704	7,103	3,595	4,577	21,979
Investment income (loss):					
Change in fair value of investments	54,606	50,224	8,056	7,688	120,574
Interest and dividends	3,524	3,242	462	507	7,735
Total investment income (loss)	58,130	53,466	8,518	8,195	128,309
Less investment expenses	55	50	8	8	121
Net investment income (loss)	58,075	53,416	8,510	8,187	128,188
Total additions	64,779	60,519	12,105	12,764	150,167
Deductions:					
Benefits	17,854	18,852	3,143	3,456	43,305
Administration	143	134	20	16	313
Total deductions	17,997	18,986	3,163	3,472	43,618
Change in net position	46,782	41,533	8,942	9,292	106,549
Net position - July 1, 2020	200,244	184,175	27,554	29,225	441,198
Net position - June 30, 2021	<u>\$ 247,026</u>	<u>\$ 225,708</u>	<u>\$ 36,496</u>	<u>\$ 38,517</u>	<u>\$ 547,747</u>

Town of Fairfield, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021
(Amounts expressed in thousands)

VI. Prior period adjustments

The government-wide and custodial funds net position and special revenue fund balance were restated as a result of the implementation of GASB No. 84 and to include the Parking Authority in the Town's reporting entity as follows:

	Governmental Activities	Business- Type Activities	Other Governmental Activities	Custodial Funds
Net position/Fund balance as previously reported at June 30, 2020	\$ 228,142	\$ -	\$ 28,473	\$ 1,024
To reclass fund to proper fund type	1,024	-	1,024	(1,024)
To include Parking Authority in reporting entity	-	1,902	-	-
Net position/Fund balance as restated at July 1, 2020	<u>\$ 229,166</u>	<u>\$ 1,902</u>	<u>\$ 29,497</u>	<u>\$ -</u>

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
<u>Pension Plans</u>	
Employees'	Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns
Police and Fire	
State Teachers' Retirement System	Schedule of Proportionate Share of the Net Pension Liability
	Schedule of Contributions
	Notes to Required Supplementary Information
<u>Other Post-Employment Benefits Plans</u>	
Employees'	Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Investment Returns
Police and Fire	
Education	Schedule of Proportionate Share of the Net OPEB Liability
State Teacher's Retirement Board Retiree Health Insurance Plan	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, 2021
(Thousands)

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
<u>Property taxes</u>					
Current year levy	\$ 290,377	\$ 1,250	\$ 291,627	\$ 291,679	\$ 52
Prior years levy	2,036	2,250	4,286	4,608	322
Interest on delinquent taxes	1,261	550	1,811	1,861	50
Telecommunications access lines	109	-	109	113	4
Total property taxes	293,783	4,050	297,833	298,261	428
<u>Intergovernmental</u>					
State grants for education	1,112	-	1,112	1,056	(56)
Other state grants	3,814	585	4,399	5,014	615
Total intergovernmental	4,926	585	5,511	6,070	559
<u>Charges for services</u>					
Licenses and permits	3,784	-	3,784	3,944	160
Fines	214	-	214	172	(42)
Department and other	10,469	2,250	12,719	13,216	497
Rents	1,810	-	1,810	1,593	(217)
Total charges for services	16,277	2,250	18,527	18,925	398
<u>Income from investments</u>					
Interest and dividends	1,736	-	1,736	1,047	(689)
Net change in fair value	231	-	231	(459)	(690)
Total income from investments	1,967	-	1,967	588	(1,379)
Other	100	-	100	163	63
Total revenues	317,053	6,885	323,938	324,007	69
<u>Other financing sources</u>					
Appropriation of fund balance	-	176	176	-	(176)
Transfers in	125	-	125	125	-
Total revenue and other financing sources	\$ 317,178	\$ 7,061	\$ 324,239	\$ 324,132	\$ (107)

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, 2021
(Thousands)

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
<u>General government</u>					
Administrative and general:					
Board of selectmen	\$ 568	\$ -	\$ 568	\$ 545	\$ 23
Town clerk	579	8	587	578	9
Fair TV	75	-	75	72	3
Administrative services	94	-	94	84	10
Registrar of voters	279	-	279	274	5
Zoning board of appeals	4	-	4	3	1
Town planning and zoning commission	680	-	680	655	25
Probate court	28	-	28	21	7
Historical district commission	12	-	12	4	8
Conservation commission	976	33	1,009	1,008	1
Shellfish commission	9	-	9	6	3
Legal services	585	160	745	744	1
Miscellaneous contingencies	30	-	30	14	16
Retiree benefits	15,982	1,321	17,303	17,234	69
Human resources	5,358	259	5,617	5,617	-
Medical benefits	10,817	-	10,817	10,806	11
Economic development commission	297	-	297	260	37
Harbor management commission	23	1	24	23	1
Total administrative and general	36,396	1,782	38,178	37,948	230
Other:					
Private agencies	877	50	927	927	-
Private school transportation	1,209	(730)	479	475	4
Contingency	300	(213)	87	-	87
Total other	2,386	(893)	1,493	1,402	91
Total general government	38,782	889	39,671	39,350	321
<u>Finance</u>					
Finance	976	219	1,195	1,052	143
Purchasing	309	-	309	282	27
Assessor	937	15	952	838	114
Tax collector	603	-	603	598	5
Information systems	1,708	26	1,734	1,653	81
Board of finance	108	13	121	121	-
Unemployment compensation	355	-	355	246	109
Total finance	4,996	273	5,269	4,790	479
<u>Public safety</u>					
Fire	13,940	175	14,115	14,115	-
Police	15,291	-	15,291	15,284	7
Animal control	339	-	339	312	27
Street lighting	504	-	504	495	9
Hydrant and water service	1,900	40	1,940	1,940	-
Emergency management	140	3	143	143	-
Emergency communications center	2,037	(990)	1,047	1,046	1
Total public safety	34,151	(772)	33,379	33,335	44

(Continued)

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, 2021
(Thousands)

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
<u>Public works</u>					
Public works administration	\$ 529	\$ -	\$ 529	\$ 423	\$ 106
Public works operations	13,658	(1,010)	12,648	12,598	50
Building	698	39	737	736	1
Engineering	768	-	768	730	38
Total public works	15,653	(971)	14,682	14,487	195
<u>Health and welfare</u>					
Health	3,206	(150)	3,056	2,961	95
Human services	676	-	676	560	116
Solid waste and recycling	4,430	-	4,430	4,341	89
Total health and welfare	8,312	(150)	8,162	7,862	300
<u>Culture and creation</u>					
Libraries	3,673	(237)	3,436	3,311	125
Penfield pavilion complex	184	19	203	203	-
Parks and recreation	763	150	913	856	57
Beaches and lifeguards	690	-	690	605	85
Golf courses	1,705	96	1,801	1,801	-
Total culture and creation	7,015	28	7,043	6,776	267
Education	183,976	-	183,976	183,859	117
Debt service	22,564	54	22,618	22,618	-
Total expenditures	315,449	(649)	314,800	313,077	1,723
<u>Other financing uses</u>					
Transfers out	1,729	7,710	9,439	9,439	-
Total expenditures and other financing uses	<u>\$ 317,178</u>	<u>\$ 7,061</u>	<u>\$ 324,239</u>	<u>\$ 322,516</u>	<u>\$ 1,723</u>

(Concluded)

Town of Fairfield, Connecticut

Notes to Required Supplementary Information

**Budgets and Budgetary Accounting
For the Year Ended June 30, 2021**

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
3. Certain funds that are required to be reported as part of the general fund under the requirement of GASB No. 54

Reconciliation to Exhibit D

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary Basis - RSI-1	\$ 324,007	\$ 313,077
Prior year encumbrances liquidated in the current year	-	1,515
Encumbrances outstanding at year end charged to budgetary expenditures	-	(4,228)
Education nonlapsing fund	-	3,633
State Teachers' Retirement on behalf amount	25,930	25,930
State Teachers' OPEB on behalf amount	<u>626</u>	<u>626</u>
GAAP Basis - Exhibit D	<u>\$ 350,563</u>	<u>\$ 340,553</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 of \$6,885 and \$176 from fund balance for prior year continued appropriations.

Town of Fairfield, Connecticut

Required Supplementary Information

Employees' Retirement Plan
Last Eight Years (1)
(Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014
Schedule of Changes in Net Pension Liability and Related Ratios								
Total pension liability								
Service cost	\$ 3,164	\$ 3,194	\$ 3,456	\$ 3,563	\$ 3,843	\$ 3,808	\$ 3,697	\$ 3,590
Interest	17,476	16,548	16,357	15,956	15,179	14,744	13,426	12,900
Differences between expected and actual experience	(1,266)	414	(3,650)	182	(607)	1,629	(1,618)	-
Change in benefit terms	2,522	-	-	-	-	-	-	-
Changes in assumptions	(2,962)	8,125	(993)	(1,917)	18,592	(3,417)	12,556	-
Benefit payments, including refunds of member contributions	(17,854)	(12,232)	(12,180)	(11,666)	(10,679)	(11,291)	(9,952)	(9,232)
Net change in total pension liability	1,080	16,049	2,990	6,118	26,328	5,473	18,109	7,258
Total pension liability - July 1	255,273	239,224	236,234	230,116	203,788	198,315	180,206	172,948
Total pension liability - June 30 (a)	<u>\$ 256,353</u>	<u>\$ 255,273</u>	<u>\$ 239,224</u>	<u>\$ 236,234</u>	<u>\$ 230,116</u>	<u>\$ 203,788</u>	<u>\$ 198,315</u>	<u>\$ 180,206</u>
Plan fiduciary net position								
Contributions - employer	\$ 5,712	\$ 4,852	\$ 5,040	\$ 4,890	\$ 3,761	\$ 4,056	\$ 4,964	\$ 4,935
Contributions - member	992	1,043	1,135	883	1,494	1,289	1,299	1,318
Net investment income (loss)	58,075	1,509	10,012	16,159	17,851	2,215	4,703	25,733
Benefit payments, including refunds of member contributions	(17,854)	(12,232)	(12,180)	(11,666)	(10,679)	(11,291)	(9,952)	(9,320)
Recovery expenses (Madoff)	-	-	-	-	-	-	(28)	(205)
Administration	(143)	(161)	(129)	(139)	(194)	(122)	(146)	(148)
Net change in plan fiduciary net position	46,782	(4,989)	3,878	10,127	12,233	(3,853)	840	22,313
Plan fiduciary net position - July 1	200,244	205,233	201,355	191,228	178,995	182,848	182,008	159,695
Plan fiduciary net position - June 30 (b)	<u>\$ 247,026</u>	<u>\$ 200,244</u>	<u>\$ 205,233</u>	<u>\$ 201,355</u>	<u>\$ 191,228</u>	<u>\$ 178,995</u>	<u>\$ 182,848</u>	<u>\$ 182,008</u>
Net pension liability (asset) - June 30 (a)-(b)	<u>\$ 9,327</u>	<u>\$ 55,029</u>	<u>\$ 33,991</u>	<u>\$ 34,879</u>	<u>\$ 38,888</u>	<u>\$ 24,793</u>	<u>\$ 15,467</u>	<u>\$ (1,802)</u>
Plan fiduciary net position as a percentage of the total pension liability	96.36%	78.44%	85.79%	85.24%	83.10%	87.83%	92.20%	101.00%
Covered payroll	\$ 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	37.03%	205.55%	121.80%	116.91%	126.30%	75.79%	46.98%	-5.17%
Schedule of Investment Returns								
Annual money weighted rate of return, net of investment expense	29.54%	0.60%	5.19%	8.51%	10.08%	1.21%	2.59%	16.07%

(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

Employees' Retirement Plan
Schedule of Contributions
Last Ten Years
(Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contributions	\$ 5,717	\$ 4,770	\$ 5,041	\$ 4,815	\$ 3,761	\$ 4,056	\$ 4,964	\$ 4,935	\$ 2,961	\$ 3,936
Contributions in relation to the actuarially determined contribution	5,712	4,852	5,040	4,890	3,761	4,056	4,964	4,935	3,772	3,936
Contribution excess (deficiency)	\$ (5)	\$ 82	\$ (1)	\$ 75	\$ -	\$ -	\$ -	\$ -	\$ 811	\$ -
Covered payroll	\$ 25,185	\$ 26,772	\$ 27,907	\$ 29,833	\$ 30,790	\$ 32,713	\$ 32,922	\$ 34,865	\$ 34,866	\$ 35,062
Contributions as a percentage of covered payroll	22.68%	18.12%	18.06%	16.39%	12.22%	12.40%	15.08%	14.15%	10.82%	11.23%

See Notes to Required Supplementary Information.

Town of Fairfield, Connecticut
Notes to Required Supplementary Information

Employees' Retirement Plan
Schedule of Contributions
Last Eight Years (1)

	2021	2020	2019	2018	2017	2016	2015	2014
Changes of Benefit Terms	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	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
Amortization Method	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
Inflation	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	2.75% - 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)	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	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

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Town of Fairfield, Connecticut
Required Supplementary Information
Police and Fire Employees' Retirement Plan
Last Eight Years (1)
(Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014
Schedule of Changes in Net Pension Liability and Related Ratios								
Total pension liability								
Service cost	\$ 3,516	\$ 3,238	\$ 3,342	\$ 3,303	\$ 2,882	\$ 2,674	\$ 2,596	\$ 2,520
Interest	16,073	14,984	14,505	14,135	14,177	13,749	13,036	12,630
Differences between expected and actual experience	(4,339)	3,720	2,085	634	(3,510)	2,519	(4,108)	-
Changes in benefit terms	-	-	(25)	-	-	-	-	-
Changes in assumptions	(2,289)	8,539	(1,250)	(1,445)	9,630	(2,870)	8,308	-
Benefit payments, including refunds of member contributions	(18,852)	(11,686)	(11,718)	(11,062)	(10,349)	(10,779)	(10,034)	(9,610)
Net change in total pension liability	(5,891)	18,795	6,939	5,565	12,830	5,293	9,798	5,540
Total pension liability - July 1	235,360	216,565	209,626	204,061	191,231	185,938	176,140	170,600
Total pension liability - June 30 (a)	<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	\$ 6,223	\$ 4,812	\$ 4,660	\$ 4,280	\$ 3,355	\$ 3,341	\$ 5,092	\$ 3,955
Contributions - member	880	864	793	726	741	770	623	589
Net investment income (loss)	53,416	1,574	9,937	14,938	16,471	2,054	4,475	24,665
Benefit payments, including refunds of member contributions	(18,852)	(11,686)	(11,718)	(11,062)	(10,349)	(10,779)	(10,034)	(9,616)
Recovery expenses (Madoff)	-	-	-	-	-	-	(43)	(197)
Administration	(134)	(153)	(112)	(125)	(175)	(113)	(152)	(133)
Net change in plan fiduciary net position	41,533	(4,589)	3,560	8,757	10,043	(4,727)	(39)	19,263
Plan fiduciary net position - July 1	184,175	188,764	185,204	176,447	166,404	171,131	171,170	151,907
Plan fiduciary net position - June 30 (b)	<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>\$ 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	<u>98.36%</u>	<u>78.25%</u>	<u>87.16%</u>	<u>88.35%</u>	<u>86.47%</u>	<u>87.02%</u>	<u>92.04%</u>	<u>97.18%</u>
Covered payroll	<u>\$ 17,128</u>	<u>\$ 16,892</u>	<u>\$ 16,302</u>	<u>\$ 16,396</u>	<u>\$ 16,319</u>	<u>\$ 15,905</u>	<u>\$ 14,072</u>	<u>\$ 14,283</u>
Net pension liability as a percentage of covered payroll	<u>21.96%</u>	<u>303.01%</u>	<u>170.54%</u>	<u>148.95%</u>	<u>169.21%</u>	<u>156.10%</u>	<u>105.22%</u>	<u>34.80%</u>
Schedule of Investment Returns								
Annual money weighted rate of return, net of investment expense	<u>29.84%</u>	<u>1.00%</u>	<u>5.20%</u>	<u>8.54%</u>	<u>10.03%</u>	<u>1.19%</u>	<u>2.62%</u>	<u>16.05%</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' Retirement Plan
Schedule of Contributions
Last Ten Years
(Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contributions	\$ 6,223	\$ 4,812	\$ 4,656	\$ 4,284	\$ 3,355	\$ 3,341	\$ 5,092	\$ 3,920	\$ 1,664	\$ 1,516
Contributions in relation to the actuarially determined contribution	6,223	4,812	4,660	4,280	3,355	3,341	5,092	3,955	1,664	1,516
Contribution excess (deficiency)	\$ -	\$ -	\$ 4	\$ (4)	\$ -	\$ -	\$ -	\$ 35	\$ -	\$ -
Covered payroll	\$ 17,128	\$ 16,892	\$ 16,302	\$ 16,396	\$ 16,319	\$ 15,905	\$ 14,072	\$ 14,283	\$ 14,283	\$ 13,675
Contributions as a percentage of covered payroll	36.33%	28.49%	28.59%	26.10%	20.56%	21.01%	36.19%	27.69%	11.65%	11.09%

See Notes to Required Supplementary Information.

Town of Fairfield, Connecticut
Notes to Required Supplementary Information
Police and Fire Employees' Retirement Plan
Schedule of Contributions
Last Eight Years (1)

	2021	2020	2019	2018	2017	2016	2015	2014
Changes of Benefit Terms	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	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
Amortization Method	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
Inflation	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	3.50% - 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)	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	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 annuitants, projected to the valuation date with Scale AA

(1) These schedules are 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 System
Last Seven Years (3)
(Thousands)

	2021	2020	2019	2018	2017	2016	2015
Schedule of Proportionate Share of the Net Pension Liability							
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the net pension liability associated with the Town	404,262	360,022	277,598	284,890	300,561	234,535	216,781
Total	\$ 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)
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.50%
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)	(2)
Contributions as a percentage of covered payroll	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 net pension 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 System
Schedule of Contributions
Last Seven Years (1)

	2021	2020	2019	2018	2017	2016	2015
Changes of Benefit Terms	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, 2018	June 30, 2018	June 30, 2016	June 30, 2016	June 30, 2014	June 30, 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
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	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed
Remaining Amortization Period	27.8 years	30 years	30 years	20.4 years	20.4 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
Inflation	2.50%	2.50%	2.75%	2.75%	2.75%	3.00%	3.00%
Salary Increases	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
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	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%	8.00%	8.00%	8.00%	8.50%	8.50%
Mortality	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

(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 Five Years (1)
(Thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Schedule of Changes in Net OPEB Liability and Related Ratios</u>					
OPEB liability					
Service cost	\$ 1,206	\$ 1,141	\$ 1,194	\$ 1,359	\$ 1,297
Interest	4,648	4,298	4,741	4,555	4,361
Changes of benefit terms	-	-	(3,329)	-	-
Differences between expected and actual experience	(314)	(261)	(3,320)	(261)	(148)
Changes in assumptions	(2,721)	1,387	(764)	-	-
Benefit payments, including refunds of member contributions	<u>(3,143)</u>	<u>(3,229)</u>	<u>(3,071)</u>	<u>(2,852)</u>	<u>(2,722)</u>
Net change in total OPEB liability	(324)	3,336	(4,549)	2,801	2,788
OPEB liability - July 1	<u>66,711</u>	<u>63,375</u>	<u>67,924</u>	<u>65,123</u>	<u>62,335</u>
OPEB liability - June 30 (a)	<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	\$ 3,494	\$ 5,606	\$ 4,820	\$ 4,700	\$ 4,482
Contributions - member	101	94	29	22	-
Net investment income	8,510	1,015	773	1,126	2,034
Benefit payments, including refunds of member contributions	(3,143)	(3,229)	(3,071)	(2,852)	(2,722)
Administration	<u>(20)</u>	<u>(5)</u>	<u>(4)</u>	<u>(11)</u>	<u>(14)</u>
Net change in plan fiduciary net position	8,942	3,481	2,547	2,985	3,780
Plan fiduciary net position - July 1	<u>27,554</u>	<u>24,073</u>	<u>21,526</u>	<u>18,541</u>	<u>14,761</u>
Plan fiduciary net position - June 30 (b)	<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>\$ 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>54.97%</u>	<u>41.30%</u>	<u>37.99%</u>	<u>31.69%</u>	<u>28.47%</u>
Covered payroll	<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>157.37%</u>	<u>199.62%</u>	<u>207.87%</u>	<u>229.97%</u>	<u>239.53%</u>
<u>Schedule of Investment Returns</u>					
Annual money weighted rate of return, net of investment expense	<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.

Town of Fairfield, Connecticut

Required Supplementary Information

Police and Fire Employees' Other Post-Employment Benefit ("OPEB") Plan
Last Five Years (1)
(Thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Schedule of Changes in Net OPEB Liability and Related Ratios</u>					
OPEB liability					
Service cost	\$ 1,615	\$ 1,530	\$ 1,482	\$ 1,517	\$ 1,449
Interest	5,673	5,337	5,309	5,073	4,830
Changes of benefit terms	-	-	(311)	-	-
Differences between expected and actual experience	(960)	(889)	(1,305)	(239)	204
Changes in assumptions	162	907	(726)	-	-
Benefit payments, including refunds of member contributions	<u>(3,456)</u>	<u>(2,984)</u>	<u>(2,959)</u>	<u>(2,979)</u>	<u>(3,186)</u>
Net change in total OPEB liability	3,034	3,901	1,490	3,372	3,297
OPEB liability - July 1	<u>81,172</u>	<u>77,271</u>	<u>75,781</u>	<u>72,409</u>	<u>69,112</u>
OPEB liability - June 30 (a)	<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	\$ 4,048	\$ 6,363	\$ 4,960	\$ 4,850	\$ 4,755
Contributions - member	529	605	531	509	520
Net investment income	8,187	983	737	1,682	1,609
Benefit payments, including refunds of member contributions	(3,456)	(2,984)	(2,959)	(2,979)	(3,186)
Administration	<u>(16)</u>	<u>(5)</u>	<u>(4)</u>	<u>(8)</u>	<u>(14)</u>
Net change in plan fiduciary net position	9,292	4,962	3,265	4,054	3,684
Plan fiduciary net position - July 1	<u>29,225</u>	<u>24,263</u>	<u>20,998</u>	<u>16,944</u>	<u>13,260</u>
Plan fiduciary net position - June 30 (b)	<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>\$ 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	<u>45.74%</u>	<u>36.00%</u>	<u>31.40%</u>	<u>27.71%</u>	<u>23.40%</u>
Covered payroll	<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	<u>282.87%</u>	<u>309.65%</u>	<u>327.84%</u>	<u>312.35%</u>	<u>328.10%</u>

Schedule of Investment Returns

Annual money weighted rate of return, net of investment expense	<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.

Town of Fairfield, Connecticut

Required Supplementary Information

Other Post-Employment Benefit ("OPEB") Plans
Schedule of Contributions
Last Ten Years
(Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Employees' Plan										
Actuarially determined contributions	\$ 4,375	\$ 4,260	\$ 4,822	\$ 4,703	\$ 4,482	\$ 4,282	\$ 4,633	\$ 4,430	\$ 4,231	\$ 4,338
Contributions in relation to the actuarially determined contribution	3,494	5,606	4,820	4,700	4,482	4,534	4,777	4,590	4,332	3,924
Contribution excess (deficiency)	\$ (881)	\$ 1,346	\$ (2)	\$ (3)	\$ -	\$ 252	\$ 144	\$ 160	\$ 101	\$ (414)
Covered payroll	\$ 18,994	\$ 19,616	\$ 18,907	\$ 20,176	\$ 19,447	\$ 18,744	\$ 17,851	N/A	\$ 17,798	N/A
Contributions as a percentage of covered payroll	18.40%	28.58%	25.49%	23.30%	23.05%	24.19%	26.76%	N/A	24.34%	N/A
Police and Fire Employees' Plan										
Actuarially determined contributions	\$ 5,284	\$ 5,149	\$ 4,961	\$ 4,847	\$ 4,755	\$ 4,549	\$ 4,750	\$ 4,548	\$ 4,416	\$ 4,503
Contributions in relation to the actuarially determined contribution	4,048	6,363	4,960	4,850	5,275	4,747	4,861	4,659	4,535	4,078
Contribution excess (deficiency)	\$ (1,236)	\$ 1,214	\$ (1)	\$ 3	\$ 520	\$ 198	\$ 111	\$ 111	\$ 119	\$ (425)
Covered payroll	\$ 16,152	\$ 16,776	\$ 16,169	\$ 17,539	\$ 16,905	\$ 16,294	\$ 14,607	N/A	\$ 14,283	N/A
Contributions as a percentage of covered payroll	25.06%	37.93%	30.68%	27.65%	31.20%	29.13%	33.28%	N/A	31.75%	N/A

N/A - Not available

See Notes to Required Supplementary Information.

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 Eight Years (1)

	2021	2020	2019	2018	2017	2016	2015	2014
Changes of Benefit Terms	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	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	Projected unit credit	Projected unit credit	Projected unit credit
Amortization Method	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
Healthcare Inflation Rate - Initial	6.25%	7.00%	7.75%	7.75%	7.75%	9.00%	9.00%	9.00%
Healthcare Inflation Rate - Ultimate	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%	2.50% - 6.50%
Investment Rate of Return (Net)	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	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

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Town of Fairfield, Connecticut

Required Supplementary Information

Education Other Post-Employment Benefit ("OPEB") Plan
Last Four Years (1)
(Thousands)

Schedule of Changes in OPEB Liability

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
OPEB liability				
Service cost	\$ 692	\$ 516	\$ 453	\$ 458
Interest	501	629	652	613
Differences between expected and actual experience	(3,234)	(64)	904	(212)
Changes in assumptions	816	4,206	(292)	(520)
Benefit payments, including refunds of member contributions	<u>(696)</u>	<u>(689)</u>	<u>(754)</u>	<u>(471)</u>
Net Change in OPEB liability	(1,921)	4,598	963	(132)
OPEB liability - July 1	<u>22,331</u>	<u>17,733</u>	<u>16,770</u>	<u>16,902</u>
OPEB liability - June 30 *	<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 Four Years (3)
(Thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Schedule of Proportionate Share of the Net OPEB Liability</u>				
Town's proportion of the net OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Town's proportionate share of the collective net OPEB liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
State of Connecticut's proportionate share of the net OPEB liability associated with the Town	<u>60,296</u>	<u>56,148</u>	<u>55,494</u>	<u>73,327</u>
Total	<u>\$ 60,296</u>	<u>\$ 56,148</u>	<u>\$ 55,494</u>	<u>\$ 73,327</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>2.50%</u>	<u>2.08%</u>	<u>1.49%</u>	<u>1.79%</u>

Schedule of Contributions

Contractually required contribution (1)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0% proportional share of the 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 Four Years (1)

	2021	2020	2019	2018
Changes of Benefit Terms	None	None	None	None
The actuarially determined contribution rates are calculated as of	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
Amortization Method	Level percentage, closed	Level percentage, open	Level percentage, open	Level percentage, open
Amortization Period	30 years	30 years	30 years	30 years
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.50%	2.75%	2.75%	2.75%
Healthcare Inflation Rate	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	3.25% 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%	4.25%
Mortality Rate	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.

Supplemental Schedules

General Fund

General Fund

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

For reporting in accordance with generally accepted accounting principles, the general fund includes certain funds that are required to be reported as part of the general fund under the requirements of GASB No. 54.

Education Nonlapsing Fund

The education nonlapsing fund is used to account for the amounts transferred from the unexpended balance of the education budget in accordance with State Statutes. State Statutes allow for up to 2% of the education operating budget annually to be transferred to the fund upon approval by the Board of Finance.

Town of Fairfield, Connecticut

General Fund
Combining Balance Sheet
June 30, 2021
(Thousands)

	General Fund	Education Nonlapsing Fund	Total
<u>Assets</u>			
Cash	\$ 4,795	\$ -	\$ 4,795
Investments	38,451	-	38,451
Restricted investments	5,527	-	5,527
Receivables:			
Property taxes	10,775	-	10,775
Intergovernmental	968	-	968
Accounts	198	-	198
Due from other funds	21,975	-	21,975
Other	13	-	13
Total assets	<u>\$ 82,702</u>	<u>\$ -</u>	<u>\$ 82,702</u>
<u>Liabilities</u>			
Accounts payable	\$ 6,690	\$ -	\$ 6,690
Accrued payroll	13,983	-	13,983
Due to other funds	290	-	290
Unearned revenue	52	-	52
Performance bonds	5,527	-	5,527
Other	1,717	-	1,717
Total liabilities	<u>28,259</u>	<u>-</u>	<u>28,259</u>
<u>Deferred Inflows of Resources</u>			
Unavailable revenue:			
Property taxes	10,775	-	10,775
Advance property tax collections	2,868	-	2,868
Total deferred inflows of resources	<u>13,643</u>	<u>-</u>	<u>13,643</u>
<u>Fund Balances</u>			
Committed	4,228	-	4,228
Unassigned	36,572	-	36,572
Total fund balances	<u>40,800</u>	<u>-</u>	<u>40,800</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 82,702</u>	<u>\$ -</u>	<u>\$ 82,702</u>

Town of Fairfield, Connecticut

General Fund

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For The Year Ended June 30, 2021
(Thousands)

	<u>General Fund</u>	<u>Education Nonlapsing Fund</u>	<u>Total</u>
Revenues:			
Property taxes	\$ 298,261	\$ -	\$ 298,261
Intergovernmental	32,626	-	32,626
Charges for services	18,925	-	18,925
Income from investments	1,047	-	1,047
Net change in fair value	(459)	-	(459)
Other	163	-	163
Total revenues	<u>350,563</u>	<u>-</u>	<u>350,563</u>
Expenditures:			
Current:			
General government	39,024	-	39,024
Finance	4,764	-	4,764
Public safety	33,319	-	33,319
Public works	13,752	-	13,752
Health and welfare	7,862	-	7,862
Culture and recreation	6,527	-	6,527
Education	209,054	3,633	212,687
Debt service	22,618	-	22,618
Total expenditures	<u>336,920</u>	<u>3,633</u>	<u>340,553</u>
Excess (deficiency) of revenues over expenditures	<u>13,643</u>	<u>(3,633)</u>	<u>10,010</u>
Other financing sources (uses):			
Transfers in	125	-	125
Transfers out	(9,439)	-	(9,439)
Net other financing sources (uses)	<u>(9,314)</u>	<u>-</u>	<u>(9,314)</u>
Net change in fund balances	4,329	(3,633)	696
Fund balances - July 1, 2020	<u>36,471</u>	<u>3,633</u>	<u>40,104</u>
Fund balances - June 30, 2021	<u><u>\$ 40,800</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 40,800</u></u>

Town of Fairfield, Connecticut
Report of Tax Collector
For the Year Ended June 30, 2021
(Thousands)

Grand List Year	Uncollected Taxes July 1, 2020	Current Year Levy	Lawful Corrections		Transfers to suspense	Adjusted Amount Collectible	Collections			Uncollected Taxes June 30, 2021
			Additions	Deductions			Net Taxes Collected	Interest, Liens and Other fees	Total	
2004	\$ 11	\$ -	\$ -	\$ 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2005	19	-	-	-	-	19	-	-	-	19
2006	20	-	-	-	-	20	-	-	-	20
2007	39	-	-	-	-	39	-	-	-	39
2008	67	-	-	-	-	67	10	10	20	57
2009	85	-	-	-	-	85	6	6	12	79
2010	126	-	-	-	-	126	1	8	9	125
2011	178	-	-	-	-	178	4	6	10	174
2012	499	-	-	-	-	499	252	374	626	247
2013	895	-	-	-	-	895	46	44	90	849
2014	1,052	-	-	-	74	978	64	60	124	914
2015	1,206	-	-	5	-	1,201	126	81	207	1,075
2016	1,383	-	1	5	-	1,379	202	117	319	1,177
2017	1,849	-	2	80	-	1,771	382	175	557	1,389
2018	5,495	-	19	165	7	5,342	3,628	393	4,021	1,714
Subtotal	12,924	-	22	266	81	12,599	4,721	1,274	5,995	7,878
2019	-	296,463	313	856	29	295,891	292,994	601	293,595	2,897
Total	\$ 12,924	\$ 296,463	\$ 335	\$ 1,122	\$ 110	\$ 308,490	\$ 297,715	\$ 1,875	\$ 299,590	\$ 10,775

Other Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted committed, or assigned to expenditures for specific purposes. The nature and purpose of each Special Revenue Fund is as follows:

Fund	Funding Source	Function
Special Assessments	Sewer and beach assessments	Accumulation of resources for debt retirement
Community Development Block Grant	Federal grant	Community development programs
Special Education	State and Federal grants, custodial fees, continuing education and summer school programs	School related programs
Recreation	User fees	Recreation programs
Public Safety	State and Federal grants/ charges for services and contributions	Public safety programs
Shellfish	Permit fees	Stocking shellfish beds
Affordable Housing	Permits and fees	Support the Town's affordable housing programs
ARPA fund	Federal grant	Pandemic related costs and approved projects
Public School Lunch	Sale of food and grants	School lunch program
School Activity	Activity fees and contributions	To account for student activity funds and school scholarships
Water Pollution Control Authority	Sewer use fees	Sanitary sewer operations
Miscellaneous Grants	State and Federal grants, and public health administrative charges	Health, law enforcement, and public safety programs
Downtown Parking	Parking fees	Downtown employee parking and Fairfield Center improvements
Donations	Private donations	Various

Other Governmental Funds

Debt Service Fund

The Debt Service Fund accounts for the payment of principal and interest on long-term debt of the Town.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting Town's programs.

Fund	Funding Source	Function
H. Smith Richardson Conservation Fund	Contributions and income from investment	Conservation
Simeon and Carrie Pease Fund	Contributions	Education
Library Fund	Contributions and income from investment	Library

Town of Fairfield, Connecticut
Combining Balance Sheet
Other Governmental Funds
June 30, 2021
(Thousands)

Special Revenue Funds

	Special Assessments	Community Development Block Grant	Special Education	Recreation	Public Safety	Shellfish	Affordable Housing	ARPA Fund
<u>Assets</u>								
Cash	\$ -	\$ -	\$ 155	\$ 15	\$ -	\$ -	\$ -	\$ -
Investments	136	554	-	1,457	8,658	34	1,542	12,415
Restricted investments	-	-	-	-	-	-	-	-
Receivables (net):								
Assessments and use fees	31	-	-	-	-	-	-	-
Intergovernmental	-	168	458	-	-	-	-	-
Loan	-	1,875	-	-	-	-	-	-
Accounts	-	-	-	216	428	-	-	-
Due from other funds	-	-	142	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total assets	<u>\$ 167</u>	<u>\$ 2,597</u>	<u>\$ 755</u>	<u>\$ 1,688</u>	<u>\$ 9,086</u>	<u>\$ 34</u>	<u>\$ 1,542</u>	<u>\$ 12,415</u>
<u>Liabilities</u>								
Accounts payable	\$ 1	\$ 27	\$ 52	\$ 59	\$ 26	\$ 3	\$ 10	\$ -
Accrued payroll	-	-	-	-	-	-	-	-
Due to other funds	-	709	-	-	7,174	-	1,032	-
Unearned revenue	-	-	-	472	258	-	-	-
Total liabilities	<u>1</u>	<u>736</u>	<u>52</u>	<u>531</u>	<u>7,458</u>	<u>3</u>	<u>1,042</u>	<u>-</u>
<u>Deferred Inflows of Resources</u>								
Unavailable revenue:								
Sewer assessment and use charges	31	-	-	-	-	-	-	-
<u>Fund Balances</u>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	135	1,861	-	-	-	-	500	-
Committed	-	-	703	1,157	1,628	31	-	12,415
Assigned	-	-	-	-	-	-	-	-
Total fund balances	<u>135</u>	<u>1,861</u>	<u>703</u>	<u>1,157</u>	<u>1,628</u>	<u>31</u>	<u>500</u>	<u>12,415</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 167</u>	<u>\$ 2,597</u>	<u>\$ 755</u>	<u>\$ 1,688</u>	<u>\$ 9,086</u>	<u>\$ 34</u>	<u>\$ 1,542</u>	<u>\$ 12,415</u>

(Continued)

Town of Fairfield, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2021
(Thousands)

	Special Revenue Funds						
	Public School Lunch	School Activity Fund	Water Pollution Control Authority	Miscellaneous Grants	Downtown Parking	Donations	Total Special Revenue Funds
<u>Assets</u>							
Cash	\$ 275	\$ 1,072	\$ 2	\$ -	\$ -	\$ -	\$ 1,519
Investments	107	20	12,558	2,292	318	756	40,847
Restricted investments	-	-	-	-	-	-	-
Receivables (net):							
Assessments and use fees	-	-	929	-	-	-	960
Intergovernmental	454	-	-	155	-	-	1,235
Loan	-	-	-	-	-	-	1,875
Accounts	-	-	-	76	-	-	720
Due from other funds	148	-	-	-	-	-	290
Other	25	-	-	-	-	-	25
Total assets	<u>\$ 1,009</u>	<u>\$ 1,092</u>	<u>\$ 13,489</u>	<u>\$ 2,523</u>	<u>\$ 318</u>	<u>\$ 756</u>	<u>\$ 47,471</u>
<u>Liabilities</u>							
Accounts payable	\$ 128	\$ -	\$ 484	\$ 174	\$ -	\$ 2	\$ 966
Accrued payroll	-	-	44	-	-	-	44
Due to other funds	-	-	-	900	12	70	9,897
Unearned revenue	307	-	-	13	-	-	1,050
Total liabilities	<u>435</u>	<u>-</u>	<u>528</u>	<u>1,087</u>	<u>12</u>	<u>72</u>	<u>11,957</u>
<u>Deferred Inflows of Resources</u>							
Unavailable revenue:							
Sewer assessment and use charges	-	-	929	-	-	-	960
<u>Fund Balances</u>							
Nonspendable	-	-	-	-	-	-	-
Restricted	574	-	12,032	-	-	684	15,786
Committed	-	1,092	-	1,436	306	-	18,768
Assigned	-	-	-	-	-	-	-
Total fund balances	<u>574</u>	<u>1,092</u>	<u>12,032</u>	<u>1,436</u>	<u>306</u>	<u>684</u>	<u>34,554</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,009</u>	<u>\$ 1,092</u>	<u>\$ 13,489</u>	<u>\$ 2,523</u>	<u>\$ 318</u>	<u>\$ 756</u>	<u>\$ 47,471</u>

(Continued)

Town of Fairfield, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2021
(Thousands)

	Permanent Funds				Total Other Governmental Funds
	Debt Service Fund	H. Smith Richardson Conservation Fund	Simeon and Carrie Pease Fund	Library Fund	Total Permanent Funds
<u>Assets</u>					
Cash	\$ -	\$ -	\$ -	\$ 79	\$ 79
Investments	2,420	-	-	-	-
Restricted investments	-	485	20	9,677	10,182
Receivables (net):					
Assessments and use fees	-	-	-	-	960
Intergovernmental	-	-	-	-	1,235
Loan	-	-	-	-	1,875
Accounts	-	-	-	-	720
Due from other funds	-	-	-	-	290
Other	-	-	-	-	25
Total assets	<u>\$ 2,420</u>	<u>\$ 485</u>	<u>\$ 20</u>	<u>\$ 9,756</u>	<u>\$ 10,261</u>
<u>Liabilities</u>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 966
Accrued payroll	-	-	-	-	44
Due to other funds	-	-	-	-	9,897
Unearned revenue	-	-	-	-	1,050
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,957</u>
<u>Deferred Inflows of Resources</u>					
Unavailable revenue:					
Sewer assessment and use charges	-	-	-	-	960
<u>Fund Balances</u>					
Nonspendable	-	30	20	70	120
Restricted	-	455	-	9,686	10,141
Committed	-	-	-	-	-
Assigned	2,420	-	-	-	-
Total fund balances	<u>2,420</u>	<u>485</u>	<u>20</u>	<u>9,756</u>	<u>10,261</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,420</u>	<u>\$ 485</u>	<u>\$ 20</u>	<u>\$ 9,756</u>	<u>\$ 10,261</u>

(Concluded)

Town of Fairfield, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2021
(Thousands)

	Special Revenue Funds						
	Special Assessments	Community Development Block Grant	Special Education	Recreation	Public Safety	Shellfish	Affordable Housing ARPA
Revenues:							
Intergovernmental	\$ -	\$ 590	\$ 7,815	\$ -	\$ 137	\$ -	\$ 12,415
Charges for services	-	348	883	1,672	2,756	8	-
Income from investments	-	-	-	-	-	-	-
Net change in fair value	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-
Total revenues	-	938	8,698	1,672	2,893	8	12,415
Expenditures:							
Current:							
General government	-	-	-	-	-	6	901
Public safety	-	-	-	-	2,756	-	-
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	808	-	813	-	-	-
Education	-	-	8,525	-	-	-	-
Debt service	-	-	-	-	-	-	-
Total expenditures	-	808	8,525	813	2,756	6	901
Excess (deficiency) of revenues over expenditures	-	130	173	859	137	2	(272)
Other financing sources (uses):							
Premium	-	-	-	-	-	-	-
Transfers in	-	-	-	-	25	-	-
Transfers out	-	-	-	-	-	-	-
Net other financing sources (uses)	-	-	-	-	25	-	-
Net change in fund balances	-	130	173	859	162	2	(272)
Fund balances - July 1, 2020 (as restated)	135	1,731	530	298	1,466	29	772
Fund balances - June 30, 2021	\$ 135	\$ 1,861	\$ 703	\$ 1,157	\$ 1,628	\$ 31	\$ 500

(Continued)

Town of Fairfield, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2021
(Thousands)

	Special Revenue Funds						
	Public School Lunch	School Activity Fund	Water Pollution Control Authority	Miscellaneous Grants	Downtown Parking	Donations	Total Special Revenue Funds
Revenues:							
Intergovernmental	\$ 1,992	\$ -	\$ 196	\$ 1,179	\$ -	\$ -	\$ 24,324
Charges for services	407	420	8,634	44	81	-	15,882
Income from investments	-	-	-	-	-	-	-
Net change in fair value	-	-	-	-	-	-	-
Contributions	-	-	-	272	-	236	508
Total revenues	2,399	420	8,830	1,495	81	236	40,714
Expenditures:							
Current:							
General government	-	-	-	572	-	7	1,486
Public safety	-	-	-	400	-	64	3,220
Public works	-	-	5,783	-	38	-	5,821
Health and welfare	-	-	-	394	-	194	588
Culture and recreation	-	-	-	-	-	-	1,621
Education	2,531	352	-	70	-	-	11,478
Debt service	-	-	-	-	-	-	-
Total expenditures	2,531	352	5,783	1,436	38	265	24,214
Excess (deficiency) of revenues over expenditures	(132)	68	3,047	59	43	(29)	16,500
Other financing sources (uses):							
Premium	-	-	-	-	-	-	-
Transfers in	525	-	-	-	-	-	550
Transfers out	-	-	(449)	-	-	-	(449)
Net other financing sources (uses)	525	-	(449)	-	-	-	101
Net change in fund balances	393	68	2,598	59	43	(29)	16,601
Fund balances - July 1, 2020 (as restated)	181	1,024	9,434	1,377	263	713	17,953
Fund balances - June 30, 2021	\$ 574	\$ 1,092	\$ 12,032	\$ 1,436	\$ 306	\$ 684	\$ 34,554

(Continued)

Town of Fairfield, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2021
(Thousands)

	Permanent Funds				Total Other Governmental Funds
	Debt Service Fund	H. Smith Richardson Conservation Fund	Simeon and Carrie Pease Fund	Library Fund	Total Permanent Funds
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 24,324
Charges for services	-	-	-	-	15,882
Income from investments	10	71	-	149	230
Net change in fair value	-	-	-	2,516	2,516
Contributions	-	-	-	156	664
Total revenues	10	71	-	2,821	43,616
Expenditures:					
Current:					
General government	-	-	-	-	1,486
Public safety	-	-	-	-	3,220
Public works	-	-	-	-	5,821
Health and welfare	-	-	-	-	588
Culture and recreation	-	-	-	179	1,800
Education	-	-	-	-	11,478
Debt service	3,384	-	-	-	3,384
Total expenditures	3,384	-	-	179	27,777
Excess (deficiency) of revenues over expenditures	(3,374)	71	-	2,642	15,839
Other financing sources (uses):					
Premium	1,770	-	-	-	1,770
Transfers in	153	-	-	-	703
Transfers out	-	-	-	(125)	(574)
Net other financing sources (uses)	1,923	-	-	(125)	1,899
Net change in fund balances	(1,451)	71	-	2,517	17,738
Fund balances - July 1, 2020 (as restated)	3,871	414	20	7,239	29,497
Fund balances - June 30, 2021	\$ 2,420	\$ 485	\$ 20	\$ 9,756	\$ 47,235

(Concluded)

Town of Fairfield, Connecticut

Water Pollution Control Authority
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Year Ended June 30, 2021
 (Thousands)

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance With Final Budget
Revenues:					
Charges for services	\$ 6,012	\$ 83	\$ 6,095	\$ 8,634	\$ 2,539
Intergovernmental	-	-	-	196	196
Total revenues	6,012	83	6,095	8,830	2,735
Expenditures:					
Current:					
Public works	6,012	83	6,095	5,721	374
Excess (deficiency) of revenues over expenditures	-	-	-	3,109	2,361
Other financing sources (uses):					
Cancellation of prior year encumbrances	-	-	-	13	13
Appropriation of fund balance	-	449	449	-	449
Transfer out	-	(449)	(449)	(449)	-
Net other financing sources (uses)	-	-	-	(436)	462
Net change in fund balances	\$ -	\$ -	\$ -	2,673	\$ 2,673
Fund balance - July 1, 2020				9,342	
Fund balance - June 30, 2021				<u>\$ 12,015</u>	
Reconciliation to GAAP basis - Schedule 5	Expenditures	Fund Balance			
Balance, budgetary basis - June 30, 2021	\$ 5,721	\$ 12,015			
Encumbrances outstanding at June 30, 2020 and June 30, 2021	-	10			
Encumbrances outstanding at June 30, 2020, liquidated during the year ended June 30, 2021	69	-			
Encumbrances outstanding at June 30, 2021 charged to budgetary expenditures	(7)	7			
Balance, GAAP basis - June 30, 2021	<u>\$ 5,783</u>	<u>\$ 12,032</u>			

Statistical Section

This part of the Town's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Table	Description
Financial Trend (Tables 1-4)	These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.
Revenue Capacity (Tables 5-7)	These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.
Debt Capacity (Tables 8-11)	These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.
Demographic and Economic Information (Tables 12-15)	These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.
Operating Information (Tables 16-17)	These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the fiscal year.

Table 1

Town of Fairfield, Connecticut

Net Position by Component
Last Ten Years
(Thousands)
(Unaudited)

	June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
	(as restated)									
Governmental activities:										
Net investment in capital assets	\$ 331,548	\$ 324,855	\$ 324,855	\$ 306,487	\$ 297,952	\$ 274,649	\$ 267,658	\$ 246,055	\$ 246,689	\$ 249,503
Restricted	38,389	20,639	20,639	11,737	8,678	7,043	6,225	4,909	3,990	4,056
Unrestricted	(110,354)	(117,352)	(114,270)	(114,507)	(95,397)	5,641	4,458	15,920	7,846	(4,379)
Total governmental activities net position	<u>\$ 259,583</u>	<u>\$ 228,142</u>	<u>\$ 231,224</u>	<u>\$ 203,717</u>	<u>\$ 211,233</u>	<u>\$ 287,333</u>	<u>\$ 278,341</u>	<u>\$ 266,884</u>	<u>\$ 258,525</u>	<u>\$ 254,890</u>
Business-type activities (1):										
Net investment in capital assets	801	921	474	540	-	-	-	-	-	-
Unrestricted	901	981	1,339	1,074	-	-	-	-	-	-
Total business-type activities net position	<u>\$ 1,702</u>	<u>\$ 1,902</u>	<u>\$ 1,813</u>	<u>\$ 1,614</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net position:										
Net investment in capital assets	332,349	325,776	325,329	307,027	297,952	274,649	267,658	246,055	246,689	249,503
Restricted	38,389	20,639	20,639	11,737	8,678	7,043	6,225	4,909	3,990	4,056
Unrestricted	(109,453)	(116,371)	(112,931)	(113,433)	(95,397)	5,641	4,458	15,920	7,846	(4,379)
Total net position	<u>\$ 261,285</u>	<u>\$ 230,044</u>	<u>\$ 233,037</u>	<u>\$ 205,331</u>	<u>\$ 211,233</u>	<u>\$ 287,333</u>	<u>\$ 278,341</u>	<u>\$ 266,884</u>	<u>\$ 258,525</u>	<u>\$ 249,180</u>

Source: Current and prior year financial statements.

(1) Parking Authority added to reporting entity in 2021

Table 2
(1 of 2)

Town of Fairfield, Connecticut

Changes in Net Position
Last Ten Years
(Thousands)
(Unaudited)

For the Year Ended June 30,

	2021	2020 (as restated)	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
Governmental activities:										
General government	\$ 13,167	\$ 13,621	\$ 13,305	\$ 29,312	\$ 27,256	\$ 26,112	\$ 29,673	\$ 27,542	\$ 26,427	\$ 24,980
Finance	6,152	6,795	5,540	5,617	6,195	5,928	5,997	4,833	4,581	5,903
Public safety	46,121	57,530	55,067	44,267	43,702	44,162	38,629	34,958	35,857	37,670
Public works	44,192	33,473	30,366	27,759	29,901	29,045	28,938	32,259	28,715	25,137
Health and welfare	9,662	10,334	9,584	9,010	10,524	10,111	7,794	7,693	8,142	8,470
Culture and recreation	11,650	11,116	11,238	10,621	10,748	10,574	7,951	9,424	9,470	10,331
Education	232,066	234,956	227,652	229,485	222,761	201,684	192,338	186,797	186,202	181,884
Railroad station project	-	-	-	-	-	-	31	26	2,268	13,514
Interest	3,530	5,872	6,784	6,273	3,928	5,622	6,566	6,916	8,902	7,612
Total governmental activities expenses	366,540	373,697	359,536	362,344	355,015	333,238	317,917	310,448	310,564	310,676
Business-type activities (1):										
Parking Authority	962	1,077	1,131	1,203	-	-	-	-	-	-
Total expenses	367,502	374,774	360,667	363,547	355,015	333,238	317,917	310,448	310,564	310,676
Program revenues:										
Governmental activities:										
Charges for services										
General government	5,987	2,966	2,942	2,554	3,149	3,131	3,487	2,810	2,978	3,037
Finance	-	-	-	-	-	94	62	72	39	36
Public safety	12,027	12,022	11,188	10,304	9,082	8,268	8,682	7,738	7,049	8,800
Public works	3,697	4,063	4,849	3,338	4,644	3,949	3,413	5,134	3,819	4,465
Health and welfare	4,226	3,846	4,249	4,139	3,402	3,645	3,407	3,136	3,513	226
Culture and recreation	7,293	5,067	6,200	4,238	4,178	4,039	3,541	3,169	3,607	5,170
Education	1,710	2,720	3,848	3,744	3,403	3,256	3,482	3,969	3,798	4,007
Operating grants and contributions	42,377	39,603	40,260	49,104	46,104	33,483	30,912	32,428	32,636	30,577
Capital grants and contributions	17,938	5,748	7,689	2,566	15,151	6,332	2,603	4,842	6,256	7,830
Total governmental activities program revenues	95,255	76,035	81,225	79,987	89,113	66,197	59,589	63,298	63,695	78,676
Business-type activities (1):										
Parking Authority	762	1,159	1,310	1,283	-	-	-	-	-	-
Total program revenues	96,017	77,194	82,535	81,270	89,113	66,197	59,589	63,298	63,695	78,676
Net (expense) revenue:										
Governmental activities	(271,285)	(297,662)	(278,311)	(282,357)	(265,902)	(267,041)	(258,328)	(247,150)	(246,869)	(232,000)
Business-type activities	(200)	82	179	80	-	-	-	-	-	-
Total net (expense) revenue	(271,485)	(297,662)	(278,311)	(282,357)	(265,902)	(267,041)	(258,328)	(247,150)	(246,869)	(232,000)

(Continued)

Table 2
(2 of 2)

Town of Fairfield, Connecticut

Changes in Net Position
Last Ten Years
(Thousands)
(Unaudited)

	For the Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
	(as restated)									
General revenues and other changes in net position:										
Governmental activities:										
Property taxes	\$ 295,831	\$ 294,147	\$286,631	\$ 278,531	\$273,452	\$ 271,359	\$ 264,619	\$ 257,832	\$251,945	\$ 240,853
Grants and contributions not restricted to specific programs	2,276	2,907	2,393	2,292	3,696	3,073	3,753	3,860	3,526	3,237
Income from investments	3,334	3,099	3,548	1,181	336	1,419	524	1,120	550	1,394
Other	261	828	555	650	209	182	185	144	193	159
Total general revenues	301,702	300,981	293,127	282,654	277,693	276,033	269,081	262,956	256,214	235,257
Extraordinary item - asset impairment gain, net of insurance discovery	-	-	-	-	-	-	704	-	-	-
Change in net position:										
Governmental activities	30,417	3,319	14,816	297	11,791	8,992	11,457	15,806	9,345	3,257
Business-type activities	(200)	82	179	80	-	-	-	-	-	-
Change in net position	\$ 30,217	\$ 3,401	\$ 14,995	\$ 377	\$ 11,791	\$ 8,992	\$ 11,457	\$ 15,806	\$ 9,345	\$ 3,257

(Concluded)

Source: Current and prior year financial statements.

(1) Parking Authority added to reporting entity in 2021

Table 3

Town of Fairfield, Connecticut

Fund Balances
Governmental Funds
Last Ten Years
(Thousands)
(Unaudited)

	June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
	(as restated)									
General fund:										
Committed	\$ 4,228	\$ 5,285	\$ 1,324	\$ 2,509	\$ 1,619	\$ 825	\$ 863	\$ 815	\$ 1,398	\$ 2,094
Unassigned	36,572	34,819	34,688	32,142	27,839	27,435	24,260	21,168	17,408	14,593
Total general fund	40,800	40,104	36,012	34,651	29,458	28,260	25,123	21,983	18,806	16,687
All other governmental funds:										
Nonspendable	120	120	120	70	70	70	70	70	70	70
Restricted	38,269	20,519	18,190	11,667	8,608	6,973	6,155	4,839	3,920	4,055
Committed	27,690	7,761	3,424	2,670	2,715	2,526	2,436	2,234	1,781	1,504
Assigned	2,420	3,871	6,509	5,391	5,154	2,426	634	2,236	3,220	1,578
Unassigned	(18,172)	-	(5,706)	(8,143)	(7,695)	(10,205)	(13,165)	(814)	(12,092)	(47,585)
Total all other governmental fund:	50,327	32,271	22,537	11,655	8,852	1,790	(3,870)	8,565	(3,101)	(40,378)
Grand total	\$ 91,127	\$ 72,375	\$ 58,549	\$ 46,306	\$ 38,310	\$ 30,050	\$ 21,253	\$ 30,548	\$ 15,705	\$ (23,691)

Source: Current and prior year financial statements.

Notes:

General fund:
Committed
Unassigned

Decreased due to Education Nonlapsing fund expenditures
Increased due to positive operations and decrease in committed fund balance

All other governmental funds:

Restricted
Committed
Assigned
Unassigned

Increased due to increase in construction commitments and positive operations of the sewer fund
Increased due to ARPA grant funds received and remediation commitments
Decreased due to decrease in debt service fund balance
Decreased due to timing of capital projects expenditure and related financing

Town of Fairfield, Connecticut

Table 4

Changes in Fund Balances
Governmental Funds
Last Ten Years
(Thousands)
(Unaudited)

For the Year Ended June 30

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Property taxes	\$ 298,261	\$ 290,590	\$ 284,491	\$ 277,956	\$ 271,812	\$ 270,365	\$ 263,941	\$ 256,634	\$ 250,020	\$ 240,615
Intergovernmental	61,427	47,590	49,691	53,577	54,671	42,933	36,393	41,328	42,686	39,835
Charges for services	34,807	30,566	32,984	30,321	28,069	26,861	26,209	26,609	24,820	26,030
Income from investments	1,277	3,099	3,548	1,181	336	1,419	524	1,120	550	1,394
Net change in fair value	2,057	-	-	-	-	-	-	-	-	-
Contributions	1,164	668	651	478	336	253	1,186	125	66	158
Other	261	828	555	650	209	182	185	144	193	159
Total revenues	399,254	373,341	371,920	364,163	355,433	342,013	328,438	325,960	318,335	308,191
Expenditures:										
Current:										
General government	40,510	41,609	39,904	38,020	35,012	35,251	38,064	-	26,490	24,102
Finance	4,764	5,182	4,198	4,424	4,850	4,920	5,044	4,653	4,478	4,545
Public safety	36,539	36,164	36,070	35,448	33,981	34,075	32,477	35,999	36,033	35,683
Public works	19,573	22,327	23,519	21,247	24,824	23,458	23,003	23,309	24,134	21,919
Health and welfare	8,450	8,485	8,096	7,789	9,157	9,128	6,994	7,841	8,258	8,475
Culture and recreation	8,327	8,370	9,027	8,398	8,985	8,938	8,276	8,933	8,303	8,594
Education	224,165	216,107	212,918	215,687	206,177	190,890	183,041	182,167	176,951	171,414
Capital outlay	39,063	19,081	22,252	11,454	13,425	22,917	21,908	5,654	12,040	36,896
Debt service:										
Principal	21,446	18,835	16,642	16,406	17,353	17,353	16,548	14,713	14,116	13,659
Interest	4,556	6,598	8,231	7,240	6,396	7,396	8,261	8,644	9,142	8,678
Total expenditures	407,393	382,758	380,857	366,113	360,160	354,326	343,616	291,913	319,945	333,965
Excess (deficiency) of revenues over expenditures	(8,139)	(9,417)	(8,937)	(1,950)	(4,727)	(12,313)	(15,178)	34,047	(1,610)	(25,774)
Other financing sources (uses):										
Issuance of debt	24,097	21,943	14,453	6,665	11,147	20,311	3,312	8,188	37,600	-
Issuance of refunding bonds	-	18,865	-	-	-	26,840	24,240	10,555	-	26,775
Payment to refunded bond escrow agent	-	(20,248)	-	-	-	(26,246)	(25,924)	(11,074)	-	(31,509)
Premium	1,770	2,683	437	1,090	1,840	3,205	2,167	867	3,132	5,677
Capital lease	-	-	-	-	-	-	-	-	274	-
Insurance proceeds	-	-	-	-	-	-	2,088	-	-	-
Transfers in	10,013	2,355	8,279	3,135	2,128	1,700	3,339	4,685	3,700	2,292
Transfers out	(10,013)	(2,355)	(8,279)	(3,135)	(2,128)	(1,700)	(3,339)	(4,685)	(3,700)	(2,292)
Net other financing sources (uses)	25,867	23,243	14,890	7,755	12,987	21,110	5,883	8,536	41,006	943
Net change in fund balances	\$ 17,728	\$ 13,826	\$ 5,953	\$ 5,805	\$ 8,260	\$ 8,797	\$ (9,295)	\$ 42,583	\$ 39,396	\$ (24,831)
Debt service as a percentage of noncapital expenditures	7.16%	6.98%	7.00%	7.00%	6.91%	6.98%	7.80%	8.18%	7.27%	6.69%

Source: Current and prior year financial statements

Table 5

Town of Fairfield, Connecticut
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years
(Thousands)
(Unaudited)

Year Ended June 30	Real Property		Personal Property		Total		Percentage of Total Assessed Value to Total Estimated Actual Value	(5) Total Direct Tax Rate
	(1) Net Assessed Value	(2) Estimated Actual Value	(3) Net Assessed Value	(4) Estimated Actual Value	Net Assessed Value	Estimated Actual Value		
2012	\$ 10,117,105	\$ 14,453,007	\$ 733,490	\$ 1,047,843	\$ 10,850,595	\$ 15,500,850	70.00%	22.47
2013	10,133,965	14,477,093	787,754	1,125,363	10,921,719	15,602,456	70.00%	23.37
2014	10,150,146	14,500,209	803,540	1,147,914	10,953,686	15,648,123	70.00%	23.93
2015	10,154,157	14,505,939	834,462	1,192,089	10,988,619	15,698,028	70.00%	24.40
2016	10,199,908	14,571,297	852,048	1,217,211	11,051,956	15,788,509	70.00%	24.79
2017	9,973,621	14,248,030	807,813	1,154,019	10,781,434	15,402,049	70.00%	25.45
2018	10,039,769	15,061,160	818,218	1,168,883	10,857,987	16,230,043	70.00%	25.82
2019	10,058,837	15,089,764	817,476	1,167,823	10,876,313	16,257,587	70.00%	26.36
2020	10,141,632	15,291,966	833,256	1,190,366	10,974,888	16,482,332	70.00%	26.79
2021	10,213,475	15,245,837	871,237	1,244,624	11,084,712	16,490,461	70.00%	26.79

Source: Town of Fairfield, Assessor's Office

Notes:

- (1) Assessed values are net of exemptions; real property revalued as of October 2015 Grand List.
- (2) Since real property is valued once every five years, sales ratios from the Office of Policy and Management are used to estimate current values.
- (3) Includes personal property, motor vehicle and supplemental motor vehicle assessments.
- (4) Assessment ratio, which is 70% of market value, is used to estimate market value since personal property is revalued every year.
- (5) There are no overlapping tax rates for the Town of Fairfield.

Table 6

Town of Fairfield, Connecticut
Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)

Name	Nature of Business	2021			2012		
		Assessed Value	Rank	Percentage Net Taxable Grand List	Assessed Value	Rank	Percentage Net Taxable Grand List
Connecticut Light & Power dba Eversource	Public Utility	\$ 66,104,220	1	0.60%	\$ 61,522,677	1	0.57%
Aquarion Water Company	Water Utility	57,429,730	2	0.52%	54,258,308	2	0.50%
United Illuminating Company	Electric Utility	49,625,060	3	0.45%	19,139,674	10	0.18%
Southern Connecticut Gas Company	Gas Utility	43,067,180	4	0.39%	-	-	0.00%
Jack, Bradley	Residential Homeowner	21,772,310	5	0.20%	24,203,270	5	0.22%
BRCD Holdings LLC	Real Estate Apt. Building	19,635,160	6	0.18%	-	-	0.00%
OHI Asset (CT) Southport LLC	Assisted Living Center	19,033,560	7	0.17%	-	-	0.00%
Toyota Lease Trust	Motor Vehicle Leasing Co	18,850,910	8	0.17%	-	-	0.00%
BSL Fairfield development LLC	Real Estate Developer & Manager	18,366,510	9	0.17%	-	-	0.00%
T-C Kings Crossing LLC	Real Estate Shopping Plaza	18,115,790	10	0.16%	-	-	0.00%
General Electric Company	Corporate Headquarters	-	-	0.00%	34,670,840	3	0.32%
National Broadcast Company	Real Estate	-	-	0.00%	31,945,900	4	0.29%
Roberts, Samuel et al	Real Estate	-	-	0.00%	25,356,837	6	0.23%
Honda Lease Trust	Motor Vehicle Leasing Co	-	-	0.00%	19,025,000	7	0.18%
Brick Walk Associates LLC	Real Estate Developer & Manager	-	-	0.00%	17,451,630	8	0.16%
Kings Highway Realty LLC	Real Estate Developer & Manager	-	-	0.00%	16,965,970	9	0.16%
Total		\$ 332,000,430		3.00%	\$ 304,540,106		2.81%
Based on the October 2019 and October 2010 Net Taxable Grand lists, respectively.		\$ 11,084,712,000			\$ 10,850,595,000		

Source: Assessor's Office, Town of Fairfield.

Table 7

Town of Fairfield, Connecticut
Property Tax Rates, Levies and Collections
Last Ten Years
(Thousands)
(Unaudited)

<u>Year Ended June 30</u>	<u>(1) Mill Rate</u>	<u>(2) Total Adjusted Tax Levy</u>	<u>Net Current Levy Tax Collections</u>	<u>Percentage of Current Taxes Collected</u>	<u>Collections in Subsequent Years</u>	<u>Total Collections</u>	<u>Percent of Levy Collected</u>	<u>Current Delinquent Balance</u>
2012	22.47	\$ 239,402	\$ 236,661	98.86%	\$ 2,616	\$ 239,277	99.95%	\$ 125
2013	23.37	250,603	247,576	98.79%	2,853	250,429	99.93%	174
2014	23.93	256,935	253,640	98.72%	3,048	256,688	99.90%	247
2015	24.40	263,352	259,688	98.61%	2,815	262,503	99.68%	849
2016	24.79	269,553	266,010	98.69%	2,629	268,639	99.66%	914
2017	25.45	271,587	268,169	98.74%	2,343	270,512	99.60%	1,075
2018	25.82	276,797	273,905	98.96%	1,715	275,620	99.57%	1,177
2019	26.36	285,677	282,288	98.81%	2,000	284,288	99.51%	1,389
2020	26.79	292,681	287,186	98.12%	3,781	290,967	99.41%	1,714
2021	26.79	295,891	292,994	99.02%	-	292,994	99.02%	2,897

Source: Town of Fairfield Tax office.

Notes:

- (1) There are no overlapping tax rates for the Town of Fairfield.
(2) Adjusted tax levy equals the tax levy after lawful corrections, abatements and transfers to suspense.

Table 8

Town of Fairfield, Connecticut
 Ratios of Outstanding Debt by Type
 Last Ten Years
 (Thousands, Except Personal Income and Per Capita)
 (Unaudited)

Year Ended June 30	General Obligation Bonds and Long Term BANS	Notes	Premium	Total	Percentage of Personal Income	Debt Per Capita
2012	\$ 171,915	\$ 17,404	\$ 11,270	\$ 200,589	0.05%	\$ 3,345
2013	197,106	15,956	13,021	226,083	0.05%	3,806
2014	191,948	14,180	11,933	218,061	0.05%	3,660
2015	180,975	12,372	10,869	204,216	0.05%	3,395
2016	185,286	10,543	9,814	205,643	0.05%	3,387
2017	181,643	8,764	7,582	197,989	0.06%	3,243
2018	173,633	7,569	7,217	188,419	0.06%	3,087
2019	173,232	5,776	6,458	185,466	0.07%	3,010
2020	177,095	3,936	5,471	186,502	0.07%	3,028
2021	181,622	2,060	6,127	189,809	0.07%	3,074

Source: Current and prior year financial statements.

Table 9

Town of Fairfield, Connecticut
Ratios of General Bonded Debt Outstanding
Last Ten Years
(Thousands, Except Per Capita)
(Unaudited)

General Obligation Debt Outstanding

<u>Year Ended June 30</u>	<u>General Obligation Bonds and Long Term BANS</u>	<u>Notes</u>	<u>Premium</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Debt Per Capita</u>
2012	\$ 171,915	\$ 17,404	\$ 11,270	\$ 200,589	1.45%	\$ 3,345
2013	197,106	15,956	13,021	226,083	1.39%	3,806
2014	191,948	14,180	11,933	218,061	1.30%	3,661
2015	180,975	12,372	10,869	204,216	1.30%	3,396
2016	185,286	10,543	9,814	205,643	1.30%	3,389
2017	181,643	8,764	7,582	197,989	1.30%	3,245
2018	173,633	7,569	7,569	188,771	1.22%	3,087
2019	173,232	5,776	6,458	185,466	1.16%	3,010
2020	177,095	3,936	5,471	186,502	1.13%	3,028
2021	181,622	2,060	6,127	189,809	1.15%	3,074

Source: Current and prior year financial statements.

Town of Fairfield, Connecticut
Schedule of Debt Limitation
Connecticut General Statutes, Section 7-374 (b)
For The Year Ended June 30, 2021
(Thousands)
(Unaudited)

Tax Base:

Total tax collections (including interest and lien fees) for prior year	\$ 291,010
---	------------

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
<u>Debt Limitation:</u>					
2 1/4 times base	\$ 654,773	\$ -	\$ -	\$ -	\$ -
4 1/2 times base	-	1,309,545	-	-	-
3 3/4 times base	-	-	1,091,288	-	-
3 1/4 times base	-	-	-	945,783	-
3 times base	-	-	-	-	873,030
	654,773	1,309,545	1,091,288	945,783	873,030
Total debt limitation	654,773	1,309,545	1,091,288	945,783	873,030
<u>Indebtedness:</u>					
Bonds	56,320	115,679	23	-	-
Bond anticipation notes - short-term	4,703	3,097	-	-	-
Bond anticipation notes - long-term	4,500	5,100	-	-	-
	65,523	123,876	23	-	-
Total indebtedness	65,523	123,876	23	-	-
Debt limitation in excess of outstanding debt	\$ 589,250	\$ 1,185,669	\$ 1,091,265	\$ 945,783	\$ 873,030
The total net indebtedness above amounts to:					\$ 189,422
In no event shall total indebtedness exceed seven times the base for debt limitation computation:					\$ 2,037,070

There is no overlapping debt for the Town.

Source: Current and prior year financial statements.

Town of Fairfield, Connecticut

**Legal Debt Margin Information
Last Ten Years
(Thousands)
(Unaudited)**

<u>Year Ended June 30</u>	<u>Debt Limit</u>	<u>(1) Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net Debt Applicable</u>
2012	\$ 1,681,372	\$ 211,595	\$ 1,469,777	12.58%
2013	1,756,349	207,889	1,548,460	11.84%
2014	1,791,979	203,230	1,588,749	11.34%
2015	1,845,858	194,507	1,651,351	10.54%
2016	1,891,638	199,812	1,691,826	10.56%
2017	1,901,193	190,798	1,710,395	10.04%
2018	1,901,193	181,320	1,719,873	9.54%
2019	1,945,377	178,256	1,767,121	9.16%
2020	1,995,784	179,896	1,815,888	9.01%
2021	2,037,070	189,422	1,847,648	9.30%

Source: Current and prior year financial statements.

Note:

(1) There is no overlapping debt for the Town of Fairfield.

Table 12

Town of Fairfield, Connecticut
Demographic and Economic Statistics
Last Ten Years
(Unaudited)

	(1)	(2)	(2)	(2)	(2)	(3)	(4)
Year Ended June 30	Population	Personal Income	Per Capita Income	Median Age	Education Level in Years of Formal Schooling	School Enrollment	Unemployment Rate
2012	59,961	\$ 103,754	\$ 58,452	40.0	59% Bachelor Degree or more	10,287	7.10%
2013	59,404	100,920	55,733	40.0	59% Bachelor Degree or more	10,273	7.00%
2014	59,562	100,920	55,733	40.5	60% Bachelor Degree or more	10,250	5.00%
2015	60,126	100,920	58,576	40.9	60% Bachelor Degree or more	10,160	4.70%
2016	60,678	120,082	59,156	40.7	60% Bachelor Degree or more	10,058	4.60%
2017	61,016	122,306	60,155	40.8	60% Bachelor Degree or more	9,984	4.60%
2018	61,160	122,135	60,505	41.0	60% Bachelor Degree or more	9,916	4.10%
2019	61,611	127,746	62,541	41.2	60% Bachelor Degree or more	9,789	2.70%
2020	61,598	127,746	62,541	41.2	60% Bachelor Degree or more	9,623	8.90%
2021	61,740	127,746	69,752	41.2	60% Bachelor Degree or more	9,407	5.70%

Sources:

- (1) State Health Department.
- (2) CERC Town profile.
- (3) Fairfield Board of Education.
- (4) State Department of Labor.

Town of Fairfield, Connecticut
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

Employer	2021			2012		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Employment
Town of Fairfield	1,984	1	6.84%	1,851	1	7.02%
Sacred Heart University	928	2	3.20%	1,257	2	4.77%
Fairfield University	825	3	2.85%	885	3	3.36%
Save The Children	324	4	1.12%	-	-	0.00%
Carolton Hospital	280	5	0.97%	400	5	1.52%
Orthopedic Specialty Group	240	6	0.83%	-	-	0.00%
Ludlowe Center for Health and Rehab	225	7	0.78%	-	-	0.00%
RBC-Heim Universal	200	8	0.69%	130	10	0.49%
Cambridge Manor of Fairfield	199	9	0.69%	-	-	0.00%
R. C. Bigelow Tea Co.	190	10	0.66%	155	8	0.59%
General Electric	-	-	0.00%	723	4	2.74%
Stop and Shop	-	-	0.00%	360	6	1.37%
Home Depot	-	-	0.00%	228	7	0.86%
BJ's Wholesale Club	-	-	0.00%	122	9	0.46%
Total	<u>5,395</u>		<u>18.61%</u>	<u>6,111</u>		<u>23.18%</u>

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

Table 14

Town of Fairfield, Connecticut
Full-Time Equivalent Town Employees by Function/Program
Last Ten Years
(Unaudited)

Function / Program	June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Administrative and General Government</u>										
Board of Selectmen	4.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.85	4.85
Town Clerk	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Registrar of Voters	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Town Planning and Zoning	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.20	6.20
Conservation	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Human Resources	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Community and Economic Development	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.00
<u>Finance</u>										
Finance	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.15	8.15
Purchasing	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Assessor	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Tax Collector	6.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00
Information Systems	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
<u>Public Safety</u>										
Fire	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00
Police	115.00	115.00	115.00	115.00	115.00	115.00	115.00	113.00	113.00	113.00
Animal Control	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Emergency Communications Center	22.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
<u>Public Works</u>										
Public Works Administration	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Public Works Operations	69.00	71.00	72.00	72.00	72.00	74.00	74.00	74.00	76.00	76.00
Building	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	6.40	6.40
Engineering	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
<u>Health, Social, Human Services</u>										
Health	34.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00
Social and Human Services	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Solid Waste and Recycling	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<u>Libraries</u>										
Main	20.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	23.00	23.00
Fairfield Woods	9.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
<u>Recreation</u>										
Parks and Recreation	7.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Marina	1.00	1.00	-	-	-	-	-	-	-	-
South Pine Creek Golf Course	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
H. Smith Richardson Golf Course	4.00	4.00	4.00	4.00	4.00	6.00	6.00	6.00	6.00	6.00
Grand Total	463.60	457.60	457.60	457.60	459.60	463.60	463.60	461.60	465.20	464.45

Source: Town Human Resource Departments.

Table 15

Town of Fairfield, Connecticut
Full-Time Equivalent Employees by Function/Program
Last Ten Years
(Unaudited)

Function / Program	June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Town</u>										
Administrative and General Government	30.75	29.75	29.75	29.75	30.75	30.75	30.75	30.75	31.80	31.05
Finance	29.00	29.00	29.00	29.00	30.00	30.00	30.00	30.00	30.15	30.15
Public Safety	237.00	231.00	231.00	231.00	231.00	231.00	231.00	229.00	229.00	229.00
Public Works	86.85	88.85	89.85	89.85	89.85	91.85	91.85	91.85	93.25	93.25
Health, Social, Human Services	38.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00
Libraries	29.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	31.00	31.00
Recreation	13.00	12.00	11.00	11.00	11.00	13.00	13.00	13.00	13.00	13.00
Total Town	463.60	457.60	457.60	457.60	459.60	463.60	463.60	461.60	465.20	464.45
<u>Board of Education</u>										
Teaching Staff	978.75	979.55	978.28	962.95	944.15	954.55	954.60	944.15	944.15	920.95
Administration	45.80	46.80	45.80	45.80	44.80	46.80	46.80	44.80	44.80	44.80
Other Staff	443.50	442.50	438.20	422.50	394.10	408.20	407.70	385.30	383.05	408.50
Total Board of Education	1,468.05	1,468.85	1,462.28	1,431.25	1,383.05	1,409.55	1,409.10	1,374.25	1,372.00	1,374.25
Total	1,931.65	1,926.45	1,919.88	1,888.85	1,842.65	1,873.15	1,872.80	1,835.85	1,837.20	1,838.70

Source: Town and Board of Education Human Resource Departments.

Table 16

Town of Fairfield, Connecticut
Operating Indicators by Function/Program
Last Ten Years
(Unaudited)

Function / Program	For the Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Public safety										
Fire										
Incidents	8,332	8,129	9,136	8,955	8,750	8,863	8,550	8,070	9,475	9,188
Unit responses	13,546	12,749	14,466	14,120	13,759	14,371	14,450	14,192	15,033	14,868
Fire Marshall inspections	2,059	1,870	2,368	1,579	1,668	1,663	1,339	1,206	1,213	1,168
Police										
Criminal arrests	749	752	823	824	819	870	896	936	996	1,049
Parking violations	3,504	3,309	4,777	5,547	5,827	5,914	5,453	4,771	6,123	8,481
Citations	3,262	3,161	5,664	6,225	4,367	4,051	2,808	5,133	5,176	7,478
Public works										
Street resurfacing (paved miles)	5.8	8.28	10.49	5.42	8.13	6.47	4.40	7.40	5.98	8.22
Potholes repaired	680	766	754	1,159	1,533	940	1,186	696	1,752	1,883
Refuse collection										
Refuse collected (tons per day)	85.17	85.04	86.58	85.51	87.82	88.87	89.53	93.25	93.11	93.63
Recyclables collected (tons per day)	16.80	15.31	14.75	15.10	15.30	15.12	13.96	13.78	13.54	11.75
Parks and recreation										
Fitness Center daily admissions (average)	4	117	130	132	130	132	161	154	152	143
Library										
Volumes in collection	251,610	248,691	262,078	265,624	265,278	284,640	309,171	323,335	342,905	343,981
Total volumes borrowed	382,612	555,642	734,295	748,153	817,626	868,639	917,067	956,435	932,572	1,012,755
Education										
School enrollment	9,407	9,623	9,789	9,916	9,984	10,058	10,160	10,250	10,273	10,287

Source: Various Town Departments.

Table 17

Town of Fairfield, Connecticut
Capital Asset Statistics by Function/Program
Last Ten Years
(Unaudited)

Function / Program	June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Parks and recreation:										
Playgrounds	28	28	28	28	28	28	28	25	25	25
Baseball/softball diamonds	25	25	25	25	25	25	25	25	25	24
Soccer/football fields	19	19	19	19	19	19	19	19	19	19
Community centers	2	2	2	2	2	2	2	1	1	1
Public safety:										
Fire stations	5	5	5	5	5	5	5	5	5	5
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units	28	28	28	28	28	28	24	24	24	24
Public works:										
<u>Highway department:</u>										
Streets (miles)	274	274	274	274	274	274	274	274	274	274
Streetlights	4,208	4,208	4,205	4,203	4,198	4,192	4,191	4,186	4,181	4,179
<u>Wastewater:</u>										
Sanitary sewers (miles)	187.72	187.72	187.72	187.72	187.46	187.46	187.19	187.19	187.17	187.17
Storm sewers (miles)	128.64	128.58	128.24	128.16	128.01	127.91	127.39	127.10	127.07	126.94
Treatment capacity (thousands of gallons/day)	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Libraries:										
Number of public libraries	2	2	2	2	2	2	2	2	2	2
Education:										
High schools	2	2	2	2	2	2	2	2	2	2
Middle schools	3	3	3	3	3	3	3	3	3	3
Elementary schools	11	11	11	11	11	11	11	11	11	11

Source: Capital asset records and various Town Departments

**State Single Audit
of the
Town of Fairfield, Connecticut
For the Year Ended June 30, 2021**

Town of Fairfield, Connecticut
For the Year Ended June 30, 2021

Table of Contents

	<u>Page</u>
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1-2
 <u>State Single Audit</u>	
Report on Compliance for Each Major State Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act	3-5
Schedule of Expenditures of State Financial Assistance	6-7
Notes to Schedule of Expenditures of State Financial Assistance	8
Schedule of Findings and Questioned Costs	9

**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 29, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
December 29, 2021



**Report on Compliance for Each Major State Program;
Report on Internal Control Over Compliance; and Report
on the Schedule of Expenditures of State Financial
Assistance Required by the State Single Audit Act**

Independent Auditors' Report

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

Report on Compliance for Each Major State Program

We have audited the Town of Fairfield, Connecticut's ("Town") compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the Town's major state programs for the year ended June 30, 2021. The Town's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with laws, regulations, contracts and grants applicable to its state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major State Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

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

Page 3

Report on the Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We have issued our report thereon dated December 29, 2021, which contained unmodified opinions on those financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is 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 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 schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
December 29, 2021

Town of Fairfield, Connecticut

**Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2021**

<u>State Grantor/Pass Through Grantor/Program Title</u>	<u>State Grant Program Core CT Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Expenditures</u>
Department of Education:			
Child Nutrition State Matching Grant	11000-SDE64370-16211	\$ -	\$ 28,929
Healthy Foods Initiative	11000-SDE64370-16212	-	53,359
Adult Education	11000-SDE64370-17030	-	1,691
Health Services	11000-SDE64370-17034	-	38,994
Bilingual Education English Learner Pilot Program	11000-SDE64370-17042	-	2,342
School Breakfast	11000-SDE64370-17046	-	13,578
Open Choice	11000-SDE64370-17053	-	227,389
Magnet Schools	11000-SDE64370-17057	-	19,500
Department of Children and Families:			
Youth Service Bureaus	11000-DCF91141-17052	-	25,763
Youth Service Bureau Enhancement	11000-DCF91141-17107	-	12,967
Department of Economic and Community Development:			
Urban Action Grant	13019-ECD46250-41240	-	47,398
Department of Emergency Services and Public Protection:			
Fire Training School	11000-DPS32251-16065	-	70,395
School Security Competitive Grant Program	12052-DPS32183-43546	-	104,639
Asset Forfeiture	12060-DPS32155-35142	-	20,168
Fire School Training and Education Extension	12060-DPS32251-35180	-	920
Enhanced 911 Telecommunications Fund	12060-DPS32741-35190	-	145,544
Office of Policy and Management:			
Payment in Lieu of Taxes (PILOT) on State Owned Property	11000-OPM20600-17004	-	19,259
Payment in Lieu of Taxes (PILOT) on Private Colleges and General/Chronic Disease Hospitals	11000-OPM20600-17006	-	1,828,166
Property Tax Relief on Property of Totally Disabled Persons	11000-OPM20600-17011	-	3,290
Property Tax Relief for Veterans	11000-OPM20600-17024	-	119,805
Local Capital Improvement Program	12050-OPM20600-40254	-	382,888
Municipal Grants-in-Aid	12052-OPM20600-43587	-	96,747
Department of Public Health:			
Local and District Departments of Health	11000-DPH48558-17009	-	66,899
Department of Transportation:			
Town Aid Roads Grants Transportation Fund - Municipal	12052-DOT57131-43455	-	359,468
Town Aid Roads Grants Transportation Fund - STO	13033-DOT57131-43459	-	359,468
Total State Financial Assistance Before Exempt Programs			<u>4,049,566</u>

(Continued)

See Notes to Schedule of Expenditures of State Financial Assistance.

Town of Fairfield, Connecticut
Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2021

<u>State Grantor/Pass Through Grantor/Program Title</u>	<u>State Grant Program Core CT Number</u>	<u>Passed through to Subrecipients</u>	<u>Total Expenditures</u>
<u>Exempt Programs:</u>			
Department of Education:			
Education Cost Sharing	11000-SDE64370-17041	\$ -	\$ 1,055,598
Special Education - Excess Cost - Student Based	11000-SDE64370-17047	-	3,507,547
Department of Administrative Services:			
School Construction Projects	13010-DAS27635-40901	-	2,037,265
School Construction	13010-DAS27635-43744	-	404,065
Office of Policy and Management:			
Municipal Stabilization Grant	11000-OPM20600-17104	-	191,245
Mashantucket Pequot/Mohegan Fund Grant	12009-OPM20600-17005	-	114,941
Total Exempt Programs		-	7,310,661
Total State Financial Assistance		\$ -	\$ 11,360,227
(Concluded)			

See Notes to Schedule of Expenditures of State Financial Assistance.

Town of Fairfield, Connecticut

**Notes to Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2021**

1. Basis of presentation

The accompanying schedule of expenditures of state financial assistance ("Schedule") includes state grant activity of the Town of Fairfield, Connecticut ("Town"), under programs of the State of Connecticut. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including general government, finance, public safety, public works, health and welfare, culture and recreation and education.

Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in fund balance, changes in net position, or cash flows of the Town.

2. Summary of significant accounting policies

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board.

The information in the Schedule is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Basis of Accounting

The expenditures reported on the Schedule are reported on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule.

3. Loan program

In accordance with Section 4-236-23(a)(4)(F) of the Regulations to the State Single Audit Act, the notes to the Schedule shall include loans and loan activities. The following is a summary of the various loan program activity:

Department of Energy and Environmental Protection:

Clean Water Funds: (21014-OTT14230-40001)

Grant ID	Issue Date	Interest Rate	Original Amount	Balance July 1, 2020	Retired	Balance June 30, 2021
CWF 399C	06/30/03	2.0%	\$29,436,399	\$ 3,604,621	\$1,711,496	\$ 1,893,125

4. Prior year findings and questioned costs

There were no prior year audit findings or questioned costs.

Town of Fairfield, Connecticut

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

I - Summary of Auditors' Results

Financial Statements

Type of auditors' opinion issued: Unmodified opinion

Internal control over financial reporting:

Material weakness(es) identified? yes x no

Significant deficiency(ies) identified? yes x none reported

Noncompliance material to financial statements noted? yes x no

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? yes x no

Significant deficiency(ies) identified? yes x none reported

Type of auditors' opinion issued on compliance for major programs: Unmodified opinion

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations of the State Single Audit Act? yes x no

The following schedule reflects the major programs included in the audit:

<u>State Grantor and Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
Office of Policy and Management:		
Payment in Lieu of Taxes (PILOT) on Private Colleges and General/Chronic Disease Hospitals	11000-OPM20600-17006	\$1,828,166
Local Capital Improvement Program	12050-OPM20600-40254	382,888
Department of Transportation:		
Town Aid Roads Grants Transportation Fund - Municipal	12052-DOT57131-43455	359,468
Town Aid Roads Grants Transportation Fund - STO	13033-DOT57131-43459	359,468
Dollar threshold used to distinguish between type A and type B programs:	<u>\$200,000</u>	

II - Financial Statement Findings

None

III - State Financial Assistance Findings and Questioned Costs

None

December 29, 2021

To the Board of Finance
Town of Fairfield, Connecticut

Auditors' Communication with Those Charged with Governance

We have audited the financial statements of Town of Fairfield, Connecticut (the "Town") as of and for the year ended June 30, 2021, and have issued our report thereon dated December 29, 2021. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter. This letter provides additional required communications related to our audit.

Our responsibility under professional standards

Our responsibility is to form and express an opinion about whether the financial statements, which are the responsibility of management, are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America ("US GAAP"). Those individuals charged with governance of the Town are responsible for the oversight of the financial reporting process, and our audit does not relieve management and those charged with governance of their respective responsibilities.

Our responsibility for the supplementary information accompanying the financial statements is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

With respect to such supplementary information, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with US GAAP, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other information in documents containing audited financial statements

Our responsibility as auditors for other information in documents containing the audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to determine that such other information is properly stated. However, in accordance with professional standards, we have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Nothing came to our attention that caused us to believe that any such material inconsistencies exist or that the information contains a material misstatement of fact.

Our responsibility under the Federal Single Audit Act

In connection with our audit, we performed tests of the Town's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also in accordance with the Uniform Guidance, we examined, on a test basis, evidence about the Town's compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Compliance Supplement" applicable to each of its major federal programs for the purpose of expressing an opinion on the Town's compliance with those requirements. While our audit provided a reasonable basis for our opinion, it does not provide a legal determination on the Town's compliance with those requirements.

The federal single audit will be completed after December 31, 2021 due to the delay in the availability of the Compliance Supplement. The federal filing deadline for the federal single audit has been extended to September 30, 2022.

Our responsibility under the State Single Audit Act

Our responsibilities include considering internal control over compliance with requirements that could have a direct and material effect on a major state program, testing and reporting on internal control over compliance in accordance with Connecticut General Statutes Sections 4-230 to 4-236, and testing evidence of the Town's compliance with the types of compliance requirements described in the Office of Policy and Management's Compliance Supplement applicable to each of its major federal programs.

Planned scope and timing of the audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Qualitative aspects of significant accounting practices

Significant accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town are described in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the reporting period that had a significant impact on the financial statements. No matters have come to our attention that would require us to inform you about (1) the methods used to account for significant unusual transactions, and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant accounting estimates

Accounting estimates made by management are an integral part of the financial statements and are based on management's knowledge and experience about past and current events and assumptions about future events. Actual results could differ from those estimates.

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements relate to employee benefit related liabilities:

- Net pension liability
- Other post-employment benefit liability
- Environmental obligation
- Medical and dental and workers' compensation incurred but not reported claims

Management believes that the estimates used and assumptions made are adequate based on the information currently available. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements as a whole.

Financial statement disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements relate to:

- Net pension liability
- Other post-employment benefit liability

The financial statement disclosures are consistent and clear.

Significant difficulties encountered during the audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and corrected misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management.

We are required to communicate to you misstatements that remain uncorrected, including any related to prior periods, and the effect, if any, that they may have on the opinion in our report, and request their correction.

There were no uncorrected financial statement misstatements noted during the audit.

In addition, we are required to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures.

None of the misstatements identified by us and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with management

For purposes of this letter, a disagreement with management is a matter, whether or not resolved to our satisfaction, concerning financial accounting, reporting, or auditing, which could be significant to the financial statements or the auditors' report. No such disagreements arose during the course of the audit.

Representations requested from management

We have requested certain written representations from management in a separate letter.

Management's consultations with other accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to the best of our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other matters discussed with management

We generally discuss with management a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Town, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed and our responses thereto were a condition to our retention as auditors.

We have provided our comments regarding other matters noted during our audit in a separate letter to you.

Auditor independence

We affirm that PKF O'Connor Davies, LLP is independent with respect to the Town in accordance with professional standard.

This communication is intended solely for the information and use of the Board of Finance and management of the Town and is not intended to be and should not be used by anyone other than these specified parties.

PKF O'Connor Davies, LLP

December 29, 2021
Wethersfield, Connecticut

Town of Fairfield, CT

Presentation of Financial Statements

Fiscal Year Ended June 30, 2021

(Thousands)

PDF page	CAFR page		Item	Comments
			<u>Highlights</u>	
		A	Change in name of Report to ACFR	Cover
40-42	29-31	B	Includes Parking Authority	Enterprise fund
		C	Federal Single audit not completed	Compliance supplement and final regulation for the ARPA grant not issued until mid-December 2021
133	119	D	ARPA revenue recognized	\$12,415
67	58	E	Environmental liability	\$19,037
			<u>Financial Statements</u>	
		1	Reports	CAFR State Single Audit
16-18	8-10	2	Opinion on the Financial Statements	Unmodified opinion "clean opinion"
19-30	11-22	3	<u>Management's Discussion and Analysis</u>	Executive summary of fiscal year operations
25	17	a	General Fund	Significant budgetary highlights
26-27	18	b	Budgetary fund balance	Increased by \$1,616
27	19	c	Major fund - Capital projects	Negative operating results \$706 Due to timing of spending and financing
27-28	19-20	d	Capital assets	Significant additions by category (construction in progress, improvements, vehicles)
29	21	e	Long-term debt	Increased by \$2,651
		4	<u>General Fund - GAAP basis</u>	Exhibits C and D
35	26	a	Unassigned fund balance	\$36,572 (Ex C) 11.34% . Prior year 11.05% Schedule A
37	28	b	Net change in fund balance	\$696 (Ex D) Details discussed below
127-128	115-116	c	General fund combining schedules	Schedules 1 and 2 (lapsing fund fully spent)

Town of Fairfield, CT

Presentation of Financial Statements

Fiscal Year Ended June 30, 2021

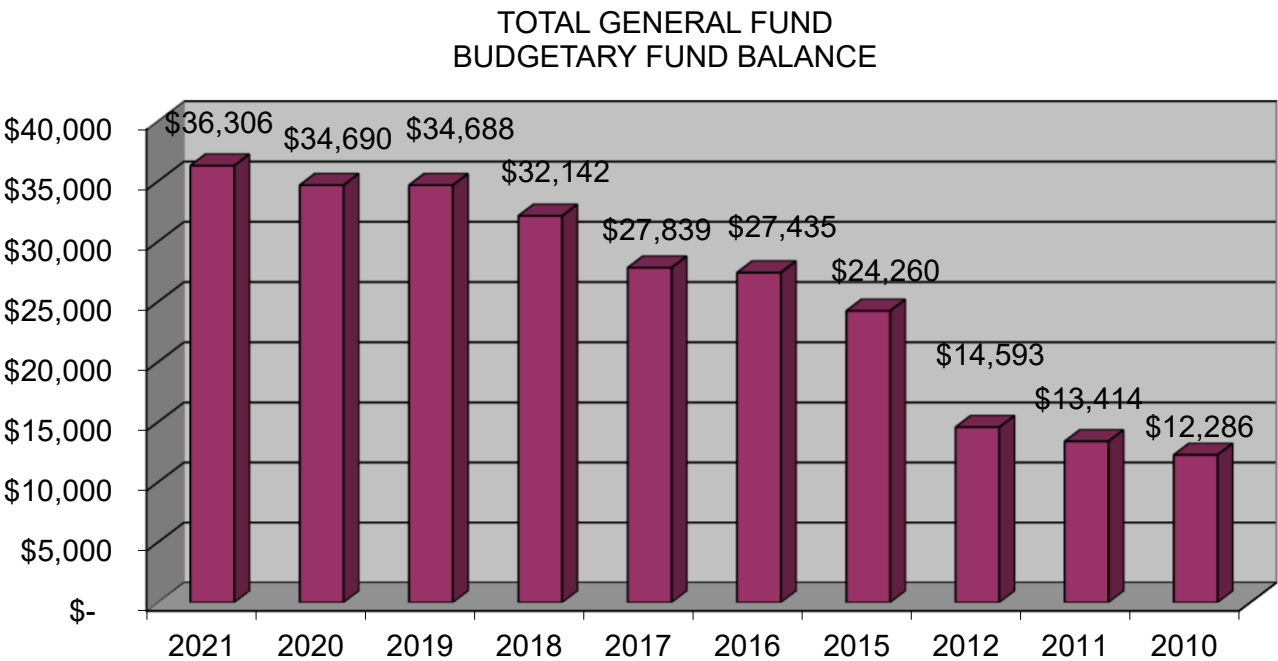
(Thousands)

PDF page	CAFR page		Item	Comments
		5	<u>General Fund - Budgetary Basis</u>	RSI-1A and RSI-1B
106	96	a	Revenues and OFS under budget by	\$107 (\$176-\$69)
			Property taxes	\$428
			Intergovernmental	\$559
			Charges for services	\$398
			Investment income	(\$1,379)
108	98	b	Expenditures – under budget by	\$1,723
			Administrative and general	\$230
			Finance	\$479
			Public works	\$195
			Public safety	\$300
128	116	c	Education nonlapsing fund	\$3,633
			<u>Parking Authority</u>	
41	32		Revenues	\$693. Prior year \$1,023.
41	32		Net decrease in net position	\$200
		6	<u>Internal Service Fund</u>	Exhibits F-H
41	32		Net increase in net position	1,565 (lower experience -pandemic)
			Other analysis	Schedule B
45-104	36-95	7	<u>Footnotes</u>	
47-48	47		Investments	Schedule C
73	64		Coronavirus contingency note	Updated disclosure
		8	<u>Pension and OPEB</u>	
110	100	a	RSI - Pension - Employee	96.36% funded. Prior year 78.44%
				Increase in net position of \$46,782
				Increase in fair value of \$58,075
				Rate of return - 29.54%
113	103	b	RSI - Pension - Police and Fire	98.36% funded Prior year 78.25%
				Increase in net position of \$46,782
				Increase in fair value of \$53,416
				Rate of return - 29.84%

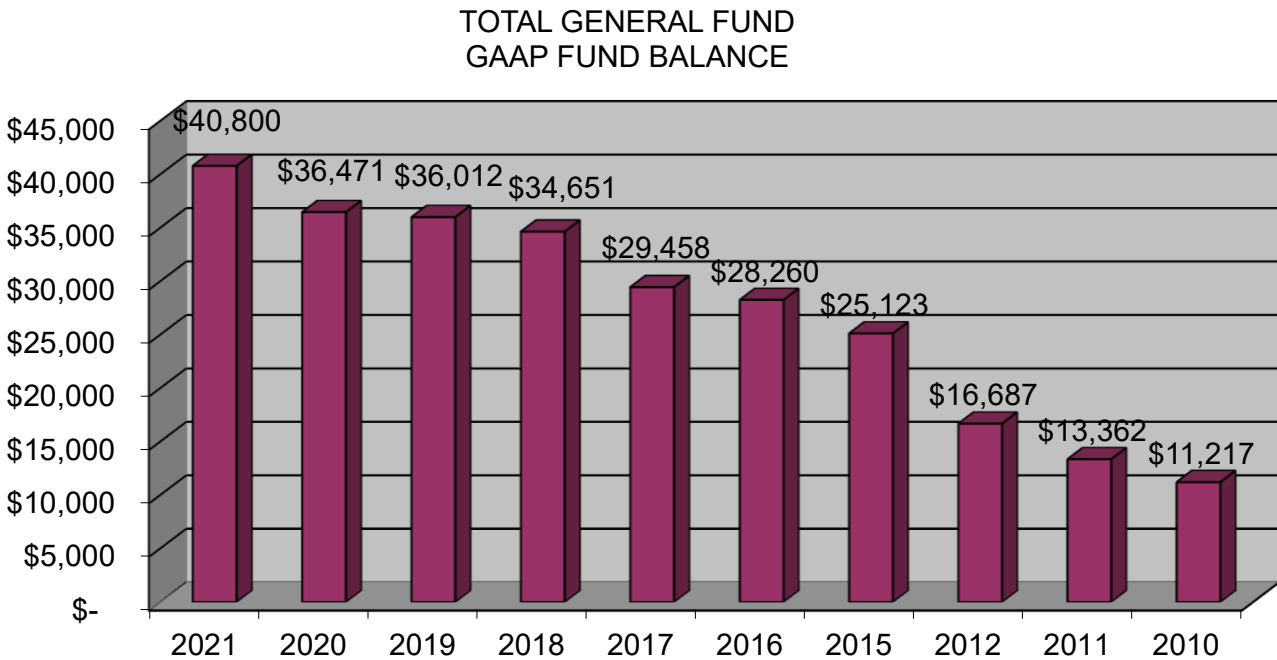
Town of Fairfield, CT
Presentation of Financial Statements
Fiscal Year Ended June 30, 2021
(Thousands)

PDF page	CAFR page	Item	Comments
118	108	c RSI - OPEB - Employee	54.97% funded Prior year 41.30% Increase in net position of \$8,942 Increase in fair value of \$8,510 Rate of return - 31.14%
119	109	d RSI - OPEB - Police and Fire	45.74% funded. Prior year 36.00% Increase in net position of \$9,292 Increase in fair value of \$8,187 Rate of return - 29.81%
114	104	d RSI - OPEB - Education	Not funded. Pay as you go. Implicit rate subsidy (teachers) Liability at year end of \$20,410. Decrease of \$1,921 Difference between expected and actual experience decrease of \$3,234.
		Additional analysis	Schedules D-F
	10	<u>State Single Audit</u>	
7	5	a Unmodified opinion on compliance	No findings and questioned costs
9	7	b State grants expended	Total expended \$11,360
11	9	c 3 programs tested	Payment in Lieu of Taxes (PILOT) on Private Colleges and Hospitals Local Capital Improvement Program (LOCIP) Town Aid Road (TAR)
	9	Communication with those charged with governance	Estimates/ Disclosures/Independence
	10	<u>New items for 2022</u>	
		New applicable GASB Statements	GASB 87 (2022) - Lease Accounting
		Federal single audit	ARPA grant

Town of Fairfield, Connecticut



Town of Fairfield, Connecticut



■ TOTAL FUND BALANCE

															Schedule B
	Town of Fairfield, Connecticut														
	Internal Service Funds (Exhibits E-H)														
		Fiscal Year Ended June 30,													
		2021		2020		Change		2019		2018		2017		2016	
	Current ratio (target over 1.00)	3.69		3.92		(0.23)		3.04		2.73		2.76		2.50	
	Total charges for services	\$ 15,459		\$ 15,166		\$ 293		\$ 15,394		\$ 15,344		\$ 15,118		\$ 45,647	
	Claims	12,400		10,130		2,270		13,563		12,892		13,932		40,723	
	Change in net position	1,565		3,573		(2,008)		491		1,212		(861)		2,274	
	Net position	5,966		4,401		1,565		828		337		(875)		(14)	

Town of Fairfield

Schedule of Investments by Type and Fund (including restricted investments)

June 30, 2021

[illegible]

Town of Fairfield, Connecticut

Employees' Retirement Plan

Fiscal Year Ended June 30,

	2021	2020	Change	2019	2018	2017
Total contributions	\$ 6,704	\$ 5,895	\$ 809	\$ 6,175	\$ 5,773	\$ 5,255
Net Investment Income	58,075	1,509	56,566	10,012	16,159	17,851
Change in fair value amount	54,606	(2,945)	57,551	9,047	15,000	16,849
Benefits	17,854	12,232	5,622	12,180	11,666	10,679
Change in net position	46,782	(4,989)	51,771	3,878	10,127	12,233
Investment rate of return	29.54%	0.60%	28.94%	5.19%	8.51%	10.08%
Net position	247,026	200,244	46,782	205,233	201,355	191,228
Benefits as % of net position	7.23%	6.11%	1.12%	5.93%	5.79%	5.58%
Funded ratio	96.36%	78.44%	17.92%	85.79%	85.20%	83.10%

Police and Fire Employees' Retirement Plan

Fiscal Year Ended June 30,

	2021	2020	Change	2019	2018	2017
Total contributions	\$ 7,103	\$ 5,676	\$ 1,427	\$ 5,453	\$ 5,006	\$ 4,096
Net Investment Income	53,416	1,638	51,778	9,937	14,938	16,471
Change in fair value amount	50,224	(2,523)	52,747	8,322	13,868	15,548
Benefits	18,852	11,686	7,166	11,718	11,062	10,349
Change in net position	41,533	(4,589)	46,122	3,560	8,757	10,043
Investment rate of return	29.84%	1.00%	28.84%	5.20%	8.51%	10.03%
Net position	225,708	184,175	41,533	188,764	185,204	176,447
Benefits as % of net position	8.35%	6.35%	2.01%	6.21%	5.97%	5.87%
Funded ratio	98.36%	78.25%	20.11%	87.16%	88.30%	86.50%

Town of Fairfield, Connecticut

Employees' OPEB Plan

Fiscal Year Ended June 30,

	2021	2020	Change	2019	2018	2017	2016
Total contributions	\$ 3,595	\$ 5,700	\$ (2,105)	\$ 4,849	\$ 4,722	\$ 4,482	\$ 4,630
Net Investment Income	8,510	1,015	7,495	773	1,126	2,034	(103)
Change in fair value amount	8,056	664	7,392	417	837	1,799	(292)
Benefits	3,143	3,984	(841)	3,071	2,852	2,722	2,951
Change in net position	8,942	3,481	5,461	2,547	2,985	3,780	1,383
Investment rate of return	31.14%	4.14%	27.00%	3.52%	4.31%	11.81%	N/A
Net position	36,496	27,554	8,942	24,073	21,526	18,541	14,761
Benefits as % of net position	8.61%	14.46%	-5.85%	12.76%	13.25%	14.68%	19.99%
Funded ratio	54.97%	41.30%	13.67%	37.99%	31.70%	28.50%	23.70%

Police and Fire OPEB Plan

Fiscal Year Ended June 30,

	2021	2020	Change	2019	2018	2017	2016
Total contributions	\$ 4,577	\$ 6,968	\$ (2,391)	\$ 5,491	\$ 5,359	\$ 5,275	\$ 5,194
Net Investment Income	8,187	983	7,204	737	1,682	1,609	(107)
Change in fair value amount	7,688	609	7,079	364	1,405	1,381	(275)
Benefits	3,456	2,984	472	2,959	2,979	3,186	3,664
Change in net position	9,292	4,962	4,330	3,265	4,054	3,684	1,231
Investment rate of return	29.81%	4.15%	25.66%	3.52%	8.92%	11.81%	N/A
Net position	38,517	29,225	9,292	24,263	20,998	16,944	13,260
Benefits as % of net position	8.97%	10.21%	-1.24%	12.20%	14.19%	18.80%	27.63%
Funded ratio	45.74%	36.00%	9.74%	31.40%	27.70%	23.40%	19.20%

Town of Fairfield, Connecticut

Comparison of Average Rate of Return to Plan Discount Rate

Year	Pension Plans		OPEB Plans	
	Employees' Rate of Return	Police and Fire Rate of Return	Employees' Rate of Return	Police and Fire Rate of Return
2021	29.54%	29.84%	31.14%	29.81%
2020	0.60%	1.00%	4.14%	4.15%
2019	5.19%	5.20%	3.52%	3.52%
2018	8.51%	8.54%	4.31%	8.92%
2017	10.08%	10.03%	11.81%	11.81%
2016	1.21%	1.19%		
2015	2.59%	2.62%		
2014	16.07%	16.05%		
Average	9.22%	9.31%	10.98%	7.28%
Discount rate	7.00%	7.00%	7.00%	7.00%
Difference	2.22%	2.31%	3.98%	0.28%

Status of 2021-2022 Capital Projects

Non-Recurring Capital - 2021-2022

		<u>Total</u>	<u>Other Source</u>	<u>NET Cost</u>	<u>Authorized</u>	<u>Issued</u>	<u>Unissued</u>	
DPW	Independence Hall Office Renovations	\$500,000		\$500,000	\$500,000			In-Progress
DPW	Town-wide Facility Audit/Plan	\$400,000		\$400,000	\$400,000			Completed
DPW	Police Department - New HVAC	\$500,000		\$500,000	\$500,000			In-Progress
DPW	Flood Control Study (W. Jenn Bch to Rickards Dune)	\$100,000		\$100,000	\$100,000			Winter 2022
Engineering	Town-wide Guard Rail and Fencing	\$200,000		\$200,000	\$200,000			In-Progress
Engineering	Black Rock Tpke Design	\$250,000		\$250,000	\$250,000			Awaiting DOT - LOTCIP
Engineering	Road Safety Improvements	\$250,000		\$250,000	\$250,000			In-Progress
Engineering	Congress St. Bridge Design (Add'l for new bridge)	\$150,000		\$150,000	\$150,000			Awaiting DOT - LOTCIP
Engineering	Culvert Repair - Reef Road	\$100,000		\$100,000	\$100,000			Phase 1 In-progress
Fire	Pumper - LSN 11	\$725,000		\$725,000	\$725,000			In-Progress - Ordered
Fire	Fire Station Rehabilitation	\$250,000		\$250,000	\$250,000			In-Progress
Park & Rec	Pine Creek Park Playground	\$103,000	(\$103,000)	\$0	\$103,000			Playground Installed (ARPA)
Park & Rec	Lake Mohegan Splash Pad Replacement	\$150,000	(\$150,000)	\$0	\$150,000			Expected Fall '22 (ARPA)
BOE	Rebalance of Mech Systems	\$625,000	\$0	\$625,000	\$625,000			In-Progress
Non-Recurring Capital 2021-2022*		\$4,303,000	(\$253,000)	\$4,050,000	\$4,303,000	\$0	\$4,050,000	

Capital - 2021-2022

		<u>Total</u>	<u>Other Source</u>	<u>NET Cost</u>	<u>Authorized</u>	<u>Issued</u>	<u>Unissued</u>	<u>Status</u>
Town	Environmental Testing - Fill Pile (Selected Sites)	\$3,300,000	(\$1,900,000)	\$1,400,000	\$1,484,000	\$1,400,000	\$84,000	1/18 Update
Police	Radio System	\$7,542,000	(\$3,000,000)	\$4,542,000	\$0	\$0	\$4,542,000	Grant App Submitted
Conservation	Railroad Bridge Tidegates	\$1,718,585	\$0	\$1,718,585	\$0	\$0	\$1,718,585	Design in Progress
Engineering	Oldfield Road Bridge	\$1,030,000	(\$515,000)	\$515,000	\$0	\$0	\$515,000	Needs Inspection
Engineering	Duck Farm Bridge Construction	\$3,929,450	(\$3,143,560)	\$785,890	\$745,960	\$0	\$745,960	Out to bid
Engineering	Perry's Green Bulkhead	\$1,000,000	(\$1,000,000)	\$0	\$0	\$0	\$0	Approved (ARPA)
DPW	Capital Equipment (Trucks)	\$3,920,000	\$0	\$3,920,000	\$3,920,000	\$1,400,000	\$2,520,000	In-Progress
BOE	FLHS Building Automation (\$853k in BANS) **	\$1,750,000	\$0	\$1,750,000	\$1,750,000	\$0	\$1,750,000	In-Progress
BOE	School Roof Replace & Bath Reno	\$3,653,150	\$0	\$3,653,150	\$3,653,150	\$1,001,000	\$2,652,150	In-Progress
Total Capital 2021-2022		\$27,843,185	(\$9,558,560)	\$18,284,625	\$11,553,110	\$3,801,000	\$14,527,695	

NEW Authorizations - Not in 2021-2022 Capital Plan

		<u>Total</u>	<u>Other Source</u>	<u>NET Cost</u>	<u>Authorization</u>	<u>2021 Issued</u>	<u>Unissued</u>	<u>Status</u>
Town	Gould Manor (Two Authorizations)	\$1,395,000	\$0	\$1,395,000	\$1,395,000	\$0	\$1,395,000	In-Progress
Town	Giant Steps	\$5,100,000	\$0	\$5,100,000	\$5,100,000	\$5,100,000	\$0	Near Completion
DPW	Paving	\$1,000,000	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$0	Completed
CED	Quincy St - Affordable Housing (\$1.5MM BANS)***	\$2,000,000	(\$2,000,000)	\$0	\$0	\$0	\$0	In-Progress
WPCA	Contamination Removal (Not Fill Pile Related)	\$202,000	\$0	\$202,000	\$202,000	\$202,000	\$0	In-Progress
BOE	Sherman/McKinley - Roofs (Accelerated)	\$2,991,607	\$0	\$2,991,607	\$2,991,607	\$0	\$2,991,607	In-Progress
Total - Not Planned		\$12,688,607	(\$2,000,000)	\$10,688,607	\$10,688,607	\$6,302,000	\$4,386,607	

* \$2,275,000 has been issued as BANS that will be converted to bonds in the future.

** \$853,000 has been issued as BANS that will be converted to bonds in the future.

*** The BANS will ultimately be paid off using proceeds from the sale of the homes as homeownership units.

2022-2023 Capital Plan

Non-Recurring Capital - 2022-2023

Conservation	Pine Creek - McCleary Tidegate Repair
Conservation	Riverside Creek Tidegate Repair
DPW	Sidewalk Repair
DPW/Sr Ctr	Deck/patio behind Senior Center
Engineering	Underwater Bridge Inspection and Repairs
Engineering	Increase Resiliency AC Open Space-Jennings Beach - Design
Fire	Fire Station Rehabilitation
Fire	Self Contained Breathing Apparatus (SCBA)
Parks Dept	Lake Mohegan - Restoration from Storm Ida Damage
Park & Rec	Tennis Center Light Replacement
Park & Rec	Post-Tension Tennis Courts - Dwight
Park & Rec	Jacky Durrell Pavilion Upgrades
TPZ	Camden Street Properties - Demo/Acquisition/Open Space
BOE	Burr Elementary - Boiler/Burner Replacement
BOE	Fairfield-Ludlowe - Elevator Modernization
Total Non-Recurring Capital - 2022-2023	

<u>Total</u>	<u>Other Source</u>	<u>NET Cost</u>	<u>Authorized</u>	<u>Issued</u>	<u>Unissued</u>
\$500,000		\$500,000	\$0	\$0	\$500,000
\$453,200		\$453,200	\$0	\$0	\$453,200
\$500,000	(\$500,000)	\$0	\$0	\$0	\$0
\$100,000	(\$100,000)	\$0	\$0	\$0	\$0
\$150,000		\$150,000	\$0	\$0	\$150,000
\$250,000		\$250,000	\$0	\$0	\$250,000
\$250,000	(\$250,000)	\$0	\$0	\$0	\$0
\$358,445	(\$241,818)	\$116,626	\$0	\$0	\$116,626
\$500,000	(\$375,000)	\$125,000	\$0	\$0	\$125,000
\$100,000		\$100,000	\$0	\$0	\$100,000
\$550,000		\$550,000	\$0	\$0	\$550,000
\$103,000		\$103,000	\$0	\$0	\$103,000
\$642,620	(\$602,620)	\$40,000	\$0	\$0	\$0
\$996,370	\$0	\$996,370	\$0	\$0	\$996,370
\$265,329	\$0	\$265,329	\$0	\$0	\$265,329
\$5,718,964	(\$2,069,438)	\$3,649,525	\$0	\$0	\$3,609,525

Capital - 2022-2023

Conservation	Railroad Bridge Tide Gates
DPW	Capital Equipment
DPW	Town-wide Facility Upgrades (Life-Safety Issues)
DPW	Roadway Capital Improvement Plan
Economic Development	Downtown Resil. - Perm. Surfacing (Ttl Project: \$1.42M)
Engineering	Perry's Green Bulkhead (Ttl Project: \$1M)
Engineering	Commerce Drive Bridge Construction
Engineering	Black Rock Turnpike Improve. Construct.
Engineering	Kings Highway Phase III Construction
Engineering	Rooster River Detention Constr. (Ttl Project: \$3.25M)
IT	Town & BOE Fiber Optic Network (Ttl Project: \$2.4M)
Park & Rec	Roger Ludlowe Middle School Turf
Town	Fill Pile - Remediation
Town	Penfield Construction (Ttl Project: \$10M)
Town/Public Safety	Traffic Lights (Ttl Project: \$1M)
BOE	AC Projects (N Stratfield, Osborne Hill, Ffld Woods)
Total Capital - 2022-2023	

<u>Total</u>	<u>Other Source</u>	<u>NET Cost</u>	<u>Authorized</u>	<u>Issued</u>	<u>Unissued</u>
\$2,000,000	\$0	\$2,000,000	\$0	\$0	\$2,000,000
\$1,190,000	\$0	\$1,190,000	\$0	\$0	\$1,190,000
\$1,794,325	\$0	\$1,794,325	\$0	\$0	\$1,794,325
\$4,030,000	(\$2,250,000)	\$1,780,000	\$0	\$0	\$1,780,000
\$1,170,000	(\$1,170,000)	\$0	\$0	\$0	\$0
\$900,000	(\$900,000)	\$0	\$0	\$0	\$0
\$3,700,000	(\$3,700,000)	\$0	\$0	\$0	\$0
\$2,000,000	(\$2,000,000)	\$0	\$0	\$0	\$0
\$2,060,000	(\$2,060,000)	\$0	\$0	\$0	\$0
\$2,850,000	(\$2,850,000)	\$0	\$0	\$0	\$0
\$1,400,000	(\$1,400,000)	\$0	\$0	\$0	\$0
\$4,120,000	\$0	\$4,120,000	\$0	\$0	\$4,120,000
\$12,500,000	(\$6,400,000)	\$6,100,000	\$0	\$0	\$6,100,000
\$4,000,000	\$0	\$4,000,000	\$0	\$0	\$4,000,000
\$750,000	(\$750,000)	\$0	\$0	\$0	\$0
\$2,270,145	(\$1,116,320)	\$1,153,825	\$0	\$0	\$1,153,825
\$46,734,470	(\$24,596,320)	\$22,138,150	\$0	\$0	\$22,138,150

Town of Fairfield, CT



Pavement Management Program

Summary of Findings

December 7, 2021



BETA Group Inc.

Pavement Management Experience

Anthony J. Garro
Senior Vice President



- More than 30 years of experience in the planning, engineering and public works industries.
- Founder of BETA's GIS & Asset Management Division.
- Responsibilities span from pavement management, infrastructure mapping, compliance/risk assessments, capital improvement planning and consensus building.
- BETA is a multi-disciplinary engineering firm that provides transportation and environmental services across NE.
- GIS & Asset Management Division was established over 15 years ago and has grown to a team of Professional Engineers, Asset Management Specialists and GIS Analysts (GISPs).
- **Municipal Pavement Management** is a core discipline at BETA. We currently service more than 150 cities and towns throughout New England including 35 in CT.

Benefits of Pavement Management

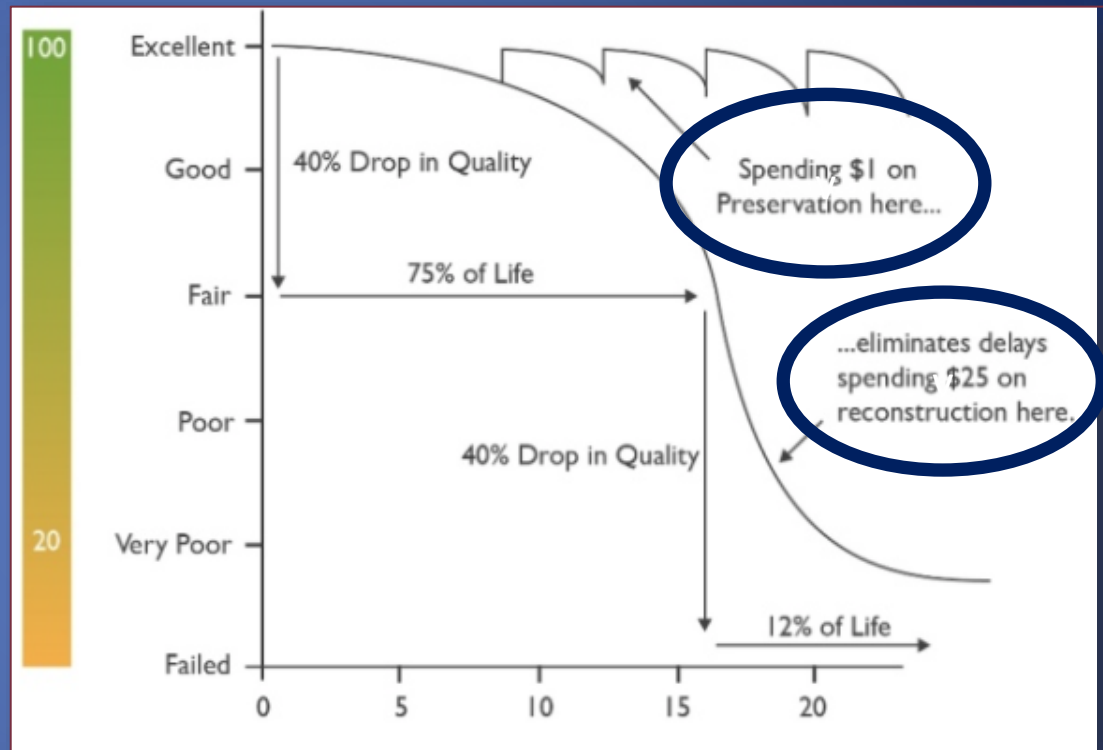


- Protects a community's investment by maximizing the life span of the roadway network
- Provides the ability to plan-ahead and predict budgetary needs (minimize costs while maximizing value)
- Apply the appropriate treatment at the correct location and time
- *Provides foundation for decision making*

Proactive vs. Reactive

Program Goals & Objectives

- ✓ Conduct Pavement Condition Assessment
- ✓ Understand Roadway Conditions & Needs
- ✓ Evaluate Repair Strategies & Benefits
- ✓ Establish Estimated Cost of Improvements
- ✓ Planning & Prioritization Tool



GIS Centric Approach

Five-Step Project Approach

1. System Configuration & GIS Mapping

2. Pavement Inspection Program

3. Existing Conditions Analysis

4. Planning & Prioritization of Improvements

5. Data Maintenance & Annual Updates



System Configuration & Mapping

Roadway Profile

Roadway Type	Miles
Town Accepted	Asphalt: 244.48
	Chip Seal: 27.12
	Gravel: 0.26
Private	Asphalt: 17.13
State	Asphalt: 52.37
Total	341.37

Paved
Roadways
Inspected
By BETA
(272 miles)

Pavement Inspection Program

Automated Approach

- Machine-Learning (AI)
- Non-biased/Consistent Evaluation/Repeatable
- Extracts information every 10' for processing
- Ability to isolate pavement issues and scores



Pavement Inspection Program

Automated Approach

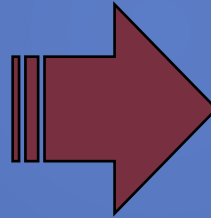
No or minor surface distress

Minor surface damage,
no critical issues

Appearance of pervasive
distresses

Significant damage or
emerging critical failures

Major surface damage
and/or critical fatigue issues



Calculate RSR
Road Surface
Rating
(0-100 Scale)

Pavement Inspection Program

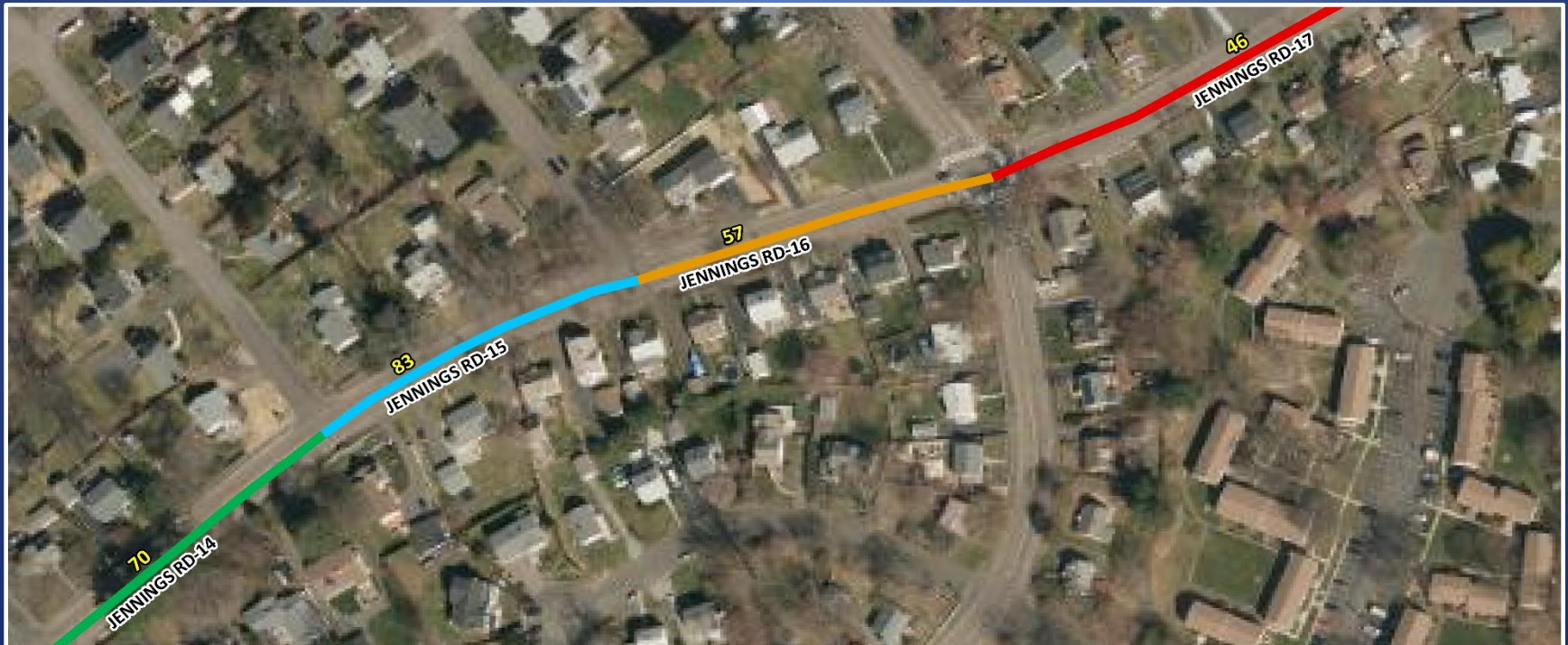
Repair Bands & Conditions

Repair Band	RSR Range	Repair Band Description
Defer Maintenance (Good)	94 - 100	Excellent Condition – Pavement needs no immediate repairs or maintenance.
Routine Maintenance (Good)	80-94	Good Condition – Pavement may need crack sealing/fog sealing or minor localized repairs.
Preventative Maintenance (Fair)	70-80	Fair Condition – Pavement surface needs a surface seal or thin overlay
Minor Rehabilitation (Fair)	55-70	Poor Condition – Pavement surface structure needs added strength for existing traffic. Typically, an overlay or mill & overlay for these roads.
Major Rehabilitation (Poor)	0-55	Deficient Condition – Typically, the base layers of the pavement need to be rebuilt. The implementation of a reclamation or full depth reconstruction is needed.

Pavement Inspection Program

Segment Based Inspections

Name	From	To	Width	Length (Feet)	Square Yards	RSR	Repair	Repair Cost*
JENNINGS RD-14	JENIFORD RD	BROOKDALE RD	30	340.58	1,135.28	70.54	Preventative Maintenance	\$9,082.21
JENNINGS RD-15	BROOKDALE RD	MILANDALE RD	30	341.64	1,138.80	83.32	Routine Maintenance	\$683.28
JENNINGS RD-16	MILANDALE RD	HIGH ST	30	355.47	1,184.89	57.58	Minor Rehabilitation	\$21,328.04
JENNINGS RD-17	HIGH ST	CRIMSON LN	30	394.82	1,316.06	46.03	Major Rehabilitation	\$52,642.40
JENNINGS RD-18	CRIMSON LN	SCHOOL ST	30	192.57	641.92	55.16	Minor Rehabilitation	\$11,554.50



Jennings Road – Fairfield, CT

RSR– Representative Examples

(Good)



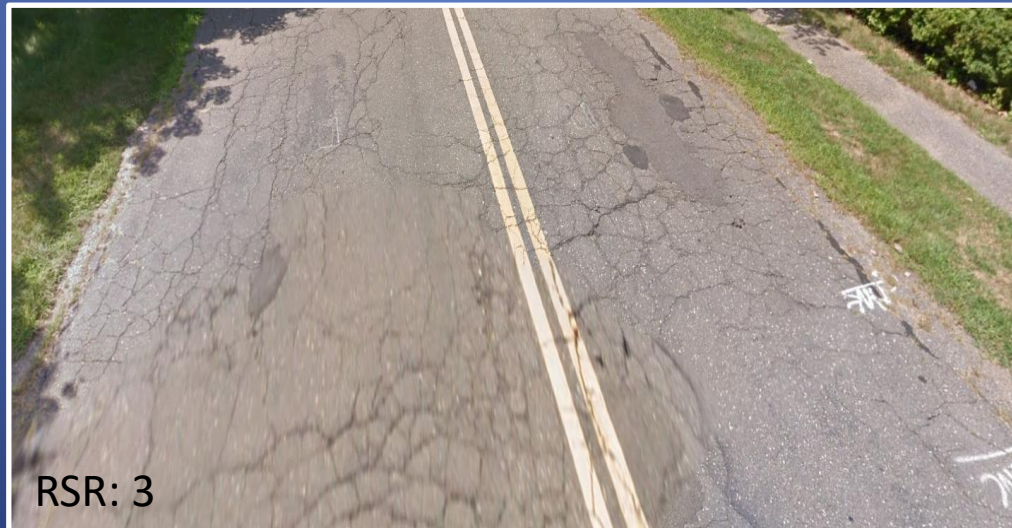
RSR– Representative Examples

(Fair)



RSR– Representative Examples

(Poor)



Existing Conditions Analysis

Estimated Cost of Improvements

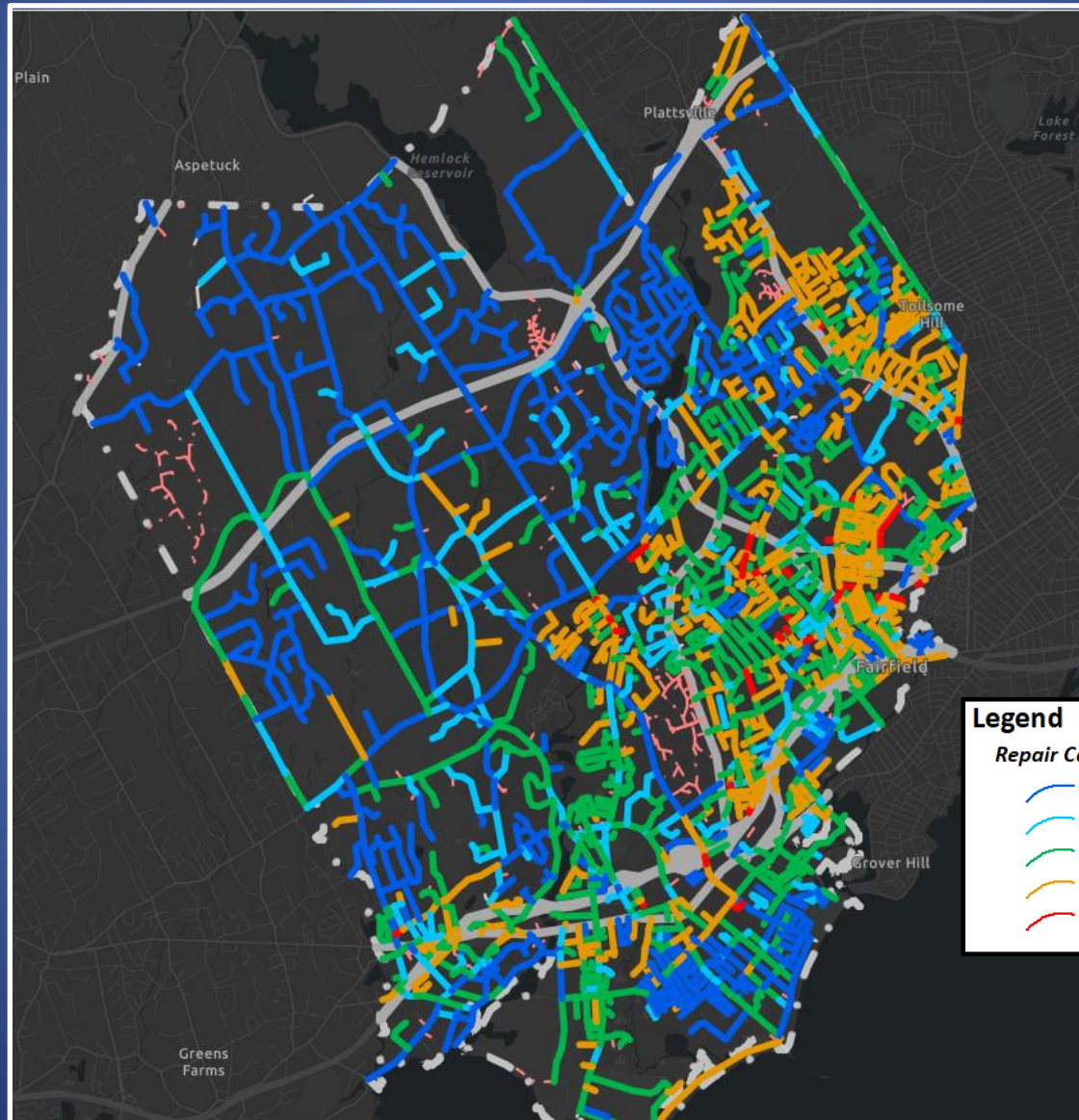
<i>Repair Method</i>	<i>Ave. Unit Cost per SY (Current)</i>	<i>Length (Miles)</i>	<i>Square Yards</i>	<i>Percent Repair</i>	<i>Estimated Cost</i>
Major Rehabilitation	\$40.00	2.83	49,705.51	1.04%	\$2,385,864.72
Minor Rehabilitation	\$18.00	57.22	953,089.87	21.06%	\$20,586,741.14
Preventative Maintenance	\$8.00	79.16	1,321,677.82	29.14%	\$12,688,107.11
Routine Maintenance	\$0.60	34.20	555,965.07	12.59%	\$400,294.85
Defer Maintenance	\$0.00	98.26	1,568,666.45	36.17%	\$0.00
Total		271.68	4,449,104.73	100%	*\$36,061,007.81

Network Rating = 82.35

*Based on curb-to-curb improvements only, does not include sidewalk, curb ramp or utility improvements. Estimated costs as shown are for planning purposes only and do not reflect fluctuations in liquid asphalt or other pavement mix components

Existing Conditions Analysis

Pavement Condition - GIS Map

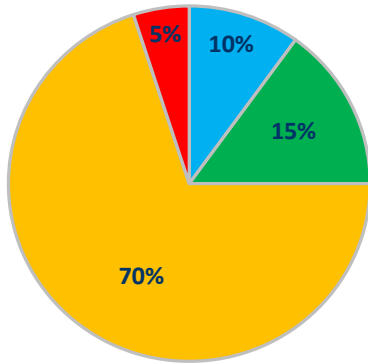


Planning & Prioritization

Roadway Forecast Model Fairfield, CT

ManageMyRoads by BETA

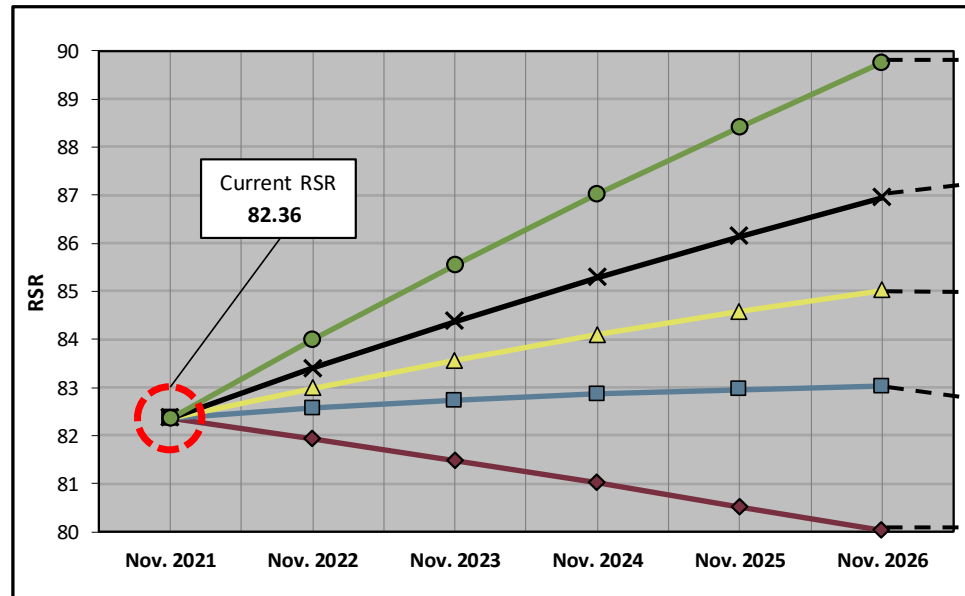
Funding Distribution by
Repair Type



- Routine Maintenance
- Preventative Maintenance
- Mill and Pave
- Major Rehabilitation

Model Scenario A: 2021-2026

Road Miles = 271.68
Approx. Sq. Yards = 4,449,105
Baseline RSR = 82.36



Funding Scenarios

Scenario 1*	\$2,000,000
Scenario 2	\$4,250,000
Scenario 3	\$5,750,000
Scenario 4	\$7,200,000
Scenario 5	\$9,300,000

Estimated
Amount
Per Year*

\$9.3M

\$7.2M

\$5.75M

\$4.25M

\$2.0M

*Please Note: Unit pricing accounts for curb-to-curb improvements only; does not include any drainage, sidewalk, ADA, gravel sub-base or utility improvements.

Planning & Prioritization *Considerations*



Roadway Condition (Good, Fair, Poor)

Roadway Functional Classification

Repair Costs

Life Improvements

Drainage

Sub-Surface Utilities (Water, Sewer, Gas)

Sidewalks & Curb Ramps

Planning & Prioritization

Proposed CIP 2022-26

Fairfield, CT

DRAFT

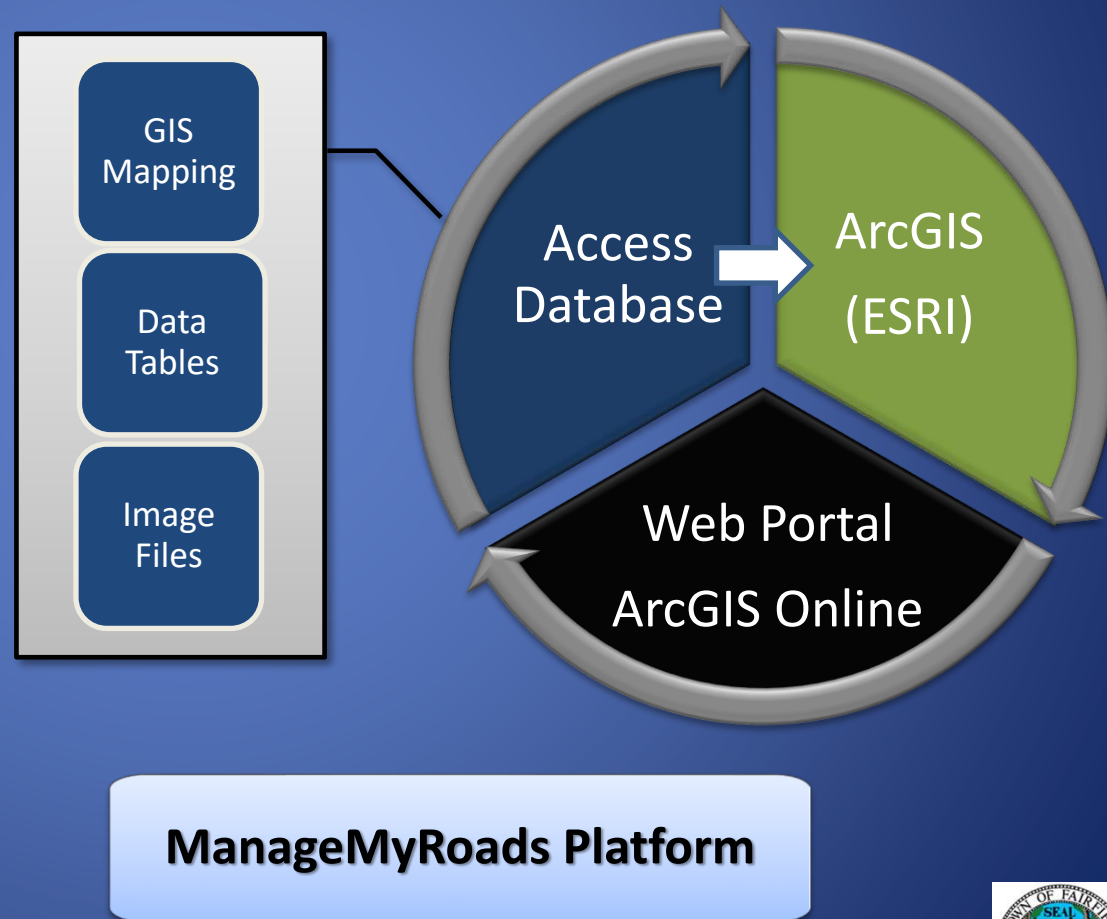
Proposed 2022-2026 Roadway Capital Improvement Plan Summary

*Costs Serve For Estimating Purposes Only. Not to be used for Bidding/Construction.

Preliminary DRAFT - 11/15/2021	Length (Miles)	Square Yards	Repair	Police	Contingency	Supplemental	Total
2022							
Crack Seal	0.00	0.00	\$0.00	\$0.00	\$0.00	\$100,000.00	\$100,000.00
Chip Seal	1.84	25,235.62	\$63,089.06	\$0.00	\$12,617.81	\$0.00	\$75,706.87
Mill and Overlay (2"/2")	9.82	175,151.90	\$2,802,430.47	\$0.00	\$560,486.09	\$0.00	\$3,362,916.57
Reclamation	0.54	10,244.14	\$409,765.45	\$0.00	\$81,953.09	\$0.00	\$491,718.55
Year Total:	12.19	210,631.66	\$3,275,284.98	\$0.00	\$655,057.00	\$100,000.00	\$4,030,341.98
2023							
Crack Seal	0.00	0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00
Chip Seal	2.09	26,754.66	\$66,886.65	\$0.00	\$13,377.33	\$0.00	\$80,263.98
Mill and Overlay (2"/2")	10.92	183,458.30	\$2,935,332.88	\$0.00	\$587,066.58	\$0.00	\$3,522,399.45
Reclamation	0.12	1,760.80	\$70,431.92	\$0.00	\$14,086.38	\$0.00	\$84,518.30
Year Total:	13.13	211,973.76	\$3,072,651.44	\$0.00	\$614,530.29	\$50,000.00	\$3,737,181.73
2024							
Crack Seal	0.00	0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00
Mill and Overlay (2"/2")	10.85	183,858.20	\$2,941,731.20	\$0.00	\$588,346.24	\$0.00	\$3,530,077.44
Year Total:	10.85	183,858.20	\$2,941,731.20	\$0.00	\$588,346.24	\$50,000.00	\$3,580,077.44
2025							
Crack Seal	0.00	0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00
Mill and Overlay (2"/2")	10.01	164,341.44	\$2,629,463.10	\$0.00	\$525,892.62	\$0.00	\$3,155,355.72
Reclamation	0.04	457.87	\$18,315.00	\$0.00	\$3,663.00	\$0.00	\$21,978.00
Year Total:	10.05	164,799.32	\$2,647,778.10	\$0.00	\$529,555.62	\$50,000.00	\$3,227,333.72
2026							
Crack Seal	0.00	0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00
Mill and Overlay (2"/2")	9.15	156,614.74	\$2,505,835.82	\$0.00	\$501,167.16	\$0.00	\$3,007,002.99
Year Total:	9.15	156,614.74	\$2,505,835.82	\$0.00	\$501,167.16	\$50,000.00	\$3,057,002.99
CIP Total:	55.37	927,877.68	\$14,443,281.54	\$0.00	\$2,888,656.31	\$300,000.00	\$17,631,937.85

Data Maintenance & Annual Updates

- Training Program
- Update data as improvements are completed
- Monitor and update actual costs
- Re-assess roadways every 3 years
- **System Support**



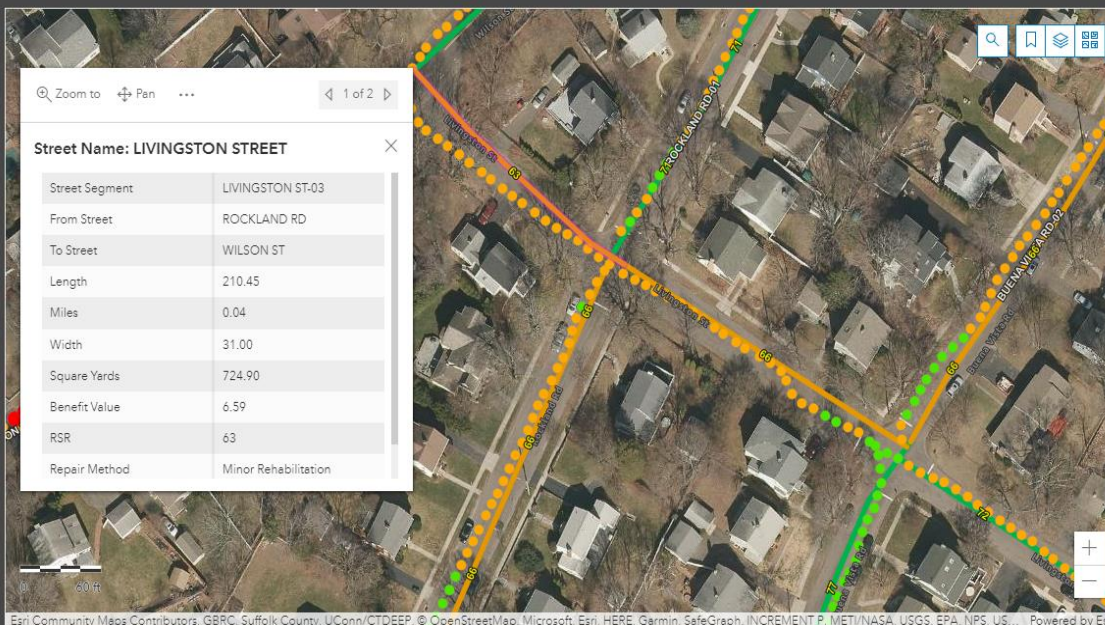
Data Maintenance & Annual Updates

Est. Backlog
\$30.47M

Road Miles
271.68

Total Square Yards
4.45M

Repair Category (Miles)

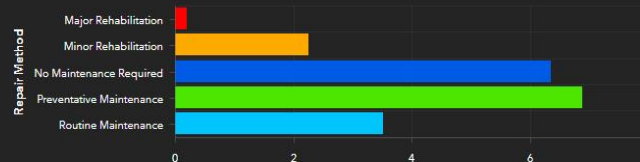


Roadway Segments Ranked by CBV (Major Rehabilitation)

MILL PLAIN RD-11
MILL PLAIN RD-05
MILL PLAIN RD-02
ROUND HILL RD-03
KNAPPS HWY-02
JENNINGS RD-17
KNAPPS HWY-03

Major Minor Prevent Routine

Backlog Summary by Functional Class (Arterials)



Arterials Collectors Locals

Road Network Rating

82.35

Last Updated: 10/26/2021

Map Legend:

Roadway Points - Poor Condition

Condition
● Poor

Roadway Points

Condition
● Good
● Fair
● Poor

Repair Category

Repair Method

— Major Rehabilitation
— Minor Rehabilitation
— No Maintenance Required
— Preventative Maintenance
— Routine Maintenance

Web Links:

· Pavement Portal
· Pavement Analytics Browser
· Pavement Resource Center
· BETA Group, Inc.

This platform is intended for planning purposes only.

Concluding Remarks

1. Comprehensive Inventory has been created for Town Accepted roads, their condition, & the most effective way to prioritize maintenance and repairs.
2. Designed to better manage limited dollars allocated to road work in Town
3. Capable of assessing the different types of repair strategies necessary to maximize the lifecycle of the roads

Town of Fairfield, CT



Pavement Management Program

Thank You



PROPOSED 2022-2026 ROADWAY CAPITAL IMPROVEMENT PLAN SUMMARY

The Town recently contracted with a firm to develop a plan and schedule for the repaving and maintenance of Town roads. The plan would require additional investments over the next five years.

YEAR	TOTAL	OTHER SOURCES*	NET (BONDING)
2023	\$4,030,342	\$2,250,000	\$1,237,182
2024	\$3,737,182	\$2,250,000	\$3,737,182
2025	\$3,580,077	\$1,000,000	\$3,580,077
2026	\$3,227,334	\$1,000,000	\$3,227,334
2027	\$3,057,003	\$1,000,000	\$3,057,003
CIP TOTALS	\$17,631,938	\$7,500,000	\$10,131,938

Starting in 2028, the plan calls for \$2 million each year for annual road repairs.

**"Other Sources" includes \$1.25 million of ARPA in each of the first two years, as well as \$1 million of operating each year.*

Proposed 2022-2026 Roadway Capital Improvement Plan Summary

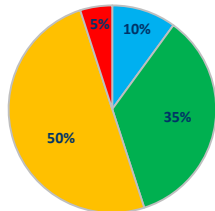
*Costs Serve For Estimating Purposes Only. Not to be used for Bidding/Construction.

Preliminary DRAFT - 11/15/2021	Length (Miles)	Square Yards	Repair	Police	Contingency	Supplemental	Total
2022							
Crack Seal	0.00	0.00	\$0.00	\$0.00	\$0.00	\$100,000.00	\$100,000.00
Chip Seal	1.84	25,235.62	\$63,089.06	\$0.00	\$12,617.81	\$0.00	\$75,706.87
Mill and Overlay (2"/2")	9.82	175,151.90	\$2,802,430.47	\$0.00	\$560,486.09	\$0.00	\$3,362,916.57
Reclamation	0.54	10,244.14	\$409,765.45	\$0.00	\$81,953.09	\$0.00	\$491,718.55
Year Total:	12.19	210,631.66	\$3,275,284.98	\$0.00	\$655,057.00	\$100,000.00	\$4,030,341.98
2023							
Crack Seal	0.00	0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00
Chip Seal	2.09	26,754.66	\$66,886.65	\$0.00	\$13,377.33	\$0.00	\$80,263.98
Mill and Overlay (2"/2")	10.92	183,458.30	\$2,935,332.88	\$0.00	\$587,066.58	\$0.00	\$3,522,399.45
Reclamation	0.12	1,760.80	\$70,431.92	\$0.00	\$14,086.38	\$0.00	\$84,518.30
Year Total:	13.13	211,973.76	\$3,072,651.44	\$0.00	\$614,530.29	\$50,000.00	\$3,737,181.73
2024							
Crack Seal	0.00	0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00
Mill and Overlay (2"/2")	10.85	183,858.20	\$2,941,731.20	\$0.00	\$588,346.24	\$0.00	\$3,530,077.44
Year Total:	10.85	183,858.20	\$2,941,731.20	\$0.00	\$588,346.24	\$50,000.00	\$3,580,077.44
2025							
Crack Seal	0.00	0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00
Mill and Overlay (2"/2")	10.01	164,341.44	\$2,629,463.10	\$0.00	\$525,892.62	\$0.00	\$3,155,355.72
Reclamation	0.04	457.87	\$18,315.00	\$0.00	\$3,663.00	\$0.00	\$21,978.00
Year Total:	10.05	164,799.32	\$2,647,778.10	\$0.00	\$529,555.62	\$50,000.00	\$3,227,333.72
2026							
Crack Seal	0.00	0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00
Mill and Overlay (2"/2")	9.15	156,614.74	\$2,505,835.82	\$0.00	\$501,167.16	\$0.00	\$3,007,002.99
Year Total:	9.15	156,614.74	\$2,505,835.82	\$0.00	\$501,167.16	\$50,000.00	\$3,057,002.99
CIP Total:	55.37	927,877.68	\$14,443,281.54	\$0.00	\$2,888,656.31	\$300,000.00	\$17,631,937.85

Roadway Forecast Model Fairfield, CT

ManageMyRoads by BETA

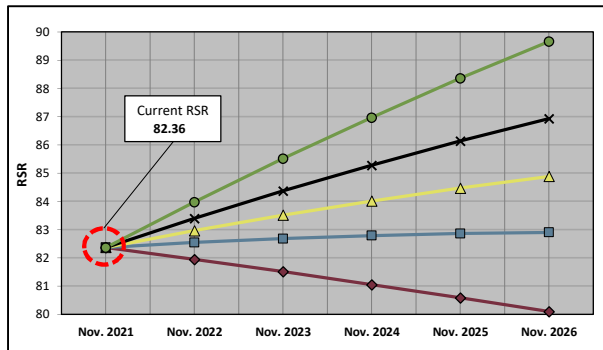
**Funding Distribution by
Repair Type**



- Routine Maintenance
- Preventative Maintenance
- Mill and Pave
- Major Rehabilitation

Model Scenario (50% Mill and Pave)

Road Miles = 271.68
Approx. Sq. Yards = 4,449,105
Baseline RSR = 82.36



Funding Scenarios

Scenario 1*	\$2,000,000
Scenario 2	\$4,050,000
Scenario 3	\$5,500,000
Scenario 4	\$7,000,000
Scenario 5	\$9,000,000

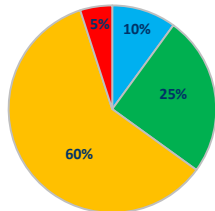
**Please Note: Unit pricing accounts for curb to curb improvements only; does not include drainage, sidewalk, ADA, gravel sub-base or utility improvements.*

***Model Accounts for 3% Annual Inflation*

Roadway Forecast Model Fairfield, CT

ManageMyRoads by BETA

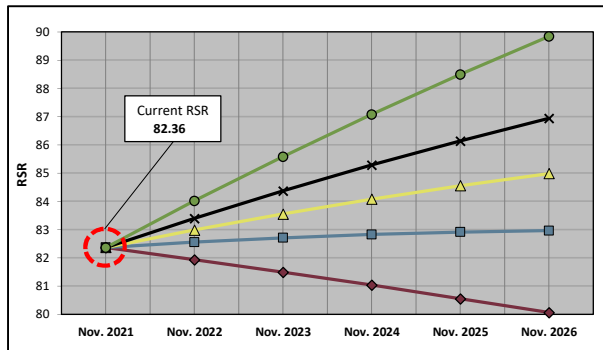
**Funding Distribution by
Repair Type**



- Routine Maintenance
- Preventative Maintenance
- Mill and Pave
- Major Rehabilitation

Model Scenario (60% Mill and Pave)

Road Miles = 271.68
Approx. Sq. Yards = 4,449,105
Baseline RSR = 82.36



Funding Scenarios

Scenario 1*	\$2,000,000
Scenario 2	\$4,150,000
Scenario 3	\$5,650,000
Scenario 4	\$7,100,000
Scenario 5	\$9,250,000

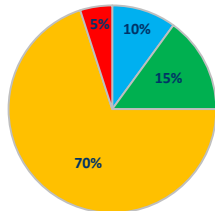
**Please Note: Unit pricing accounts for curb to curb improvements only; does not include drainage, sidewalk, ADA, gravel sub-base or utility improvements.*

***Model Accounts for 3% Annual Inflation*

Roadway Forecast Model Fairfield, CT

ManageMyRoads by BETA

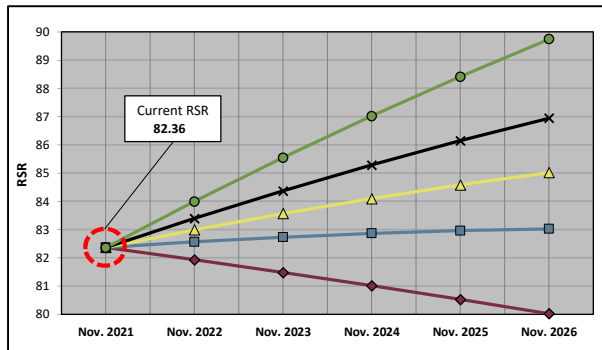
**Funding Distribution by
Repair Type**



- Routine Maintenance
- Preventative Maintenance
- Mill and Pave
- Major Rehabilitation

Model Scenario (70% Mill and Pave)

Road Miles = 271.68
Approx. Sq. Yards = 4,449,105
Baseline RSR = 82.36



Funding Scenarios

Scenario 1*	\$2,000,000
Scenario 2	\$4,250,000
Scenario 3	\$5,750,000
Scenario 4	\$7,200,000
Scenario 5	\$9,300,000

**Please Note: Unit pricing accounts for curb to curb improvements only; does not include drainage, sidewalk, ADA, gravel sub-base or utility improvements.*

***Model Accounts for 3% Annual Inflation*

TOWN OF FAIRFIELD
PAVING HISTORY

		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022	FY12 - 21 10 -Year <u>Average Annual</u>
	<u>BUDGET</u>												
57002	Capital-Asphalt Paving *	\$ 1,500,000	\$ 2,500,000	\$ 2,750,000	\$ 2,750,000	\$ 3,138,279	\$ 3,348,279	\$ 2,000,000	\$ 1,500,000	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000	
57002	Transfers In	\$ -	\$ -	\$ -	\$ -	\$ 5,696	\$ -	\$ -	\$ 1,128,813	\$ -	\$ -	\$ 300,000	
	Total Revised Budget	\$ 1,500,000	\$ 2,500,000	\$ 2,750,000	\$ 2,750,000	\$ 3,143,975	\$ 3,348,279	\$ 2,000,000	\$ 2,628,813	\$ 2,000,000	\$ 1,000,000	\$ 1,300,000	\$ 2,362,107

* Approved Budget

BONDS

No bonding for paving until FY22 which was a 15-year Bond for \$1,000,000.

<https://www.youtube.com/watch?v=yBoGKW-f3kA>

**Board of Finance Special Organizational
Meeting Tuesday, December 7, 2021
7:00 pm
Via Webex**

A Special Organizational Meeting of the Board of Finance was held via Webex on Tuesday, December 7, 2021 at 7:00 pm in Fairfield, Connecticut.

DRAFT MINUTES

MEMBERS PRESENT: Lori Charlton, John Mitola, Sheila Marmion, Mary LeClerc, Christopher DeWitt, Craig Curley, Jack Testani, Jim Walsh, Kevin Starke

OTHERS PRESENT: First Selectwoman Brenda Kupchick, CAO Tom Bremer, CFO Jared Schmitt, Attorney John Stafstrom, Parks and Recreational Director Anthony Calabrese, FairTV, members of the public

1. Call to Order

First Selectwoman Brenda Kupchick called the meeting to order at 7:00 pm.

2. Pledge of Allegiance

First Selectwoman Kupchick led the Pledge of Allegiance.

3. To hear, consider and approve 2022 Officers

John Mitola made a motion to nominate Lori Charlton to serve as BOF Chair for 2022. Jim Walsh seconded the motion which carried unanimously.

Craig Curley made a motion to nominate John Mitola to serve as BOF Vice-Chair for 2022. Chris DeWitt seconded the motion which carried unanimously.

Kevin Starke made a motion to nominate Sheila Marmion to serve as BOF Secretary for 2022. Jim Walsh seconded the motion which carried unanimously.

Chair Lori Charlton thanked the Board for nominating her and welcomed the new members. She also thanked the former members for their work on the BOF.

4. To hear, consider and approve members of the BOF subcommittees (Audit, Budget, Fund Balance and Debt Policy Committee, Purchasing Policy)

Ms. Charlton asked the Board members to let her know in the next couple of weeks what sub-committees they'd like to serve. She said she wants to reconvene a Senior Tax Relief subcommittee. Chris DeWitt said he would like to continue to serve as Chair of the BOF budget subcommittee since budgets are starting up again.

5. To hear, consider and approve 2022 Schedule

Ms. Charlton made a motion to amend the 2022 BOF Meeting Schedule as follows: Change January 11 to January 12 for the 7 pm Capital Plan Workshop, add Tuesday, April 5 as a Regular Meeting and remove the July meeting. Chris DeWitt seconded the motion which carried unanimously.

Jim Walsh made a motion to approve the 2022 BOF Meeting Schedule as amended. Chris DeWitt seconded the motion which carried unanimously.

Approved 2022 Board of Finance Meeting Schedule

January 04	Tuesday	7:30 pm	Regular Meeting
January 12	Wednesday	7:00 pm	Capital Plan Workshop
February 01	Tuesday	7:30 pm	Regular Meeting
February 22	Tuesday	7:30 pm	Quarterly Review Mtg (BOE meets 2/15)
March 01	Tuesday	7:30 pm	Regular Meeting
March 10	Thursday	7:30 pm	Public Budget Session #1
March 15	Tuesday	7:30 pm	Public Budget Session #2
March 16	Wednesday	7:30 pm	Public Budget Session #3
March 22	Tuesday	7:30 pm	Public Budget Session #4
March 24	Thursday	7:30 pm	Public Budget Session #5
March 26	Saturday	9:30 am	Public Budget Comment Session
FLHS			Auditorium
March 28	Monday	7:30 pm	Follow-Up w/Dprts/BOS; BOF Pub Exec. Session - No Public Comm.
March 29	Tuesday	7:30 pm	Public Budget Session Potential Snow Day Make-Up
March 31	Thursday	7:30 pm	Budget Vote-Public Exec Session - No Public Comment
April 5	Tuesday	7:30pm	Regular Meeting
May 05	Thursday	7:30 pm	Regular Meeting – Set Mill Rate
May 17	Tuesday	7:30 pm	Quarterly Review Meeting
June 07	Tuesday	7:30 pm	Regular Meeting
September 06	Tuesday	7:30 pm	Regular Meeting
September 20	Tuesday	7:30 pm	Quarterly Review Mtg
September 28	Wednesday	7:30 pm	Capital Planning Workshop (BOE meets 9/13 & 9/27)
October 04	Tuesday	7:30 pm	Regular Meeting
November 01	Tuesday	7:30 pm	Regular Meeting
November 22	Tuesday	7:30 pm	Quarterly Review Meeting (BOE meets 11/15)
December 06	Tuesday	7:30 pm	Organizational/Regular Meeting

6. To hear, consider and adopt a resolution amending and restating the resolution entitled, “A resolution appropriating \$945,000 for the remediation of historical containments and the enhancement of recreational facilities at Gould Manor Park and authorizing the issuance of bonds to finance such appropriation” to increase the appropriation and bond authorization by \$450,000 to a total of \$1,395,000. ***(pending BOS approval on 12/6/21, requires RTM approval)***

WHEREAS, on June 28, 2021, the Representative Town Meeting of the Town of Fairfield (the “Town”) approved a resolution (the “Resolution”) entitled “RESOLUTION APPROPRIATING \$945,000 FOR THE REMEDIATION OF HISTORICAL CONTAMINANTS AND THE ENHANCEMENT OF RECREATIONAL FACILITIES AT GOULD MANOR PARK AND AUTHORIZING THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION”; and

WHEREAS, due to additional enhancements needed at the recreational facilities at Gould Manor Park and increased costs for the remediation and enhancements previously anticipated, the Town desires to increase the appropriation and bond authorization by \$450,000 for a total appropriation and bond authorization of \$1,395,000; and

WHEREAS, it is necessary for the Town to amend and restate the Resolution to reflect the increased appropriation and bond authorization; and

NOW, THEREFORE, BE IT RESOLVED, that the Resolution is hereby amended and restated to provide as follows:

RESOLVED:

1. As recommended by the Board of Finance and the Board of Selectmen, the Town of Fairfield (the "Town") hereby appropriates the sum of One Million Three Hundred Ninety-Five Thousand and 00/100 Dollars (\$1,395,000) for costs related to the remediation of historical contaminants and the enhancement of recreational facilities at Gould Manor Park, as well as, all related administrative, financing, legal, contingency and other soft costs (the "Project").
2. To finance such appropriation and in lieu of a tax therefor, and as recommended by the Board of Finance and the Board of Selectmen, the Town may borrow a sum not to exceed One Million Three Hundred Ninety-Five Thousand and 00/100 Dollars (\$1,395,000) and issue its general obligation bonds/bond anticipation notes for such indebtedness under its corporate name and seal and upon the full faith and credit of the Town in an amount not to exceed said sum for the purpose of financing the appropriation for the Project.
3. The Board of Selectmen, the Treasurer and the Chief Fiscal Officer of the Town are hereby appointed a committee (the "Committee") with full power and authority to cause said bonds to be sold, issued and delivered; to determine their form and terms, including provision for redemption prior to maturity; to determine the aggregate principal amount thereof within the amount hereby authorized and the denominations and maturities thereof; to fix the time of issue of each series thereof and the rate or rates of interest thereon as herein provided; to determine whether the interest rate on any series will be fixed or variable and to determine the method by which the variable rate will be determined, the terms of conversion, if any, from one mode to another or from fixed to variable; to set whatever other terms of the bonds they deem necessary, desirable or appropriate; to designate the bank or trust company to certify the issuance thereof and to act as transfer agent, paying agent and as registrar for the bonds, and to designate bond counsel. The Committee shall have all appropriate powers under the Connecticut General Statutes, including Chapter 748 (Registered Public Obligations Act) and Chapter 109 (Municipal Bond Issues) to issue, sell and deliver the bonds and, further, shall have full power and authority to do all that is required under the Internal Revenue Code of 1986, as amended, and under rules of the Securities and Exchange Commission, and other applicable laws and regulations of the United States, to provide for issuance of the bonds in tax exempt form and to meet all requirements which are or may become necessary in and subsequent to the issuance and delivery of the bonds in order that the interest on the bonds be

and remain exempt from Federal income taxes, including, without limitation, to covenant and agree to restriction on investment yield of bond proceeds, rebate of arbitrage earnings, expenditure of proceeds within required time limitations, the filing of information reports as and when required, and the execution of Continuing Disclosure Agreements for the benefit of the holders of the bonds and notes.

4. The First Selectwoman and Treasurer or Chief Fiscal Officer, on behalf of the Town, shall execute and deliver such bond purchase agreements, reimbursement agreements, line of credit agreement, credit facilities, remarketing, standby marketing agreements, standby bond purchase agreements, and any other commercially necessary or appropriate agreements which the Committee determines are necessary, appropriate or desirable in connection with or incidental to the sale and issuance of bonds, and if the Committee determines that it is necessary, appropriate, or desirable, the obligations under such agreements shall be secured by the Town's full faith and credit.
5. The First Selectwoman and Treasurer or Chief Fiscal Officer shall execute on the Town's behalf such interest rate swap agreements or similar agreements related to the bonds for the purpose of managing interest rate risk which the Committee determines are necessary, appropriate or desirable in connection with or incidental to the carrying or selling and issuance of the bonds, and if the Committee determines that it is necessary, appropriate or desirable, the obligations under such interest rate swap agreements shall be secured by the Town's full faith and credit.
6. The bonds may be designated "Public Improvement Bonds of the Town of Fairfield", series of the year of their issuance and may be issued in one or more series, and may be consolidated as part of the same issue with other bonds of the Town; shall be in serial form maturing in not more than twenty (20) annual installments of principal, the first installment to mature not later than three years from the date of issue and the last installment to mature not later than twenty (20) years from the date of issuance or as otherwise provided by statute. The bonds may be sold at an aggregate sales price of not less than par and accrued interest at public sale upon invitation for bids to the responsible bidder submitting the bid resulting in the lowest true interest cost to the Town, provided that nothing herein shall prevent the Town from rejecting all bids submitted in response to any one invitation for bids and the right to so reject all bids is hereby reserved, and further provided that the Committee may sell the bonds on a negotiated basis, as provided by statute. Interest on the bonds shall be payable semi-annually or annually. The bonds shall be signed on behalf of the Town by at least a majority of the Board of Selectmen and the Treasurer, and shall bear the seal of the Town. The signing, sealing and certification of the bonds may be by facsimile as provided by statute.
7. The Committee is further authorized to make temporary borrowings as authorized by the General Statutes and to issue temporary notes of the Town in anticipation of the receipt of proceeds from the sale of the bonds to be issued pursuant to this resolution. Such notes shall be issued and renewed at such time and with such maturities, requirements and limitations as provided by the Connecticut General Statutes. Notes evidencing such borrowings shall be signed by the First Selectwoman and Treasurer or Chief Fiscal Officer, have the seal of the Town affixed, which signing and sealing may be by facsimile as provided by statute, be certified by and payable at a bank or trust company incorporated under the laws of this or any

other state, or of the United States, be approved as to their legality by bond counsel and may be consolidated with the issuance of other Town bond anticipation notes. The Committee shall determine the date, maturity, interest rates, form and manner of sale, including negotiated sale, and other details of said notes consistent with the provisions of this resolution and the Connecticut General Statutes and shall have all powers and authority as set forth above in connection with the issuance of bonds and especially with respect to compliance with the requirements of the Internal Revenue Code of 1986, as amended, and regulations thereunder in order to obtain and maintain issuance of the notes in tax exempt form.

8. Pursuant to Section 1.150-2, as amended, of the Federal Income Tax Regulations the Town hereby declares its official intent to reimburse expenditures (if any) paid for the Project from its General or Capital Funds, such reimbursement to be made from the proceeds of the sale of bonds and notes authorized herein and in accordance with the time limitations and other requirements of said regulations.
9. The First Selectwoman, Chief Fiscal Officer and Town Treasurer are hereby authorized, on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution.
10. The Committee is hereby authorized to take all action necessary and proper for the sale, issuance and delivery of the bonds and notes in accordance with the provisions of the Connecticut General Statutes and the laws of the United States. The First Selectwoman and other Town officials are authorized to seek grants and other contributions for the costs of the Project and take all such actions necessary or appropriate to obtain such grants and other contributions including, but not limited to the negotiation, execution and delivery of contracts related to such grants and to accept any grants to fund the Project on behalf of the Town. Any such grants or contribution received prior to the issuance of the Bonds authorized herein shall be applied to the costs of the Project or to pay at maturity the principal of any outstanding bond anticipation notes issued pursuant this resolution and shall reduce the amount of the Bonds that can be issued pursuant to this resolution. If such grants and contributions are received after the issuance of the Bonds, they shall be applied to pay the principal on the Bonds or as otherwise authorized by the Board of Selectmen, Board of Finance and Representative Town Meeting provided such application does not adversely affect the tax exempt status of the Bonds or the Town's receipt of such grant or contribution.

Sheila Marmion made a motion to put Item 6 before the board. Mary LeClerc seconded the motion.

CAO Tom Bremer presented this item. He said the Town is seeking an additional \$450,000 on bonding for additional costs related to the remediation and renovation of Gould Manor Park.

- Remediation costs \$220,000
- Additional costs \$90,000 – Courts, irrigation, temporary fencing, scoreboard
- Park enhancements \$130,000 – Perimeter fencing around park, bathroom/comfort station renovations
- Contingency \$10,000

Mr. Bremer stated that when a layer of the fields was removed, historical contamination was found as well as improper construction when the fields were built by a contractor hired by the Fairfield Little League. He said the field had irrigation issues as a result of the way it was built. Mr. Bremer said the fencing around the park had been damaged and is in need of replacing. He said the restrooms/comfort station had also been overlooked in the plan for the field renovation and needs to be redone. Mr. Bremer told the Board that he waited to come before it with this request until he was sure of the costs. He said he will not be requesting additional money for this project.

Mr. Bremer said the original amount of \$945,000 still has money left in it, but the original estimate did not include contingency and so funding from the original amount had to be spent to fix the items that had not been done correctly. He said the goal is to have everything done by April 2022. He said the bathrooms were originally on the Waterfall Chart for 3-4 years from now, but they need to be done sooner.

Chris DeWitt made a motion to suspend the BOF special meeting at 7:57 pm to join the Joint BOS, BOF, RTM meeting scheduled for 8:00 pm, and reconvene the special BOF meeting after the joint meeting ends. John Mitola seconded the motion which carried unanimously.

Chris DeWitt made a motion to reconvene the BOF Special Meeting at 9:20 pm. Jim Walsh seconded the motion which carried unanimously.

Sheila Marmion made a motion to waive the reading of the bond resolution for Item 6. Craig Curley seconded the motion which carried unanimously.

The original motion carried unanimously.

7. To hear an update from the audit sub-committee

Ms. Charlton went through the highlights of the BOF Audit Subcommittee meeting:

- The Town has received \$12,415,000 in ARPA funding to date.
- Pension plans are close to being fully-funded.
- Internal service fund has a \$6 million balance – the highest in recent years
- Environmental liability-\$19 million estimated at this time. This includes Penfield remediation, Penfield parking lot, fill pile and the inventory of other sites in Town that have been identified. Ranges of estimates were taken for each environmental expense. This year, there is \$6 million in excess and \$3 million previously put aside, which totals \$9 million set aside so far.

Ms. Charlton said there will be a full presentation from Joe Centofanti and PKF O'Connor Davies in January.

8. Adjourn

Jim Walsh made a motion to adjourn the meeting at 10:13 pm. Jack Testani seconded the motion which carried unanimously.

Respectfully submitted

Pru O'Brien
Recording Secretary

Board of Finance Regular Meeting
Tuesday, January 4, 2022
7:30 pm
Via Webex

A regular meeting of the Board of Finance was held via Webex on Tuesday, January 4, 2022 at 7:30 pm in Fairfield, Connecticut.

A recording of the meeting can be found here: <https://www.youtube.com/watch?v=WWI-QSQcz-k>.

DRAFT MINUTES

MEMBERS PRESENT: Lori Charlton-Chair, John Mitola-Vice Chair, Sheila Marmion Secretary, Craig Curley, Christopher DeWitt, Mary LeClerc, Kevin Starke, Jack Testani, Jim Walsh

OTHERS PRESENT: Internal Auditor Connie Saxl, CFO Jared Schmitt, FairTV

1. Call to Order

Chair Lori Charlton called the meeting to order at 7:30 pm.

2. Pledge of Allegiance

Lori Charlton led the Pledge of Allegiance.

At the meeting in December, Ms. Charlton said she had asked the BOF members to email her if they wanted to serve on a BOF subcommittee. Based on that feedback, the following subcommittee assignments are:

Audit Subcommittee: Mary LeClerc, John Mitola, Lori Charlton

Budget Subcommittee: Chris DeWitt, Sheila Marmion

Fund Balance Subcommittee: Craig Curley, Kevin Starke, Jim Walsh

Senior & Disabled Tax Relief Subcommittee: Craig Curley, Chris DeWitt, Sheila Marmion

Purchasing Policy Subcommittee: Chris DeWitt, Lori Charlton, Kevin Starke

Ms. Charlton thanked the members for serving and said she will provide updates from the subcommittees as appropriate.

3. To hear and discuss the Internal Audit Report

Internal Auditor Connie Saxl presented this item. She said the Audit Report is based on work conducted from January 1, 2021-December 31, 2021. She said the full Internal Audit Report reviewed is available online with the backup documents.

Seven internal audits were performed:

- APP-2 (Payroll) – final report February 2021
- U.S. Coast Guard Auxiliary building – final report March 2021
- SW&R Debit Haulers- final report May 2020
- W.B. Mason & Staples invoices- final report December 2021

- Employees who receive a commuting fringe benefit - final report July 2021
- Town cemeteries- final report December 2021
- Recreation Department Food Truck program- final report July 2021

Ms. Saxl said she had regular follow-up meetings with town departments to monitor compliance with the findings and recommendations. She said four town policies were written. Ms. Saxl said the Town applied for and received FEMA reimbursement for approximately \$700,000 for storm damage resulting from Storm Isaias. She said the final internal audit reports were submitted to the CFO and department heads and were tracked internally on a spreadsheet. Ms. Saxl said recommendations are/were implemented by department heads when notified and some of those recommendations could be prior to audit completion.

Ms. Saxl said draft audits are still in review process, and she will have updates in the next few months.

4. To hear an update on the DPW Audit Report

Ms. Charlton said it had been 20 months since the DPW Audit was originally delivered to the BOF. She said it was commissioned in 2019 and led by former BOF Chair Tom Flynn, now Selectman Flynn. She said the Town's auditor, PKF O'Connor Davies, was hired by the BOF to look into DPW receipts from July 2016-July 2019. Ms. Charlton said there were 350 DPW purchases. She said the auditors were looking for evidence that policies were followed and carried out (that report is included in the backup documents). She said many policies were not consistently followed. Ms. Charlton said the final report had 76 recommendations and many of those were deficiencies in the Purchasing Policy and a review was performed to rewrite the policy. She said the recommendations came directly from this report.

Jack Testani asked if DPW Interim Director John Marsilio had been notified of this meeting and if the report had been reviewed with him. CFO Jared Schmitt said Mr. Marsilio was unable to make tonight's meeting, but Mr. Schmitt would be happy to accommodate a meeting when Mr. Marsilio can attend. Ms. Saxl said she has met several times with both Mr. Marsilio and Assistant DPW Director John Cottell. Ms. Saxl said from the time the original report was completed in May 2020, Ms. Saxl had regular meetings with the applicable department heads and they were open and responsive to recommendations.

- There were 76 recommendations
- 44 have been fully implemented
- 6 were non-applicable
- 26 are still in progress, but partially complete
- 17 of the 26 are pertaining to the Purchasing Policy
- 9 are still open and active

Ms. Charlton said regular updates have been made to the Audit Subcommittee since May 2020 when the audit was issued. Recently closed recommendations include:

- New road maintenance software package for DPW
- MUNIS training – two trainings in 2021 and two scheduled for 2022

Status for remaining items:

- Financial Analyst position for DPW- applications being reviewed
- IT & DPW- Asset Management Plus system to possibly replace the Q-Alert system currently in place
- Online permitting- Building department has new software since November 2021 called Muncity which allows online permitting and electronic payments. P&Z and Conservation are in the process of changing over now and Health, Fire Marshal and Sewer departments will soon follow
- HR is reviewing electronic time keeping systems for time and attendance

Ms. Saxl said fully implemented items are policies that are active and in writing. She said although the Purchasing Policy is in draft form, some changes have been implemented. She said when the new Purchasing Policy is put in place, all employees will need to be trained. The BOF agreed there is a sense of urgency to have the new policy implemented as not to have the Town be at risk.

5. To hear, consider and act upon the draft minutes of October 5, 2021, October 21, 2021, November 16, 2021, December 7, 2021 (7 pm) and December 7, 2021 (8 pm)

James Walsh made a motion to approve the minutes of 10/5/21 as written. John Mitola seconded the motion which carried 6-0-3 (Charlton, *Curley, Starke abstained).

Sheila Marmion made a motion to approve the minutes of 10/21/21 as written. Christopher DeWitt seconded the motion which carried 7-0-2 (*Curley, Starke abstained).

Mr. Walsh made a motion to approve the minutes of 11/16/21 as written. Mary LeClerc seconded the motion which carried 7-0-2 (*Curley, Starke abstained).

*Note: Mr. Curley and Mr. Starke were not official BOF members until the 12/07/21 meeting.

Ms. Marmion made a motion to table the minutes of the 12/7/21 7:00 pm meeting so Recording Secretary Pru O'Brien can listen to the recording and add comments regarding the Gould Manor project to reflect the detailed discussion regarding the request for extra funding. Craig Curley seconded the motion.

Mr. Curley also requested corrections to spelling of a word and the reference to the Fairfield Little League be corrected to Fairfield American Little League.

The motion carried 6-3-0 (LeClerc, Testani, Walsh voted against).

James Walsh made a motion to approve the minutes of the 12/7/21 8:00 pm meeting as written. Christopher DeWitt seconded the motion which carried unanimously.

6. To hear, consider and act upon any communications

There were no new communications.

7. Adjourn

Craig Curley made a motion to adjourn the meeting at 10:31 pm. Chris DeWitt seconded the motion which carried unanimously.

Respectfully submitted,

Pru O'Brien
Recording Secretary

Board of Finance Capital Plan Workshop
Wednesday, January 12, 2022
7:00 pm
Via Webex

The Board of Finance Capital Plan Workshop was held via Webex on Wednesday, January 12, 2022, at 7:00 pm in Fairfield, Connecticut.

A recording of this meeting can be found here: <https://www.youtube.com/watch?v=TD8wFufiO-I>.

DRAFT MINUTES

MEMBERS PRESENT: Lori Charlton-Chair, John Mitola-Vice Chair, Sheila Marmion-Secretary, Craig Curley, Christopher DeWitt, Mary LeClerc, Kevin Starke, Jack Testani, Jim Walsh

OTHERS PRESENT: CFO Jared Schmitt, First Selectwoman Brenda Kupchick, CAO Tom Bremer, Superintendent of Schools Mike Cummings, FPS' Executive Director of Maintenance and Facilities Angelus Papageorge, BOE Chair Christine Vitale, BOE member/BOF liaison Jeff Peterson, DPW Interim Director John Marsilio, Parks and Recreation Director Anthony Calabrese, RTM Democrat liaisons Sharon Pistilli and John Kuhn, RTM Republican liaisons Ed Bateson and Amy Ruggiero

1. Call to Order

Chair Lori Charlton called the meeting to order at 7:00 pm.

2. Pledge of Allegiance

Ms. Charlton led the Pledge of Allegiance.

3. To Review and Discuss Town and BOE Non-Recurring Capital and Capital Projects Planning Document, Their Timing and Related Subsequent Bonding Requirements and Estimated Impact on Debt Service Levels Over the Next Several Years

First Selectwoman Brenda Kupchick presented this item. The full presentation is included in the backup documents online as well as the recording of the meeting. Some of the highlights of the presentation were:

- A comprehensive list/needs assessment of all projects considered by the Town and not the list after cutting projects out; and
- A proposed plan for capital funding for next year (2022-2023); and
- Financial estimates and benchmarks in terms of yearly bonding capacity to balance needs of the Town and BOE and keeping the Town's AAA bond rating; and
- Identifying sources for funding capital projects; and
- Providing updates on status of FY 22 projects.

First Selectwoman Kupchick said she took a different approach this year and identified all the capital needs for the sake of transparency so taxpayers understand the full scope. She said the proposal is significantly higher than in previous years because of the fill pile and Penfield Pavilion.

First Selectwoman Kupchick said despite the financial needs listed in the presentation, she is committed to keeping the debt service at 8.5%. She stated that she would like to form a bipartisan working group to assemble an attainable five-year plan.

Ms. Charlton opened up the discussion with the board and liaisons from the RTM which included two Republicans and two Democrats. There were discussions about the paving plan and the expenses in the next five-years only covering part of the Town's roadways. It was explained that the next five years are to catch up on paving that hadn't been done and needed to be and the expenses are reduced after 2028 to show regular maintenance. Penfield Pavilion will be closed at the end of October and the Town is hoping to get approval to start cleaning the area so it will be ready to open for the 2023 beach season. Renovations on the kitchen and bathrooms at the Jacky Durrell Pavilion will need to be done as it will be used more while work is being done at Penfield.

It was noted that Lake Mohegan is also in need of repairs due to storm damage. These repairs need to be done as soon as possible to accommodate fishing season in April and the beach opening on Memorial Day. If FEMA does declare an emergency, funds will be available for reimbursement. Parks and Recreation Director Anthony Calabrese said he will follow the details necessary for reimbursement and will work with the Town's grant coordinator.

There was also a discussion about trucks purchased for DPW last year and that there are adjustments made every year on the Non-Recurring Capital Plan. DPW Interim Director John Marsilio said he created a request in the last Capital Plan for five years, but was only approved for three. Lead time was discussed, and Mr. Marsilio said DPW ordered seven snowplows right after the approval. He said though, none had arrived because they are being held up in different parts of the country due to COVID. He said every truck on the Non-Recurring plan is replacing trucks that desperately need replacing, but are still being used.

The debt service and bond rating were discussed at length as the concern of how many projects will need to be bonded increased. The BOF will not increase the debt service to anything over 10% and would like to keep it less than that in order to keep the town's AAA bond rating.

Ms. Charlton noted the following points regarding the Capital Plan and discussions at future meetings:

- Having a town-wide facilities plan review; and
- Discussing the financing of paving; and
- Discussing bonding capacity and the effect on future budgets (the Town's financial advisor will be invited to attend February's BOF meeting); and
- Getting a fill pile update (there's a joint board meeting on Tuesday, January 18); and
- Looking at the process of the Capital Planning and establish a working group.

Ms. Charlton then asked the BOE to present its plan. BOE Chair Christine Vitale said the BOE waterfall was approved at the September 2021 BOE meeting. She said the BOE wanted to fast track the HVAC improvements in schools over five years instead of ten. She said the format and priority of the waterfall has changed. She said one capital project, the RLMS roof project, was approved already due to possible supply chain issues.

Ms. Vitale said right now, the focus of the BOE's waterfall is improving the existing infrastructure, HVAC, improving the heating systems, improving building and maintenance systems and improving safety and security. She said the BOE is concerned about air quality. She said the BOE is learning how important air circulation and ventilation is.

BOE member Jeff Peterson, BOF liaison, school buildings were not designed to have windows and doors always closed, but due to security issues, they need to be closed which reduces the air quality.

Executive Director of Maintenance and Facilities Angelus Papageorge said the waterfall document members received by email had several blank pages so once they are removed members will receive a cleaner version. He said there's no large project changes from last year, but there is a larger dollar amount this year because of the air conditioning projects that were added for the next three years.

Mr. Papageorge reviewed the projects that are listed on the Waterfall and said they are either related to indoor air, safety or security. He noted that a few years out from now, there will be additions made to Dwight and Jennings schools. Mr. Papageorge said the \$14.6 million for A/C for TMS, Fairfield Woods Middle School and Walter Fitzgerald does not include ARPA reimbursement so the full amount is bonded. He said this doesn't reflect the \$1 million of the Town's ARPA funds.

The discussion continued about the HVAC and how the schools were prioritized and how the cost was determined. Mr. Papageorge said some schools already have A/C, some have partial A/C and some don't have it at all. He said increased costs due to inflation are reflected in the overall number.

There was a discussion about Dwight Elementary School and the \$52 million cost for its renovation. Mr. Papageorge said the school is not currently at full capacity and hasn't been recently. Mr. Papageorge said the BOE is currently updating its 10-year projections and the number of students in the school system.

Ms. Charlton said the key point discussed with the BOE is for the BOE and the Town to prioritize projects and stay within the debt service policy.

4. To hear, consider and act upon any communications

There were no new communications.

5. Adjourn

Jim Walsh made a motion to adjourn the meeting at 10:04 pm. Chris DeWitt seconded the motion which carried unanimously.

Respectfully submitted,

Pru O'Brien
Recording Secretary