

# Town of New Fairfield, Connecticut



## Annual Financial Report For the Year Ended June 30, 2024

**Town of New Fairfield, Connecticut**

**Annual Financial Report  
For the Year Ended June 30, 2024**

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# Financial Section

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## **Independent Auditors' Report**

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

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

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of New Fairfield, Connecticut ("Town"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

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

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

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

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

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

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***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

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

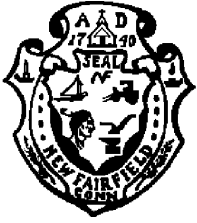
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2025 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  
March 19, 2025



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**Municipal and School Financial Services**  
**3 Brush Hill Road**  
**New Fairfield, CT 06812-2665**  
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**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2024**

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As management of the Town of New 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, 2024. Please read it in conjunction with the Town's financial statements immediately following this section.

**Financial highlights**

- On a government-wide basis, 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:

Change in net position	\$ 12,064,874
Total net position	122,050,428
Unrestricted net position	17,771,357

- The significant factors for the change in net position are as follows:

Fund level activity:

➤ positive operations of the general fund of	\$ 1,831,337
➤ deficit operations of the school construction fund of	(1,778,365)
➤ deficit operations of the American Rescue Plan Act fund of	(902,701)
➤ positive operations of the school lunch fund of	167,663
➤ deficit operations of the debt service fund of	(1,605,348)
➤ positive operations of the recreation programs fund of	165,981
➤ positive operations of the internal service fund of	159,809

Conversion to accrual basis on Exhibit E:

➤ capital outlay net of depreciation/amortization expense of	11,921,939
➤ loss on disposal of capital assets of	(4,378,463)
➤ net long-term debt activity of	5,409,238
➤ change in net OPEB liability of	524,792
➤ change in deferred inflows of resources related to pension and OPEB of	(1,172,944)

- The Town's governmental funds reported a combined ending fund balance of \$27,113,099, a decrease of \$1,506,369 in comparison with the prior year. Additional details regarding the operations are discussed in the governmental funds section.
- The general fund's unassigned fund balance was \$13,182,599, an increase of \$1,729,410 in comparison with the prior year. This unassigned fund balance represents 19.91% of total budgetary general fund expenditures and transfers out as compared to 18.11% in the prior year.
- Net capital assets increased by \$7,553,876 or 4.21%.
- Total long-term debt decreased by \$5,409,238 or 6.26%.

### **Overview of the basic financial statements**

This discussion and analysis is intended to serve as an introduction to the Town'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 as well as the basic financial statements.

### **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 difference between these accounts 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 reported in this statement are 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 and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, public safety, public works, health and welfare, culture and recreation, and education.

### **Fund financial statements**

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

### **Governmental funds**

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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 each major fund. The funds reported as major funds are as follows:

- General fund
- Capital nonrecurring fund
- School construction fund
- American Rescue Plan Act fund

Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of combining statements.

The Town adopts an annual budget for its general fund. Budgetary comparison schedules have been provided for the general fund to demonstrate compliance with this budget.

### **Proprietary funds**

The Town reports one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses internal service funds to account for its self-insured medical and dental benefits.

### **Fiduciary funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The statement of fiduciary net position is used to present financial information about activities for which the Town acts solely as an agent for the benefit of employees and others.

### **Notes to financial statements**

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

**Required supplementary information**

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

- A budgetary comparison schedule for the general fund to demonstrate compliance with this budget.
- Schedules to demonstrate the Town's progress in funding its obligation to provide pension benefits.
- Schedules to demonstrate the Town's progress in funding its obligation to provide other post-employment benefits.

**Other information**

Other required schedules and 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 analysis below focuses on the net position and the changes in net position.

**Summary Statement of Net Position  
June 30**

	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 43,061,836	\$ 46,225,694
Capital assets (net)	<u>187,169,250</u>	<u>179,615,374</u>
Total assets	<u>230,231,086</u>	<u>225,841,068</u>
Deferred outflows of resources	<u>2,474,789</u>	<u>3,719,792</u>
Other liabilities	15,758,244	17,397,439
Long-term liabilities	<u>87,570,133</u>	<u>94,093,396</u>
Total liabilities	<u>103,328,377</u>	<u>111,490,835</u>
Deferred inflows of resources	<u>7,327,070</u>	<u>8,084,471</u>
Net position		
Net investment in capital assets	101,474,274	87,080,967
Restricted	2,804,797	3,802,037
Unrestricted	<u>17,771,357</u>	<u>19,102,550</u>
Total net position	<u>\$ 122,050,428</u>	<u>\$ 109,985,554</u>
<u>Net position percentage by category:</u>		
Net investment in capital assets	83.14%	79.17%
Restricted	2.30%	3.46%
Unrestricted	<u>14.56%</u>	<u>17.37%</u>
Total	<u>100.00%</u>	<u>100.00%</u>

The largest portion of the net position of the Town reflects its investment in capital assets, less any related debt and liabilities used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the Town's net position, \$2,804,797 or 2.30%, represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position is \$17,771,357, which decreased by \$1,331,193 from the prior year due to the increase in the net investment in capital asset mostly due to the construction in progress for the new schools.

Net position may serve over time as a useful indicator of the Town's financial position. The Town's total net position increased by \$12,064,874.

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

	2024	2023
Revenues:		
Program revenues:		
Charges for services	\$ 4,967,384	\$ 4,356,936
Operating grants and contributions	14,028,769	14,526,856
Capital grants and contributions	13,068,803	6,921,920
General revenues:		
Property taxes	59,471,877	55,258,851
Grants and contributions not restricted to specific programs	643,581	578,332
Income from investments	2,257,554	1,623,183
Gain on sale of assets	22,950	4,000
Other	1,870	39,641
	94,462,788	83,309,719
Total revenues		
Expenses:		
General government	5,367,954	5,128,325
Public safety	5,317,024	4,624,643
Public works	3,439,649	3,478,279
Health and welfare	744,071	1,014,062
Culture and recreation	1,562,492	1,326,881
Education	63,505,170	58,196,214
Interest	2,461,554	2,255,518
	82,397,914	76,023,922
Total expenses		
Change in net position	12,064,874	7,285,797
Net position - July 1	109,985,554	102,699,757
Net position - June 30	\$ 122,050,428	\$ 109,985,554
Percentage increase in net position	10.97%	

Management's Discussion and Analysis (continued)

Key elements of the change in net position are as follows:

Revenues

Revenue category	Amount	Description	
Charges for services increased by/ due to:	\$ 610,448	Increase in school lunch fees as a result less grants received of:	\$ 317,670
		Increase in recreation program fees of:	168,717
Operating grants and contributions decreased by/ due to:	(498,087)	Decrease in school lunch grants of:	(345,200)
		Decrease in education grants, primarily ESSER grants, of:	(450,433)
		Increase in teachers retirement system pension on-behalf payments of:	272,522
Capital grants and contributions increased by/ due to:	6,146,883	Increase in school construction grant of:	5,903,466
		Contribution received for the emergency communication center of:	250,000
Property taxes increased by/ due to:	4,213,026	Increase in the budget and the amount of taxes required to fund the budget	
Income from investments increased by/ due to:	634,371	Positive operations and continued higher interest rates and market	

Expenses

Expense category	Amount	Description	
General government increased by/ due to:	\$ 239,629	Differences year to year for capital purchases of:	\$ 149,621
		Increase in budgeted expenses of:	177,921
		Decrease in pension expense of:	(123,089)
Public safety increased by/ due to:	692,381	Differences year to year for capital purchases of:	541,152
		Increase in budgeted expenses of:	245,595
Health and welfare decreased by/ due to:	(269,991)	Decrease in ARPA grant expenses of:	(333,902)
Culture and recreation increased by/ due to:	235,611	Differences year to year for capital purchases of:	146,516
		Increase in recreation program expenses of:	64,649

Expense category	Amount	Description	
Education increased by/ due to:	\$ 5,308,956	Increase in budgeted expenses of:	\$ 1,708,729
		Increase in teachers retirement system pension on-behalf payments of:	272,522
		Increase in loss on disposal of capital assets of:	4,365,741
		Increase in depreciation expense of:	691,261
		Differences year to year for capital purchases of:	(319,998)
		Decrease in education grants, primarily ESSER grants, of:	(645,828)
		Decrease in claims expense of:	(481,999)
		Decrease in pension expense of:	(217,478)
Interest increased by/ due to:	206,036	Bonds of \$12,000,000 issued in the prior fiscal year	

**Financial analysis of the Town's funds**

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

**Governmental funds**

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of expendable resources. Such information is useful in assessing the Town's financing requirements.

In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

The components of fund balance were as follows:

Nonspendable	\$ 482
Restricted	2,804,315
Committed	9,304,971
Assigned	2,128,047
Unassigned	<u>12,875,284</u>
Total	<u>\$ 27,113,099</u>

The Town's governmental funds reported combined ending fund balance decreased by \$1,506,369 in comparison with the prior year. The decrease is a result of the following activity:

**General fund.** The general fund is the operating fund of the Town. The total fund balance of the general fund was \$13,409,133, of which \$13,182,599 was unassigned. During the current fiscal year, the Town's total general fund fund balance increased by \$1,831,337. The details are discussed under budgetary highlights below.

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 19.91% of total budgetary general fund expenditures and transfers out, up from 18.11% for the prior year.

### **General fund budgetary highlights**

The difference between the original budget and the final amended budget totaled \$354,867 due to additional appropriations from revenues of \$34,867 and from fund balance of \$320,000. The details of the additional appropriations primarily consisted of the following:

- Transfers out to the capital nonrecurring fund of: \$ 245,000
- Transfers out to the education capital nonrecurring fund of: 75,000

There were no significant budget transfers during the year.

Significant budget variances were as follows:

#### **Revenues**

- Intergovernmental revenues were in excess of the amount budgeted by \$369,706 primarily due to the municipal revenue sharing grant received of \$343,360 that was not budgeted
- Income from investments were in excess of the amount budgeted by \$890,696 due to the positive operations of the general fund and continued higher interest rates

#### **Expenditures**

- The public safety and protection budget was under expended by \$210,756 primarily due to the police costs being underspent by \$152,159 as a result of lower resident trooper costs than anticipated and open positions
- Education expenditures were underspent by \$209,769 due to lower special education costs than anticipated as a result of outplacement students that moved out of the district, offset by contracted services overspent as a result of outside service costs to replace open positions

Additional details on budget transfers can be found on RSI-1A and 1B.

**Capital nonrecurring fund.** The capital nonrecurring fund's net change in fund balance was an increase of \$53,127 for the fiscal year substantially due to transfers in of \$270,000 offset with transfers out of \$198,541 and the timing of spending for projects.

**School construction fund.** The school construction fund's net change in fund balance was a decrease of \$1,778,365 for the fiscal year due to the timing of the project financing and the construction activity.

**American Rescue Plan Act fund.** The American Rescue Plan Act fund's net change in fund balance was a decrease of \$902,701 for the fiscal year due to the timing of the funding and spending for grant related purposes.

#### **Proprietary fund**

The Town has one proprietary fund, the internal service fund used for self-insured medical and dental claims for the Education department.

**Internal service fund.** The internal service fund's unrestricted net position at year end was \$374,496, an increase of \$159,809 from the prior year. The increase is due to revenues in excess of claims due to lower than expected claims.

**Capital assets and debt administration**

**Capital assets**

The Town's capital assets (net of accumulated depreciation/amortization) by type are detailed in the table below.

**Capital Assets (Net of Depreciation/Amortization)  
June 30**

<u>Category</u>	<u>2024</u>	<u>2023</u>
Land	\$ 6,960,476	\$ 6,950,076
Construction in progress	109,251,342	94,329,185
Intangible right-to-use assets	400,789	486,385
Land improvements	3,726,865	4,038,725
Buildings and improvements	41,956,780	48,280,289
Vehicles	2,432,550	2,933,651
Machinery and equipment	1,003,356	700,863
Infrastructure	21,437,092	21,896,200
Total	<u>\$ 187,169,250</u>	<u>\$ 179,615,374</u>
Dollar change	<u>\$ 7,553,876</u>	
Percentage change	<u>4.21%</u>	

The increase in net capital assets is due to capital additions exceeding disposals and depreciation/amortization expense. In the current year, the Town had net capital asset additions totaling \$16,200,387 and disposals totaling \$12,668,351.

The significant capital asset additions consisted of the following:

<b>Category</b>	<b>Description</b>	<b>Amount</b>
Construction in progress	High school project	\$ 13,743,824
	Consolidated school project	186,876
	Sewer system	669,309
	Communication center	379,288
Buildings and improvements	Shower renovation	306,055
Machinery and equipment	Public works truck	233,350

The significant capital asset disposals consisted of the demolition of the old high school, including land improvements of \$201,095, building and improvements of \$10,693,652, and machinery and equipment of \$906,315.

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

**Long-term debt**

The Town had total long-term debt outstanding as detailed in the table below. All debt is backed by the full faith and credit of the Town.

**Long-Term Debt  
June 30**

<u>Category</u>	<u>2024</u>	<u>2023</u>
General purpose bonds	\$ 937,000	\$ 1,144,000
School bonds	79,623,000	84,746,000
Leases	<u>410,172</u>	<u>489,410</u>
Total	<u>\$ 80,970,172</u>	<u>\$ 86,379,410</u>
Dollar change	<u>\$ (5,409,238)</u>	
Percentage change	<u>(6.26%)</u>	

The Town's total debt decreased due to scheduled principal payments of \$5,444,556 offset by a new lease of \$35,318.

The Town maintains an "AAA" credit rating from Standard and Poor's Investor Service.

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 \$384,651,841, 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 F.

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

As of June 2024, the unemployment rate for the Town was at 2.6%, which is lower than the State average unemployment rate of 3.9% and the national unemployment rate of 4.1%.

Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the Town's budget for the 2025 fiscal year. The 2025 general fund adopted budget totaled \$69,177,483.

**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 information provided in this report or requests for additional financial information should be addressed to the Board of Finance at the Town of New Fairfield, 4 Brush Hill Road, New Fairfield, CT 06812.

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**Basic  
Financial  
Statements**

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**Town of New Fairfield, Connecticut**

**Governmental Activities**  
**Statement of Net Position**  
**June 30, 2024**

Assets

Current assets:	
Cash	\$ 16,495,367
Investments	15,689,748
Receivables (net):	
Property taxes	447,989
Intergovernmental	2,645,217
Loans	75,000
Leases	284,921
Other	230,293
Other	14,096
	35,882,631
Total current assets	
Noncurrent assets:	
Restricted assets:	
Temporarily restricted:	
Cash	256,470
Permanently restricted:	
Cash	482
	256,952
Total restricted assets	
Receivables (net):	
Property taxes	376,908
Loans	1,223,658
Leases	5,321,687
	6,922,253
Total receivables (net)	
Capital assets (net of accumulated depreciation/amortization):	
Land	6,960,476
Construction in progress	109,251,342
Intangible right-to-use assets	400,789
Land improvements	3,726,865
Buildings and improvements	41,956,780
Vehicles	2,432,550
Machinery and equipment	1,003,356
Infrastructure	21,437,092
	187,169,250
Total capital assets	
Total noncurrent assets	
	194,348,455
Total assets	
	230,231,086

Deferred Outflows of Resources

Deferred charge on refunding	142,201
Deferred outflows related to pensions	2,101,340
Deferred outflows related to OPEB	231,248
	2,474,789
Total deferred outflows of resources	

The notes to financial statements are an integral part of this statement.

(Continued)

**Town of New Fairfield, Connecticut**

**Governmental Activities**  
**Statement of Net Position**  
**June 30, 2024**

Liabilities

Current liabilities:	
Accounts payable	\$ 4,059,492
Accrued payroll and related liabilities	228,544
Retainage payable	2,130,619
Accrued interest payable	756,747
Unearned revenue	2,305,774
Long-term debt	5,580,710
Compensated absences	55,529
Claims payable	561,000
Overpayments	79,829
	<hr/>
Total current liabilities	15,758,244
Noncurrent liabilities:	
Performance bonds	241,383
Long-term debt and related liabilities	80,151,090
Compensated absences	222,114
Net pension liability	6,803,579
Net OPEB liability	151,967
	<hr/>
Total noncurrent liabilities	87,570,133
	<hr/>
Total liabilities	103,328,377

Deferred Inflows of Resources

Lease related	5,142,703
Pension related	128,954
OPEB related	2,055,413
	<hr/>
Total deferred inflows of resources	7,327,070

Net Position

Net investment in capital assets	101,474,274
Restricted for:	
Endowments:	
Nonexpendable	482
Expendable	15,087
ARPA funded projects	128,491
Housing rehabilitation program	1,516,484
Education programs	966,681
Social service programs	63,532
Water operations	28,351
Other	85,689
Unrestricted	17,771,357
	<hr/>
Total net position	\$ 122,050,428

(Concluded)

The notes to financial statements are an integral part of this statement.

Town of New Fairfield, Connecticut

Governmental Activities  
Statement of Activities  
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
General government	\$ 5,367,954	\$ 1,047,367	\$ 30,816	\$ 10,400	\$ (4,279,371)
Public safety	5,317,024	308,740	39,633	15,840	(4,952,811)
Public works	3,439,649	697,566	-	686,826	(2,055,257)
Health and welfare	744,071	38,260	16,227	-	(689,584)
Culture and recreation	1,562,492	776,570	5,123	-	(780,799)
Education	63,505,170	2,098,881	13,936,970	12,355,737	(35,113,582)
Interest	2,461,554	-	-	-	(2,461,554)
<b>Total</b>	<b>\$ 82,397,914</b>	<b>\$ 4,967,384</b>	<b>\$ 14,028,769</b>	<b>\$ 13,068,803</b>	<b>(50,332,958)</b>
General revenues:					
Property taxes					59,471,877
Grants and contributions not restricted to specific programs					643,581
Income from investments					2,257,554
Gain on sale of assets					22,950
Other					1,870
Total general revenues					<u>62,397,832</u>
Change in net position					12,064,874
Net position - July 1, 2023					<u>109,985,554</u>
Net position - June 30, 2024					<u>\$ 122,050,428</u>

The notes to financial statements are an integral part of this statement.

Town of New Fairfield, Connecticut

Governmental Funds  
Balance Sheet  
June 30, 2024

	General Fund	Capital Nonrecurring Fund	School Construction Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>						
Cash	\$ 566,897	\$ 1,997,861	\$ 4,381,574	\$ 2,543,533	\$ 5,989,536	\$ 15,479,401
Restricted cash	241,383	-	-	-	-	241,383
Investments	14,795,415	-	-	-	894,333	15,689,748
Receivables (net):						
Property taxes	824,897	-	-	-	-	824,897
Intergovernmental	570	-	2,501,181	-	143,466	2,645,217
Loans	-	-	-	-	1,298,658	1,298,658
Leases	-	5,606,608	-	-	-	5,606,608
Other	168,894	366	-	-	60,447	229,707
Due from other funds	773,213	275,415	-	-	27,067	1,075,695
Other	-	-	-	-	14,096	14,096
<b>Total assets</b>	<b>\$ 17,371,269</b>	<b>\$ 7,880,250</b>	<b>\$ 6,882,755</b>	<b>\$ 2,543,533</b>	<b>\$ 8,427,603</b>	<b>\$ 43,105,410</b>
<u>Liabilities</u>						
Accounts payable	\$ 1,985,589	\$ 31,268	\$ 1,285,488	\$ 71,270	\$ 213,594	\$ 3,587,209
Accrued payroll and related liabilities	201,832	-	-	935	25,777	228,544
Retainage payable	-	-	2,130,619	-	-	2,130,619
Due to other funds	628,606	-	-	-	822,747	1,451,353
Unearned revenue	-	48,281	-	2,053,601	203,892	2,305,774
Overpayments	79,829	-	-	-	-	79,829
Performance bonds	241,383	-	-	-	-	241,383
<b>Total liabilities</b>	<b>3,137,239</b>	<b>79,549</b>	<b>3,416,107</b>	<b>2,125,806</b>	<b>1,266,010</b>	<b>10,024,711</b>
<u>Deferred Inflows of Resources</u>						
Unavailable revenue:						
Property taxes	824,897	-	-	-	-	824,897
Lease related	-	5,142,703	-	-	-	5,142,703
<b>Total deferred inflows of resources</b>	<b>824,897</b>	<b>5,142,703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,967,600</b>
<u>Fund Balances</u>						
Nonspendable	-	-	-	-	482	482
Restricted	-	-	-	128,491	2,675,824	2,804,315
Committed	-	2,194,093	3,466,648	289,236	3,354,994	9,304,971
Assigned	226,534	463,905	-	-	1,437,608	2,128,047
Unassigned	13,182,599	-	-	-	(307,315)	12,875,284
<b>Total fund balances</b>	<b>13,409,133</b>	<b>2,657,998</b>	<b>3,466,648</b>	<b>417,727</b>	<b>7,161,593</b>	<b>27,113,099</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 17,371,269</b>	<b>\$ 7,880,250</b>	<b>\$ 6,882,755</b>	<b>\$ 2,543,533</b>	<b>\$ 8,427,603</b>	<b>\$ 43,105,410</b>

The notes to financial statements are an integral part of this statement.

(Continued)

**Town of New Fairfield, Connecticut**

**Reconciliation of Fund Balances to Net Position of Governmental Activities  
June 30, 2024**

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

Total fund balances (Exhibit C, Page 1)	<u>\$ 27,113,099</u>
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Capital assets are not financial resources and, therefore, are not reported in the funds:

Beginning capital assets (net)	179,615,374
Current year additions (net of construction in progress)	16,189,987
Donated capital assets	10,400
Depreciation/amortization expense	(4,268,048)
Disposal of capital assets	<u>(4,378,463)</u>

Total	<u>187,169,250</u>
-------	--------------------

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

Deferred charge on refunding	142,201
Deferred outflows related to pensions	2,101,340
Deferred outflows related to OPEB	<u>231,248</u>

Total	<u>2,474,789</u>
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Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the funds:

Property tax - accrual basis change	<u>824,897</u>
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Internal service funds are used by management for risk financing activities:

The assets and liabilities of the internal service funds are included in the statement of net position	<u>374,496</u>
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Some liabilities and deferred inflows of resources, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds and notes payable	(80,560,000)
Leases payable	(410,172)
Premium	(4,761,628)
Compensated absences	(277,643)
Net pension liability	(6,803,579)
Net OPEB liability	(151,967)
Accrued interest payable	(756,747)
Deferred inflows related to pension	(128,954)
Deferred inflows related to OPEB	<u>(2,055,413)</u>

Total	<u>(95,906,103)</u>
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Net position (Exhibit A)	<u><u>\$ 122,050,428</u></u>
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The notes to financial statements are an integral part of this statement.	(Concluded)
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**Town of New Fairfield, Connecticut**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2024**

	General Fund	Capital Nonrecurring Fund	School Construction Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 59,219,021	\$ -	\$ -	\$ -	\$ -	\$ 59,219,021
Intergovernmental	12,709,422	-	12,152,335	-	2,548,681	27,410,438
Charges for services	1,569,310	688,125	-	-	2,709,949	4,967,384
Contributions	-	-	-	-	320,315	320,315
Income from investments	1,910,695	108,492	-	159,540	78,827	2,257,554
Other	1,870	-	-	-	-	1,870
<b>Total revenues</b>	<b>75,410,318</b>	<b>796,617</b>	<b>12,152,335</b>	<b>159,540</b>	<b>5,657,772</b>	<b>94,176,582</b>
Expenditures:						
Current:						
General government	4,246,821	28,207	-	40,000	228,408	4,543,436
Public safety	4,328,809	-	-	-	21,460	4,350,269
Public works	2,403,904	-	-	-	-	2,403,904
Health and welfare	618,429	-	-	-	115,530	733,959
Culture and recreation	566,405	-	-	-	595,633	1,162,038
Health insurance	1,012,365	-	-	-	-	1,012,365
Education	53,558,930	-	-	-	3,496,737	57,055,667
Debt service	6,365,593	-	-	-	1,800,000	8,165,593
Capital outlay	-	786,742	13,930,700	1,022,241	574,305	16,313,988
<b>Total expenditures</b>	<b>73,101,256</b>	<b>814,949</b>	<b>13,930,700</b>	<b>1,062,241</b>	<b>6,832,073</b>	<b>95,741,219</b>
Excess (deficiency) of revenues over expenditures	2,309,062	(18,332)	(1,778,365)	(902,701)	(1,174,301)	(1,564,637)
Other financing sources (uses):						
Issuance of debt	-	-	-	-	35,318	35,318
Sale of assets	22,950	-	-	-	-	22,950
Transfers in	-	270,000	-	-	623,868	893,868
Transfers out	(500,675)	(198,541)	-	-	(194,652)	(893,868)
<b>Net other financing sources (uses)</b>	<b>(477,725)</b>	<b>71,459</b>	<b>-</b>	<b>-</b>	<b>464,534</b>	<b>58,268</b>
<b>Net change in fund balances</b>	<b>1,831,337</b>	<b>53,127</b>	<b>(1,778,365)</b>	<b>(902,701)</b>	<b>(709,767)</b>	<b>(1,506,369)</b>
Fund balances - July 1, 2023	11,577,796	2,604,871	5,245,013	1,320,428	7,871,360	28,619,468
<b>Fund balances - June 30, 2024</b>	<b>\$ 13,409,133</b>	<b>\$ 2,657,998</b>	<b>\$ 3,466,648</b>	<b>\$ 417,727</b>	<b>\$ 7,161,593</b>	<b>\$ 27,113,099</b>

The notes to financial statements are an integral part of this statement.

Town of New 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, 2024

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

Net change in fund balances - total governmental funds (Exhibit D)	<u>\$ (1,506,369)</u>
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense:

Capital outlay	16,189,987
Depreciation/amortization expense	<u>(4,268,048)</u>
Total	<u>11,921,939</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 assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold or donated:

Donated capital assets	10,400
Disposal of capital assets	<u>(4,378,463)</u>
Total	<u>(4,368,063)</u>

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

Change in property tax - accrual basis change	<u>252,856</u>
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The issuance of long-term debt (e.g., bonds, notes) 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:	
Leases	(35,318)
Principal payments:	
Bonds	5,330,000
Leases	<u>114,556</u>
Total	<u>5,409,238</u>

(Continued)

The notes to financial statements are an integral part of this statement.

Town of New 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, 2024

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

Change in/amortization of:	
Premium	\$ 385,088
Compensated absences	(21,527)
Net pension liability	91,496
Net OPEB liability	524,792
Accrued interest payable	61,010
Deferred outflows of resources related to pension	(72,059)
Deferred inflows of resources related to pension	(937,385)
Deferred outflows of resources related to OPEB	141,066
Deferred inflows of resources related to OPEB	(235,559)
Deferred charges on refunding	<u>258,542</u>
Total	<u>195,464</u>
Internal service funds are used by management for risk financing activities:	
The net revenue (expense) of the activities of the internal service funds is reported with governmental activities	<u>159,809</u>
Change in net position (Exhibit B)	<u>\$ 12,064,874</u>
	(Concluded)

The notes to financial statements are an integral part of this statement.

## Town of New Fairfield, Connecticut

**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2024**

	<u>Internal Service Fund</u>
	<u>Medical Insurance Fund</u>
<u>Assets</u>	
Current assets:	
Cash	\$ 1,031,535
Accounts receivable	586
Due from other funds	<u>375,658</u>
Total current assets	<u>1,407,779</u>
<u>Liabilities</u>	
Current liabilities:	
Accounts payable	472,283
Claims payable	<u>561,000</u>
Total current liabilities	<u>1,033,283</u>
<u>Net Position</u>	
Unrestricted	<u><u>\$ 374,496</u></u>

The notes to financial statements are an integral part of this statement.

**Town of New Fairfield, Connecticut**  
**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended June 30, 2024**

	Internal Service Fund
	Medical Insurance Fund
Operating revenues:	
Charges for services	\$ 8,747,707
Operating expenses:	
Claims	6,669,818
Administration	783,801
HSA contributions	577,302
Insurance	563,348
Wellness incentives	2,075
Total operating expenses	8,596,344
Operating income (loss)	151,363
Nonoperating revenues:	
Income from investments	8,446
Change in net position	159,809
Net position - July 1, 2023	214,687
Net position - June 30, 2024	\$ 374,496

The notes to financial statements are an integral part of this statement.

Town of New Fairfield, Connecticut

Proprietary Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2024

	<u>Internal Service Fund</u>
	<u>Medical Insurance Fund</u>
Cash flows from (used in) operating activities:	
Cash received for charges	\$ 9,226,356
Cash paid for claims	(6,627,818)
Cash paid for administration	(783,801)
Cash paid for insurance and incentives	<u>(961,867)</u>
Net cash from (used in) operating activities	852,870
Cash flows from investing activities:	
Investment income	<u>8,446</u>
Net increase (decrease) in cash	861,316
Cash - July 1, 2023	<u>170,219</u>
Cash - June 30, 2024	<u><u>\$ 1,031,535</u></u>
Reconciliation of operating income (loss) to net cash from (used in) operating activities:	
Operating income (loss)	\$ 151,363
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:	
(Increase) decrease in:	
Accounts receivable	155,869
Due from other funds	(216,868)
Prepaid	544,729
Increase (decrease) in:	
Accounts payable	180,858
Claims payable	42,000
Unearned revenue	<u>(5,081)</u>
Net cash from (used in) operating activities	<u><u>\$ 852,870</u></u>

The notes to financial statements are an integral part of this statement.

Town of New Fairfield, Connecticut

Fiduciary Funds  
Statement of Fiduciary Net Position  
June 30, 2024

<u>Assets</u>	<u>Pension and OPEB Trust Funds</u>	<u>Custodial Fund</u>
Investments:		
Mutual funds:		
Money market	\$ 177,140	\$ -
Equity	12,263,566	-
Fixed income	15,426,773	-
Annuities	<u>-</u>	<u>932,248</u>
Total assets	<u>27,867,479</u>	<u>932,248</u>
<u>Net Position</u>		
Restricted for:		
Pensions	23,831,765	-
OPEB	4,035,714	-
Organizations	<u>-</u>	<u>932,248</u>
Total net position	<u><u>\$ 27,867,479</u></u>	<u><u>\$ 932,248</u></u>

The notes to financial statements are an integral part of this statement.

**Town of New Fairfield, Connecticut**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2024**

	Pension and OPEB Trust Funds	Custodial Fund
	<u>                    </u>	<u>                    </u>
Additions:		
Contributions	\$ 1,117,732	\$ 75,715
Investment income (loss):		
Net change in fair value of investments	1,695,928	89
Interest and dividends	<u>748,921</u>	<u>33,007</u>
Total investment income (loss)	2,444,849	33,096
Less investment expense	<u>90,263</u>	<u>-</u>
Net investment income (loss)	<u>2,354,586</u>	<u>33,096</u>
Total additions	<u>3,472,318</u>	<u>108,811</u>
Deductions:		
Benefits	1,102,207	-
Administration	<u>77,081</u>	<u>1,582</u>
Total deductions	<u>1,179,288</u>	<u>1,582</u>
Change in net position	2,293,030	107,229
Net position - July 1, 2023	<u>25,574,449</u>	<u>825,019</u>
Net position - June 30, 2024	<u><u>\$ 27,867,479</u></u>	<u><u>\$ 932,248</u></u>

The notes to financial statements are an integral part of this statement.

## Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024**History and organization**

The Town of New Fairfield, Connecticut (“Town”) is a municipal corporation governed by a selectmen-town meeting form of government. Under this form of government, the town meeting is the legislative body. A town meeting is required to make appropriations, levy taxes and borrow money. The administrative branch is led by an elected three-member Board of Selectmen. The Selectmen oversee most of the activities not assigned specifically to another body. An elected Board of Education oversees the public school system. The elected Board of Finance is the budget making authority and supervises the town financial matters.

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

**I. Summary of significant accounting policies****A. Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**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.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers tax revenues to be available if they are collected during the current fiscal period. In addition, the Town considers reimbursement grants to be available if they are collected within one year of the end of the current fiscal 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, claims and judgments and certain other long-term liabilities, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds.

Expenditure reimbursement type grants, certain intergovernmental revenues, charges, 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. 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 Town'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 Nonrecurring Fund	Accounts for and reports resources and expenditures that are restricted, committed or assigned for the acquisition and construction of capital facilities.
School Construction Fund	Accounts for resources to be used for the approved school construction projects.
American Rescue Plan Act Fund	Accounts for and reports the proceeds and expenditures of the American Rescue Plan Act ("ARPA") grant.

Additionally, the Town reports the following fund types:

Special Revenue Funds	Accounts for and reports the proceeds of specific revenue resources that are restricted, committed or assigned 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.
Capital Project Funds	Accounts for and reports resources and expenditures that are restricted, committed or assigned for the acquisition and construction of capital facilities, including those that are financed through special assessments.
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.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

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

Internal Service Fund	Accounts for risk financing activities for medical and dental insurance benefits.
Pension Trust Funds	Accounts for the activities of the Town of New Fairfield Retirement Plan and New Fairfield Board of Education Retirement Plan, which accumulate resources for pension benefit payments to qualified employees.
OPEB Trust Funds	Accounts for the activities of the OPEB Plan which accumulates resources for OPEB benefits.
Custodial Funds	Accounts for monies held on behalf of students and for the volunteer firemen awards program.

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 elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Town’s internal service fund are charges to Town departments for medical and dental insurance premiums.

For purposes of measuring the collective net pension and OPEB liability, 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 pension and OPEB plans, the Connecticut Municipal Employees Retirement System (“MERS”), 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’s pension and OPEB plans, MERS, 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 cash equivalents as money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

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

b. Investments

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

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, asset allocation guidelines, diversification guidelines and fixed income and cash guidelines.

The investment guidelines are as follows:

Asset Class	Target Allocation		
	Pension		
	Town	Education	OPEB
Equity	50.00%	35.00%	50.00%
Fixed income	50.00%	65.00%	50.00%
Totals	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

c. Method used to value investments

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

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	Quoted prices for identical investments in markets that are not active
Level 3	Unobservable inputs

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

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

d. 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 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.
Credit risk	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 has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations of any State or political subdivision or in obligations of the State of Connecticut or political subdivision.
Concentration of credit risk	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 uses laddered certificates of deposit to reduce custodial risk credit.
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 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

Property taxes are assessed on property as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and January 1. Personal property and motor vehicle taxes are billed in July and are due in one installment, on July 1, and supplemental motor vehicle taxes are due in full January 1. Liens are effective on the assessment date and are continued by filing before the end of the year following the due date.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

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

In the fund financial and government-wide financial statements, all trade, property tax and loan receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 5.00% to 24.00% of outstanding receivable balances and are calculated based upon prior collections.

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.

**c. Leases receivable**

The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

Key estimates and judgments related to leases include:

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

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

**3. Restricted assets**

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

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

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

Capital assets are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost as noted in the table below and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated 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 asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land is considered inexhaustible and, therefore, not depreciated. All land is capitalized. Construction in progress has not been put into service yet and, therefore, is not depreciated. Capital assets of the Town are depreciated or amortized using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>	<u>Capitalization Threshold</u>
Intangible right-to-use leased assets	Lease term	\$ 20,000
Intangible right-to-use subscription assets	Subscription term	20,000
Land improvements	15-30	20,000
Buildings and improvements	50	20,000
Machinery and equipment	5-20	5,000
Vehicles	5-20	5,000
Infrastructure	50	100,000

**5. Deferred outflows/inflows of resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The Town reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide statements for differences between expected and actual experience, changes in assumptions, net difference between projected and actual earnings on plan investments, changes in proportional share and contributions subsequent to measurement date. The deferred outflow or inflow related to differences between expected and actual experience, changes in assumptions, and changes in proportional share 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. The deferred outflow related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements  
As of and for the Year Ended June 30, 2024****C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**

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

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

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

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 property taxes (including advance collections, if any). These amounts are recognized as an inflow of resources in the period that the amounts become available.

**6. Compensated absences**

Town employees accumulate vacation hours for subsequent use or for payment upon termination or retirement. Vacation expenses to be paid in future periods are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement.

**7. Long-term liabilities**

In the government-wide and proprietary fund financial statements, long-term debt and other long-term liabilities are reported as liabilities in the 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, and debt payments, are reported as expenditures.

**8. Lease liabilities**

The Town recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

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

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

Key estimates and judgments related to leases and subscriptions include:

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

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

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

**9. Net position and fund balances**

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

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

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

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

**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.
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 or by a properly approved purchase order (encumbrances).
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 shall propose annual budgets that provide for first accumulating and thereafter maintaining an unassigned fund balance of not less than two months (16.67%) of total operating expenditures. Certain circumstances may justify significantly higher minimum target levels. Annually, the Board of Finance shall monitor and modify the minimum fund balance requirements. In the event the unassigned fund balance becomes greater than two months (16.67%), the excess may be used for purposes described in the policy.

**10. Use of estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, deferred outflows and inflows of resources including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year. Actual results could differ from those estimates.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)****11. Reclassification**

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. Donor-restricted endowments**

The Town has received certain endowments for the improvement and betterment of the New Fairfield library. The amounts are reflected in net position as restricted for endowments. Investment income is approved for disbursement by the Library Board or the applicable Trustee and is included in restricted fund balance.

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.

**B. Capital projects authorization**

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

The following is a summary of certain capital projects:

Project	Project Authorization	Cumulative Expenditures	Balance
High school project	\$ 84,220,000	\$ 78,392,727	\$ 5,827,273
Consolidated Early Learning Academy project	29,190,000	26,201,638	2,988,362
Total	<u>\$ 113,410,000</u>	<u>\$ 104,594,365</u>	<u>\$ 8,815,635</u>

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

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

At year end, the Town's bank balance, including bank money market accounts and certificates of deposit, classified as investments, was exposed to custodial credit risk as follows:

Bank balance	<u>\$ 19,002,179</u>
Uninsured and uncollateralized	\$ 10,899,887
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>424,918</u>
Total amount subject to custodial credit risk	<u>\$ 11,324,805</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 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	6-10 Years
Mutual funds:					
Money market	\$ 177,140	\$ -	\$ 177,140	\$ -	\$ -
Equity	12,263,566	12,263,566	-	-	-
Fixed income	15,426,773	-	813,059	14,613,714	-
Bank money market	7,073	-	7,073	-	-
Certificates of deposit	6,322,579	-	3,883,904	2,438,675	-
Negotiable certificates of deposit	2,678,829	-	2,678,829	-	-
Pooled fixed income	6,681,267	-	6,681,267	-	-
Annuities	932,248	-	-	-	932,248
Total	44,489,475	<u>\$ 12,263,566</u>	<u>\$ 14,241,272</u>	<u>\$ 17,052,389</u>	<u>\$ 932,248</u>
Less fiduciary funds	<u>(28,799,727)</u>				
Other funds	<u>\$ 15,689,748</u>				

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

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 Unobservable Inputs Level 3
<u>Investments by fair value level</u>			
Mutual funds:			
Money market	\$ 177,140	\$ 177,140	\$ -
Equity	12,263,566	12,263,566	-
Fixed income	15,426,773	15,426,773	-
Negotiable certificates of deposit	2,678,829	2,678,829	-
Annuities	932,248	-	932,248
	<u>31,478,556</u>	<u>\$ 30,546,308</u>	<u>\$ 932,248</u>
<u>Other investments</u>			
Bank money market	7,073		
Certificates of deposit	6,322,579		
Pooled fixed income	6,681,267		
	<u>13,010,919</u>		
Total investments	<u>\$ 44,489,475</u>		

Level 1: Quoted prices for identical investments in active markets.

Level 3: Unobservable inputs. Carrying value or fair value of the underlying assets as available.

c. The Town's investments subject to credit risk had average ratings by Standard & Poor's and AM Best (annuities) as follows:

Type of Investment	Ratings			
	AAA	A	Unrated	Total
Mutual funds:				
Money market	\$ -	\$ -	\$ 177,140	\$ 177,140
Fixed income	-	-	15,426,773	15,426,773
Negotiable certificates of deposit	-	-	2,678,829	2,678,829
Pooled fixed income	6,681,267	-	-	6,681,267
Annuities	-	932,248	-	932,248
	<u>\$ 6,681,267</u>	<u>\$ 932,248</u>	<u>\$ 18,282,742</u>	<u>\$ 25,896,257</u>

d. Certain investments are covered by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including \$250,000 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, debentures, certificates of deposit and money funds.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

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

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

Type of Investment	Total	Less Insured Amounts	Amount Subject to Custodial Credit Risk
Negotiable certificates of deposit	\$ 2,678,829	\$ 500,000	\$ 2,178,829

**B. Receivables**

1. Receivable balances have been disaggregated by type and presented separately in the financial statements. Receivables and the related allowances for uncollectible accounts are presented below:

	Property Taxes			CDBG Loans
	Taxes	Interest and Lien Fees	Total	
Current portion	\$ 382,432	\$ 65,557	\$ 447,989	\$ 75,000
Long-term portion	349,636	187,272	536,908	1,298,658
Less allowance for uncollectibles	(100,000)	(60,000)	(160,000)	(75,000)
Net long-term portion	249,636	127,272	376,908	1,223,658
Totals (net)	\$ 632,068	\$ 192,829	\$ 824,897	\$ 1,298,658

**2. Leases receivable**

The Town reports the following lease balances and activity:

Description	Lease Receivable	Deferred Inflows of Resources	Lease Revenue	Lease Interest Revenue
Cell towers	\$ 5,606,608	\$ 5,142,703	\$ 404,323	\$ 147,236
Less: current portion	(284,921)			
Long-term portion	\$ 5,321,687			

Description	Terms
Cell tower	The Town is lessor for 7 lease agreements for the right to use various cell towers. The leases all include automatic renewal terms. All cell tower agreements range from 10-24 years left in their current terms.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

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

A summary of interfund balances is as follows:

	Corresponding Fund	Due From	Due To
General fund:			
Capital nonrecurring fund	N/A	\$ -	\$ 252,948
Education grants fund	N/A	151,100	-
Dog registration fund	N/A	27,564	-
Recreation programs fund	N/A	159,269	-
Drop off center fund	N/A	173,794	-
School projects fund	N/A	245,061	-
Town capital projects fund	N/A	16,425	-
Medical insurance fund	N/A	-	375,658
Total general fund		<u>773,213</u>	<u>628,606</u>
Capital nonrecurring fund:			
General fund	N/A	252,948	-
Recreation programs fund	N/A	22,467	-
Total capital nonrecurring fund		<u>275,415</u>	<u>-</u>
Other governmental funds:			
Education grants fund	General fund	-	151,100
Dog registration fund	General fund	-	27,564
Recreation programs fund	General fund	-	159,269
Recreation programs fund	Capital nonrecurring fund	-	22,467
Recreation programs fund	Education user surcharges fund	-	27,067
Education user surcharges fund	Recreation programs fund	27,067	-
Drop off center fund	General fund	-	173,794
School projects fund	General fund	-	245,061
Town capital projects fund	General fund	-	16,425
Total other governmental funds		<u>27,067</u>	<u>822,747</u>
Total governmental funds		<u>1,075,695</u>	<u>1,451,353</u>
Internal service fund:			
Medical insurance fund	General fund	375,658	-
Total		<u>\$ 1,451,353</u>	<u>\$ 1,451,353</u>

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**C. Interfund accounts (continued)**

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 a cash account.

**2. Interfund transfers**

A summary of interfund transfers for the fiscal year is as follows:

	<u>Corresponding Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General fund:			
Capital nonrecurring fund	N/A	\$ -	\$ 270,000
Education capital nonrecurring fund	N/A	-	230,675
		<u>-</u>	<u>500,675</u>
Total general fund		-	500,675
Capital nonrecurring fund:			
General fund	N/A	270,000	-
Fire company reserve fund	N/A	-	198,541
		<u>270,000</u>	<u>198,541</u>
Total capital nonrecurring fund		270,000	198,541
Other governmental funds			
Debt service fund	School projects fund	194,652	-
Fire company reserve fund	Capital nonrecurring fund	198,541	-
Education capital nonrecurring fund	General fund	230,675	-
School projects fund	Debt service fund	-	194,652
		<u>623,868</u>	<u>194,652</u>
Total other governmental funds		623,868	194,652
Total governmental funds		<u>\$ 893,868</u>	<u>\$ 893,868</u>

Transfers are used to move budgeted appropriations from the general fund for funding of the capital projects funds and various programs and activities in other funds.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**D. Capital assets**

Capital asset activity for the fiscal year was as follows:

	Balance July 1, 2023	Increase	Decrease	Balance June 30, 2024
Capital assets, not being depreciated/ amortized:				
Land	\$ 6,950,076	\$ 10,400	\$ -	\$ 6,960,476
Construction in progress	94,329,185	15,304,620	382,463	109,251,342
Total capital assets, not being depreciated/amortized	<u>101,279,261</u>	<u>15,315,020</u>	<u>382,463</u>	<u>116,211,818</u>
Capital assets, being depreciated/ amortized:				
Intangible right-to-use assets	561,225	35,318	16,052	580,491
Land improvements	6,843,583	59,872	211,096	6,692,359
Buildings and improvements	87,893,502	627,089	10,908,328	77,612,263
Vehicles	8,956,507	-	350,036	8,606,471
Machinery and equipment	4,037,616	532,055	1,182,839	3,386,832
Infrastructure	45,367,670	13,496	-	45,381,166
Total capital assets, being depreciated/ amortized	<u>153,660,103</u>	<u>1,267,830</u>	<u>12,668,351</u>	<u>142,259,582</u>
Total capital assets	<u>254,939,364</u>	<u>16,582,850</u>	<u>13,050,814</u>	<u>258,471,400</u>
Less accumulated depreciation/ amortization for:				
Intangible right-to-use assets	74,840	120,914	16,052	179,702
Land improvements	2,804,858	289,453	128,817	2,965,494
Buildings and improvements	39,613,213	2,688,074	6,645,804	35,655,483
Vehicles	6,022,856	501,101	350,036	6,173,921
Machinery and equipment	3,336,753	195,902	1,149,179	2,383,476
Infrastructure	23,471,470	472,604	-	23,944,074
Total accumulated depreciation/amortization	<u>75,323,990</u>	<u>4,268,048</u>	<u>8,289,888</u>	<u>71,302,150</u>
Total capital assets, being depreciated/ amortized, net	<u>78,336,113</u>	<u>(3,000,218)</u>	<u>4,378,463</u>	<u>70,957,432</u>
Capital assets, net	<u>\$ 179,615,374</u>	<u>\$ 12,314,802</u>	<u>\$ 4,760,926</u>	<u>\$ 187,169,250</u>

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

**D. Capital assets (continued)**

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

	<u>Asset</u>	<u>Accumulated Amortization</u>
Intangible right-to-use machinery and equipment	<u>\$ 580,491</u>	<u>\$ 179,702</u>

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

General government	\$ 100,048
Public safety	572,336
Public works	692,798
Health and welfare	5,934
Culture and recreation	288,312
Education	<u>2,608,620</u>
Total depreciation/amortization expense	<u>\$ 4,268,048</u>

**E. Construction commitments**

The Town has the following construction contract commitments:

High School project	\$ 983,112
Consolidated Early Learning Academy project	<u>338,199</u>
Total	<u>\$ 1,321,311</u>

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

F. Changes in long-term liabilities

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

1. Summary of changes

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

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Current Portion	Long-Term Portion
<b>Bonds:</b>										
<b>General purpose:</b>										
Refunding bond	\$ 863,000	2016	06/30/30	2.00-4.00%	\$ 753,000	\$ -	\$ 109,000	\$ 644,000	\$ 107,000	\$ 537,000
Refunding bond	1,116,000	2017	07/15/30	3.00-4.00%	391,000	-	98,000	293,000	-	293,000
<b>Total general purpose</b>	<b>1,979,000</b>				<b>1,144,000</b>	<b>-</b>	<b>207,000</b>	<b>937,000</b>	<b>107,000</b>	<b>830,000</b>
<b>School bonds:</b>										
Refunding bond	7,857,000	2016	06/30/30	2.00-4.00%	7,202,000	-	646,000	6,556,000	1,318,000	5,238,000
Refunding bond	6,639,000	2017	07/15/30	3.00-4.00%	2,324,000	-	582,000	1,742,000	-	1,742,000
Improvement bond	8,000,000	2020	03/15/40	2.00-4.00%	6,800,000	-	400,000	6,400,000	400,000	6,000,000
Improvement bond	25,000,000	2021	04/23/41	2.00-4.00%	22,720,000	-	1,260,000	21,460,000	1,260,000	20,200,000
Improvement bond	35,000,000	2022	03/01/42	2.60-4.00%	33,700,000	-	1,775,000	31,925,000	1,775,000	30,150,000
Improvement bond	12,000,000	2023	04/01/43	4.00-5.00%	12,000,000	-	460,000	11,540,000	605,000	10,935,000
<b>Total school bonds</b>	<b>94,496,000</b>				<b>84,746,000</b>	<b>-</b>	<b>5,123,000</b>	<b>79,623,000</b>	<b>5,358,000</b>	<b>74,265,000</b>
<b>Total bonds</b>	<b>96,475,000</b>				<b>85,890,000</b>	<b>-</b>	<b>5,330,000</b>	<b>80,560,000</b>	<b>5,465,000</b>	<b>75,095,000</b>

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## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

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

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Current Portion	Long-Term Portion
Leases payable	\$ 580,491				\$ 489,410	\$ 35,318	\$ 114,556	\$ 410,172	\$ 115,710	\$ 294,462
Total long-term debt	<u>\$97,055,491</u>				86,379,410	35,318	5,444,556	80,970,172	5,580,710	75,389,462
Premium					5,146,716	-	385,088	4,761,628	-	4,761,628
Total long-term debt and related liabilities					91,526,126	35,318	5,829,644	85,731,800	5,580,710	80,151,090
Compensated absences (net change)					256,116	21,527	-	277,643	55,529	222,114
Net pension liability					6,895,075	3,117,990	3,209,486	6,803,579	-	6,803,579
Net OPEB liability					676,759	399,915	924,707	151,967	-	151,967
Total long-term liabilities					<u>\$99,354,076</u>	<u>\$3,574,750</u>	<u>\$9,963,837</u>	<u>\$92,964,989</u>	<u>\$5,636,239</u>	<u>\$87,328,750</u>

All long-term liabilities are generally liquidated by the general fund.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

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

2. The following is a summary of bonds and notes payable principal and interest payments to maturity:

Year Ended June 30	Bond Principal	Total Interest
2025	\$ 5,465,000	\$ 2,618,488
2026	5,475,000	2,375,888
2027	5,490,000	2,148,038
2028	5,465,000	1,927,513
2029	5,465,000	1,707,363
2030	5,445,000	1,500,113
2031	4,710,000	1,321,938
2032	4,040,000	1,183,488
2033	4,040,000	1,072,838
2034	4,045,000	961,988
2035	4,050,000	850,838
2036	4,050,000	746,388
2037	4,050,000	639,963
2038	4,045,000	532,450
2039	4,045,000	423,990
2040	4,045,000	314,445
2041	3,645,000	203,815
2042	2,380,000	101,900
2043	610,000	24,400
Total	<u>\$ 80,560,000</u>	<u>\$ 20,655,844</u>

**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:

	Debt Limitation	Net Indebtedness	Balance
General Purpose	\$ 123,638,092	\$ 937,000	\$ 122,701,092
Schools	247,276,184	79,623,000	167,653,184
Sewers	206,063,486	-	206,063,486
Urban Renewal	178,588,355	-	178,588,355
Pension Deficit	164,850,789	-	164,850,789

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

\$ 384,651,841

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

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

F. Changes in long-term liabilities (continued)

4. Authorized/unissued bonds

The amount of authorized, unissued bonds are as follows:

Schools \$ 33,410,000

5. Leases

Lease agreements are summarized as follows:

Description	Year	Lease Term (years)	Interest Rate*	Original Amount	Balance
Education copiers	2023	5	4.50%	\$ 545,173	\$ 381,572
Police tasers	2024	5	2.51%	35,318	28,600
Total				<u>\$ 580,491</u>	<u>\$ 410,172</u>

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

Description	Terms
Education copiers	These leases are not renewable and the Town will not acquire the postage machines at the end of the term.
Police tasers	The lease is not renewable and the Town will not acquire the equipment at the end of the term.

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

Year Ending June 30	Principal	Interest
2025	\$ 115,710	\$ 17,889
2026	120,780	12,819
2027	126,075	7,524
2028	47,607	1,994
Totals	<u>\$ 410,172</u>	<u>\$ 40,226</u>

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**G. Fund balances and restricted net position**

Fund balances are composed of the following:

	General Fund	Capital Nonrecurring Fund	School Construction Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Library operations	\$ -	\$ -	\$ -	\$ -	\$ 482	\$ 482
Restricted:						
Cemetery operations	-	-	-	-	3,045	3,045
Cafeteria operations *	-	-	-	-	965,558	965,558
School activities	-	-	-	-	1,123	1,123
Housing rehabilitation programs	-	-	-	-	1,516,484	1,516,484
Library operations	-	-	-	-	15,087	15,087
Public safety - police	-	-	-	-	63,504	63,504
Social services programs	-	-	-	-	63,532	63,532
Document preservation fees *	-	-	-	-	19,140	19,140
Water operations *	-	-	-	-	28,351	28,351
ARPA funded projects	-	-	-	128,491	-	128,491
<b>Total restricted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128,491</b>	<b>2,675,824</b>	<b>2,804,315</b>
Committed:						
Public safety programs	-	-	-	-	5,171	5,171
Construction contracts	-	-	1,321,311	-	-	1,321,311
Approved projects	-	2,194,093	2,145,337	-	4,089	4,343,519
Education programs	-	-	-	-	984,228	984,228
Education approved projects	-	-	-	-	450,452	450,452
Library operations	-	-	-	-	83,559	83,559
Fire department capital projects	-	-	-	-	751,547	751,547
School activities	-	-	-	-	581,300	581,300
Culture and recreation programs	-	-	-	-	494,648	494,648
ARPA funded projects	-	-	-	289,236	-	289,236
<b>Total committed</b>	<b>-</b>	<b>2,194,093</b>	<b>3,466,648</b>	<b>289,236</b>	<b>3,354,994</b>	<b>9,304,971</b>
Assigned:						
General government	5,023	-	-	-	-	5,023
Public safety	5,426	-	-	-	-	5,426
Public works	69,495	-	-	-	-	69,495
Health and welfare	1,635	-	-	-	-	1,635
Education	144,955	-	-	-	-	144,955
Lease receivable	-	463,905	-	-	-	463,905
Debt service	-	-	-	-	1,437,608	1,437,608
<b>Total assigned</b>	<b>226,534</b>	<b>463,905</b>	<b>-</b>	<b>-</b>	<b>1,437,608</b>	<b>2,128,047</b>
Unassigned	13,182,599	-	-	-	(307,315)	12,875,284
<b>Total</b>	<b>\$13,409,133</b>	<b>\$2,657,998</b>	<b>\$ 3,466,648</b>	<b>\$ 417,727</b>	<b>\$ 7,161,593</b>	<b>\$ 27,113,099</b>

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

\$ 1,013,049General fund encumbrances total: \$ 226,534

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**H. Deficit Fund Balance**

The following funds had deficit fund balances at year end:

Special revenue funds:	
Drop off center fund	\$ 62,254

Capital project funds:	
School projects fund	245,061

The deficits will be eliminated by future charges for services and transfers from the general fund.

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

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or three prior years.

The Town is a member in Connecticut Interlocal Risk Management Association ("CIRMA"). CIRMA is a public entity risk pool established under the provisions of the Connecticut General Statutes Section 7-479a et. seq. The Town is liable only for contributions to the pool. Members do not retain the risk of loss, as they have transferred the risk by purchasing pool coverage with no deductible retention. A separate agreement limits the member's obligation to pay indemnification obligations and expenses should CIRMA be unable to do so.

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

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

The Board of Education self-insures its employees for medical and dental claims through the aggregate use of an internal service fund. Maximum liability to the Board of Education per covered participant is \$250,000 and an aggregate stop loss of 120% of the projected premiums. The Board of Education retains an insurance policy for employee claims in excess of these limits. A third party administers the plan for which the Board of Education pays an administrative fee. The plan is funded monthly by employer contributions.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

**A. Risk management (continued)**

The Town utilizes a risk management fund (the Internal Service Fund) to account for and finance its uninsured risks of loss for medical and dental claims. 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. The Internal Service Fund is funded by the General Fund based on estimated cost of claim payments based on employee census, historical cost estimates of the amounts needed to pay prior and current year claims and administration. Claims liabilities include an estimate of claims incurred but not reported and are the Town's best estimate based on available information.

The following is a summary of changes in claims liability during the year:

<u>Fiscal Year</u>	<u>Claims Payable July 1</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>Claims Payable June 30</u>
2022-2023	\$ 679,000	\$ 7,667,390	\$ 7,827,390	\$ 519,000
2023-2024	519,000	6,669,818	6,627,818	561,000

**B. Commitments and litigation**

The Town participates in various Federal and State grant programs. These programs are subject to program compliance audits pursuant to the Federal and State Single Audit Acts. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

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

**V. Pensions and other post-employment benefit plans**

**A. Town pension plans**

**1. Plan description**

**a. Plan administration**

The Town is the administrator of two single employer public employee retirement systems, the Town Plan and the Education Plan (“Plans”) established and administered by the Town to provide pension benefits for its regular and former employees (excluding teachers covered under the Connecticut State Teachers’ Retirement System). The Plans are considered to be part of the Town’s financial reporting entity and are included in the Town’s financial statements as a pension trust fund. The plan does not issue a separate report. The plan provides retirement benefits through a single employer noncontributory defined benefit plan. Management of the plan rests with the Town Treasurer. There is an advisory committee that provides input and consists of one member from each of the boards of finance, selectmen and education, the finance director and one member of the public.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

A. Town pension plans (continued)

b. Plan membership

The memberships in the plans as of the date indicated are comprised of the following:

	<u>July 1, 2023</u> Town	<u>July 1, 2023</u> Education
Active members	46	103
Terminated employees entitled to benefits	24	64
Retirees, disabled employees, and beneficiaries receiving benefits	<u>35</u>	<u>55</u>
Total	<u>105</u>	<u>222</u>

2. Benefit provisions

The benefit provision for each plan are as follows:

Provision	Town	Education
Normal retirement age	Age 65	Age 65 or 10 years of service
Benefit calculation	1.00% of final average earnings before January 1, 1991 and 2.00% after that date	<b>Paraprofessionals:</b> 1.00% of average compensation <b>Secretaries:</b> 1.75% of average compensation <b>All others:</b> 2.00% of average compensation, except for Building and Grounds Director is 3.00%
Final average compensation	Highest average gross compensation received during any 3 consecutive calendar years	Average of last 5 years compensation
Early retirement age	Age 62	
Early retirement service requirement		Ten years before normal retirement date
Early retirement amount	Normal pension accrued, actuarially reduced by number of months retirement preceded normal retirement date.	Normal pension accrued, reduced by 6 2/3% for each year up to 5 years and 3 1/3% for each year between 5 and 10 years before normal retirement date
Vesting - service	100% after 5 years	100% after 5 years

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

A. Town pension plans (continued)

3. Contributions

Required contributions to the plans are as follows:

	Town	Education
<b>Employer:</b>		
Town's average contribution rate	15.65% of pensionable wages	13.21% of pensionable wages
<b>Employees:</b>		
Employee contributions	None required	None required

4. Investments

a. Investment policy and rate of return

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

Best estimates of arithmetic real rates of return for each major asset class are included in the pension plans' target asset allocation.

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.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

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

The following was the Board's adopted asset allocation policy and long-term expected real rate of return:

Asset Class	Target Allocation		Long-term Expected Real Rate of Return	
	Town	Education	Town	Education
U.S. large cap equity	22.00%	15.00%	3.80%	3.80%
U.S. small cap equity	8.00%	6.00%	4.11%	4.11%
Emerging markets equity	10.00%	7.00%	6.21%	6.21%
International equity	10.00%	7.00%	5.75%	5.75%
U.S. core fixed income	50.00%	65.00%	2.36%	2.36%
Total/weighted average	<u>100.00%</u>	<u>100.00%</u>	4.25%	3.75%
Long-term inflation expectation			<u>2.50%</u>	<u>2.50%</u>
Portfolio nominal mean rate			<u>6.75%</u>	<u>6.25%</u>
Long-term expected rate of return			<u>6.75%</u>	<u>6.25%</u>
<b>Annual money-weighted rate of return</b>			<u>Town</u>	<u>Education</u>
The annual money-weighted rate of return on pension plan investments (net of pension plan investment expense) was:			<u>9.70%</u>	<u>7.86%</u>

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

**b. Concentrations**

There were no investments in any one organization that represented 5.00% of the pension plans' net position.

**5. Net pension liability**

The components of the net pension liability are as follows:

	Town	Education
Total pension liability	\$ 14,826,694	\$ 13,912,934
Plan fiduciary net position	<u>12,386,740</u>	<u>11,445,025</u>
Net pension liability	<u>\$ 2,439,954</u>	<u>\$ 2,467,909</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>83.54%</u>	<u>82.26%</u>

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

A. Town pension plans (continued)

6. Actuarial methods and significant assumptions

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

	Town	Education
Valuation date	July 1, 2023	July 1, 2023
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	6.75%	6.25%
Asset valuation method	Fair value	Fair value
Inflation	2.50%	2.50%
Salary increases	Varied by age range	Varied by age range
Cost of living adjustments	None	None
Mortality rates	PubG-2010 mortality table with generational projection of future improvements per the MP-2021 ultimate scale	PubG-2010 mortality table with generational projection of future improvements per the MP-2021 ultimate scale

7. Changes from prior year

a. Changes in assumptions

There were no changes in assumptions.

b. Changes in benefit terms

There were no changes in benefit terms.

8. Discount rate

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

	<u>Town</u>	<u>Education</u>
Discount rate	6.75%	6.25%

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

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

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

The Town and Education's net pension liability was measured at June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as dated below. The changes in net pension liability were as follows:

Valuation date: July 1, 2023	Increase (Decrease)		
Town	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at July 1, 2023	\$ 14,066,552	\$ 11,334,158	\$ 2,732,394
Service cost	309,887	-	309,887
Interest	953,161	-	953,161
Differences between expected and actual experience	16,633	-	16,633
Contributions - employer	-	481,543	(481,543)
Net investment income (loss)	-	1,117,939	(1,117,939)
Benefit payments, including refunds of member contributions	(519,539)	(519,539)	-
Administration	-	(27,361)	27,361
Net change	760,142	1,052,582	(292,440)
Balance at June 30, 2024	<u>\$ 14,826,694</u>	<u>\$ 12,386,740</u>	<u>\$ 2,439,954</u>
Valuation date: July 1, 2023	Increase (Decrease)		
Education	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at July 1, 2023	\$ 12,963,595	\$ 10,522,547	\$ 2,441,048
Service cost	312,361	-	312,361
Interest	817,817	-	817,817
Differences between expected and actual experience	206,829	-	206,829
Contributions - employer	-	491,980	(491,980)
Net investment income (loss)	-	848,336	(848,336)
Benefit payments, including refunds of member contributions	(387,668)	(387,668)	-
Administration	-	(30,170)	30,170
Net change	949,339	922,478	26,861
Balance at June 30, 2024	<u>\$ 13,912,934</u>	<u>\$ 11,445,025</u>	<u>\$ 2,467,909</u>

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**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 of the Town and Education plans, calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

<u>Plan</u>	<u>Discount Rate</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Town	<u>6.75%</u>	<u>\$ 4,141,799</u>	<u>\$ 2,439,954</u>	<u>\$ 991,377</u>
Education	<u>6.25%</u>	<u>\$ 4,035,006</u>	<u>\$ 2,467,909</u>	<u>\$ 1,145,261</u>

**11. Pension expense and deferred outflows and inflows of resources**

The Town reported deferred outflows of resources and deferred inflows of resources and pension expense as follows:

<u>Town</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
<u>Description of Outflows/Inflows</u>			
Differences between expected and actual experience	\$ 73,532	\$ 5,796	\$ 67,736
Changes in assumptions	-	19,090	(19,090)
Net difference between projected and actual earnings on pension plan investments	<u>299,106</u>	<u>-</u>	<u>299,106</u>
Total	<u>\$ 372,638</u>	<u>\$ 24,886</u>	<u>\$ 347,752</u>
<u>Pension Expense</u>			
The plan recognized pension expense of:			<u>\$ 772,863</u>

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

A. Town pension plans (continued)

<u>Education</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
<u>Description of Outflows/Inflows</u>			
Differences between expected and actual experience	\$ 179,393	\$ 19,575	\$ 159,818
Changes in assumptions	-	18,757	(18,757)
Net difference between projected and actual earnings on pension plan investments	<u>498,962</u>	<u>-</u>	<u>498,962</u>
Total	<u>\$ 678,355</u>	<u>\$ 38,332</u>	<u>\$ 640,023</u>
<u>Pension Expense</u>			
The plan recognized pension expense of:			<u>\$ 766,951</u>

Actual investment earnings below (or above) projected earnings are amortized over 5.00 years for both plans. Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of actives and inactive, which were as follows:

<u>Plan</u>	<u>Years</u>
Town	3.60
Education	2.80

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

<u>Year Ending June 30,</u>	<u>Town</u>	<u>Education</u>
2025	\$ 105,220	\$ 243,916
2026	422,448	474,280
2027	(108,927)	(40,563)
2028	<u>(70,989)</u>	<u>(37,610)</u>
Total	<u>\$ 347,752</u>	<u>\$ 640,023</u>

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

**B. Connecticut municipal employees’ retirement system**

**1. Plan description**

The Connecticut Municipal Employees’ Retirement System (“MERS”) is the public pension plan offered by the State of Connecticut for municipal employees in participating municipalities. MERS is a cost-sharing defined benefit pension plan administered by the Connecticut State Retirement Commission.

Municipalities may designate which departments (including elective officers if so specified) are to be covered under the Connecticut Municipal Employees’ Retirement System (“MERS”). This designation may be the result of collective bargaining. Only employees covered under the State Teachers’ Retirement System may not be included. There are no minimum age or service requirements. Membership is mandatory for all regular full-time employees of participating departments except Police and Fire hired after age 60.

The plan has 4 sub plans as follows:

- General employees with social security
- General employees without social security
- Police officers and firefighters with social security
- Police officers and firefighters without social security

**2. Benefit provisions**

<b>Normal retirement</b>	
General employees	Age 55 with 5 years of continuous service, or 15 years of active aggregate service or 25 years of aggregate service
Police and fire	Compulsory retirement age is age 65
Benefit calculation	The maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually. Both the minimum and the maximum include workers’ compensation and social security benefits.
With social security	1.50% of the average final compensation not in excess of the year’s breakpoint plus 2.00% of average final compensation in excess of the year’s breakpoint, times years of service. If any member covered by social security retires before age 62, the benefit until age 62 is reached or a social security disability award is received, is computed as if the member is not under social security.
Without social security	2.00% of average final compensation, times years of service
Final average compensation	Average of the three highest paid years of service

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

**B. Connecticut municipal employees' retirement system (continued)**

**2. Benefit provisions (continued)**

<b>Early retirement</b>	5 years of continuous service or 15 years of active aggregate service
Early retirement amount	Calculated on the basis of average final compensation and service to date of termination. Deferral to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.
Service connected disability amount	Calculated based on compensation and service to the date of the disability with a minimum benefit (including workers' compensation benefits) of 50% of compensation at the time of disability
Non-service connected disability service requirement	10 years of service
Non-service connected disability service amount	Calculated based on compensation and service to the date of the disability
Pre-retirement death benefit amount	Lump-sum return of contributions with interest of if vested and married, the surviving spouse will receive a lifetime benefit
Cost of living increases	2.50% - 6.00% depending on retirement date and increase in CPI

**3. Contributions**

**Employer**

Participating municipalities make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment which covers the liabilities of the system not met by member contributions.

**Employees**

For employees not covered by social security, each person is required to contribute 6.00% of compensation.

For employees covered by social security, each person is required to contribute 3.25% of compensation up to the social security taxable wage base plus 6.00% of compensation, if any, in excess of such base.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

B. Connecticut municipal employees' retirement system (continued)

4. Pension liabilities, deferred outflows of resources and deferred inflows of resources and pension expense

The Town reported the following relative to the plan:

Measurement date	June 30, 2023
Valuation date	June 30, 2023
Proportionate share of the collective net pension liability	\$ 1,895,716
Police officers with social security sub plan:	
Town percentage of total plan participating employers payroll based upon 2023 expected payroll	1.648534%
Increase (decrease) from prior year	(0.006383%)

Subsequent to the measurement date, there were no changes in benefit terms or any expected changes that will have an impact on the measurement of the net pension liability.

The Town reported deferred outflows of resources and deferred inflows of resources and pension expense as follows:

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Difference between expected and actual experience	\$ 223,773	\$ 21,314	\$ 202,459
Change of assumptions	245,130	-	245,130
Changes in proportional share	140,820	44,422	96,398
Net difference between projected and actual earnings on pension plan investments	240,624	-	240,624
Contributions subsequent to measurement date	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Total	<u>\$ 1,050,347</u>	<u>\$ 65,736</u>	984,611
Contributions subsequent to the measurement date to be recognized as a reduction of the collective net pension liability in the subsequent year			<u>(200,000)</u>
Net amortized amount of deferred inflows and outflows			<u>\$ 784,611</u>
<u>Pension Expense</u>			
The plan recognized pension expense of:			<u>\$ 331,104</u>

Actual investment earnings below (or above) projected earnings are amortized over 5.00 years. Changes in proportional share and differences between expected and actual results are amortized over the average remaining service period of active and inactive employees which was 5.26 years.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

**B. Connecticut municipal employees' retirement system (continued)**

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

Year Ending June 30,	
2025	\$ 217,407
2026	218,780
2027	278,729
2028	52,673
2029	<u>17,022</u>
Total	<u>\$ 784,611</u>

**5. Actuarial assumptions**

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

Valuation date	June 30, 2023
Investment rate of return	7.00%
Inflation	2.50%
Salary increases	3.50-9.50%, including inflation
Cost of living adjustments	Future cost-of-living adjustments for members who retire on or after January 1, 2002 are 60% of the annual increase in the CPI up to 6.00%. The minimum annual COLA is 2.50%, the maximum is 6.00%.
Mortality rates	<p><u>Employees</u>: Mortality rates were based on RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB.</p> <p><u>Police and Fire</u>: RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected 2022 with Scale BB.</p> <p><u>Disabled</u>: For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.</p>

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2022.

**Long-term expected rate of return**

The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

**B. Connecticut municipal employees' retirement system (continued)**

The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Target Expected Real Rate of Return</u>
Global equity	37.00%	6.80%
Public credit	2.00%	2.90%
Core fixed income	13.00%	0.40%
Liquidity fund	1.00%	(0.40%)
Risk mitigation	5.00%	0.10%
Private equity	15.00%	11.20%
Private credit	10.00%	6.10%
Real estate	10.00%	6.30%
Infrastructure and natural resources	7.00%	7.70%
Total	<u>100.00%</u>	

**6. Discount rate**

The discount rate used to measure the collective total pension liability was 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 employer 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.

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

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

	<u>Discount Rate</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Town's proportional share of the net pension liability	<u>7.00%</u>	<u>\$ 2,652,304</u>	<u>\$ 1,895,716</u>	<u>\$ 1,268,308</u>

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**B. Connecticut municipal employees' retirement system (continued)****8. Plan fiduciary net position**

The net pension liability, pension expense and deferred outflows and inflows of resources presented in this report have been determined based on CMERS' fiduciary net position included in the State of Connecticut ACFR as of and for the year ended June 30, 2023, which was audited by the State of Connecticut Auditors of Public Accounts. CMERS is included in the State of Connecticut's ACFR as a pension trust fund.

**9. Future plan changes**

On June 7, 2023, House Bill 6930, an Act Concerning the Development of Best Practices for Governance Structures of Municipal Retirement Plans, was passed by the Connecticut Legislature.

The following is a summarization of future changes in benefit provisions.

- A five-year phase-out of the Cost-Of-Living-Adjustment (COLA) floor from the existing 2.5% to 0%, which reduces the floor by 0.5% each year for future retirees, beginning July 1, 2025, reducing to 0% on July 1, 2029.
- Subject to the COLA floors outlined above, for years in which inflation (as measured by the CPI-W) increases by 2% or less, the MERS COLA will track inflation directly. For those years in which inflation increases by 2% or more, the COLA will be 60% of the inflation rate up to 6.0%, and 75% of the inflation rate in excess of 6.0% with a maximum COLA of 7.5%.

Beginning July 1, 2025, the benefit formula multiplier will increase to 2.2% (1.7% for social security covered eligible participants) based on the following eligibility:

- General Employees: Beginning for service at age 60 with at least 30 years of service.
- Police and Fire: Beginning for service at age 55 with at least 27 years of service.

Beginning July 1, 2025, a Deferred Retirement Option Plan (DROP), capped at five years of participation in the program, will be offered based on the following eligibility:

- General Employees: at age 60 with 30 years of service OR at age 62 with five (5) years of service.
- Police and Fire: at age 55 with 25 years of service; at age 57 with five (5) years of service; or at any age with 30 years of service.
- Upon entering DROP, the member contribution rate is reduced to half. After 24 months of DROP participation, the member contribution rate is reduced to 0%.
- Beginning annually at the 2nd anniversary of the member's DROP entry, the DROP account is credited with interest at a not to exceed 4%. Interest is also credited at the 3rd, 4th, and 5th anniversary date of DROP entry.
- Pension amount will not increase with annual COLAs while participating in DROP. Once member exits DROP, future COLAs will be determined based on the provisions in effect at the time the member entered the DROP.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**C. Connecticut state teachers' retirement system****1. Plan description**

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

**2. Benefit provisions**

Normal retirement	Age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut
Benefit calculation	2.00% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary)
Minimum benefit	Effective January 1, 1999, Public Act 98-251 provides a minimum monthly completed at least 25 years of full time Connecticut service at retirement.
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	5 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 New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**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 collective net pension liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amounts recognized by the Town as its proportionate share of the collective net pension liability, the related State support, and the total portion of the collective net pension liability that was associated with the Town were as follows:

Town's proportionate share of the collective net pension liability	\$ -
State's proportionate share of the collective net pension liability associated with the Town	<u>79,901,803</u>
Total	<u><u>\$ 79,901,803</u></u>
The plan recognized pension expense and revenue for on-behalf amounts for contributions to the plan by the State of:	<u><u>\$ 7,413,769</u></u>

The collective net pension liability was measured as of June 30, 2023, and the collective total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of June 30, 2023. The Town has no proportionate share of the collective net pension liability.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

C. Connecticut state teachers' retirement system (continued)

5. Actuarial assumptions

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

Valuation date	June 30, 2023
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 are as follows:

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
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%
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, 2023 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

**Changes in assumptions and inputs**

There were no changes in assumptions from the prior measurement date.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Target Expected Real Rate of Return</u>
Global equity	37.00%	6.80%
Public credit	2.00%	2.90%
Core fixed income	13.00%	0.40%
Liquidity fund	1.00%	(0.40%)
Risk mitigation	5.00%	0.10%
Private equity	15.00%	11.20%
Private credit	10.00%	6.10%
Real estate	10.00%	6.30%
Infrastructure and natural resources	7.00%	7.70%
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.

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

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

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

C. Connecticut state teachers' retirement system (continued)

8. Plan fiduciary net position

The net pension liability and proportional share of pension expense presented in this report have been determined based on Connecticut State Teachers Retirement Systems' fiduciary net position included in the State of Connecticut ACFR as of and for the year ended June 30, 2023, which was audited by the State of Connecticut Auditors of Public Accounts and is included in the State of Connecticut's ACFR as a pension trust fund.

D. Total pension plans

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Town	\$ 2,439,954	\$ 372,638	\$ 24,886	\$ 772,863
Education	2,467,909	678,355	38,332	766,951
MERS	<u>1,895,716</u>	<u>1,050,347</u>	<u>65,736</u>	<u>331,104</u>
Total	<u>\$ 6,803,579</u>	<u>\$ 2,101,340</u>	<u>\$ 128,954</u>	<u>\$ 1,870,918</u>

E. Other post-employment benefit plan ("OPEB")

1. Plan description

a. Plan administration

The Town is the administrator of a single-employer defined benefit plan established and administered by the Town to provide post-employment benefits, other than pensions, for certain employees and retirees. The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial statement as an OPEB trust fund. A separate stand-alone financial report is not issued. Benefits may be changed by the Board of Finance through union agreements or other action of the Board.

The Board of Finance serves as the OPEB board and has delegated certain administrative activities and oversight to the first selectman pursuant to a declaration of trust.

b. Plan membership

The following employees are covered by the benefit terms:

Valuation date: July 1, 2023

Active members	266
Retirees and beneficiaries receiving benefits	<u>20</u>
Total	<u><u>286</u></u>

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

E. Other post-employment benefits (“OPEB”) (continued)

2. Benefit provisions

Group	Benefit
Teachers and Administrators	Age 60 with 20 years of service or 35 years of service
Custodian (Education)	Age 60 with 10 years of service or at age 62 with 5 years of service
Police	25 years of service under the MERS pension plan

State Statutes require that retired teachers be covered under the Town’s plan until the teacher is eligible to obtain benefits under the State plan. The employees and TRS pay 100% of the benefit.

3. Contributions

Required contributions to the plan are as follows:

**Employer:**

Town's average contribution rate	0.67% of pensionable wages
Town contributions	\$144,209

**Employees:**

Employee contributions	None required
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**Retirees:**

Teachers and administrators	100.00%
Custodians and paraprofessionals	100.00%
Police	75% of the premium shall be paid by the Town from the employee's premium account (50% if the premium account is exhausted)

4. Investments

a. Investment policy and rate of return

The OPEB plans' policy in regard to the allocation of invested assets is established and may be amended by the Board of Finance. It is the policy of the Town to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

Best estimates of arithmetic real rates of return for each major asset class are included in the pension plan’s target asset allocation.

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.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

E. Other post-employment benefits (“OPEB”) (continued)

The following was the Town's adopted asset allocation policy and long-term expected real rate of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. equity market	37.00%	3.82%
International equity	13.00%	5.75%
U.S. core fixed income	<u>50.00%</u>	<u>2.36%</u>
Total/weighted average	<u>100.00%</u>	3.89%
Long-term inflation		<u>2.50%</u>
Portfolio nominal mean return		<u>6.39%</u>
Long-term expected rate of return		<u>6.25%</u>

**Annual money-weighted rate of return**

The annual money-weighted rate of return on OPEB plan investments (net of investment expense) was:	<u>10.11%</u>
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The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**b. Concentrations**

There were no investments in any one organization that represents 5.00% or more of the OPEB plan's net position.

**5. Net OPEB liability**

The components of the net OPEB liability were measured as of June 30, 2024 and were as follows:

Total OPEB liability	\$ 4,187,681
Plan fiduciary net position	<u>4,035,714</u>
Net OPEB liability	<u>\$ 151,967</u>
Plan fiduciary net position as a percentage of total OPEB liability	<u>96.37%</u>

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

E. Other post-employment benefits (“OPEB”) (continued)

6. Actuarial methods and significant assumptions

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

Valuation date	July 1, 2023
Actuarial cost method	Entry age normal
Asset valuation method	Fair value
Investment rate of return	6.25%
Salary increases	Graded by service for teachers; 4.00% for all others
Inflation	2.50%
Healthcare trend rate	6.50% - 3.90% over 49 years
Mortality	
Teachers and administrators	PubT-2010 mortality table with generational projection of future improvements per the MP-2021 ultimate scale
Education non-certified	PubG-2010 mortality table with generational projection per the MP-2021 ultimate scale
Police	PubG-2010 mortality table with generational projection per the MP-2021 ultimate scale

7. Changes from prior year

a. Changes in assumptions

Assumption	From	To
Inflation	2.70%	2.50%
Healthcare trend rate	5.20% - 4.20% over 52 years	6.50% - 3.90% over 49 years
Mortality	MP-2019	MP-2021

b. Changes in benefit terms

There were no changes in benefit terms.

8. Discount rate

The discount rate used to measure the OPEB liability was 6.25%. 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 the 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 net OPEB liability.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**E. Other post-employment benefits (“OPEB”) (continued)****9. Changes in the net OPEB liability**

The Town’s OPEB liability was measured at June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation date mentioned below.

Valuation date: July 1, 2023	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at July 1, 2023	\$ 4,394,503	\$ 3,717,744	\$ 676,759
Service cost	105,139	-	105,139
Interest	275,226	-	275,226
Differences between expected and actual experience	(152,627)	-	(152,627)
Changes in assumptions	(239,560)	-	(239,560)
Contributions - employer	-	144,209	(144,209)
Net investment income (loss)	-	388,311	(388,311)
Benefit payments, including refunds of member contributions	(195,000)	(195,000)	-
Administration	-	(19,550)	19,550
Net change	(206,822)	317,970	(524,792)
Balance at June 30, 2024	\$ 4,187,681	\$ 4,035,714	\$ 151,967

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

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

	Discount Rate	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability (asset)	6.25%	\$ 503,395	\$151,967	\$(163,095)

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**E. Other post-employment benefits (“OPEB”) (continued)****11. Sensitivity of the OPEB liability to changes in the healthcare cost trend rate**

The following presents the net OPEB liability of the Town, calculated using the current healthcare cost trend rates, as well as what the Town’s net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	<u>Current Trend Rate</u>	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Net OPEB liability (asset)	6.50% decreasing to 3.90%	<u>\$ (277,840)</u>	<u>\$151,967</u>	<u>\$ 651,536</u>

**12. OPEB expense and deferred outflows and inflows of resources related to OPEB**

The Town reported deferred outflows of resources, deferred inflows of resources, and OPEB expense as follows:

<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	\$ -	\$ 1,618,845	\$ (1,618,845)
Changes in assumptions	181,549	436,568	(255,019)
Net difference between projected and actual earnings on pension plan investments	<u>49,699</u>	<u>-</u>	<u>49,699</u>
Total	<u>\$ 231,248</u>	<u>\$ 2,055,413</u>	<u>\$ (1,824,165)</u>
<u>OPEB Expense</u>			
The plan recognized OPEB expense of:			<u>\$ (403,566)</u>

Actual investment earnings below (or above) projected earnings are amortized over 5.00 years. Experience losses (gains) and changes in assumptions are amortized over the average remaining service period of actives and inactive, which was 10.20 years.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

**E. Other post-employment benefits (“OPEB”) (continued)**

Amounts reported as deferred outflows (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	
2025	\$ (591,899)
2026	(263,541)
2027	(313,308)
2028	(171,992)
2029	(140,381)
Thereafter	<u>(343,044)</u>
Total	<u><u>\$(1,824,165)</u></u>

**F. Connecticut state teachers’ retirement board retiree health insurance plan**

**1. Plan description**

Teachers, principals, superintendents or supervisors engaged in service of public schools that are currently receiving a retirement or disability benefit through the Connecticut Teachers’ Retirement System are eligible to participate in the Connecticut State Teachers’ Retirement System Retiree Health Insurance Plan (“TRS-RHIP”) - a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers’ Retirement Board (“TRB”). Chapter 167a Section 10-183t of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

**2. Benefit provisions**

The Plan provides for retiree health insurance benefits to retired teachers and administrators of public schools. 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	5 years of credited service
Vesting - service	10 years of service

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

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

Retiree health care coverage

Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of health care benefits offered. 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.

The subsidy amounts are set by State statutes as follows:

Members that are not currently participating in Medicare Parts A & B	A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost
Members who has attained the normal retirement age to participate in Medicare but is not eligible for Part A of Medicare without cost	A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost and contributes at least \$440 per month towards coverage under a local school district plan

Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

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

3. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State pays for one third of plan costs through an annual appropriation in the General Fund.

Town of New Fairfield, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2024

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

**Employer (school districts)**

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

**Employees/retirees**

Employees: Each active member is required to contribute 1.25% of their pensionable wages

Retirees: Retirees are required to pay for 1/3 of the plan cost through monthly premiums

**4. OPEB liabilities, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB**

The Town reports no amounts for its proportionate share of the collective net OPEB liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amounts recognized by the Town as its proportionate share of the collective net OPEB liability, the related State support, and the total portion of the collective net OPEB liability that was associated with the Town were as follows:

Town's proportionate share of the collective net OPEB liability	\$ -
State's proportionate share of the collective net OPEB liability associated with the Town	<u>7,485,702</u>
Total	<u>\$ 7,485,702</u>
The plan recognized OPEB expense and revenue for on-behalf amounts for contributions to the plan by the State of:	<u>\$ 100,887</u>

The collective net OPEB liability was measured as of June 30, 2023, and the collective total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The Town has no proportionate share of the collective net OPEB liability.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**F. Connecticut state teachers' retirement board retiree health insurance plan (continued)****5. Actuarial assumptions**

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

Valuation date	June 30, 2023
Investment rate of return	3.00%
Discount rate	3.64%
Inflation	2.50%
Health care cost trend rate (Medicare)	5.125% decreasing to 4.50% by 2031
Salary increases	3.00-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019
Year fund net position will be depleted	2028

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

**Changes in assumptions and inputs**

- The discount rate was increased from 3.53% to 3.64% to reflect the change in the Municipal Bond Index rate.

**Long-term expected rate of return**

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

All the plan assets are assumed to be invested in cash equivalents (treasuries). The expected 10-year geometric rate of return is 0.77%. The long-term real rate of return as of June 30, 2023 was 3.25%.

**6. Discount rate**

The discount rate used to measure the collective total OPEB liability was the Municipal Bond Index rate of 3.64%. 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.

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

**F. Connecticut state teachers' retirement board retiree health insurance plan (continued)****7. Sensitivity of the collective net OPEB liability to changes in the discount rate and the health care cost trend rate**

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

**8. Plan fiduciary net position**

The net pension liability and proportional share of pension expense presented in this report have been determined based on Connecticut State Teachers Retiree Health Insurance Plan's fiduciary net position included in the State of Connecticut ACFR as of and for the year ended June 30, 2023, which was audited by the State of Connecticut Auditors of Public Accounts and is included in the State of Connecticut's ACFR as a OPEB trust fund.

**G. Pension and other post-employment benefit plan statements**

Pension and OPEB Trust Funds  
Combining Statement of Fiduciary Net Position  
June 30, 2024

	Town Pension Trust Fund	Education Pension Trust Fund	OPEB Trust Fund	Total
<u>Assets</u>				
Investments:				
Mutual funds:				
Money market	\$ 105,886	\$ 59,185	\$ 12,069	\$ 177,140
Equity	6,182,526	4,056,296	2,024,744	12,263,566
Fixed income	6,098,328	7,329,544	1,998,901	15,426,773
Total assets	<u>12,386,740</u>	<u>11,445,025</u>	<u>4,035,714</u>	<u>27,867,479</u>
<u>Net Position</u>				
Restricted for:				
Pensions	12,386,740	11,445,025	-	23,831,765
OPEB	-	-	4,035,714	4,035,714
Total net position	<u>\$ 12,386,740</u>	<u>\$ 11,445,025</u>	<u>\$ 4,035,714</u>	<u>\$ 27,867,479</u>

## Town of New Fairfield, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2024**

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

Pension and OPEB Trust Funds  
Combining Statement of Changes in Fiduciary Net Position  
For the Year Ended June 30, 2024

	Town Pension Trust Fund	Education Pension Trust Fund	OPEB Trust Fund	Total
Additions:				
Employer contributions	\$ 481,543	\$ 491,980	\$ 144,209	\$ 1,117,732
Investment income (loss):				
Net change in fair value of investments	843,932	560,333	291,663	1,695,928
Interest and dividends	311,133	324,467	113,321	748,921
Total investment income (loss)	1,155,065	884,800	404,984	2,444,849
Less investment expense	37,126	36,464	16,673	90,263
Net investment income (loss)	1,117,939	848,336	388,311	2,354,586
Total additions	1,599,482	1,340,316	532,520	3,472,318
Deductions:				
Benefits	519,539	387,668	195,000	1,102,207
Administration	27,361	30,170	19,550	77,081
Total deductions	546,900	417,838	214,550	1,179,288
Change in net position	1,052,582	922,478	317,970	2,293,030
Net position - July 1, 2023	11,334,158	10,522,547	3,717,744	25,574,449
Net position - June 30, 2024	<u>\$12,386,740</u>	<u>\$11,445,025</u>	<u>\$ 4,035,714</u>	<u>\$ 27,867,479</u>

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# Required Supplementary Information

Type	Description
Budgetary	Schedule of Revenues and Other Financing Sources - Budget and Actual - General Fund
	Schedule of Expenditures and Other Financing Uses - Budget and Actual - General Fund
	Notes to Required Supplementary Information - Budgets and Budgetary Accounting
<hr/>	
<u>Pension Plans</u>	
Town Education	Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns
Connecticut Municipal Employees' Retirement System	Schedule of Proportionate Share of the Collective Net Pension Liability
Connecticut State Teachers' Retirement System	Schedule of Contributions
	Notes to Required Supplementary Information
<hr/>	
<u>Other Post-Employment Benefits Plans</u>	
Town	Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Investment Returns
Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan	Schedule of Proportionate Share of the Collective Net OPEB Liability
	Schedule of Contributions
	Notes to Required Supplementary Information

Town of New Fairfield, Connecticut

Required Supplementary Information

General Fund  
Schedule of Revenues and Other Financing Sources  
Budget and Actual  
For the Year Ended June 30, 2024

	Original	Additional Appropriations and Transfers	Final	Actual	Variance with Final Budget
Revenues:					
Property taxes:					
Property taxes	\$ 58,446,008	\$ -	\$ 58,446,008	\$ 58,376,291	\$ (69,717)
Supplemental motor vehicle taxes	525,000	-	525,000	586,429	61,429
Interest and lien fees	200,000	-	200,000	224,522	24,522
Telephone line access	20,000	-	20,000	31,779	11,779
Total property taxes	59,191,008	-	59,191,008	59,219,021	28,013
Intergovernmental:					
Town aid	271,613	-	271,613	271,360	(253)
PILOT - State owned property	14,742	-	14,742	16,217	1,475
Veterans exemption	17,000	-	17,000	15,356	(1,644)
Homeland security grant	-	-	-	482	482
Local capital improvement program	113,189	-	113,189	116,631	3,442
Emergency management performance grant	7,285	-	7,285	7,003	(282)
Municipal revenue sharing	1,149	-	1,149	344,509	343,360
Motor vehicle reimbursement	1,796	-	1,796	1,796	-
Elderly grant	-	-	-	1,833	1,833
Municipal stabilization grant	265,666	-	265,666	265,666	-
Education cost sharing	3,481,120	-	3,481,120	3,502,413	21,293
Special education	651,000	-	651,000	651,000	-
Private other grants	-	500	500	500	-
Total intergovernmental	4,824,560	500	4,825,060	5,194,766	369,706
Charges for services:					
Judicial	2,000	-	2,000	2,895	895
Health	35,000	-	35,000	38,260	3,260
Zoning board of appeals	13,000	-	13,000	7,568	(5,432)
Zoning	35,000	-	35,000	34,699	(301)
Building	204,000	-	204,000	365,595	161,595
Inland wetlands	5,000	-	5,000	5,621	621
Environmental enforcement	7,000	-	7,000	7,876	876
Public work fees	3,100	-	3,100	5,300	2,200
Fire marshal fees	6,000	-	6,000	4,470	(1,530)
Other licenses and permits	10,000	-	10,000	9,956	(44)
Real estate conveyance	250,000	-	250,000	226,484	(23,516)
Town clerk receipts	100,000	-	100,000	76,520	(23,480)
Police private duty	30,000	-	30,000	33,762	3,762
EMS/ Paramedic billings	300,000	-	300,000	264,466	(35,534)
Student tuition	408,000	-	408,000	437,456	29,456
Senior center recreation fees	20,000	-	20,000	28,577	8,577
Town engineer	10,000	-	10,000	4,141	(5,859)
CIRMA equity distribution	-	-	-	15,664	15,664
Total charges for services	1,438,100	-	1,438,100	1,569,310	131,210

(Continued)

See Notes to Required Supplementary Information.

Town of New Fairfield, Connecticut

Required Supplementary Information

General Fund  
Schedule of Revenues and Other Financing Sources  
Budget and Actual  
For the Year Ended June 30, 2024

	<u>Original</u>	<u>Additional Appropriations and Transfers</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Income from investments	\$ 1,000,000	\$ 19,999	\$ 1,019,999	\$ 1,910,695	\$ 890,696
Other revenues	7,000	-	7,000	1,870	(5,130)
Total revenues	<u>66,460,668</u>	<u>20,499</u>	<u>66,481,167</u>	<u>67,895,662</u>	<u>1,414,495</u>
Other financing sources:					
Appropriation of fund balance	-	320,000	320,000	-	(320,000)
Cancellation of prior year encumbrances	-	-	-	32,986	32,986
Sale of assets	-	14,368	14,368	22,950	8,582
Total other financing sources	<u>-</u>	<u>334,368</u>	<u>334,368</u>	<u>55,936</u>	<u>(278,432)</u>
Total revenues and other financing sources	<u>\$ 66,460,668</u>	<u>\$ 354,867</u>	<u>\$ 66,815,535</u>	<u>\$ 67,951,598</u>	<u>\$ 1,136,063</u>

(Concluded)

Town of New Fairfield, Connecticut

Required Supplementary Information

General Fund  
Schedule of Expenditures and Other Financing Uses  
Budget and Actual  
For the Year Ended June 30, 2024

	Original	Additional Appropriations and Transfers	Final	Actual	Variance with Final Budget
General government:					
Board of selectmen	\$ 195,338	\$ 11,127	\$ 206,465	\$ 204,150	\$ 2,315
Town clerk	190,744	7,700	198,444	194,556	3,888
Probate	10,738	-	10,738	10,738	-
Registrar of voters	84,810	35,168	119,978	118,058	1,920
Finance	292,327	8,000	300,327	296,024	4,303
Board of finance	89,919	(1,000)	88,919	88,329	590
Treasurer	8,333	20,299	28,632	18,446	10,186
Assessor	180,910	4,200	185,110	180,796	4,314
Tax collector	209,073	-	209,073	208,486	587
Board of assessment appeals	1,536	-	1,536	226	1,310
Unclassified payroll and benefits	1,476,674	(29,800)	1,446,874	1,410,717	36,157
Professional services	132,500	27,000	159,500	155,292	4,208
Intergovernmental agencies	273,018	-	273,018	272,018	1,000
General insurance	190,000	(11,300)	178,700	178,433	267
Business machines	381,085	-	381,085	370,874	10,211
Housing opportunities committee	3,158	-	3,158	210	2,948
Human resources	33,600	-	33,600	31,233	2,367
Planning commission	6,000	-	6,000	2,185	3,815
Zoning commission	72,538	1,300	73,838	73,674	164
Zoning board of appeals	12,032	-	12,032	11,609	423
Economic development	6,568	-	6,568	3,313	3,255
Utilities	427,353	-	427,353	408,347	19,006
Permanent building committee	3,974	-	3,974	805	3,169
General land use	500	-	500	424	76
Historical properties commission	100	-	100	-	100
Commission of the youth	500	(500)	-	-	-
Total general government	4,283,328	72,194	4,355,522	4,238,943	116,579
Public safety and protection:					
Police	2,535,732	(60,000)	2,475,732	2,323,573	152,159
Communications center	404,701	-	404,701	381,397	23,304
Fire companies	241,350	-	241,350	227,303	14,047
Ambulance/paramedic/EMT	1,055,960	-	1,055,960	1,055,920	40
Fire marshal	79,619	1,000	80,619	80,236	383
Building inspector	156,538	-	156,538	154,992	1,546
Office of emergency management	74,811	-	74,811	56,264	18,547
Animal control	51,280	4,000	55,280	54,550	730
Total public safety and protection	4,599,991	(55,000)	4,544,991	4,334,235	210,756
Public works	2,410,770	9,000	2,419,770	2,395,639	24,131

See Notes to Required Supplementary Information.

(Continued)

Town of New Fairfield, Connecticut

Required Supplementary Information

General Fund  
Schedule of Expenditures and Other Financing Uses  
Budget and Actual  
For the Year Ended June 30, 2024

	Original	Additional Appropriations and Transfers	Final	Actual	Variance with Final Budget
Health and welfare:					
Health department	\$ 303,584	\$ 1,500	\$ 305,084	\$ 302,921	\$ 2,163
Inland/wetlands	5,905	-	5,905	4,935	970
WPCA	1,527	(627)	900	368	532
Social services	105,821	4,000	109,821	108,465	1,356
Senior services	195,549	5,000	200,549	194,277	6,272
Ball pond advisory committee	10,850	-	10,850	8,304	2,546
Commission on aging	4,436	(2,000)	2,436	794	1,642
Total health and welfare	627,672	7,873	635,545	620,064	15,481
Culture and recreation:					
Recreation	77,525	800	78,325	78,181	144
Library	504,711	-	504,711	488,224	16,487
Total culture and recreation	582,236	800	583,036	566,405	16,631
Health insurance	1,012,365	-	1,012,365	1,012,365	-
Total Town expenditures	13,516,362	34,867	13,551,229	13,167,651	383,578
Education:					
Education operating	40,160,403	-	40,160,403	39,950,634	209,769
Health insurance	6,237,635	-	6,237,635	6,237,635	-
Total education	46,398,038	-	46,398,038	46,188,269	209,769
Debt service:					
Town	134,138	-	134,138	134,138	-
School	6,231,455	-	6,231,455	6,231,455	-
Total debt service	6,365,593	-	6,365,593	6,365,593	-
Total expenditures	66,279,993	34,867	66,314,860	65,721,513	593,347
Other financing uses:					
Transfers out:					
Capital nonrecurring fund	25,000	245,000	270,000	270,000	-
Education capital nonrecurring fund	155,675	75,000	230,675	230,675	-
Total other financing uses	180,675	320,000	500,675	500,675	-
Total expenditures and other financing uses	\$ 66,460,668	\$ 354,867	\$ 66,815,535	\$ 66,222,188	\$ 593,347

See Notes to Required Supplementary Information.

(Concluded)

**Town of New Fairfield, Connecticut**

**Notes to Required Supplementary Information**

**Budgets and Budgetary Accounting  
For the Year Ended June 30, 2024**

Only the General Fund has a legally adopted annual budget. 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.

This budget is adopted on a basis consistent with generally accepted accounting principles (modified accrual basis) with the following exceptions:

1. The Town does not budget for as revenue or expenditures payments made for the State Teachers' pension and OPEB by the State of Connecticut on the Town's behalf.
2. Encumbrances are reported as expenditures for the budgetary basis of accounting.

**Reconciliation to Exhibit D**

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary basis - RSI-1	\$ 67,895,662	\$ 65,721,513
State teachers' pension on behalf amount	7,413,769	7,413,769
State teachers' OPEB on behalf amount	100,887	100,887
Prior year encumbrances liquidated in the current year	-	91,621
Current year encumbrances charged to budgetary expenditures	<u>-</u>	<u>(226,534)</u>
GAAP basis - Exhibit D	<u>\$ 75,410,318</u>	<u>\$ 73,101,256</u>

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 re-appropriated by the Board of Finance.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

The governing body may amend the annual budget subject to the requirements of the Connecticut General Statutes. The Board of Finance may make a one-time additional appropriation up to \$20,000 to any appropriations. A Town Meeting must be called to make appropriations over \$20,000 or additional changes to a previously adjusted appropriation.

The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under state law to make any transfers required within their budget at their discretion. Any additional appropriations must have Board of Education and Board of Finance approval and, if over \$20,000, Town Meeting approval.

There were additional appropriations made during the year as follows:

Additional revenue	\$ 34,867
Fund balance	<u>320,000</u>
Total	<u>\$ 354,867</u>

## Town of New Fairfield, Connecticut

## Required Supplementary Information

Town Retirement Plan  
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>										
Total pension liability:										
Service cost	\$ 309,887	\$ 282,536	\$ 269,909	\$ 248,277	\$ 246,882	\$ 232,331	\$ 240,578	\$ 240,804	\$ 231,435	\$ 189,330
Interest	953,161	907,919	842,051	767,816	683,805	642,043	608,734	569,692	529,748	494,432
Differences between expected and actual experience	16,633	(13,524)	292,216	43,962	215,449	(62,415)	(159,690)	(54,626)	(9,127)	23,999
Changes in assumptions	-	(44,542)	-	380,501	358,813	-	-	-	-	-
Benefit payments, including refunds of member contributions	(519,539)	(460,404)	(422,162)	(304,573)	(220,278)	(195,781)	(180,253)	(174,327)	(186,010)	(168,423)
Net change in total pension liability	760,142	671,985	982,014	1,135,983	1,284,671	616,178	509,369	581,543	566,046	539,338
Total pension liability - July 1	14,066,552	13,394,567	12,412,553	11,276,570	9,991,899	9,375,721	8,866,352	8,284,809	7,718,763	7,179,425
Total pension liability - June 30 (a)	<u>\$ 14,826,694</u>	<u>\$ 14,066,552</u>	<u>\$ 13,394,567</u>	<u>\$ 12,412,553</u>	<u>\$ 11,276,570</u>	<u>\$ 9,991,899</u>	<u>\$ 9,375,721</u>	<u>\$ 8,866,352</u>	<u>\$ 8,284,809</u>	<u>\$ 7,718,763</u>
Plan fiduciary net position:										
Contributions - employer	\$ 481,543	\$ 447,876	\$ 442,409	\$ 390,232	\$ 317,010	\$ 328,950	\$ 341,716	\$ 331,000	\$ 302,287	\$ 301,000
Net investment income (loss)	1,117,939	908,251	(1,857,636)	2,512,405	361,390	477,547	554,733	839,279	(49,451)	134,042
Benefit payments, including refunds of member contributions	(519,539)	(460,404)	(422,162)	(304,573)	(220,278)	(195,781)	(180,253)	(174,327)	(186,010)	(168,423)
Administration	(27,361)	(21,052)	(27,759)	(21,372)	(29,872)	(27,411)	(26,472)	(25,295)	(26,319)	(23,335)
Net change in plan fiduciary net position	1,052,582	874,671	(1,865,148)	2,576,692	428,250	583,305	689,724	970,657	40,507	243,284
Plan fiduciary net position - July 1	11,334,158	10,459,487	12,324,635	9,747,943	9,319,693	8,736,388	8,046,664	7,076,007	7,035,500	6,792,216
Plan fiduciary net position - June 30 (b)	<u>\$ 12,386,740</u>	<u>\$ 11,334,158</u>	<u>\$ 10,459,487</u>	<u>\$ 12,324,635</u>	<u>\$ 9,747,943</u>	<u>\$ 9,319,693</u>	<u>\$ 8,736,388</u>	<u>\$ 8,046,664</u>	<u>\$ 7,076,007</u>	<u>\$ 7,035,500</u>
Net pension liability - June 30 (a)-(b)	<u>\$ 2,439,954</u>	<u>\$ 2,732,394</u>	<u>\$ 2,935,080</u>	<u>\$ 87,918</u>	<u>\$ 1,528,627</u>	<u>\$ 672,206</u>	<u>\$ 639,333</u>	<u>\$ 819,688</u>	<u>\$ 1,208,802</u>	<u>\$ 683,263</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>83.54%</u>	<u>80.58%</u>	<u>78.09%</u>	<u>99.29%</u>	<u>86.44%</u>	<u>93.27%</u>	<u>93.18%</u>	<u>90.76%</u>	<u>85.41%</u>	<u>91.15%</u>
Covered payroll	<u>\$ 3,077,445</u>	<u>\$ 3,021,770</u>	<u>\$ 2,805,155</u>	<u>\$ 2,805,853</u>	<u>\$ 2,556,512</u>	<u>\$ 2,618,836</u>	<u>\$ 2,637,481</u>	<u>\$ 2,583,479</u>	<u>\$ 2,272,414</u>	<u>\$ 2,565,373</u>
Net pension liability as a percentage of covered payroll	<u>79.29%</u>	<u>90.42%</u>	<u>104.63%</u>	<u>3.13%</u>	<u>59.79%</u>	<u>25.67%</u>	<u>24.24%</u>	<u>31.73%</u>	<u>53.19%</u>	<u>26.63%</u>
<b>Schedule of Investment Returns</b>										
Annual money weighted rate of return, net of investment expense	<u>9.70%</u>	<u>8.52%</u>	<u>(14.83%)</u>	<u>25.18%</u>	<u>3.80%</u>	<u>5.37%</u>	<u>6.73%</u>	<u>11.64%</u>	<u>(0.69%)</u>	<u>1.98%</u>

See Notes to Required Supplementary Information.

**Town of New Fairfield, Connecticut**  
**Required Supplementary Information**

**Town Retirement Plan**  
**Schedule of Contributions**  
**Last Ten Years**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contributions	\$ 481,543	\$ 447,876	\$ 442,409	\$ 390,232	\$ 317,010	\$ 328,950	\$ 341,716	\$ 330,339	\$ 302,287	\$ 301,363
Contributions in relation to the actuarially determined contribution	<u>481,543</u>	<u>447,876</u>	<u>442,409</u>	<u>390,232</u>	<u>317,010</u>	<u>328,950</u>	<u>341,716</u>	<u>331,000</u>	<u>302,287</u>	<u>301,000</u>
Contribution excess (deficiency)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 661</u>	<u>\$ -</u>	<u>\$ (363)</u>
Covered payroll	<u>\$ 3,077,445</u>	<u>\$ 3,021,770</u>	<u>\$ 2,805,155</u>	<u>\$ 2,805,853</u>	<u>\$ 2,566,512</u>	<u>\$ 2,618,836</u>	<u>\$ 2,637,481</u>	<u>\$ 2,583,479</u>	<u>\$ 2,272,414</u>	<u>\$ 2,565,373</u>
Contributions as a percentage of covered payroll	<u>15.65%</u>	<u>14.82%</u>	<u>15.77%</u>	<u>13.91%</u>	<u>12.35%</u>	<u>12.56%</u>	<u>12.96%</u>	<u>12.81%</u>	<u>13.30%</u>	<u>11.73%</u>

**Town of New Fairfield, Connecticut**  
**Notes to Required Supplementary Information**

**Town Retirement Plan**  
**Schedule of Contributions**  
**Last Ten Years**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2022	July 1, 2021	July 1, 2020	July 1, 2019	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2015	July 1, 2014	July 1, 2013
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage
Asset valuation method	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing
Inflation rate	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Salary increases	2.75% - 4.25%	2.75% - 4.25%	Varies by age	Varies by age	Varies by age	Varies by age	Varies by age	Varies by age	Varies by age	Varies by age
Investment rate of return (net)	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%
Mortality rate	PubG-2010 General Mortality Tables with generational projection per MP-2021 ultimate scale	PubG-2010 General Mortality Tables with generational projection per MP-2021 ultimate scale	PubG-2010 General Mortality Tables with generational projection per MP-2019 ultimate scale	PubG-2010 General Mortality Tables with generational projection per MP-2014 ultimate scale	PubG-2010 General Mortality Tables with generational projection per MP-2014 ultimate scale	RP-2000 Mortality with generational projection per Scale AA	RP-2000 Mortality with generational projection per Scale AA	RP-2000 Mortality with generational projection per Scale AA	RP-2000 Mortality with generational projection per Scale AA	RP-2000 Mortality with generational projection per Scale AA

## Town of New Fairfield, Connecticut

## Required Supplementary Information

Education Retirement Plan  
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b><u>Schedule of Changes in Net Pension Liability and Related Ratios</u></b>										
Total pension liability:										
Service cost	\$ 312,361	\$ 323,424	\$ 330,431	\$ 305,874	\$ 282,374	\$ 248,907	\$ 266,475	\$ 260,859	\$ 253,449	\$ 254,108
Interest	817,817	767,497	729,820	663,921	575,690	549,885	502,912	456,879	428,185	393,187
Differences between expected and actual experience	206,829	139,298	(137,019)	(103,432)	384,125	(167,262)	211,570	180,147	(106,835)	142,004
Changes of benefit terms	-	-	-	61,035	54,519	-	-	-	-	-
Changes in assumptions	-	(56,552)	-	391,222	367,354	-	-	-	-	15,637
Benefit payments, including refunds of member contributions	(387,668)	(328,231)	(298,990)	(278,906)	(272,927)	(231,904)	(192,331)	(142,399)	(102,250)	(73,678)
Net change in total pension liability	949,339	845,436	624,242	1,039,714	1,391,135	399,626	788,626	755,486	472,549	731,258
Total pension liability - July 1	12,963,595	12,118,159	11,493,917	10,454,203	9,063,068	8,663,442	7,874,816	7,119,330	6,646,781	5,915,523
Total pension liability - June 30 (a)	<u>\$13,912,934</u>	<u>\$12,963,595</u>	<u>\$12,118,159</u>	<u>\$11,493,917</u>	<u>\$10,454,203</u>	<u>\$9,063,068</u>	<u>\$8,663,442</u>	<u>\$7,874,816</u>	<u>\$7,119,330</u>	<u>\$6,646,781</u>
Plan fiduciary net position:										
Contributions - employer	\$ 491,980	\$ 460,638	\$ 480,963	\$ 407,582	\$ 312,538	\$ 328,751	\$ 311,460	\$ 282,644	\$ 294,000	\$ 320,000
Net investment income (loss)	848,336	629,809	(1,573,344)	1,848,101	429,289	484,373	407,759	628,852	42,982	116,004
Benefit payments, including refunds of member contributions	(387,668)	(328,231)	(298,990)	(278,906)	(272,927)	(231,904)	(192,331)	(142,399)	(102,250)	(73,678)
Administration	(30,170)	(25,771)	(34,764)	(22,243)	(31,386)	(30,354)	(30,011)	(28,456)	(29,541)	(23,274)
Net change in plan fiduciary net position	922,478	736,445	(1,426,135)	1,954,534	437,514	550,866	496,877	740,641	205,191	339,052
Plan fiduciary net position - July 1	10,522,547	9,786,102	11,212,237	9,257,703	8,820,189	8,269,323	7,772,446	7,031,805	6,826,614	6,487,562
Plan fiduciary net position - June 30 (b)	<u>\$11,445,025</u>	<u>\$10,522,547</u>	<u>\$ 9,786,102</u>	<u>\$11,212,237</u>	<u>\$ 9,257,703</u>	<u>\$8,820,189</u>	<u>\$8,269,323</u>	<u>\$7,772,446</u>	<u>\$7,031,805</u>	<u>\$6,826,614</u>
Net pension liability (asset) - June 30 (a)-(b)	<u>\$ 2,467,909</u>	<u>\$ 2,441,048</u>	<u>\$ 2,332,057</u>	<u>\$ 281,680</u>	<u>\$ 1,196,500</u>	<u>\$ 242,879</u>	<u>\$ 394,119</u>	<u>\$ 102,370</u>	<u>\$ 87,525</u>	<u>\$ (179,833)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>82.26%</u>	<u>81.17%</u>	<u>80.76%</u>	<u>97.55%</u>	<u>88.55%</u>	<u>97.32%</u>	<u>95.45%</u>	<u>98.70%</u>	<u>98.77%</u>	<u>102.71%</u>
Covered payroll	<u>\$ 3,723,591</u>	<u>\$ 3,761,115</u>	<u>\$ 4,046,343</u>	<u>\$ 4,057,509</u>	<u>\$ 3,788,160</u>	<u>\$3,880,750</u>	<u>\$3,847,329</u>	<u>\$3,713,678</u>	<u>\$3,402,645</u>	<u>\$3,501,799</u>
Net pension liability (asset) as a percentage of covered payroll	<u>66.28%</u>	<u>64.90%</u>	<u>57.63%</u>	<u>6.94%</u>	<u>31.59%</u>	<u>6.26%</u>	<u>10.24%</u>	<u>2.76%</u>	<u>2.57%</u>	<u>(5.14%)</u>

**Schedule of Investment Returns**

Annual money weighted rate of return, net of investment expense	<u>7.86%</u>	<u>6.26%</u>	<u>(13.67%)</u>	<u>19.44%</u>	<u>4.79%</u>	<u>5.77%</u>	<u>5.14%</u>	<u>8.80%</u>	<u>0.62%</u>	<u>1.77%</u>
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See Notes to Required Supplementary Information.

Town of New Fairfield, Connecticut

Required Supplementary Information

Education Retirement Plan  
Schedule of Contributions  
Last Ten Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contributions	\$ 491,980	\$ 460,638	\$ 478,613	\$ 407,582	\$ 312,538	\$ 328,751	\$ 311,460	\$ 282,644	\$ 293,885	\$ 289,476
Contributions in relation to the actuarially determined contribution	<u>491,980</u>	<u>460,638</u>	<u>480,963</u>	<u>407,582</u>	<u>312,538</u>	<u>328,751</u>	<u>311,460</u>	<u>282,644</u>	<u>294,000</u>	<u>320,000</u>
Contribution excess (deficiency)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,350</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115</u>	<u>\$ 30,524</u>
Covered payroll	<u>\$ 3,723,591</u>	<u>\$ 3,761,115</u>	<u>\$ 4,046,343</u>	<u>\$ 4,057,509</u>	<u>\$ 3,788,160</u>	<u>\$ 3,880,750</u>	<u>\$ 3,847,329</u>	<u>\$ 3,713,678</u>	<u>\$ 3,402,645</u>	<u>\$ 3,501,799</u>
Contributions as a percentage of covered payroll	<u>13.21%</u>	<u>12.25%</u>	<u>11.89%</u>	<u>10.05%</u>	<u>8.25%</u>	<u>8.47%</u>	<u>8.10%</u>	<u>7.61%</u>	<u>8.64%</u>	<u>9.14%</u>

Town of New Fairfield, Connecticut

Notes to Required Supplementary Information

Education Retirement Plan  
Schedule of Contributions  
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Changes of benefit terms	None	None	None	The normal retirement benefit formula for the Building and Grounds Director increased to 3.00%.	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2022	July 1, 2021	July 1, 2020	July 1, 2019	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2015	July 1, 2014	July 1, 2013
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage
Asset valuation method	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Salary increases	2.75% - 4.25%	2.75% - 4.25%	Varies by age	Varies by age	Varies by age	Varies by age	Varies by age	Varies by age	Varies by age	Varies by age
Investment rate of return (net)	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Mortality rate	PubG-2010 General Mortality Tables with generational projection per MP-2021 ultimate scale	PubG-2010 General Mortality Tables with generational projection per MP-2021 ultimate scale	PubG-2010 General Mortality Tables with generational projection per MP-2019 ultimate scale	PubG-2010 General Mortality Tables with generational projection per MP-2014 ultimate scale	PubG-2010 General Mortality Tables with generational projection per MP-2014 ultimate scale	RP-2000 Mortality with generational projection per Scale AA	RP-2000 Mortality with generational projection per Scale AA	RP-2000 Mortality with generational projection per Scale AA	RP-2000 Mortality with generational projection per Scale AA	RP-2000 Mortality with generational projection per Scale AA

## Town of New Fairfield, Connecticut

## Required Supplementary Information

Connecticut Municipal Employees' Retirement System  
Last Ten Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><u>Schedule of Proportionate Share of the Collective Net Pension Liability</u></b>										
Town's proportion of the collective net pension liability for the police and fire with social security sub plan	<u>1.648534%</u>	<u>1.654917%</u>	<u>1.206742%</u>	<u>0.980499%</u>	<u>1.410684%</u>	<u>1.036541%</u>	<u>1.243463%</u>	<u>1.243463%</u>	<u>1.907770%</u>	<u>1.190777%</u>
Town's proportionate share of the collective net pension (asset) liability	<u>\$ 1,895,716</u>	<u>\$ 1,721,633</u>	<u>\$ 608,190</u>	<u>\$ 809,140</u>	<u>\$ 1,027,877</u>	<u>\$ 704,217</u>	<u>\$ 497,180</u>	<u>\$ 581,330</u>	<u>\$ 364,345</u>	<u>\$ 287,914</u>
Town's covered payroll	<u>\$ 883,516</u>	<u>\$ 863,490</u>	<u>\$ 563,911</u>	<u>\$ 436,190</u>	<u>\$ 626,548</u>	<u>\$ 587,139</u>	<u>\$ 575,825</u>	<u>\$ 575,825</u>	<u>\$ 535,550</u>	<u>\$ 447,053</u>
Town's proportionate share of the collective net pension (asset) liability as a percentage of its covered	<u>214.56%</u>	<u>199.38%</u>	<u>107.85%</u>	<u>185.50%</u>	<u>164.05%</u>	<u>119.94%</u>	<u>86.34%</u>	<u>100.96%</u>	<u>68.03%</u>	<u>64.40%</u>
Total plan fiduciary net position as a percentage of the collective total pension liability	<u>69.54%</u>	<u>68.71%</u>	<u>82.59%</u>	<u>71.18%</u>	<u>72.69%</u>	<u>73.60%</u>	<u>91.68%</u>	<u>92.72%</u>	<u>92.72%</u>	<u>92.72%</u>
<b><u>Schedule of Contributions</u></b>										
Contractually required contribution	\$ 206,650	\$ 186,049	\$ 151,557	\$ 87,017	\$ 120,684	\$ 122,028	\$ 115,305	\$ 96,336	\$ 89,597	\$ 76,426
Contributions in relation to the contractually required contribution	<u>206,650</u>	<u>186,049</u>	<u>151,557</u>	<u>87,017</u>	<u>\$ 120,684</u>	<u>122,028</u>	<u>115,305</u>	<u>96,336</u>	<u>89,597</u>	<u>76,426</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 894,202</u>	<u>\$ 805,058</u>	<u>\$ 675,087</u>	<u>\$ 415,356</u>	<u>\$ 604,932</u>	<u>\$ 712,364</u>	<u>\$ 673,117</u>	<u>\$ 575,828</u>	<u>\$ 535,547</u>	<u>\$ 450,625</u>
Contributions as a percentage of covered payroll	<u>23.11%</u>	<u>23.11%</u>	<u>22.45%</u>	<u>20.95%</u>	<u>19.95%</u>	<u>17.13%</u>	<u>17.13%</u>	<u>16.73%</u>	<u>16.73%</u>	<u>16.96%</u>

See Notes to Required Supplementary Information.

Town of New Fairfield, Connecticut

Notes to Required Supplementary Information

Connecticut Municipal Employees' Retirement System  
Schedule of Contributions  
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None	
The actuarially determined contribution rates are calculated as of	June 30, 2021	June 30, 2021	June 30, 2020	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	Entry age	Entry age	Entry age	
Amortization method	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	
Remaining amortization period	18 years	18 years	19 years	19 years	21 years	21 years	23 years	23 years	25 years	25 years	
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	3.25%	3.25%	3.25%	3.25%	
Salary increases	3.50%-10.00%, average, including inflation	3.50%-10.00%, average, including inflation	3.50%-10.00%, average, including inflation	3.50%-10.00%, average, including inflation	3.50%-10.00%, average, including inflation	3.50%-10.00%, average, including inflation	4.25%-11.00%, average, including inflation	4.25%-11.00%, average, including inflation	4.25%-11.00%, average, including inflation	4.25%-11.00%, average, including inflation	
Cost-of-living adjustments	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum  Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards
Social security wage base	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
Investment rate of return (net)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	8.00%	8.00%	8.00%	8.00%	
Mortality rate	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two year setback for males and females for the period after service retirement and for dependent beneficiaries	RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two year setback for males and females for the period after service retirement and for dependent beneficiaries	RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two year setback for males and females for the period after service retirement and for dependent beneficiaries	RP-2000 Combined Mortality Table set forward one year for males and set back one year for females
	Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB				

Town of New Fairfield, Connecticut

Required Supplementary Information

Connecticut State Teachers' Retirement System  
Last Ten Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><u>Schedule of Proportionate Share of the Collective Net Pension Liability</u></b>										
Town's proportion of the collective net pension liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Town's proportionate share of the collective net pension liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
State of Connecticut's proportionate share of the collective net pension liability associated with the Town	<u>79,901,803</u>	<u>90,575,744</u>	<u>73,399,301</u>	<u>92,674,894</u>	<u>82,278,348</u>	<u>63,441,386</u>	<u>65,802,792</u>	<u>69,422,450</u>	<u>52,643,952</u>	<u>48,658,784</u>
Total	<u>\$ 79,901,803</u>	<u>\$ 90,575,744</u>	<u>\$ 73,399,301</u>	<u>\$ 92,674,894</u>	<u>\$ 82,278,348</u>	<u>\$ 63,441,386</u>	<u>\$ 65,802,792</u>	<u>\$ 69,422,450</u>	<u>\$ 52,643,952</u>	<u>\$ 48,658,784</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Town's proportionate share of the collective net pension liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<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 collective total pension liability	<u>58.39%</u>	<u>54.06%</u>	<u>60.77%</u>	<u>49.24%</u>	<u>52.00%</u>	<u>57.69%</u>	<u>55.93%</u>	<u>52.26%</u>	<u>59.50%</u>	<u>61.51%</u>
<b><u>Schedule of Contributions</u></b>										
Contractually required contribution (1)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<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>	<u>0.00%</u>	<u>0.00%</u>	<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 collective net pension liability.

See Notes to Required Supplementary Information.

**Town of New Fairfield, Connecticut**  
**Notes to Required Supplementary Information**  
**Connecticut State Teachers' Retirement System**  
**Schedule of Contributions**  
**Last Ten Years**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Changes of benefit terms	None	None	None	None	None	Beginning January 1, 2018, member contributions increased from 6.00% to 7.00% of salary	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016	June 30, 2016	June 30, 2014	June 30, 2014	June 30, 2012	June 30, 2012
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed
Remaining amortization period (equivalent single period)	26.8 years	27.8 years	28.8 years	29.8 years	30 years	30 years	20.4 years	21.4 years	22.4 years	23.4 years
Asset valuation method	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%	3.00%
Salary increases	3.00%-6.50%, average, including inflation	3.00%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation
Cost-of-living adjustments	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date
Investment rate of return (net)	6.90%	6.90%	6.90%	6.90%	8.00%	8.00%	8.50%	8.50%	8.50%	8.50%
Mortality rate	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA

## Town of New Fairfield, Connecticut

## Required Supplementary Information

Other Post-Employment Benefit (OPEB) Plan  
Last Eight Years (1)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b><u>Schedule of Changes in Net OPEB Liability and Related Ratios</u></b>								
Total OPEB liability:								
Service cost	\$ 105,139	\$ 94,171	\$ 116,263	\$ 124,022	\$ 133,859	\$ 128,672	\$ 120,401	\$ 156,832
Interest	275,226	261,328	333,242	326,407	406,924	393,398	567,511	541,926
Differences between expected and actual experience	(152,627)	-	(1,101,773)	-	(795,491)	-	(2,752,549)	-
Changes in assumptions	(239,560)	171,345	(85,831)	-	(448,327)	-	310,963	-
Benefit payments, including refunds of member contributions	<u>(195,000)</u>	<u>(432,296)</u>	<u>(349,839)</u>	<u>(317,273)</u>	<u>(332,244)</u>	<u>(306,490)</u>	<u>(312,296)</u>	<u>(281,859)</u>
Net change in total OPEB liability	(206,822)	94,548	(1,087,938)	133,156	(1,035,279)	215,580	(2,065,970)	416,899
Total OPEB liability - July 1	<u>4,394,503</u>	<u>4,299,955</u>	<u>5,387,893</u>	<u>5,254,737</u>	<u>6,290,016</u>	<u>6,074,436</u>	<u>8,140,406</u>	<u>7,723,507</u>
Total OPEB liability - June 30 (a)	<u>\$ 4,187,681</u>	<u>\$ 4,394,503</u>	<u>\$ 4,299,955</u>	<u>\$ 5,387,893</u>	<u>\$ 5,254,737</u>	<u>\$ 6,290,016</u>	<u>\$ 6,074,436</u>	<u>\$ 8,140,406</u>
Plan fiduciary net position:								
Contributions - employer	\$ 144,209	\$ 131,293	\$ 349,839	\$ 317,273	\$ 364,224	\$ 339,921	\$ 569,331	\$ 569,816
Net investment income (loss)	388,311	292,463	(579,606)	830,956	125,739	189,859	170,077	243,849
Benefit payments, including refunds of member contributions	(195,000)	(432,296)	(349,839)	(317,273)	(332,244)	(306,490)	(312,296)	(281,859)
Administration	<u>(19,550)</u>	<u>(5,425)</u>	<u>(17,475)</u>	<u>(5,050)</u>	<u>(22,608)</u>	<u>(19,997)</u>	<u>(4,000)</u>	<u>(15,607)</u>
Net change in plan fiduciary net position	317,970	(13,965)	(597,081)	825,906	135,111	203,293	423,112	516,199
Plan fiduciary net position - July 1	<u>3,717,744</u>	<u>3,731,709</u>	<u>4,328,790</u>	<u>3,502,884</u>	<u>3,367,773</u>	<u>3,164,480</u>	<u>2,741,368</u>	<u>2,225,169</u>
Plan fiduciary net position - June 30 (b)	<u>\$ 4,035,714</u>	<u>\$ 3,717,744</u>	<u>\$ 3,731,709</u>	<u>\$ 4,328,790</u>	<u>\$ 3,502,884</u>	<u>\$ 3,367,773</u>	<u>\$ 3,164,480</u>	<u>\$ 2,741,368</u>
Net OPEB liability - June 30 (a)-(b)	<u>\$ 151,967</u>	<u>\$ 676,759</u>	<u>\$ 568,246</u>	<u>\$ 1,059,103</u>	<u>\$ 1,751,853</u>	<u>\$ 2,922,243</u>	<u>\$ 2,909,956</u>	<u>\$ 5,399,038</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>96.37%</u>	<u>84.60%</u>	<u>86.78%</u>	<u>80.34%</u>	<u>66.66%</u>	<u>53.54%</u>	<u>52.10%</u>	<u>33.68%</u>
Covered payroll	<u>\$ 21,465,407</u>	<u>\$ 21,465,407</u>	<u>\$ 22,093,911</u>	<u>\$ 22,093,911</u>	<u>\$ 16,454,309</u>	<u>\$ 16,454,309</u>	<u>\$ 16,830,444</u>	<u>\$ 16,830,444</u>
Net OPEB liability as a percentage of covered payroll	<u>0.71%</u>	<u>3.15%</u>	<u>2.57%</u>	<u>4.79%</u>	<u>10.65%</u>	<u>17.76%</u>	<u>17.29%</u>	<u>32.08%</u>
<b><u>Schedule of Investment Returns</u></b>								
Annual money weighted rate of return, net of investment expense	<u>10.11%</u>	<u>7.77%</u>	<u>(13.42%)</u>	<u>23.73%</u>	<u>3.71%</u>	<u>5.84%</u>	<u>5.72%</u>	<u>10.03%</u>

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

See Notes to Required Supplementary Information.

## Town of New Fairfield, Connecticut

## Required Supplementary Information

Other Post-Employment Benefit (OPEB) Plan  
Schedule of Contributions  
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contributions	\$ 144,209	\$ 131,293	\$ 300,623	\$ 266,503	\$ 338,986	\$ 339,921	\$ 540,373	\$ 508,352	\$ 571,103	\$ 546,315
Contributions in relation to the actuarially determined contribution	144,209	131,293	349,839	317,273	364,224	339,921	569,331	569,816	571,386	577,602
Contribution excess (deficiency)	\$ -	\$ -	\$ 49,216	\$ 50,770	\$ 25,238	\$ -	\$ 28,958	\$ 61,464	\$ 283	\$ 31,287
Covered payroll	\$ 21,465,407	\$ 21,465,407	\$ 22,093,911	\$ 22,093,911	\$ 16,454,309	\$ 16,454,309	\$ 16,830,444	\$ 16,830,444	\$ 16,805,190	\$ 16,805,190
Contributions as a percentage of covered payroll	0.67%	0.61%	1.58%	1.44%	2.21%	2.07%	3.38%	3.39%	3.40%	3.44%

Town of New Fairfield, Connecticut

Notes to Required Supplementary Information

Other Post-Employment Benefit (OPEB) Plan  
Schedule of Contributions  
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2021	July 1, 2021	July 1, 2019	July 1, 2019	July 1, 2017	July 1, 2017	July 1, 2015	July 1, 2015	July 1, 2013	July 1, 2013
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit
Amortization method	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage
Asset valuation method	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing
Inflation rate	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	3.00%	3.00%
Medical trend rate	5.20% - 4.20% over 52 years	5.20% - 4.20% over 52 years	6.20% - 4.20% over 55 years	6.20% - 4.20% over 55 years	5.20% - 4.60% over 60 years	5.20% - 4.60% over 60 years	5.20% - 4.60% over 60 years	5.20% - 4.60% over 60 years	6.70% - 4.60% over 72 years	6.70% - 4.60% over 72 years
Investment rate of return (net)	6.25%	6.25%	6.25%	6.25%	6.50%	6.50%	7.00%	7.00%	7.00%	7.00%
Mortality rate	Teachers and administrators: PubT-2010 Mortality Table for employees and healthy annuitants with generational projection of future improvements per the MP-2019 ultimate scale.	Teachers and administrators: PubT-2010 Mortality Table for employees and healthy annuitants with generational projection of future improvements per the MP-2019 ultimate scale.	Teachers and administrators: RPH-2014 White collar Mortality table projected to the year 2020 using the BB improvement scale.	Teachers and administrators: RPH-2014 White collar Mortality table projected to the year 2020 using the BB improvement scale.	RP-2000 Mortality for employees, healthy annuitants, and disabled annuitant with generational projection per Scale AA.	RP-2000 Mortality for employees, healthy annuitants, and disabled annuitant with generational projection per Scale AA.	RP-2000 Mortality for employees, healthy annuitants, and disabled annuitant with generational projection per Scale AA.	RP-2000 Mortality for employees, healthy annuitants, and disabled annuitant with generational projection per Scale AA.	RP-2000 Mortality for employees, healthy annuitants, and disabled annuitant with generational projection per Scale AA.	RP-2000 Mortality for employees, healthy annuitants, and disabled annuitant with generational projection per Scale AA.
	Education non-certified: PubG-2010 Mortality Table with generational projection per the MP-2019 ultimate scale.	Education non-certified: PubG-2010 Mortality Table with generational projection per the MP-2019 ultimate scale.	Education non-certified: PubG-2010 Mortality Table with generational projection per the MP-2014 ultimate scale.	Education non-certified: PubG-2010 Mortality Table with generational projection per the MP-2014 ultimate scale.						
	Police: PubG-2010 Mortality Table with generational projection per the MP-2019 ultimate scale.	Police: PubG-2010 Mortality Table with generational projection per the MP-2019 ultimate scale.	Police: PubG-2010 Mortality Table with generational projection per the MP-2014 ultimate scale.	Police: PubG-2010 Mortality Table with generational projection per the MP-2014 ultimate scale.						

## Town of New Fairfield, Connecticut

## Required Supplementary Information

Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan  
Last Seven Years (3)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b><u>Schedule of Proportionate Share of the Collective Net OPEB Liability</u></b>							
Town's proportion of the collective net OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the collective net OPEB liability associated with the Town	<u>7,485,702</u>	<u>7,932,358</u>	<u>7,996,719</u>	<u>13,822,464</u>	<u>12,831,774</u>	<u>12,682,334</u>	<u>16,936,880</u>
Total	<u>\$ 7,485,702</u>	<u>\$ 7,932,358</u>	<u>\$ 7,996,719</u>	<u>\$ 13,822,464</u>	<u>\$ 12,831,774</u>	<u>\$ 12,682,334</u>	<u>\$ 16,936,880</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Town's proportionate share of the collective 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>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the collective total OPEB liability	<u>11.92%</u>	<u>9.46%</u>	<u>6.11%</u>	<u>2.50%</u>	<u>2.08%</u>	<u>1.49%</u>	<u>1.79%</u>
<b><u>Schedule of Contributions</u></b>							
Contractually required contribution (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<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>	<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 collective net OPEB liability.

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

See Notes to Required Supplementary Information.

Town of New Fairfield, Connecticut

Notes to Required Supplementary Information

Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan  
 Schedule of Contributions  
 Last Seven Years (1)

	2024	2023	2022	2021	2020	2019	2018
Changes of benefit terms	Increase in maximum monthly subsidy amount for retiree and dependent from \$110/\$220 to \$220/\$440	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2022	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016	June 30, 2016
Actuarial methods and assumptions used to determine contribution rates:							
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percentage, open	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, open	Level percentage, open	Level percentage, open
Amortization period	30 years	30 years	30 years	30 years	30 years	30 years	30 years
Asset valuation method	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Inflation rate	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%
Healthcare inflation rate	Initial 6.75% decreasing to 4.50% (ultimate) by 2031	Initial 5.125% decreasing to 4.50% (ultimate) by 2023	Initial 5.125% decreasing to 4.50% (ultimate) by 2023	Initial 5.95% decreasing to 4.75% (ultimate) by 2025	Initial 5.95% decreasing to 4.75% (ultimate) by 2025	Initial 7.25% decreasing to 5.00% (ultimate) by 2022	Initial 7.25% decreasing to 5.00% (ultimate) by 2022
Salary increases	3.00% to 6.50%, including inflation	3.00% to 6.50%, including inflation	3.00% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation
Investment rate of return (net)	3.00%	3.00%	3.00%	3.00%	3.00%	4.25%	4.25%
Mortality rate	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	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.

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# **Supplemental Schedules**

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# General Fund

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

Town of New Fairfield, Connecticut

Report of Tax Collector  
For the Year Ended June 30, 2024

Grand List Year	Uncollected Taxes July 1, 2023	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Amount Collectible	Collections			Uncollected Taxes June 30, 2024
			Additions	Deductions			Taxes	Interest and Liens	Total	
2007	\$ 5,209	\$ -	\$ -	\$ 5,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2008	4,337	-	-	-	-	4,337	-	-	-	4,337
2009	3,862	-	-	-	-	3,862	-	-	-	3,862
2010	3,974	-	-	-	-	3,974	-	-	-	3,974
2011	4,091	-	304	304	-	4,091	-	-	-	4,091
2012	4,433	-	-	-	-	4,433	-	-	-	4,433
2013	4,577	-	-	-	-	4,577	-	-	-	4,577
2014	4,842	-	-	-	-	4,842	-	-	-	4,842
2015	7,131	-	-	-	-	7,131	-	-	-	7,131
2016	7,285	-	-	-	-	7,285	-	-	-	7,285
2017	9,349	-	-	-	-	9,349	234	249	483	9,115
2018	11,845	-	-	-	-	11,845	473	414	887	11,372
2019	19,940	-	2,035	141	341	21,493	4,882	1,768	6,650	16,611
2020	70,029	-	2,368	3,587	2,499	66,311	32,896	11,251	44,147	33,415
2021	<u>329,320</u>	-	<u>11,863</u>	<u>19,421</u>	<u>5,255</u>	<u>316,507</u>	<u>171,191</u>	<u>36,055</u>	<u>207,246</u>	<u>145,316</u>
Subtotal	490,224	-	16,570	28,662	8,095	470,037	209,676	49,737	259,413	260,361
2022	<u>-</u>	<u>59,352,407</u>	<u>135,643</u>	<u>267,879</u>	<u>13,758</u>	<u>59,206,413</u>	<u>58,734,706</u>	<u>158,172</u>	<u>58,892,878</u>	<u>471,707</u>
Totals	<u>\$ 490,224</u>	<u>\$ 59,352,407</u>	<u>\$ 152,213</u>	<u>\$ 296,541</u>	<u>\$ 21,853</u>	<u>\$ 59,676,450</u>	<u>\$ 58,944,382</u>	<u>\$ 207,909</u>	<u>\$ 59,152,291</u>	732,068
								Interest and liens receivable		252,829
								Allowance for doubtful accounts		<u>(160,000)</u>
								Taxes, interest and liens receivable (net)		<u>\$ 824,897</u>

# Other Governmental Funds

## Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted, committed, or assigned to expenditures for particular purposes.

<b>Fund</b>	<b>Funding Source</b>	<b>Function</b>
School Lunch Fund	Sale of meals and grants	Cafeteria operations
Education Grants Fund	Federal and state grants and fees	Education programs
School Activity Fund	Activity fees and contributions	Student activity funds and school scholarships
Drug Enforcement Fund	Fees	Health and welfare programs
Small Cities Fund	Grant and program income	Community development program
Dog Registration Fund	Fees	Public safety programs
Library Fund	Grants, fees and contributions	Library programs
Social Services Fund	Contributions	Social service programs
Groovin' in New Fairfield Fund	Fees and contributions	Recreation programs
Miscellaneous Grants Fund	Grants and fees	Various town programs
Municipal Water System Fund	Fees	Water system operations
Beaver Bog Cemetery Fund	Fees	Cemetery operations
Senior Center Fund	Fees and contributions	Senior center programs
Commission for the Youth Fund	Fees	Recreation programs
Recreation Programs Fund	Fees and contributions	Recreation programs
Education User Surcharges Fund	Fees	Pay for play programs
Hidden Valley Fund	Fees	Hidden valley operations
Drop Off Center Fund	Fees	Drop off center operations

## Debt Service Fund

The debt service fund is used to account for and report resources for the payment of future debt service payments funded by the operating budget.

# Other Governmental Funds

## Capital Projects Funds

Capital projects funds are used to account for acquisition and construction of major capital assets other than those financed by proprietary and trust funds.

Fund	Funding Source	Function
Fire Company Reserve Fund	Town budget and income from investments	Fire department capital purchases
Education Capital Nonrecurring Fund	Town budget	School capital purchases
School Projects Fund	Bonds and grants	School improvements
Town Center Beautification Fund	Grants	Town Center Beautification projects
Town Capital Projects Fund	Grants	Town improvements

## 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 as categorized by the fund title.

Fund	Funding Source	Function
Library Fund	Contributions	Established for the support and benefit of the Town's library

Town of New Fairfield, Connecticut

Other Governmental Funds  
Combining Balance Sheet  
June 30, 2024

Special Revenue Funds

	School Lunch Fund	Education Grants Fund	School Activity Fund	Drug Enforcement Fund	Small Cities Fund	Dog Registration Fund	Library Fund	Social Services Fund
<u>Assets</u>								
Cash	\$ 910,277	\$ 448,600	\$ 500,380	\$ 63,504	\$ 238,498	\$ 38,045	\$ 20,397	\$ 63,532
Investments	-	-	82,043	-	-	-	63,162	-
Receivables (net):								
Intergovernmental	86,336	21,405	-	-	-	-	-	-
Loans	-	-	-	-	1,298,658	-	-	-
Other	1,802	10,750	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Other	14,096	-	-	-	-	-	-	-
Total assets	<u>\$ 1,012,511</u>	<u>\$ 480,755</u>	<u>\$ 582,423</u>	<u>\$ 63,504</u>	<u>\$ 1,537,156</u>	<u>\$ 38,045</u>	<u>\$ 83,559</u>	<u>\$ 63,532</u>
<u>Liabilities</u>								
Accounts payable	\$ 46,953	\$ 52,384	\$ -	\$ -	\$ 20,672	\$ 5,310	\$ -	\$ -
Accrued payroll and related liabilities	-	-	-	-	-	-	-	-
Due to other funds	-	151,100	-	-	-	27,564	-	-
Unearned revenue	-	65,716	-	-	-	-	-	-
Total liabilities	<u>46,953</u>	<u>269,200</u>	<u>-</u>	<u>-</u>	<u>20,672</u>	<u>32,874</u>	<u>-</u>	<u>-</u>
<u>Fund Balances</u>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	965,558	-	1,123	63,504	1,516,484	-	-	63,532
Committed	-	211,555	581,300	-	-	5,171	83,559	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>965,558</u>	<u>211,555</u>	<u>582,423</u>	<u>63,504</u>	<u>1,516,484</u>	<u>5,171</u>	<u>83,559</u>	<u>63,532</u>
Total liabilities and fund balances	<u>\$ 1,012,511</u>	<u>\$ 480,755</u>	<u>\$ 582,423</u>	<u>\$ 63,504</u>	<u>\$ 1,537,156</u>	<u>\$ 38,045</u>	<u>\$ 83,559</u>	<u>\$ 63,532</u>

(Continued)

Town of New Fairfield, Connecticut

Other Governmental Funds  
Combining Balance Sheet  
June 30, 2024

Special Revenue Funds

	<u>Groovin' in New Fairfield Fund</u>	<u>Miscellaneous Grants Fund</u>	<u>Municipal Water System Fund</u>	<u>Beaver Bog Cemetery Fund</u>	<u>Senior Center Fund</u>	<u>Commission for the Youth Fund</u>	<u>Recreation Programs Fund</u>
<u>Assets</u>							
Cash	\$ 8,867	\$ 52,779	\$ 28,351	\$ 3,045	\$ 76,446	\$ 10,287	\$ 702,025
Investments	-	-	-	-	-	-	-
Receivables (net):							
Intergovernmental	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total assets	<u>\$ 8,867</u>	<u>\$ 52,779</u>	<u>\$ 28,351</u>	<u>\$ 3,045</u>	<u>\$ 76,446</u>	<u>\$ 10,287</u>	<u>\$ 702,025</u>
<u>Liabilities</u>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 894	\$ -	\$ 11,713
Accrued payroll and related liabilities	-	-	-	-	-	-	24,672
Due to other funds	-	-	-	-	-	-	208,803
Unearned revenue	-	33,639	-	-	-	-	74,679
Total liabilities	<u>-</u>	<u>33,639</u>	<u>-</u>	<u>-</u>	<u>894</u>	<u>-</u>	<u>319,867</u>
<u>Fund Balances</u>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	19,140	28,351	3,045	-	-	-
Committed	8,867	-	-	-	75,552	10,287	382,158
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>8,867</u>	<u>19,140</u>	<u>28,351</u>	<u>3,045</u>	<u>75,552</u>	<u>10,287</u>	<u>382,158</u>
Total liabilities and fund balances	<u>\$ 8,867</u>	<u>\$ 52,779</u>	<u>\$ 28,351</u>	<u>\$ 3,045</u>	<u>\$ 76,446</u>	<u>\$ 10,287</u>	<u>\$ 702,025</u>

(Continued)

Town of New Fairfield, Connecticut

Other Governmental Funds  
Combining Balance Sheet  
June 30, 2024

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds	
	Education User Surcharges Fund	Hidden Valley Fund	Drop Off Center Fund	Total	Debt Service Fund	Fire Company Reserve Fund	Education Capital Nonrecurring Fund
<u>Assets</u>							
Cash	\$ 698,736	\$ 17,784	\$ 123,001	\$ 4,004,554	\$ 1,437,608	\$ 2,419	\$ 495,439
Investments	-	-	-	145,205	-	749,128	-
Receivables (net):							
Intergovernmental	-	-	-	107,741	-	-	-
Loans	-	-	-	1,298,658	-	-	-
Other	46,870	-	1,025	60,447	-	-	-
Due from other funds	27,067	-	-	27,067	-	-	-
Other	-	-	-	14,096	-	-	-
<b>Total assets</b>	<b>\$ 772,673</b>	<b>\$ 17,784</b>	<b>\$ 124,026</b>	<b>\$ 5,657,768</b>	<b>\$ 1,437,608</b>	<b>\$ 751,547</b>	<b>\$ 495,439</b>
<u>Liabilities</u>							
Accounts payable	\$ -	\$ -	\$ 11,381	\$ 149,307	\$ -	\$ -	\$ 44,987
Accrued payroll and related liabilities	-	-	1,105	25,777	-	-	-
Due to other funds	-	-	173,794	561,261	-	-	-
Unearned revenue	-	-	-	174,034	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>186,280</b>	<b>910,379</b>	<b>-</b>	<b>-</b>	<b>44,987</b>
<u>Fund Balances</u>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	2,660,737	-	-	-
Committed	772,673	17,784	-	2,148,906	-	751,547	450,452
Assigned	-	-	-	-	1,437,608	-	-
Unassigned	-	-	(62,254)	(62,254)	-	-	-
<b>Total fund balances</b>	<b>772,673</b>	<b>17,784</b>	<b>(62,254)</b>	<b>4,747,389</b>	<b>1,437,608</b>	<b>751,547</b>	<b>450,452</b>
<b>Total liabilities and fund balances</b>	<b>\$ 772,673</b>	<b>\$ 17,784</b>	<b>\$ 124,026</b>	<b>\$ 5,657,768</b>	<b>\$ 1,437,608</b>	<b>\$ 751,547</b>	<b>\$ 495,439</b>

(Continued)

Town of New Fairfield, Connecticut

Other Governmental Funds  
Combining Balance Sheet  
June 30, 2024

	Capital Projects Funds				Permanent Fund	Total Other Governmental Funds
	School Projects Fund	Town Center Beautification Fund	Town Capital Projects Fund	Total	Library Fund	
<u>Assets</u>						
Cash	\$ -	\$ 33,947	\$ -	\$ 531,805	\$ 15,569	\$ 5,989,536
Investments	-	-	-	749,128	-	894,333
Receivables (net):						
Intergovernmental	-	-	35,725	35,725	-	143,466
Loans	-	-	-	-	-	1,298,658
Other	-	-	-	-	-	60,447
Due from other funds	-	-	-	-	-	27,067
Other	-	-	-	-	-	14,096
Total assets	<u>\$ -</u>	<u>\$ 33,947</u>	<u>\$ 35,725</u>	<u>\$ 1,316,658</u>	<u>\$ 15,569</u>	<u>\$ 8,427,603</u>
<u>Liabilities</u>						
Accounts payable	\$ -	\$ -	\$ 19,300	\$ 64,287	\$ -	\$ 213,594
Accrued payroll and related liabilities	-	-	-	-	-	25,777
Due to other funds	245,061	-	16,425	261,486	-	822,747
Unearned revenue	-	29,858	-	29,858	-	203,892
Total liabilities	<u>245,061</u>	<u>29,858</u>	<u>35,725</u>	<u>355,631</u>	<u>-</u>	<u>1,266,010</u>
<u>Fund Balances</u>						
Nonspendable	-	-	-	-	482	482
Restricted	-	-	-	-	15,087	2,675,824
Committed	-	4,089	-	1,206,088	-	3,354,994
Assigned	-	-	-	-	-	1,437,608
Unassigned	(245,061)	-	-	(245,061)	-	(307,315)
Total fund balances	<u>(245,061)</u>	<u>4,089</u>	<u>-</u>	<u>961,027</u>	<u>15,569</u>	<u>7,161,593</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 33,947</u>	<u>\$ 35,725</u>	<u>\$ 1,316,658</u>	<u>\$ 15,569</u>	<u>\$ 8,427,603</u>

(Concluded)

Town of New Fairfield, Connecticut

Other Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2024

	Special Revenue Funds							
	School Lunch Fund	Education Grants Fund	School Activity Fund	Drug Enforcement Fund	Small Cities Fund	Dog Registration Fund	Library Fund	Social Services Fund
Revenues:								
Intergovernmental	\$ 592,756	\$ 1,671,884	\$ -	\$ -	\$ -	\$ -	\$ 613	\$ -
Charges for services	676,010	193,096	561,067	-	-	3,147	50,884	-
Contributions	-	4,011	250	32,148	-	-	-	16,227
Income from investments	25,893	-	1,991	-	4,882	-	1,387	-
Total revenues	1,294,659	1,868,991	563,308	32,148	4,882	3,147	52,884	16,227
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	21,460	-	-
Health and welfare	-	-	-	-	7,977	-	-	15,809
Culture and recreation	-	-	-	-	-	-	49,837	-
Education	1,126,996	1,714,788	547,953	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	1,126,996	1,714,788	547,953	-	7,977	21,460	49,837	15,809
Excess (deficiency) of revenues over expenditures	167,663	154,203	15,355	32,148	(3,095)	(18,313)	3,047	418
Other financing sources (uses):								
Issuance of debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Net other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	167,663	154,203	15,355	32,148	(3,095)	(18,313)	3,047	418
Fund balances - July 1, 2023	797,895	57,352	567,068	31,356	1,519,579	23,484	80,512	63,114
Fund balances - June 30, 2024	\$ 965,558	\$ 211,555	\$ 582,423	\$ 63,504	\$ 1,516,484	\$ 5,171	\$ 83,559	\$ 63,532

(Continued)

Town of New Fairfield, Connecticut

Other Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2024

	Special Revenue Funds						
	Groovin' in New Fairfield Fund	Miscellaneous Grants Fund	Municipal Water System Fund	Beaver Bog Cemetery Fund	Senior Center Fund	Commission for the Youth Fund	Recreation Programs Fund
Revenues:							
Intergovernmental	\$ -	\$ 15,351	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	5,598	5,398	-	-	87,368	-	691,511
Contributions	-	-	-	-	13,169	-	1,795
Income from investments	-	-	43	-	-	-	14,557
Total revenues	<u>5,598</u>	<u>20,749</u>	<u>43</u>	<u>-</u>	<u>100,537</u>	<u>-</u>	<u>707,863</u>
Expenditures:							
Current:							
General government	-	19,373	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	5,250	86,494	-	-
Culture and recreation	3,288	-	-	-	-	-	541,882
Education	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	<u>3,288</u>	<u>19,373</u>	<u>-</u>	<u>5,250</u>	<u>86,494</u>	<u>-</u>	<u>541,882</u>
Excess (deficiency) of revenues over expenditures	<u>2,310</u>	<u>1,376</u>	<u>43</u>	<u>(5,250)</u>	<u>14,043</u>	<u>-</u>	<u>165,981</u>
Other financing sources (uses):							
Issuance of debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,310	1,376	43	(5,250)	14,043	-	165,981
Fund balances - July 1, 2023	<u>6,557</u>	<u>17,764</u>	<u>28,308</u>	<u>8,295</u>	<u>61,509</u>	<u>10,287</u>	<u>216,177</u>
Fund balances - June 30, 2024	<u>\$ 8,867</u>	<u>\$ 19,140</u>	<u>\$ 28,351</u>	<u>\$ 3,045</u>	<u>\$ 75,552</u>	<u>\$ 10,287</u>	<u>\$ 382,158</u>

(Continued)

Town of New Fairfield, Connecticut

Other Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2024

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds	
	Education User Surcharges Fund	Hidden Valley Fund	Drop Off Center Fund	Total	Debt Service Fund	Fire Company Reserve Fund	Education Capital Nonrecurring Fund
Revenues:							
Intergovernmental	\$ -	\$ -	\$ -	\$ 2,280,604	\$ -	\$ -	\$ -
Charges for services	231,252	-	204,618	2,709,949	-	-	-
Contributions	-	-	-	67,600	-	-	-
Income from investments	1,062	-	-	49,815	-	29,007	-
Total revenues	<u>232,314</u>	<u>-</u>	<u>204,618</u>	<u>5,107,968</u>	<u>-</u>	<u>29,007</u>	<u>-</u>
Expenditures:							
Current:							
General government	-	-	209,035	228,408	-	-	-
Public safety	-	-	-	21,460	-	-	-
Health and welfare	-	-	-	115,530	-	-	-
Culture and recreation	-	-	-	595,007	-	-	-
Education	107,000	-	-	3,496,737	-	-	-
Debt service	-	-	-	-	1,800,000	-	-
Capital outlay	-	-	-	-	35,318	-	224,312
Total expenditures	<u>107,000</u>	<u>-</u>	<u>209,035</u>	<u>4,457,142</u>	<u>1,835,318</u>	<u>-</u>	<u>224,312</u>
Excess (deficiency) of revenues over expenditures	<u>125,314</u>	<u>-</u>	<u>(4,417)</u>	<u>650,826</u>	<u>(1,835,318)</u>	<u>29,007</u>	<u>(224,312)</u>
Other financing sources (uses):							
Issuance of debt	-	-	-	-	35,318	-	-
Transfers in	-	-	-	-	194,652	198,541	230,675
Transfers out	-	-	-	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>229,970</u>	<u>198,541</u>	<u>230,675</u>
Net change in fund balances	125,314	-	(4,417)	650,826	(1,605,348)	227,548	6,363
Fund balances - July 1, 2023	<u>647,359</u>	<u>17,784</u>	<u>(57,837)</u>	<u>4,096,563</u>	<u>3,042,956</u>	<u>523,999</u>	<u>444,089</u>
Fund balances - June 30, 2024	<u>\$ 772,673</u>	<u>\$ 17,784</u>	<u>\$ (62,254)</u>	<u>\$ 4,747,389</u>	<u>\$ 1,437,608</u>	<u>\$ 751,547</u>	<u>\$ 450,452</u>

(Continued)

Town of New Fairfield, Connecticut

Other Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2024

	Capital Projects Funds			Total	Permanent Fund	Total Other Governmental Funds
	School Projects Fund	Town Center Beautification Fund	Town Capital Projects Fund		Library Fund	
Revenues:						
Intergovernmental	\$ 203,402	\$ -	\$ 64,675	\$ 268,077	\$ -	\$ 2,548,681
Charges for services	-	-	-	-	-	2,709,949
Contributions	-	-	250,000	250,000	2,715	320,315
Income from investments	-	-	-	29,007	5	78,827
Total revenues	<u>203,402</u>	<u>-</u>	<u>314,675</u>	<u>547,084</u>	<u>2,720</u>	<u>5,657,772</u>
Expenditures:						
Current:						
General government	-	-	-	-	-	228,408
Public safety	-	-	-	-	-	21,460
Health and welfare	-	-	-	-	-	115,530
Culture and recreation	-	-	-	-	626	595,633
Education	-	-	-	-	-	3,496,737
Debt service	-	-	-	-	-	1,800,000
Capital outlay	-	-	314,675	538,987	-	574,305
Total expenditures	<u>-</u>	<u>-</u>	<u>314,675</u>	<u>538,987</u>	<u>626</u>	<u>6,832,073</u>
Excess (deficiency) of revenues over expenditures	<u>203,402</u>	<u>-</u>	<u>-</u>	<u>8,097</u>	<u>2,094</u>	<u>(1,174,301)</u>
Other financing sources (uses):						
Issuance of debt	-	-	-	-	-	35,318
Transfers in	-	-	-	429,216	-	623,868
Transfers out	(194,652)	-	-	(194,652)	-	(194,652)
Net other financing sources (uses)	<u>(194,652)</u>	<u>-</u>	<u>-</u>	<u>234,564</u>	<u>-</u>	<u>464,534</u>
Net change in fund balances	8,750	-	-	242,661	2,094	(709,767)
Fund balances - July 1, 2023	<u>(253,811)</u>	<u>4,089</u>	<u>-</u>	<u>718,366</u>	<u>13,475</u>	<u>7,871,360</u>
Fund balances - June 30, 2024	<u>\$ (245,061)</u>	<u>\$ 4,089</u>	<u>\$ -</u>	<u>\$ 961,027</u>	<u>\$ 15,569</u>	<u>\$ 7,161,593</u>

(Concluded)

# Trend Information

This part of the Town's annual 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 Trends (Tables 1-2)	These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time
Debt Capacity (Table 3)	This schedule presents 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

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

**Town of New Fairfield, Connecticut**  
**General Fund**  
**Revenues, Expenditures and Changes in Fund Balances**  
**(Budgetary Basis)**  
**Last Ten Years**  
**(Unaudited)**

**For the Year Ended June 30**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Revenues:</b>										
Property taxes	\$ 59,219,021	\$ 55,086,491	\$ 52,354,937	\$ 50,084,131	\$ 49,407,965	\$ 48,895,776	\$ 47,562,514	\$ 45,541,688	\$ 45,050,139	\$ 44,370,542
Intergovernmental	5,194,766	5,066,834	4,475,897	4,706,386	4,585,282	13,013,176	13,169,118	13,154,176	9,601,063	9,003,763
Charges for services	1,569,310	1,621,782	1,762,028	2,017,501	1,429,653	1,576,051	1,383,899	1,301,381	1,292,389	1,548,585
Income from investments	1,910,695	1,378,985	54,966	109,177	391,860	455,447	310,890	215,853	185,908	177,382
Other	1,870	24,641	21,008	65,212	21,912	94,851	106,581	1,102,680	1,142,991	1,123,834
<b>Total revenues</b>	<b>67,895,662</b>	<b>63,178,733</b>	<b>58,668,836</b>	<b>56,982,407</b>	<b>55,836,672</b>	<b>64,035,301</b>	<b>62,533,002</b>	<b>61,315,778</b>	<b>57,272,490</b>	<b>56,224,106</b>
<b>Expenditures:</b>										
Current:										
General government	4,238,943	4,061,022	3,758,005	3,676,785	3,246,478	3,307,562	3,234,467	3,283,843	3,168,220	3,247,276
Public safety	4,334,235	4,088,640	4,067,778	3,861,622	3,961,188	3,727,937	3,299,238	3,034,285	2,872,417	2,546,587
Public works	2,395,639	2,362,902	2,299,926	2,234,061	2,259,078	2,848,963	1,503,777	2,222,795	2,256,466	2,404,570
Health and welfare	620,064	584,179	564,925	544,133	546,774	528,441	485,938	484,576	483,457	464,962
Culture and recreation	566,405	564,753	553,244	550,399	567,162	540,056	608,424	1,069,129	1,150,447	1,341,253
Health insurance	1,012,365	2,554,636	6,050,000	6,129,200	6,000,000	6,100,000	5,952,952	6,160,641	6,493,287	6,495,300
Education	46,188,269	42,964,122	36,241,880	35,725,534	34,662,195	40,898,230	41,805,563	40,499,752	36,936,252	35,540,155
Debt service	6,365,593	5,302,751	3,841,896	2,637,830	2,283,175	2,444,606	2,422,133	2,797,942	3,014,311	2,825,427
Capital outlay	-	-	-	-	-	-	-	589,748	40,000	-
<b>Total expenditures</b>	<b>65,721,513</b>	<b>62,483,005</b>	<b>57,377,654</b>	<b>55,359,564</b>	<b>53,526,050</b>	<b>60,395,795</b>	<b>59,312,492</b>	<b>60,142,711</b>	<b>56,414,857</b>	<b>54,865,530</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>2,174,149</b>	<b>695,728</b>	<b>1,291,182</b>	<b>1,622,843</b>	<b>2,310,622</b>	<b>3,639,506</b>	<b>3,220,510</b>	<b>1,173,067</b>	<b>857,633</b>	<b>1,358,576</b>
<b>Other financing sources (uses):</b>										
Premium	-	-	-	-	-	-	-	711,786	129,219	-
Cancellation of prior year encumbrances	32,986	25,384	328,882	64,571	75,568	-	-	-	-	-
Sale of assets	22,950	4,000	-	150,850	-	8,550	-	-	2,000	-
Transfers in	-	-	-	50,000	35,275	-	-	-	-	-
Transfers out	(500,675)	(758,174)	(1,179,516)	(1,692,441)	(1,428,444)	(1,203,200)	(3,035,808)	(810,853)	(1,113,893)	(1,337,487)
<b>Net other financing sources (uses)</b>	<b>(444,739)</b>	<b>(728,790)</b>	<b>(850,634)</b>	<b>(1,427,020)</b>	<b>(1,317,601)</b>	<b>(1,194,650)</b>	<b>(3,035,808)</b>	<b>(99,067)</b>	<b>(982,674)</b>	<b>(1,337,487)</b>
<b>Net change in fund balance</b>	<b>\$ 1,729,410</b>	<b>\$ (33,062)</b>	<b>\$ 440,548</b>	<b>\$ 195,823</b>	<b>\$ 993,021</b>	<b>\$ 2,444,856</b>	<b>\$ 184,702</b>	<b>\$ 1,074,000</b>	<b>\$ (125,041)</b>	<b>\$ 21,089</b>
<b>Debt service as a percentage of expenditures</b>	<b>9.69%</b>	<b>8.49%</b>	<b>6.70%</b>	<b>4.76%</b>	<b>4.27%</b>	<b>4.05%</b>	<b>4.08%</b>	<b>4.65%</b>	<b>5.34%</b>	<b>5.15%</b>

Source: Current and prior year financial statements.

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

<u>Year Ended June 30</u>	<u>Grand List of October 1,</u>	<u>(1) Tax Rate in Mills</u>	<u>Total Adjusted Tax Levy</u>	<u>Net Tax Collections</u>	<u>Percent of Levy Collected</u>
2015	2013	26.08	\$ 44,112,744	\$ 43,875,705	99.46%
2016	2014	28.53	42,697,417	42,408,968	99.32%
2017	2015	28.68	42,454,363	42,218,482	99.44%
2018	2016	29.82	47,366,920	47,069,562	99.37%
2019	2017	30.58	49,094,849	48,815,138	99.43%
2020	2018	30.90	49,401,107	49,045,598	99.28%
2021	2019	30.58	49,913,144	49,630,740	99.43%
2022	2020	31.49	51,936,978	51,713,005	99.57%
2023	2021	32.47	54,960,761	54,631,441	99.40%
2024	2022	34.90	59,206,413	58,734,706	99.20%

Source: Tax Collector

Notes:

(1) There are no overlapping tax rates.

(2) Tax levy is per \$1,000 of the assessed value of taxable property.

**Town of New Fairfield, Connecticut**  
**Schedule of Debt Limitation**  
**Connecticut Statutes, Section 7-374 (b)**  
**As of and for the Year Ended June 30, 2024**  
**(Unaudited)**

Base:

Total tax collections (including interest and lien fees) for prior year \$ 54,950,263

Debt limitation:	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
2 1/4 times base	\$ 123,638,092	\$ -	\$ -	\$ -	\$ -
4 1/2 times base	-	247,276,184	-	-	-
3 3/4 times base	-	-	206,063,486	-	-
3 1/4 times base	-	-	-	178,588,355	-
3 times base	-	-	-	-	164,850,789
Total debt limitation	123,638,092	247,276,184	206,063,486	178,588,355	164,850,789
Indebtedness:					
Bonds payable	937,000	79,623,000	-	-	-
Debt limitation in excess of outstanding debt	<u>\$ 122,701,092</u>	<u>\$ 167,653,184</u>	<u>\$ 206,063,486</u>	<u>\$ 178,588,355</u>	<u>\$ 164,850,789</u>

The total of the above net indebtedness amounts to: \$ 80,560,000

In no event shall total indebtedness exceed seven times the base for debt limitation computation: \$ 384,651,841

There is no overlapping debt for the Town.

Source: Current and prior year financial statements.