

# Preliminary Official Statement Dated August 11, 2021

**NEW MONEY ISSUE: Book-Entry-Only**

**RATINGS: S&P Global Ratings: "AA+ / SP-1+"  
Fitch Ratings: "AA+ / F1+"**

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming the material accuracy of representations and continuing compliance by the Town with certain covenants and procedures relating to requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds and Notes is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the Federal alternative minimum tax under the Code. In the opinion of Bond Counsel, based on existing statutes, interest on the Bonds and Notes is excluded from taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds and Notes (see "Tax Matters" herein).



## Town of Trumbull, Connecticut

**\$13,430,000\***

### General Obligation Bonds, Issue of 2021, Series B

**Dated: Date of Delivery**

**Due: Serially September 15, 2022-2041  
as detailed on the inside cover:**

Interest on the Bonds will be payable March 15, 2022 and semiannually thereafter on September 15 and March 15 in each year until maturity. The Bonds will be issued in book-entry-only form and registered in the name of Cede & Co., as nominee for the Depository Trust Company ("DTC"), New York, New York. The beneficial owners of the Bonds will not receive certificates representing their ownership interest in the Bonds. Principal of, redemption premium, if any, and interest payments on, the Bonds will be made by the Town of Trumbull, Connecticut (the "Town") to The Depository Trust Company, New York, New York ("DTC"), or its nominee as registered owner of the Bonds. DTC will credit its participants in accordance with their respective holdings shown in the records of DTC. It is anticipated that the beneficial owners of the Bonds will receive payment or credit from DTC participants and other nominees of the beneficial owners. Ownership of the Bonds may be in principal amounts of \$5,000 or integral multiples thereof. (See "Book-Entry-Only Transfer System" herein.)

The Bonds are subject to redemption prior to maturity as more fully described under "Redemption Provisions" herein.

**Electronic bids only via PARITY® for the Bonds will be received until 11:30 A.M. (E.T.) on Wednesday, August 18, 2021, at Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, CT 06611.**

**\$3,850,000**

### General Obligation Bond Anticipation Notes

**Dated: September 16, 2021**

**Due: September 15, 2022**

The Notes will be issued in book-entry-only form and will be registered in the name of Cede & Co., as noteowner and nominee for DTC, New York, New York. (See "Book-Entry-Only Transfer System" herein.) The Notes are not subject to redemption prior to maturity.

**Sealed proposals and electronic bids via PARITY® for the Notes will be received until 11:00 A.M. (E.T.) on Wednesday, August 18, 2021, at Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, CT 06611. In order to assist bidders, Phoenix Advisors, LLC will transcribe (onto Notice of Sale bid forms), proposals communicated over the telephone at (203) 452-5011, provided they are communicated in time and manner for written submission in accordance with the Notice of Sale.**

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

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

The Bonds and Notes are offered for delivery when, as and if issued, subject to the approving opinions of Pullman & Comley, LLC, Bond Counsel, of Bridgeport and Hartford, Connecticut and certain other conditions. It is expected that delivery of the Bonds and Notes in book-entry-only form will be made to DTC on or about September 16, 2021.

*\*Preliminary, Subject to Change.*

**Town of Trumbull, Connecticut**  
**\$13,430,000\***  
**General Obligation Bonds, Issue of 2021, Series B**

**Dated: Date of Delivery**

**Due: Serially September 15, 2022-2041**  
**as detailed below:**

<b>Maturity</b>	<b>Principal</b>	<b>Coupon</b>	<b>Yield</b>	<b>CUSIP</b>	<b>Maturity</b>	<b>Principal</b>	<b>Coupon</b>	<b>Yield</b>	<b>CUSIP</b>
2022	\$ 670,000	___%	___%	898116__	2032	\$ 670,000	___%	___%	898116__
2023	675,000	___%	___%	898116__	2033	670,000	___%	___%	898116__
2024	675,000	___%	___%	898116__	2034	670,000	___%	___%	898116__
2025	675,000	___%	___%	898116__	2035	670,000	___%	___%	898116__
2026	675,000	___%	___%	898116__	2036	670,000	___%	___%	898116__
2027	675,000	___%	___%	898116__	2037	670,000	___%	___%	898116__
2028	675,000	___%	___%	898116__	2038	670,000	___%	___%	898116__
2029	670,000	___%	___%	898116__	2039	670,000	___%	___%	898116__
2030	670,000	___%	___%	898116__	2040	670,000	___%	___%	898116__
2031	670,000	___%	___%	898116__	2041	670,000	___%	___%	898116__

*\*Preliminary, Subject to Change.*

**\$3,850,000**  
**General Obligation Bond Anticipation Notes**

**Dated: September 16, 2021**

**Due: September 15, 2022**

**CUSIP: 898116\_\_**

**Rate: \_\_\_%**

**Yield: \_\_\_%**

**Underwriter: TBD**

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

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

The Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such act. In addition, the Bonds have not been registered under any state securities laws.

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

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## **Bond Issue Summary**

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

<b>Date of Sale:</b>	Wednesday, August 18, 2021 at 11:30 A.M. (E.T.).
<b>Location of Sale:</b>	Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, Connecticut 06611.
<b>Issuer:</b>	Town of Trumbull, Connecticut (the "Town").
<b>Issue:</b>	\$13,430,000* General Obligation Bonds, Issue of 2021, Series B (the "Bonds").
<b>Dated Date:</b>	September 16, 2021.
<b>Principal and Interest Due:</b>	Principal due serially September 15, 2022 through September 15, 2041. Interest due March 15 and September 15 in each year until maturity, commencing March 15, 2022.
<b>Purpose:</b>	The Bond proceeds will be used to fund various school, public improvement, and sewer projects and permanently finance maturing notes.
<b>Redemption:</b>	The Bonds are subject to optional redemption prior to maturity.
<b>Security:</b>	The Bonds will be general obligations of the Town of Trumbull, Connecticut, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due. See "Security and Remedies" herein.
<b>Credit Ratings:</b>	The Bonds have received ratings of "AA+" from S&P Global Ratings and "AA+" from Fitch Ratings.
<b>Bond Insurance:</b>	The Town does not expect to direct purchase a credit enhancement facility.
<b>Tax Matters:</b>	See "Tax Matters" herein.
<b>Bank Qualification:</b>	The Bonds shall <u>NOT</u> be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds.
<b>Continuing Disclosure:</b>	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, annual financial information and operating data and notices of material events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C-1 to this Official Statement.
<b>Registrar, Transfer Agent, Certifying Agent, and Paying Agent:</b>	U.S. Bank National Association, CityPlace I, 185 Asylum Street, 27 <sup>th</sup> Floor, Hartford, Connecticut 06103.
<b>Municipal Advisor:</b>	Phoenix Advisors, LLC, of Milford, Connecticut will act as Municipal Advisor. Telephone: (203) 878-4945.
<b>Legal Opinion:</b>	Pullman & Comley, LLC, Bond Counsel, of Bridgeport and Hartford, Connecticut will act as Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about September 16, 2021. Delivery of the Bonds will be made against payment in Federal Funds.
<b>Issuer Official:</b>	Questions concerning the Official Statement should be addressed to Ms. Maria T. Pires, Director of Finance, Trumbull Town Hall, 5866 Main Street, Trumbull, Connecticut 06611. Telephone (203) 452-5013.

*\*Preliminary, Subject to Change.*

## **Note Issue Summary**

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

<b>Date of Sale:</b>	Wednesday, August 18, 2021 at 11:00 A.M. (E.D.T.).
<b>Location of Sale:</b>	Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, Connecticut 06611. Telephone: (203) 452-5011.
<b>Issuer:</b>	Town of Trumbull, Connecticut (the "Town").
<b>Issue:</b>	\$3,850,000 General Obligation Bond Anticipation Notes (the "Notes").
<b>Dated Date:</b>	September 16, 2021.
<b>Principal and Interest Due:</b>	September 15, 2022.
<b>Purpose:</b>	The Note proceeds will be used to finance a public improvement project.
<b>Redemption:</b>	The Notes are NOT subject to redemption prior to maturity.
<b>Security:</b>	The Notes will be general obligations of the Town of Trumbull, Connecticut, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Notes when due.
<b>Credit Rating:</b>	The Notes have received ratings of "SP-1+" from S&P Global Ratings and "F1+" from Fitch Ratings.
<b>Bond Insurance:</b>	The Town does not expect to direct purchase a credit enhancement facility.
<b>Tax Matters:</b>	See "Tax Matters" herein.
<b>Bank Qualification:</b>	The Notes shall <u>NOT</u> be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Notes.
<b>Continuing Disclosure:</b>	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, notices of material events with respect to the Notes pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C-2 to this Official Statement.
<b>Registrar, Transfer Agent, Certifying Agent, and Paying Agent:</b>	U.S. Bank National Association, CityPlace I, 185 Asylum Street, 27 <sup>th</sup> Floor, Hartford, Connecticut 06103.
<b>Municipal Advisor:</b>	Phoenix Advisors, LLC, of Milford, Connecticut will act as Municipal Advisor. Telephone: (203) 878-4945.
<b>Legal Opinion:</b>	Pullman & Comley, LLC, Bond Counsel, of Bridgeport and Hartford, Connecticut will act as Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Notes in book-entry-only form will be made to The Depository Trust Company on or about September 16, 2021. Delivery of the Notes will be made against payment in Federal Funds.
<b>Issuer Official:</b>	Questions concerning the Official Statement should be addressed to Ms. Maria T. Pires, Director of Finance, Trumbull Town Hall, 5866 Main Street, Trumbull, Connecticut 06611. Telephone (203) 452-5013.

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

### **Introduction**

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Trumbull, Connecticut (the “Town”), in connection with the original issuance and sale of \$13,430,000\* General Obligation Bonds, Issue of 2021, Series B (the “Bonds”) and \$3,850,000 General Obligation Bond Anticipation Notes (the “Notes”) of the Town.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds or the Notes. Any statement made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete, are subject to repeal or amendment, and are qualified in their entirety by reference to such laws and the original official documents. All references to the Bonds and the Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and the Notes and such proceedings.

The Bonds and Notes are being offered for sale through public bidding. Notices of Sale dated August 11, 2021 have been furnished to prospective bidders and is included herein as Appendix D-1 for the Bonds and Appendix D -2 for the Notes. Reference is made to the Notices of Sale for the terms and conditions of the bidding.

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

The presentation of information in this Official Statement is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town.

The independent auditors for the Town are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in this Official Statement (other than matters expressly set forth in their opinion in Appendix A – Financial Statements excerpted from the Town’s 2020 Annual Financial Report), and they make no representation that they have independently verified the same. The Auditors have not been engaged nor performed audit procedures regarding the past audit period nor reviewed the Official Statement. The Auditors have not provided their written consent to use their Independent Auditors Report.

Bond Counsel is not passing on and does not assume any responsibility for the sufficiency, accuracy or completeness of the statements made or financial information presented in this Official Statement, other than matters expressly set forth as its opinion, and makes no representation that they have independently verified the same.

The Town deems this Official Statement to be “final” for purpose of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision or amendment.

The Town currently files its official statements for primary offerings with the Municipal Securities Rulemaking Board. In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, annual financial information and operating data with respect to the Bonds and notices of material events with respect to the Bonds and Notes pursuant to Continuing Disclosure Agreements to be executed in substantially the forms of Appendix C-1 and Appendix C-2 to this Official Statement.

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*\*Preliminary, Subject to Change.*

## **Global Health Emergency Risk**

### ***The COVID-19 Outbreak***

The outbreak of COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 outbreak. The outbreak of the virus has affected travel, commerce and financial markets globally. There can be no assurances that the continuing prevalence of COVID-19 will not materially affect local, state, national, and global activity; increase public health emergency response costs; and materially adversely impact the financial condition of the Town.

### ***State and Local Efforts to Mitigate the Ongoing Impact of COVID-19***

On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut (the “State”) and took and continues to take steps designed to mitigate the spread and impacts of COVID-19. Although public-schools began to operate remotely immediately following the outbreak and continued remotely through the 2019/2020 school year. For the 2020/2021 school year, schools were permitted to reopen and school districts were given the discretion to choose in-person learning, virtual learning or a hybrid model.

Due to a decline in the number of positive COVID-19 cases and hospitalizations, effective May 19, 2021, all capacity restrictions related to establishments and social/recreational gatherings were eliminated. The Governor regularly reviews conditions and, accordingly, expands or reduces restrictions.

Connecticut’s COVID-19 vaccination plan commenced on December 14, 2020, and the State is currently making vaccinations available to all individuals aged 12 and over.

On March 16, 2020, the Town’s First Selectwoman declared a local state of emergency. As a result of this declaration, the First Selectwoman closed all public schools, libraries, the senior center, recreational programs, and facilities and has taken a multiple of measures to limit the congregation of groups and enhance social distancing. In addition, the Town closed its offices to the public but has continued to operate with limited staff performing essential services. On July 1, 2020, Town Hall reopened on a limited basis, Monday through Thursday, by appointment only except for the Town Clerk and Tax Collector, which were open on a walk-in basis. On December 3, 2020, the Town Clerk moved to open by appointment only and the Tax Collector’s office closed to the public, and a drop box was installed inside Town Hall for payment of taxes. On March 12, 2021, both the Town Clerk and the Tax Collector’s office reopened to the public on a walk-in basis, and the main library reopened on a limited basis. On April 22, 2021, Town Hall reopened on Fridays. On May 3, 2021, the branch library reopened for limited hours and the main branch expanded its hours.

For the 2020/2021 year, the Trumbull school district operated under a hybrid learning model which model includes in-person and distance learning for its students. For the 2021/2022 year, the Trumbull school district plans to begin on August 31, 2021 with full in person learning.

The potential long-term impact of the COVID-19 pandemic on the Town cannot be predicted at this time. The continued efforts to mitigate the spread of the outbreak and any prolonged effects on the national, State and local economy could have a materially adverse effect on the Town’s finances.

### ***COVID-19 Outbreak – Municipal Tax Relief Programs***

On April 1, 2020, in response to the COVID-19 emergency, Governor Ned Lamont issued Executive Order No. 7S (“Order 7S”), as amended by Executive Order No. 7W on April 9, 2020 (“Order 7W”), which created two short-term tax relief programs and required all towns, cities, and boroughs as well as their water pollution control authorities to adopt either or both of them by a vote of the legislative body. One program defers tax payments and benefit assessments by three months for taxpayers based on a showing of need, while the other program reduces the interest chargeable on overdue tax and assessment payments for all taxpayers in the municipality for three months.



All municipalities were directed to notify the Secretary of the Office of Policy and Management (“OPM”) no later than April 25, 2020 which program or programs it intended to elect. On April 21, 2020, the Town adopted the “Deferment Program” for eligible taxpayers and landlords. The “Deferment Program” delays by three months payments due on any unescrowed taxes on real estate, motor vehicles, and personal property as well as unescrowed municipal utility charges (the “Taxes and Charges”) if taxpayers, businesses, nonprofits and residents demonstrate significant economic impact caused by COVID-19 and/or demonstrate that they are assisting people who are experiencing significant economic impact caused by COVID-19.

On December 16, 2020, the Governor issued Executive Order 9R (“Order 9R”), which applies the two tax relief programs to tax deadlines for Taxes and Charges that become due and payable on January 1, 2021. As of April 21, 2021, the Town was deemed to have adopted the Deferment Program. The Deferment Program defers any Taxes and Charges that are due on January 1, 2021 through and to April 1, 2021 without penalty.

For fiscal year 2021 the Town did not experience a material negative financial impact as a result of the Deferment Program. As of June 30, 2021, the town collected approximately 99% of the fiscal year 2021 budgeted taxes.

### ***Government Response to COVID-19’s Impact on the Economy***

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Stabilization Act (the “CARES Act”) that provided in excess \$2 trillion of relief to industries and entities throughout the country, including state and local governments. Under the CARES Act, \$150 billion was appropriated to states and other units of government for activities that are directly related to COVID-19. The State received approximately \$1.4 billion in such funding, and it was given the discretion to provide those funds to local governments.

On June 4, 2020, Governor Lamont established the Connecticut Municipal Coronavirus Relief Fund Program (the “Program”) which established a process by which Connecticut municipalities can receive funds from the State to offset non-budgeted COVID-19 related expenditures that were incurred between March 1, 2020 and December 30, 2020. Under the Program, the Town’s maximum reimbursement allowance for COVID-19 related expenditures through June 30, 2020 was \$315,558, and the Town was directly allocated \$308,163 for the period from July 1, 2020 through December 30, 2020.

On December 27, 2020, President Trump signed into law the Coronavirus Response and Relief Supplemental Appropriations Act of 2021, which extends certain programs and benefits first authorized by the CARES Act. The relief package includes, amongst other items, over \$900 billion in stimulus for various COVID-19 relief programs, \$8.75 billion for vaccine distribution, \$54.3 billion of Elementary and Secondary School Emergency Relief Funds, \$4.1 billion for the Governors Emergency Education Relief Fund, and an allocation of \$284 billion of Paycheck Protection Program funds to support eligible small businesses and non-profits, and the legislation expands and modifies the program by allowing second draw loans for certain borrowers.

On March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (the “Rescue Plan”). The Rescue Plan relief package includes, amongst other provisions, \$350 billion in state and local government aid. Of the \$350 billion, the State and its local governments are expected to receive approximately \$4.2 billion as a result of this legislation, with \$2.6 billion in State relief and another \$1.6 billion in relief for local governments.

The Rescue Plan relief package also includes approximately \$123 billion to allow for a return to full-time, in-person teaching at elementary and high schools, which funds could be used for numerous purposes, including but not limited to expanding testing, modifying classrooms, improving ventilation, and hiring more custodial staff. The State’s K-12 schools are expected to receive approximately \$1.1 billion.

The Rescue Plan relief package includes another \$160 billion dedicated to COVID-19 vaccination development and distribution.

COVID-19 expenses for Fiscal Year 2020 and current year to date Fiscal Year 2021 were approximately \$691,000, of which \$661,000 was reimbursed by FEMA and the State CRF program. Currently there is \$95,000 of pending reimbursement from FEMA. The Town will end up receiving more than expended because the State CRF program changed the second payment from actual expenses to a population base formula.

## **Municipal Advisor**

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

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

## **The Bonds**

### **Description of the Bonds**

The Bonds will be dated September 16, 2021 and will bear interest at the rates per annum specified on the front cover page, payable semiannually on March 15 and September 15 in each year until maturity, commencing March 15, 2022. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. Interest is payable to the registered owner as of the close of business on the last business day of February and August in each year, by check mailed to the registered owner; or so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC, the Paying Agent and the Town shall agree. Principal will be payable at the principal office of U.S. Bank National Association. The Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. The legal opinion for the Bonds will be rendered by Pullman & Comley, LLC and in substantially the form set forth in Appendix B-1 to this Official Statement.

### **Redemption Provisions**

The Bonds maturing on or before September 15, 2028 are not subject to redemption prior to maturity. The Bonds maturing on September 15, 2029 and thereafter are subject to redemption prior to maturity, at the election of the Town, on and after September 15, 2028, at any time, in whole or in part, and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine, at the redemption price or prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 15, 2028 and thereafter.....	100%

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

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

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

## The Notes

### Description of the Notes

The Notes will be dated September 16, 2021 and will be due and payable as to both principal and interest at maturity, September 15, 2022. The Notes are not subject to redemption prior to maturity and will bear interest, calculated on the basis of a 360-day year consisting of twelve 30-day months, at the rate or rates per annum specified by the successful bidder or bidders. A book-entry system will be employed, evidencing ownership of Notes in principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership affected on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. (See "Book-Entry-Only Transfer System" herein.) The Registrar, Transfer Agent, Certifying Agent and Paying Agent will be U.S. Bank National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut 06103. The legal opinion for the Notes will be rendered by Pullman & Comley, LLC and in substantially the form set forth in Appendix B-2 to this Official Statement.

## The Bonds and Notes

### Authorization and Purpose

The Bonds and Notes are issued pursuant to Title 7, Chapter 109, Sections 7-369 et seq. of the Connecticut General Statutes, as amended, the Charter of the Town of Trumbull, and bond resolutions approved by the Town's Board of Finance and Town Council. (See "Use of Proceeds" herein.)

### Use of Proceeds

Subject to the Issuer's election to reallocate proceeds among its bond authorized projects to meet its capital cash flow needs, the proceeds of the Bonds and Notes are expected to finance the following projects.

<b>Project</b>	<b>Amount Authorized</b>	<b>Notes Due: 9/16/2021</b>	<b>THIS ISSUE:</b>	
			<b>The Notes Due: 9/15/2022</b>	<b>The Bonds*</b>
Capital Plan (2013-2014):				
WPCA.....	\$ 1,423,433	\$ -	\$ -	\$ 20,000
Capital Plan (2014-2015):				
WPCA.....	1,776,464	-	-	50,000
Capital Plan (2015-2016):				
Town.....	10,480,000	-	-	600,000
Capital Plan (2016-2017):				
Town.....	4,547,000	-	-	220,000
Land Acquisition.....	30,000,000	1,749,000	-	1,749,000
Land Acquisition (2020).....	10,000,000	5,301,000	-	5,301,000
Capital Plan (2017-2018):				
WPCA.....	200,000	-	-	100,000
Capital Plan (2018-2019):				
Board of Education-Variou.....	790,000	-	-	55,000
Town.....	6,518,105	-	-	625,000
WPCA.....	5,930,000	-	-	780,000
BOE - Security.....	1,568,000	-	-	330,000
Capital Plan (2019-2020)				
Board of Education-Variou.....	1,280,000	-	-	100,000
Town.....	7,464,000	-	-	3,500,000
Capital Plan (2020-21)				
Town.....	7,332,000	-	600,000	-
Capital Plan (2021-22)				
Board of Education-Variou.....	3,650,000	-	250,000	-
Town.....	8,139,000	-	3,000,000	-
<b>Total.....</b>	<b>\$ 101,098,002</b>	<b>\$ 7,050,000</b>	<b>\$ 3,850,000</b>	<b>\$ 13,430,000</b>

*\*Preliminary, Subject to Change.*

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

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

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds and Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds and the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Bonds or Notes may wish to ascertain that the nominee holding the Bonds or Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

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

Redemption proceeds, distributions, principal and interest and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, principal and interest and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

### ***DTC Practices***

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

### ***Replacement Bonds and Notes***

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

## **Security and Remedies**

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

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

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

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

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

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

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

## **Qualification for Financial Institutions**

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

## **Availability of Continuing Information**

The Town prepares, in accordance with State law, annual independent audited financial statements and operating statements and files such annual reports with the State of Connecticut, Office of Policy and Management on an annual basis. The Town provides, and will continue to provide Fitch Ratings, Moody's Investors Service, Inc. and S&P Global Ratings ongoing disclosure in the form of independent annual financial reports, adopted budgets, and other materials relating to its management and financial condition, as may be necessary or requested.

In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the "Rule"), the Town will agree to provide, or cause to be provided, annual financial information and operating data and notices of certain events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C-1, and notice of the occurrence of certain events with respect to the Notes pursuant to the Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C-2.

The Town has previously undertaken in Continuing Disclosure Agreements entered into for the benefit of holders of certain of its general obligation bonds to provide audited financial statements, Annual Financial Information and notices of certain listed events pursuant to SEC Rule 15c2-12(b)(5) (the "Prior Disclosure Undertakings"). In the last five years, the Town has not failed to comply in any material respect with its' prior disclosure undertakings.

## **Ratings**

The Bonds have received ratings of "AA+" from S&P Global Ratings ("S&P") and "AA+" from Fitch Ratings ("Fitch") (collectively, the "Rating Agencies"). The Notes have received ratings of "SP-1+" from S&P and "F1+" from Fitch. The Town furnished the Rating Agencies with certain information and materials, some of which may not have been included in this Official Statement.

The ratings reflect only the views of the Rating Agencies and an explanation of the significance of the rating may be obtained from such rating agency. There is no assurance that the rating will continue for any given period of time or that it will not be revised or withdrawn entirely if in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of the rating may have an effect on the market price of the Bonds and/or the Notes.

## **Tax Matters**

**Federal Taxes.** In the opinion of Bond Counsel, under existing law, (i) interest on the Bonds and the Notes is excluded from gross income for federal income tax purposes, and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax.

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

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

**Original Issue Discount.** The initial public offering prices of certain maturities of the Bonds may be less than the stated principal amount (the "OID Bonds"). Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds will constitute original issue discount. The offering prices relating to the yields set forth on the cover page of this Official Statement for such OID Bonds are expected to be the initial offering prices to the public (excluding bond houses and brokers) at which a substantial

amount of the OID Bonds are sold. Under existing law, original issue discount on the OID Bonds accrued and properly allocable to the owners thereof under the Code is excludable from gross income for federal income tax purposes if interest on the OID Bonds is excludable from gross income for federal income tax purposes.

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

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

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

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

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

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

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

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

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



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

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

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

### ***Insurance***

The Town does not expect to direct purchase a credit enhancement facility.

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## II. The Issuer



### **Description of the Municipality**

The Town first settled in the early 1600's as part of Stratford, was incorporated as a separate town in October, 1797, and covers an area of 23.5 square miles. It is located in Fairfield County approximately 60 miles from New York City, and 60 miles from Hartford, Connecticut. It is bounded on the north by the Town of Monroe, east by the City of Shelton, south by the City of Bridgeport, and west by the Towns of Fairfield and Easton.

Trumbull is a growing, suburban residential community with extensive retail and an expanding commercial and industrial base. According to the U.S. Census Bureau American Community Survey, 2015-2019, the population was 35,976. The Town has above average income and education levels that reflect its character as a suburban bedroom community.

The Town supports and encourages a balance of industrial, commercial, and residential properties and the Town's Economic Development Commission and Planning and Zoning Commission have worked together to reach this objective.

The Town is traversed by State Routes 25, 127, 111, and 15 (the Merritt Parkway). The southern area of town is easily accessible to the Merritt Parkway and thus to both Interstates 91 and 95. Air transportation is available in Hartford or White Plains, as is rail transportation, via Amtrak and the Metroliner Service; bus passenger transportation is provided by the Connecticut Department of Transportation and by the Greater Bridgeport Transit District. Freight service is furnished by various motor common carriers.

## Form of Government

The Town is administered by a First Selectman, who acts as the Chief Executive Officer, and a 21-member Town Council, that constitute a Selectman/Council form of government. The First Selectman is directly responsible to the Town Council for planning, organizing and directing all routine municipal activities, except for education and certain commissions, which are either elected or appointed by the Town Council. The First Selectman manages department heads, sees that laws and ordinances governing the Town are enforced, makes recommendations and reports to the Town Council, prepares the annual budget, prepares the annual report, keeps the Town Council and Board of Finance advised on the Town's financial condition and performs other duties prescribed by Charter, Ordinance or Town Council resolution.

### Town Officials

Office	Name	Manner of Selection	Length of Service
First Selectman.....	Vicki A. Tesoro	Elected	4 years <sup>1</sup>
Chairman, Town Council.....	Dawn Cantafio	Elected	1 years <sup>2</sup>
Town Clerk.....	Mary Markham	Elected	4 year
Town Treasurer.....	Anthony Musto	Elected	6 years
Assessor.....	Mark DeVestern	Civil Service	12 years
Director of Public Works.....	George Estrada	Appointed	1 year
Tax Collector.....	Donna M. Pellitteri	Appointed	8 years <sup>3</sup>
Chief of Police.....	Michael Lombardo	Appointed	7 years
Superintendent of Schools.....	Martin Semmel	Appointed	1 year
Director of Finance.....	Maria T. Pires	Appointed	12 years <sup>4</sup>
Town Attorney.....	Daniel Schopick	Appointed	4 years

<sup>1</sup> Ms. Tesoro served on both the Town Council and Board of Finance prior to being elected as First Selectman.

<sup>2</sup> Ms. Cantafio was on the Town Council for several years prior to becoming Chair.

<sup>3</sup> Ms. Pellitteri served in the Tax Collector's office for 10 years prior to being appointed the Collector in 2014.

<sup>4</sup> Ms. Pires served as Deputy Director of Finance for nine years prior to being appointed the Director in 2010.

Source: Town of Trumbull

## Municipal Services

**Police:** The Police Department provides full-time police protection, complete with the latest in crime prevention computer systems and a state-of-the-art computerized radio communications center to serve all emergency agencies. The Police Department has installed wireless mobile laptop computers and video cameras in patrol cars. The Police Department is manned by a staff of 81 professionals, including a Chief of Police, three Deputy Chiefs and a supporting staff of detectives, three newly established school resource officers, and other civilians, with an appropriate force of auxiliary police officers.

**Fire and EMS:** The Fire Department consists of three volunteer fire districts having the authority to levy and collect taxes independent of the Town to support their operations. They collectively carry a force of 230 active firefighters in seven fire stations. Their major equipment includes nineteen pieces of fire apparatus and three rescue vehicles. The Town operates its own ambulance service through its Emergency Medical Services commission, overseeing over 100 EMTs and paramedics and four medical vehicles. Paid paramedics are on call 7 days a week – 24 hours a day.

**Public Works:** The Public Works Department, which includes Town Highway, Parks (see “Parks and Recreation Services” below), Engineering, Sewer Operations, as well as the Town Recycling department, and Tree Warden, employs a total of 69 personnel. Public Works is responsible for over 200 pieces of rolling stock used for the repair, maintenance, and snow plowing of over 200 miles of town roads, 1400 acres of parkland, including 400 acres of developed parkland, and 100 miles of sanitary sewers serving approximately 65% of the residents. The Town installed its first sanitary sewer in the early 1970's.

**Solid Waste:** Solid waste collection in Trumbull is collected by private firms who have direct contracts with residents.

Trumbull is one of nine municipalities that have entered into a Municipal Service Agreement (“MSA”) with Wheelabrator (Resco) for the disposal of solid waste through the Greater Bridgeport Resource Recovery System (the “System”). Each municipality which has signed such MSA (a “Participating Municipality”) has agreed to deliver or cause to be delivered to the System all “Acceptable Waste,” as defined therein, generated within its boundaries. The facility for the System (the “Facility”) is located in the City of Bridgeport, Connecticut and was designed and constructed and is operated by Bridgeport Resco Company, L.P. (the “Company”). The Facility began commercial operation in July 1988 and is designed to process up to 2,250 tons of solid waste per day.

The Town and the other eight municipalities have exercised their option to extend the contract for another 10 years to 2024, retroactively to July 1, 2014. Wheelabrator (Resco) will bill each Participating Municipality a fixed charge of \$60.25 per ton of Municipal Solid Waste (“MSW”) actually delivered by or on behalf of each Participating Municipality, which escalates at 0.75% of the Consumer Price Index (the “CPI”) for the term of the contract.

Starting July 1, 2019, the CPI will result in an increase in the disposal tipping fee to \$63.48 and the disposal fee adjustment for the program will decrease to \$0.10 for a total of \$63.58.

Each Participating Municipality has agreed to pay Municipal Disposal Fees to Wheelabrator (Resco) for the acceptance and processing and/or disposing of Acceptable Waste. The Municipal Disposal Fees, which are payable on a monthly basis, include (i) disposal fees under a Solid Waste Disposal Agreement, and (ii) an Administrative Fee.

Additionally, the Town anticipates spending another \$18 per ton of MSW to pay a private contractor to transport MSW to the Facility and to operate and maintain the MSW transfer station.

The Town is committed to deliver recyclables annually consisting of food and beverage containers made of glass, metal and certain plastics, and newspapers. Other defined residential recyclables are cardboard, waste oil, storage batteries, scrap metal and e-waste. The town no longer gets revenue from recyclables. The recyclable markets have become extremely volatile recently due to changing World commodity restrictions generated mainly by China. The hope is that this is a temporary condition and a more stable environment will occur in the near future to the benefit of the Town.

The Town along with 10 other regional communities has negotiated an agreement for the disposal of recyclables. This contract charges \$75 per ton for single stream materials from February 1, 2019 to June 30, 2023.

**Library:** The Town’s two libraries offer over 165,200 books and are staffed by six professional librarians, 14 full-time and 21 part-time employees. In addition to adult, juvenile, fiction and non-fiction, and reference works, the libraries also offer 765 books on cassette, 4,700 videocassettes, newspapers and magazines on microfiche and compact discs. Services also include an on-line public access catalog with dial-in access, four dedicated public internet workstations, a public PC workstation with color laser printer, a scanner and several CD ROM databases including Newsbank Business, Ebsco Healthsource, InfoTrac Magazine Index Plus, Phonedisc Powerfinder and Request-Connecticut's statewide library catalog. The libraries also provide meeting rooms for community groups and activities.

**Parks and Recreation Services:** In addition to over 1,800 acres of park land, the Town manages and operates Tashua Knolls Golf Course, an 18-hole championship rated course. An additional nine-hole course opened in August 2005, upgrading Tashua Knolls to a 27-hole course. Abutting the golf course is a recreation area, including an outdoor olympic-sized swimming pool, kiddie pool, four lighted tennis courts, as well as other major athletic facilities. A soccer park with a capacity of 4¼ full size soccer fields and three ballfields were added in 2008. One park boasts a 60' by 80' amphitheater stage with adjoining multi-purpose field to accommodate lawn-chair seating of 8,000 for hosted military and symphonic concerts. Parks and Recreation Services employs 27 full-time employees, 16 in parks, 6 in golf course and 5 in other Town recreation areas.

**Planning and Zoning:** The Planning and Zoning department consists of three full time and one part time employees who provide staff support to two land use boards; the Planning and Zoning Commission and the Zoning Board of Appeals. They act as the liaison between the land use boards and the general public, including developers and land use attorneys. The Planning and Zoning department is responsible for meeting local and state regulations for handling applications to the land use commissions and providing due notice and summary of public hearings. The Land Use Planner provides professional insights as to the merits of special permit and variance applications, as requested by the Commissions. Under the directions of the Planning and Zoning Commission, the Land Use Planner also undertakes special planning study assignments and regulatory rewrites, occasionally with assistance from a third-

party consultant. The Land Use Planner also oversees the efforts of the Zoning Enforcement Officer, who pursues blight and zoning code, for both residential and commercial construction projects.

**Economic Development:** The Town employs a full-time Economic & Community Development (“E&CD”) Director who collaborates with an appointed Economic & Community Development Commission (the “Commission”). Under the direction of the First Selectman's Office, the Economic & Community Development Director is charged with managing the economic and community development activities of the Town, coordinating as necessary the activities of the Planning, Zoning, Building and Fire Marshal's offices, and providing staff support to the Commission. The mission of the E&CD Office is to promote any and all investment in Trumbull that is consistent with the Town's Plan of Conservation and Development; to improve and protect Trumbull's economic well-being; to create economic opportunity and convenience for residents; and to preserve the Town's excellent quality of life.

Trumbull continues to experience significant development interest. In June 2017, a 202-unit multi-family apartment complex was approved replacing the formerly vacant 70,000 square foot Cannon office building at 100 Oakview Drive. Ten Trumbull was recently completed and is 100 percent occupied. This development was a catalyst for other development proposals and business locations in that area. Across the street at 101/109 Oakview Drive, a 132 unit 55+ Independent Living Facility, River Valley, on the site of a formerly vacant 40,000 square foot office building and an open lot was recently completed and residents have begun moving in. The Woodside, a 199-unit market rate multi-family complex, also in this neighborhood on a vacant 17 acre parcel, is under construction. To date, 25% of the units are occupied. These three projects will add significant additional tax revenue for Trumbull's Grand List. DaVita Dialysis, ICE Special Needs Transportation and The Learning Experience Pre-school have newly located to the area. CES Regional Education Center and Tiger Academy have expanded their existing businesses. What was once an underperforming area with extremely high vacancy rates is being transformed with over \$125,000,000 of new investment. A short distance from this neighborhood, The Royce apartment complex recently sold for \$82,000,000, one of the largest real-estate transactions in Connecticut this year.

In the Long Hill Green Village District, the former Marisa's restaurant site redevelopment, Long Hill Market, was completed in May 2021. The new 16,000 square foot retail commercial development replaces the 10,000 square foot vacant Marisa's restaurant site. It is already 85% leased. In Trumbull Center, the formerly vacant, obsolete office building at 965 White Plains Road was demolished and a new 21,000 square foot commercial plaza is now open. In the Quarry Road Industrial Zone, an 110,000 square foot storage facility will undergo construction in 2022. Along Main Street, two medical office buildings on previously vacant parcels are completed and are signing tenants.

In January 2020, Amazon purchased the long vacant 114,000 square foot, former Read's Warehouse building for \$8,000,000. They invested an additional \$11,000,000 in the property. The warehouse distribution center added approximately 150 jobs.

The suburban office park in town is transforming. In the Trumbull Corporate Park, a new 17,000 square foot daycare pre-school owned by Educational Playcare opened in January 2019. Make-a-Wish Foundation's Connecticut is constructing its headquarters at 60 Commerce Drive the former site of Pilot Pen Corporation. DBAT, a baseball/softball training facility franchise took 24,000 square foot of vacant space at 30 Nutmeg Drive and is open for business. The long vacant 55 Merritt Boulevard has become Trumbull's first flexible/shared space. Colab@55 (The Trumbull Tradesman Center) opened in March 2019 and continues to lease up. The 64,000 square foot vacant, 50 Commerce Drive building in the corporate park is now home to Image First Commercial Laundry. They are adding approximately 100 new jobs. Power Home Remodeling moved their Connecticut headquarters and training center to 26,000 square foot at 60 Commerce Drive.

The Town is working very closely to mix uses at both of its malls to insure stability and success into the future. A rezoning of the 80-acre Westfield Trumbull Mall site was completed in Fall 2018. The rezoning to a mixed-use design district allows for additional entertainment and destination businesses, more restaurants and a housing component within the zone. A proposal for 260 units of market rate apartments, The Residences on Main, has been approved and will break ground in June 2021. The Town is working with the State Department of Economic and Community Development, property owners and other stakeholders to undertake a world class planning effort for the mall area transformation. Trumbull sees this challenge as a significant opportunity.

The long vacant 250,000 square foot former United Healthcare building at 48 Monroe Turnpike was purchased in 2018. A proposal for a continuum of housing and related services for individuals 55+ is working its way through the land use process. The development will include active adult units, independent living, assisted living and memory care units. The Trumbull Planning and Zoning Commission approved this zone change and text amendment for the site last year. The decision was under appeal and on April 29, 2020 the appeal was dismissed. The developer

intends on pursuing a Inland Wetlands and Watercourse application and site plan application in the coming months. This project, if approved and completed as proposed, will add more than \$2,000,000 to Trumbull’s Grand List.

Two significant commercial projects are working through the land use process this year. One new proposal is for a mixed-use retail/apartment development on property in Trumbull Center. The other at 7120 Main Street will also be a mixed-use retail/apartment development on the town line to Monroe. Both of these sites are currently underperforming.

The Town’s business community continues to see success and expansion. Cooper Surgical has expanded in Trumbull again, taking an additional 8,500 square foot at 50 Corporate Drive in addition to their existing headquarters and warehouse location. Fuji Film and Central Communications established locations in 2019. Henkel Corporation completed the \$20 million renovation of 4 Trefoil Drive in 2018, and has increased its workforce to over 100 employees. Despite the pandemic, Trumbull welcomed major corporations like Amazon, Image First Healthcare Laundry and Power Home Remodeling in 2020. We continue to see robust small business location and expansion continue with over 39 new businesses opening over the past two years.

Trumbull is a community of choice and continues to receive noteworthy distinctions. Niche.com gave Trumbull and “A” rating as one of the best places to live in Connecticut in 2019. Recently, Realtor.com named Trumbull as having one of the top ten most in-demand school districts in the nation. The Boyd Co. named Trumbull in the top 50 places nationwide for office relocation. Trumbull is preserving its treasured New England character with an eye to the future. Data recently confirmed Trumbull is the second highest beneficiary of “move-ins” in Connecticut with 516 new residents in 2020. Insuring that Trumbull remains a top community of choice is a primary goal for local leaders.

**Educational Services**

Schools in Town are governed by a six-member Board of Education. The Town's elementary school system consists of five schools for pupils in grades K through 5; two schools for pupils in grades 6-8; and one high school for pupils in grades 9-12.

**School Enrollment**

<u>Historical</u>				
<b>Pre-School/ Special</b>				
<b>School Year</b>	<b>Education</b>	<b>K-8</b>	<b>9-12</b>	<b>Total</b>
2011-2012	237	4,539	2,200	6,910
2012-2013	227	4,503	2,191	6,936
2013-2014	222	4,487	2,160	6,909
2014-2015	259	4,336	2,142	6,945
2015-2016	210	4,307	2,159	7,021
2016-2017	231	4,353	2,120	7,017
2017-2018	228	4,353	2,138	6,976
2018-2019	226	4,348	2,147	6,921
2019-2020	227	4,459	2,157	6,869
2020-2021	196	4,350	2,219	6,765
<u>Projected</u>				
<b>Pre-School / Special Education</b>				
<b>School Year</b>	<b>Special Education</b>	<b>K-8</b>	<b>9-12</b>	<b>Total</b>
2021-2022	226	4,548	2,201	6,975
2022-2023	226	4,573	2,210	7,009
2023-2024	226	4,690	2,183	7,099
2024-2025	226	4,736	2,175	7,137

Source: Town of Trumbull, Board of Education

### School Facilities

<b>School</b>	<b>Grades</b>	<b>Date of Construction (Additions, Remodeling)</b>	<b>Numbers of Classrooms</b>	<b>10/1/2020 Enrollment</b>	<b>Rated Capacity</b>
Middlebrook - TECEC.....	Pre-K	2005	11	212	186
Booth Hill.....	K-5	1955 (1957, 1970, 2000)	25	488	600
Daniels Farm.....	K-5	1962 (1981, 2000)	26	510	624
Jane Ryan.....	K-5	1955 (1957, 1970, 2000)	25	398	600
Middlebrook.....	K-5	1953 (1959, '67, '71, 2000)	31	502	744
Tashua.....	K-5	1965 (2000)	24	402	576
Hillcrest.....	6-8	1967 (2000)	50	756	1,100
Madison.....	6-8	1960 (2000)	66	778	1,452
Trumbull High.....	9-12	1971 (1984, 2000, 2006)	106	2,219	2,332
Frenchtown.....	K-5	2003	32	500	960
<b>Total.....</b>			<b>396</b>	<b>6,765</b>	<b>9,174</b>

Source: Town of Trumbull, Board of Education

### Employee Relations and Collective Bargaining

#### Municipal Employees

The following table reflects total Town employment for the past five fiscal years:

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
General Government <sup>1</sup> .....	299	324	341	340	334
Board of Education <sup>1,2</sup> .....	1,010	1,003	1,022	1,006	965
<b>Total.....</b>	<b>1,309</b>	<b>1,327</b>	<b>1,363</b>	<b>1,346</b>	<b>1,299</b>

<sup>1</sup> Includes permanent part-time employees.

<sup>2</sup> Excludes positions funded by grants.

#### Employee Relations

<b>Board of Education Groups</b>	<b>Positions Covered</b>	<b>Current Contract Expiration Date</b>
Trumbull School Administrators.....	28	06/30/2024
Teachers – Trumbull Education Association.....	568	06/30/2023
CILU Paraprofessionals.....	146	06/30/2021 <sup>2</sup>
Trumbull School Secretaries.....	56	06/30/2021 <sup>2</sup>
Custodial/Maintenance - UPSEU.....	81	06/30/2021 <sup>2</sup>
School Lunch Program - UPSEU.....	44	06/30/2024
Board of Education Support & Supervisors – Local #21, Connecticut Independent Labor Union, CILU.....	15	06/30/2021 <sup>2</sup>
Non-Bargaining.....	72	N/A
<b>Total Board of Education Employees.....</b>	<b>1,010</b>	
<b>General Government Groups</b>		
Public Works/Park – UPSEU Local 424 - Unit 108.....	46	06/30/2022
DPW Supervisors – UPSEU local 424 - Unit 105.....	8	06/30/2022
Police Department – Local 1745, Council 15, AFSCME, AFL-CIO.....	74	06/30/2023
Fire Marshal – Local 1303-277, Council 4, AFSCME, AFL-CIO.....	3	06/30/2022
Town Hall (M.A.T.E.) – UPSEU Local 424 - Unit 7.....	65	06/30/2023
Town Hall Supervisors – UPSEU Local 424 - Unit 4.....	19	06/30/2022
Non-Bargaining <sup>1</sup> .....	84	N/A
<b>Total General Government Employees.....</b>	<b>299</b>	

<sup>1</sup> Includes part-time employees but not seasonal employees.

<sup>2</sup> In negotiation.

Source: Town of Trumbull

## **Binding Arbitration**

Connecticut General Statutes Sections 7-473c, 7-474, and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipality may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either of the parties. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration contracts, in assessing the financial capability of a municipal entity, there is an irrefutable presumption that a budget reserve of (i) 5% or less with respect to teachers' contracts, and (ii) 15% or less with respect to municipal employees, is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and the wages, salaries, fringe benefits and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

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### III. Economic and Demographic Information

#### Population and Density

Year	Actual		Density <sup>2</sup>
	Population	% Increase	
2019 <sup>1</sup>	35,976	-0.1%	1,530.9
2010	36,018	5.2%	1,532.7
2000	34,243	7.0%	1,457.1
1990	32,016	-2.9%	1,362.4
1980	32,989	5.1%	1,403.8
1970	31,394	-	1,335.9

<sup>1</sup> American Community Survey 2015-2019

<sup>2</sup> Per square mile: 23.5 square miles.

Source: U.S. Department of Commerce, Bureau of Census.

#### Age Distribution of the Population

Age	Town of Trumbull		State of Connecticut	
	Number	Percent	Number	Percent
Under 5 years .....	1,849	5.1%	183,808	5.1%
5 to 9 years .....	2,171	6.0	198,000	5.5
10 to 14 years .....	3,176	8.8	221,325	6.2
15 to 19 years .....	2,826	7.9	244,249	6.8
20 to 24 years .....	1,858	5.2	244,597	6.8
25 to 34 years .....	2,536	7.0	441,742	12.4
35 to 44 years .....	4,672	13.0	424,739	11.9
45 to 54 years .....	5,570	15.5	508,428	14.2
55 to 59 years .....	2,467	6.9	264,804	7.4
60 to 64 years .....	2,280	6.3	242,329	6.8
65 to 74 years .....	3,092	8.6	336,422	9.4
75 to 84 years .....	2,337	6.5	174,887	4.9
85 years and over .....	1,142	3.2	89,744	0.0
<b>Total.....</b>	<b>35,976</b>	<b>100.0%</b>	<b>3,575,074</b>	<b>100.0%</b>

Median Age (Years) 2019..... 43.0 41.0

Source: American Community Survey 2015-2019

#### Income Distribution

Income	Town of Trumbull		State of Connecticut	
	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	61	0.6%	24,799	2.8%
10,000 - 14,999.....	42	0.4	16,037	1.8
15,000 - 24,999.....	94	1.0	38,364	4.3
25,000 - 34,999.....	248	2.5	48,110	5.4
35,000 - 49,999.....	607	6.2	77,010	8.6
50,000 - 74,999.....	727	7.5	123,980	13.9
75,000 - 99,999.....	1,033	10.6	116,676	13.1
100,000 - 149,999.....	2,612	26.9	186,246	20.8
150,000 - 199,999.....	1,548	15.9	109,258	12.2
200,000 and over.....	2,754	28.3	152,958	0.2
<b>Total.....</b>	<b>9,726</b>	<b>100.0%</b>	<b>893,438</b>	<b>100.0%</b>

Source: American Community Survey 2015-2019

### Income Levels

	<b>Town of Trumbull</b>	<b>State of Connecticut</b>
Per Capita Income, 2019 .....	\$ 51,818	\$ 44,496
Per Capita Income, 2010 .....	\$ 44,006	\$ 35,078
Median Family Income, 2019 .....	\$ 138,681	\$ 100,418
Median Family Income, 2010 .....	\$ 117,855	\$ 84,170
Percent Below Poverty (Families), 2019 .....	0.70%	6.90%
Percent Below Poverty (Families), 2010 .....	1.60%	6.80%

Source: American Community Survey 2015-2019

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

	<b>Town of Trumbull</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than 9th grade.....	367	1.5%	99,837	4.0%
9th to 12th grade.....	730	3.0	132,826	5.3
High School graduate.....	4,344	18.0	666,828	26.9
Some college, no degree.....	3,664	15.2	416,175	16.8
Associate's degree .....	1,665	6.9	191,964	7.7
Bachelor's degree.....	7,500	31.1	541,380	21.8
Graduate or professional degree.....	5,826	24.2	434,085	17.5
<b>Total.....</b>	<b>24,096</b>	<b>100.0%</b>	<b>2,483,095</b>	<b>100.0%</b>
Total high school graduate or higher (%).....		95.4%		90.6%
Total bachelor's degree or higher (%).....		55.3%		39.3%

Source: American Community Survey 2015-2019

### Major Employers As of June 2021

<b>Employer</b>	<b>Type of Business</b>	<b>Approximate Number of Employees</b>
Westfield Shoppingtown Trumbull Mall <sup>1</sup> ...	Retail Shopping Mall	3,250
Town of Trumbull.....	Government/Education	1,310
St. Joseph's Manor.....	Nursing Home	500
Kennedy Center.....	Headquarters – Non-Profit Organization	500
Target.....	Retail chain	400
Unilever, Inc.....	Home and Personal Care Products	400
Cooper Surgical.....	Medical Equipment and Supplies	350
Yale-New Haven Health System.....	Medical Group	325
Helicopter Support, Inc.....	Helicopter Logistics Support	300
Parallel Post Real Estate, LLC.....	Marriott Hotel	200

<sup>1</sup> Major tenants include Macy's, Lord & Taylor, J.C. Penney, Wahlburgers and the Cheesecake Factory.

Source: Town of Trumbull, phone survey.

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

<b>Sector</b>	<b>Town of Trumbull</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Agriculture, forestry, fishing and hunting, and mining.....	68	0.4%	7,057	0.4%
Construction.....	993	5.7	109,467	6.0
Manufacturing.....	1,708	9.9	189,162	10.4
Wholesale trade.....	385	2.2	44,344	2.4
Retail trade.....	1,550	9.0	191,756	10.6
Transportation warehousing, and utilities....	646	3.7	76,439	4.2
Information.....	423	2.4	39,585	2.2
Finance, insurance, real estate, and leasing...	1,782	10.3	162,153	8.9
Professional, scientific, management, administrative, and waste management.....	2,725	15.8	208,379	11.5
Education, health and social services.....	4,635	26.8	484,166	26.7
Arts, entertainment, recreation, accommodation and food services.....	1,136	6.6	152,041	8.4
Other services (except public admin.).....	738	4.3	84,915	4.7
Public Administration.....	499	2.9	66,172	3.6
<b>Total Labor Force, Employed.....</b>	<b>17,288</b>	<b>100.0%</b>	<b>1,815,636</b>	<b>100.0%</b>

Source: American Community Survey 2015-2019

**Employment Data**  
**By Place of Residence**

The following table presents employment data (not seasonally adjusted) for the Town, the Bridgeport Labor Market and the State of Connecticut.

<b>Period</b>	<b>Town of Trumbull</b>		<b>Percentage Unemployed</b>		
	<b>Employed</b>	<b>Unemployed</b>	<b>Town of Trumbull</b>	<b>Bridgeport Labor Market</b>	<b>State of Connecticut</b>
June 2021.....	15,480	955	5.8	6.9	7.0
<b>Annual Average</b>					
2020.....	16,072	1,122	6.6	7.5	7.3
2019.....	17,492	604	3.3	3.7	3.7
2018.....	17,315	675	3.8	4.1	4.1
2017.....	17,652	735	4.0	4.7	4.7
2016.....	17,443	798	4.4	5.2	5.3
2015.....	17,487	851	4.6	5.5	5.6
2014.....	17,436	1,000	5.4	6.2	6.7
2013.....	16,956	969	6.3	7.3	7.9
2012.....	16,648	1,268	7.1	8.2	8.3
2011.....	16,648	1,268	7.1	8.2	8.8

Source: State of Connecticut, Department of Labor.

### Age Distribution of Housing

<b>Year Built</b>	<b>Town of Trumbull</b>		<b>State of Connecticut</b>	
	<b>Units</b>	<b>Percent</b>	<b>Units</b>	<b>Percent</b>
1939 or earlier.....	1,198	9.5%	334,845	22.1%
1940 to 1969.....	6,377	50.5	532,280	35.1
1970 to 1979.....	1,752	13.9	203,700	13.4
1980 to 1989.....	1,051	8.3	188,655	12.4
1990 to 1999.....	1,364	10.8	116,028	7.7
2000 or 2009.....	769	6.1	103,075	6.8
2010 or later.....	120	1.0	38,046	2.5
<b>Total Housing Units.....</b>	<b>12,631</b>	<b>100.0%</b>	<b>1,516,629</b>	<b>100.0%</b>

Source: American Community Survey 2015-2019

### Housing Inventory

<b>Housing Units</b>	<b>Town of Trumbull</b>		<b>State of Connecticut</b>	
	<b>Units</b>	<b>Percent</b>	<b>Units</b>	<b>Percent</b>
1-unit, detached.....	10,886	86.2%	893,531	58.9%
1-unit, attached.....	480	3.8	81,832	5.4
2 units.....	213	1.7	124,082	8.2
3 or 4 units.....	174	1.4	130,863	8.6
5 to 9 units.....	70	0.6	82,695	5.5
10 to 19 units.....	21	0.2	57,281	3.8
20 or more units.....	787	6.2	134,093	8.8
Mobile home.....	-	-	11,826	0.8
Boat, RV, van, etc.....	-	-	426	0.0
<b>Total Inventory.....</b>	<b>12,631</b>	<b>100.0%</b>	<b>1,516,629</b>	<b>100.0%</b>

Source: American Community Survey 2015-2019

### Owner Occupied Housing Values

<b>Specified Owner-Occupied Units</b>	<b>Town of Trumbull</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than \$50,000.....	143	1.4%	17,522	1.9%
\$50,000 to \$99,000.....	8	0.1	28,440	3.1
\$100,000 to \$149,999.....	19	0.2	78,467	8.7
\$150,000 to \$199,000.....	157	1.5	137,944	15.2
\$200,000 to \$299,999.....	1,147	10.9	248,431	27.4
\$300,000 to \$499,999.....	6,488	61.6	244,855	27.0
\$500,000 to \$999,999.....	2,370	22.5	107,504	11.9
\$1,000,000 or more.....	202	1.9	42,518	4.7
<b>Total.....</b>	<b>10,534</b>	<b>100.0%</b>	<b>905,681</b>	<b>100.0%</b>
<b>Median Value.....</b>	<b>\$399,200</b>		<b>\$275,400</b>	

Source: American Community Survey 2015-2019

## **Building Permits**

The following is a schedule of building permits and their estimated values over the last ten years:

<b>Calendar Year</b>	<b>Residential</b>		<b>Comm./Industrial</b>		<b>All Other <sup>1</sup></b>		<b>Total</b>	
	<b>No.</b>	<b>Value</b>	<b>No.</b>	<b>Value</b>	<b>No.</b>	<b>Value</b>	<b>No.</b>	<b>Value</b>
2020	1	\$ 289,720	344	\$ 41,719,951	2,162	\$ 26,050,978	2,507	\$ 68,060,649
2019	3	930,460	461	51,791,923	2,806	23,644,390	3,270	76,366,773
2018	8	2,365,620	461	22,729,576	2,217	35,147,714	2,686	60,242,910
2017	6	1,527,791	524	30,707,278	2,442	20,538,043	2,972	52,773,112
2016	8	2,506,890	539	11,630,175	2,298	24,149,886	2,845	38,286,951
2015	8	1,744,362	624	35,142,327	2,388	23,214,305	3,020	60,100,994
2014	9	933,500	394	78,380,626	2,442	25,011,432	2,845	104,325,558
2013	11	2,941,126	134	26,734,348	2,999	19,828,811	3,144	49,504,285
2012	7	1,527,446	125	34,854,419	2,296	20,102,508	2,428	56,484,373
2011	9	2,030,800	119	24,250,020	1,973	16,709,874	2,101	42,990,694

<sup>1</sup> Includes additions, alterations, pools, etc.

Source: Town of Trumbull, Building Official

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## **IV. Tax Base Data**

### **Property Tax**

#### **Assessments**

Section 12-62 et. seq. of the Connecticut General Statutes govern real property assessments and establish the revaluation cycle for Connecticut municipalities of a revaluation every five years and, generally, a physical inspection every ten years. The Town's last revaluation of property was completed for the grand list as of October 1, 2020. The maintenance of an equitable tax base by locating and appraising all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Assessor's Office. The Grand List represents the total assessed values for all taxable and tax exempt real estate, taxable personal property, and motor vehicles located within the Town as of October 1. Assessments for real property are computed at seventy percent (70%) of the market value at the time of last revaluation. Grand List information is used by municipalities to set the mill rate which in turn becomes the basis for the Towns' annual tax levy.

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

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

All commercial personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually. An assessor's check and audit is completed periodically. Assessments for both personal property and motor vehicles are computed at seventy percent (70%) of present market value.

Motor vehicle lists are furnished to the Town by the State of Connecticut and appraisals are accomplished in accordance with an automobile price schedule developed by the Connecticut Association of Assessing Officials and as recommended by the State Office of Policy and Management ("OPM"). Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1 are subject to a property tax as if the motor vehicle has been included on the October 1 Grand List. The tax is prorated, and the proration is based on the number of months of ownership between October 1 and the following July 31. Cars purchased in August and September are not taxed until the next October 1 Grand List. If the motor vehicles replaces a motor vehicle that was taxed on the October Grant List, the taxpayer is entitled to certain credits.

Connecticut General Statutes Section 12-71e, as amended, allows municipalities to tax motor vehicles at a different rate than other taxable property, but caps the motor vehicle tax rate at 39.00 mills for the assessment year commencing October 1, 2017 and at 45.00 mills for the assessment year commencing October 1, 2018 and each assessment year thereafter. Section 4-66l of the General Statutes, as amended ("Section 4-66l"), diverts a portion of state collected sales tax revenue to provide funding to municipalities to mitigate the revenue loss attributed to the motor vehicle property tax cap. The Town's motor vehicle tax rate for the current 2020 assessment year (fiscal year 2021-2022) is 35.42.

Section 12-124a of the Connecticut General Statutes, as amended, permits a municipality, upon approval by its legislative body, to abate property taxes on owner-occupied residences to the extent that the taxes exceed eight percent of the owner's total income from any source, adjusted for self-employed persons to reflect expenses allowed in determining adjusted gross income. The owner must agree to pay the amount of taxes abated with interest at 6% per annum, or at such rate approved by the legislative body, at such time that the residence is sold or transferred or on the death of the last surviving owner. A lien for such amounts is recorded in the land records but does not take precedence over any mortgage recorded before the lien. Section 12-170v of the Connecticut General Statutes permits a municipality upon approval by its legislative body to freeze the property taxes due for certain low-income elderly residents. Any municipality providing such property tax relief may place a lien upon such property in the amount of total tax relief granted plus interest.

The Town has not approved the use of the 12-124a or 12-170v abatement provisions to date.

All State of Connecticut permitted veterans and elderly tax relief programs are utilized.

## Levy

For Fiscal Year 2020, the Town derived \$161,587,907 or 84.3% of its annual revenues through a direct property tax. Property taxes are levied on all assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. Taxes are payable in quarterly installments - July 1, October 1, January 1 and April 1. Payments not received one month after the due date become delinquent. A margin against delinquencies, legal reductions, and Grand List adjustments, such as assessor errors, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. A modest estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Interest is charged at the rate of one and one-half percent per month with a minimum charge of \$2.00. In accordance with State law, all interest is collected first and then taxes in the order of the oldest outstanding tax first. Real estate is liened for delinquent taxes within one year after the tax due date.

## COVID-19 Outbreak – Municipal Tax Relief Programs

In compliance with Executive Orders that were issued by Governor Lamont in response to the COVID-19 outbreak, including Order 7S, Order 7W, and Order 9R, the Town adopted the “Deferment Program”. (See “Global Health Emergency Risk - COVID-19 Outbreak – Municipal Tax Relief Programs” herein.)

### Comparative Assessed Valuations

The following table sets forth the Town’s Taxable Grand List by component:

<b>Grand List As Of 10/1</b>	<b>Residential Real Property (%)</b>	<b>Commercial &amp; Industrial Real Property (%)</b>	<b>All Land (%)</b>	<b>Personal Property (%)</b>	<b>Motor Vehicles (%)</b>	<b>Gross Taxable Grand List</b>	<b>Exemptions, Veterans Relief and Disabled</b>	<b>Net Taxable Grand List</b>
2020 <sup>1</sup>	67.01	19.94	0.51	5.90	6.64	\$ 4,737,496,007	\$ 50,159,076	\$ 4,687,336,931
2019	67.06	19.99	0.55	6.09	6.31	4,724,457,771	34,953,530	4,689,504,241
2018	67.19	20.04	0.54	6.09	6.14	4,713,905,294	28,439,472	4,685,465,822
2017	67.79	19.63	0.56	5.93	6.09	4,693,442,569	43,328,003	4,650,114,566
2016	66.89	20.21	0.56	6.28	6.06	4,699,601,126	44,413,886	4,655,187,240
2015 <sup>1</sup>	67.53	19.58	0.56	6.23	6.10	4,640,429,667	46,256,190	4,594,173,477
2014	68.64	18.16	0.61	6.45	6.14	4,567,125,109	45,981,950	4,521,143,159
2013	69.12	18.39	0.62	6.04	6.05	4,538,262,295	17,501,220	4,520,761,075
2012	69.29	18.12	0.72	5.90	5.97	4,499,155,883	28,625,130	4,470,530,753
2011 <sup>1</sup>	69.50	17.66	0.75	5.94	6.15	4,469,738,774	30,636,619	4,439,102,155

<sup>1</sup> Revaluation.

Source: Town of Trumbull, Assessor’s Office.

Note: Connecticut General Statutes Section 12-81(72) exempts new manufacturing equipment from property taxation by the Town. The State of Connecticut will directly reimburse the Town for some of the foregone taxes.

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## Exempt Property

<b>Public</b>	<b>As of 10/1/20 <sup>1</sup></b>
Town owned.....	\$ 189,326,510
Volunteer Fire Company.....	4,784,715
State owned.....	13,849,470
<b>Sub-Total Public.....</b>	<b>207,960,695</b>
<b>Private</b>	
Educational, charitable.....	\$ 32,747,120
Cemeteries.....	2,836,820
House of religious worship.....	40,833,450
Parish houses/church schools.....	10,771,460
Officiating clergymen houses.....	6,269,830
Non-profit camps and recreational facility.....	20,000,750
Private Colleges and Hospitals.....	-
<b>Sub-Total Private.....</b>	<b>\$ 113,459,430</b>
<b>Total Exempt Property.....</b>	<b>\$ 321,420,125</b>
Percent Net Taxable Grand List.....	6.86%

<sup>1</sup> Net Taxable Grand List October 1, 2020 of \$4,687,336,931.

Source: Town of Trumbull, Assessor's Offices

## Property Tax Levies and Collections

<b>Fiscal Year Ended 6/30</b>	<b>Net Taxable Grand List</b>	<b>Tax Rate (in Mills)</b>	<b>Adjusted Tax Levy</b>	<b>Amount of Annual Levy Uncollected at End of Fiscal Year</b>	<b>Percent of Annual Levy Collected at End of Fiscal Year</b>	<b>Percent of Annual Levy Uncollected at End of Fiscal Year</b>	<b>Percent of Annual Levy Uncollected As of 6/30/21 <sup>1</sup></b>
2021 <sup>1</sup>	\$4,689,504,241	34.74	\$161,298,140	2,449,167	99.0%	1.0%	1.0%
2020	4,685,465,822	34.74	158,450,320	3,097,759	97.9%	2.1%	0.3%
2019	4,650,114,566	34.02	158,196,898	2,563,894	98.4%	1.6%	0.1%
2018	4,655,187,240	33.39	154,273,953	1,885,565	98.8%	1.2%	--
2017 <sup>2</sup>	4,594,173,477	32.74	150,374,003	1,408,872	99.1%	0.9%	--
2016	4,521,143,159	32.87	148,394,735	1,687,890	98.8%	1.2%	--
2015	4,520,761,075	32.16	144,886,740	1,961,273	98.7%	1.3%	--
2014	4,470,530,753	31.29	139,865,025	1,674,987	98.8%	1.2%	--
2013 <sup>2</sup>	4,439,102,155	30.71	136,253,315	3,281,163	97.6%	2.4%	--
2012	5,209,460,523	25.00	129,388,597	2,183,168	98.3%	1.7%	--

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

<sup>2</sup> Revaluation.

Source: Town of Trumbull, Tax Collector



### **Ten Largest Taxpayers**

The following table sets forth the ten largest taxpayers in the Town according to most recent Grand List:

<b>Name of Taxpayer</b>	<b>Nature of Business</b>	<b>Taxable Valuation</b>	<b>Percent of Net Taxable Grand List <sup>1</sup></b>
Trumbull Shopping Center #2 LLC.....	Shopping Center	\$ 183,750,000	3.92%
Digital 60 & 80 Merritt LLC .....	Data Center	116,895,630	2.49%
RDR 5520 LLC.....	Real Estate Development (Incl BPT Hospital Cancer Center)	89,635,609	1.91%
Par Old Town, LLC.....	Apartment Rentals	44,219,210	0.94%
United Illuminating Company.....	Utility	41,300,000	0.88%
Coopersurgical, Inc.....	Women's Healthcare Products	22,962,360	0.49%
Quarry Road Lot 2 LLC.....	Professional Building/theater	20,230,000	0.43%
Southern Conn Gas Company .....	Utility	19,010,840	0.41%
Conopco, Inc.....	Home and Personal Care Products	18,856,350	0.40%
6949 Main Street, LLC.....	Assisted Living	18,144,560	0.39%
<b>Total.....</b>		<b>\$ 575,004,559</b>	<b>12.27%</b>

<sup>1</sup> Net Taxable Grand List October 1, 2020 of \$4,687,336,931.

Source: Town of Trumbull, Assessor's Office

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**V. Debt Summary**  
**Principal Amount of Indebtedness**  
**As of September 16, 2021**  
**(Pro Forma)**

**Long-Term Debt**

<u>Date</u>	<u>Purpose</u>	<u>Interest Rate %</u>	<u>Original Issue</u>	<u>Amount Outstanding</u>	<u>Fiscal Year of Maturity</u>
09/05/14	General Purpose.....	2.00-4.00	\$ 6,135,000	\$ 3,979,000	2035
09/05/14	Schools.....	2.00-4.00	740,000	481,000	2035
09/05/14	Sewers <sup>1</sup> .....	2.00-4.00	700,000	455,000	2035
11/04/14	Refunding of General Purpose Bonds....	2.00-5.00	545,000	305,000	2029
11/04/14	Refunding of Sewers Bonds <sup>1</sup> .....	2.00-5.00	11,315,000	6,085,000	2029
09/04/15	General Purpose.....	2.125-4.00	4,500,000	3,150,000	2036
09/04/15	Schools.....	2.125-4.00	2,100,000	1,470,000	2036
09/04/15	Sewers <sup>1</sup> .....	2.125-4.00	900,000	630,000	2036
06/07/16	Refunding of Schools Bonds.....	2.00-4.00	3,520,000	2,350,000	2030
06/07/16	Refunding of Sewers Bonds <sup>1</sup> .....	2.00-4.00	2,590,000	1,640,000	2030
09/01/16	General Purpose.....	2.00-4.00	5,500,000	4,769,500	2037
09/01/16	Schools.....	2.00-4.00	2,130,000	935,500	2037
08/30/17	General Purpose.....	2.00-4.00	5,585,000	4,480,000	2038
08/30/17	Schools.....	2.00-4.00	3,475,000	2,795,000	2038
10/25/17	Refunding of General Purpose Bonds....	3.00-5.00	169,000	156,000	2032
10/25/17	Refunding of School Bonds.....	3.00-5.00	12,226,000	11,239,000	2032
10/25/17	Refunding of Sewers Bonds <sup>1</sup> .....	3.00-5.00	12,105,000	10,950,000	2032
08/29/18	General Purpose.....	2.25-4.00	7,540,000	6,409,000	2039
08/29/18	Schools.....	2.25-4.00	1,540,000	1,309,000	2039
08/29/18	Sewers <sup>1</sup> .....	2.25-4.00	1,530,000	1,302,000	2039
08/28/19	General Purpose.....	2.00-4.00	7,225,000	6,509,000	2040
08/28/19	Schools.....	2.00-4.00	2,300,000	2,070,000	2040
08/28/19	Sewers <sup>1</sup> .....	2.00-4.00	140,000	126,000	2040
08/28/19	Refunding of General Purpose Bonds....	5.00	2,728,000	83,000	2024
08/28/19	Refunding of School Bonds.....	5.00	13,541,000	2,116,000	2024
08/28/19	Refunding of Sewers Bonds <sup>1</sup> .....	5.00	6,978,000	323,000	2024
08/28/19	Refunding of Golf Bonds.....	5.00	943,000	28,000	2024
06/23/20	Refunding of General Purpose Bonds....	1.00-5.00	2,682,000	2,490,000	2027
06/23/20	Refunding of School Bonds.....	1.00-5.00	13,287,000	11,805,000	2033
06/23/20	Refunding of Sewers Bonds <sup>1</sup> .....	1.00-5.00	6,875,000	5,959,000	2033
06/23/20	Refunding of Golf Bonds.....	1.00-5.00	941,000	716,000	2027
08/27/20	General Purpose.....	2.00-4.00	9,296,320	8,835,000	2041
08/27/20	Schools.....	2.00-4.00	2,867,430	2,725,000	2041
08/27/20	Sewers <sup>1</sup> .....	2.00-4.00	4,931,250	4,685,000	2041
06/10/21	Refunding of General Purpose Bonds....	3.00-4.00	5,093,000	4,950,000	2034
06/10/21	Refunding of School Bonds.....	3.00-4.00	135,000	118,000	2034
06/10/21	Refunding of Sewers Bonds <sup>1</sup> .....	3.00-4.00	3,402,000	3,332,000	2034
	<b>Sub-total</b> .....		<b>\$ 168,210,000</b>	<b>\$ 121,760,000</b>	
<b>This Issue</b>					
09/16/21	General Purpose*.....	<i>tbd</i>	\$ 11,995,000	\$ 11,995,000	2042
09/16/21	Schools*.....	<i>tbd</i>	485,000	485,000	2042
09/16/21	Sewers <sup>1</sup> *.....	<i>tbd</i>	950,000	950,000	2042
	<b>Sub-total This Issue</b> .....		<b>\$ 13,430,000</b>	<b>\$ 13,430,000</b>	
	<b>Grand Total</b> .....		<b>\$ 181,640,000</b>	<b>\$ 135,190,000</b>	

<sup>1</sup> Sewer debt is partially self-supporting.

Note: The table above excludes refunded bonds.

\*Preliminary, Subject to Change.

**Short-Term Debt  
As of September 16, 2021  
(Pro Forma)**

As of September 16, 2021, the Town has the following short-term debt outstanding:

<b>Project</b>	<b>Amount Authorized</b>	<b>The Notes Due: 9/15/2022</b>
Capital Plan (2020-21)		
Town.....	\$ 7,332,000	\$ 600,000
Capital Plan (2021-22)		
Board of Education-Various.....	3,650,000	250,000
Town.....	8,139,000	3,000,000
<b>Total.....</b>	<b>\$ 19,121,000</b>	<b>\$ 3,850,000</b>

**Annual Bonded Debt Maturity Schedule  
As of September 16, 2021  
(Pro Forma)**

<b>Fiscal Year Ended 6/30</b>	<b>Existing Debt</b>			<b>This Issue</b>			<b>Total This Issue*</b>	<b>Total Principal</b>	<b>Principal Retired</b>
	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Debt Service<sup>1</sup></b>	<b>General Purpose*</b>	<b>School*</b>	<b>Sewer*</b>			
2022	\$ -	\$ 2,195,128	\$ 2,195,128	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
2023	12,255,000	4,123,281	16,378,281	595,000	25,000	50,000	670,000	12,925,000	9.6%
2024	12,250,000	3,580,894	15,830,894	600,000	25,000	50,000	675,000	12,925,000	19.1%
2025	11,005,000	3,128,472	14,133,472	600,000	25,000	50,000	675,000	11,680,000	27.8%
2026	11,025,000	2,716,094	13,741,094	600,000	25,000	50,000	675,000	11,700,000	36.4%
2027	10,165,000	2,270,644	12,435,644	600,000	25,000	50,000	675,000	10,840,000	44.4%
2028	9,455,000	1,887,488	11,342,488	600,000	25,000	50,000	675,000	10,130,000	51.9%
2029	8,895,000	1,551,206	10,446,206	600,000	25,000	50,000	675,000	9,570,000	59.0%
2030	8,010,000	1,249,169	9,259,169	600,000	20,000	50,000	670,000	8,680,000	65.4%
2031	7,520,000	981,253	8,501,253	600,000	20,000	50,000	670,000	8,190,000	71.5%
2032	6,420,000	754,450	7,174,450	600,000	20,000	50,000	670,000	7,090,000	76.7%
2033	5,100,000	577,963	5,677,963	600,000	25,000	45,000	670,000	5,770,000	81.0%
2034	4,035,000	445,409	4,480,409	600,000	25,000	45,000	670,000	4,705,000	84.5%
2035	3,450,000	346,147	3,796,147	600,000	25,000	45,000	670,000	4,120,000	87.5%
2036	3,075,000	260,513	3,335,513	600,000	25,000	45,000	670,000	3,745,000	90.3%
2037	2,700,000	185,963	2,885,963	600,000	25,000	45,000	670,000	3,370,000	92.8%
2038	2,330,000	121,709	2,451,709	600,000	25,000	45,000	670,000	3,000,000	95.0%
2039	1,875,000	68,481	1,943,481	600,000	25,000	45,000	670,000	2,545,000	96.9%
2040	1,340,000	31,106	1,371,106	600,000	25,000	45,000	670,000	2,010,000	98.4%
2041	855,000	8,550	863,550	600,000	25,000	45,000	670,000	1,525,000	99.5%
2042	-	-	-	600,000	25,000	45,000	670,000	670,000	100.0%
<b>Total.....</b>	<b>\$ 121,760,000</b>	<b>\$ 26,483,919</b>	<b>\$ 148,243,919</b>	<b>\$ 11,995,000</b>	<b>\$ 485,000</b>	<b>\$ 950,000</b>	<b>\$ 13,430,000</b>	<b>\$ 135,190,000</b>	

<sup>1</sup> Excludes \$11,950,000 of principal and \$2,367,016 of interest paid for the period of July 1, 2021 through September 16, 2021.

\*Preliminary, Subject to Change.

**Overlapping/Underlying Debt**

The Town of Trumbull does not have any Overlapping debt.

The Town of Trumbull does have underlying debt. The Town has three fire districts serving the Town. Long Hill Fire District issued \$7,000,000 of District bonds on November 5, 2018 of which \$6,300,000 is outstanding as of September 16, 2021. Nichols Fire District issued \$1,500,000 of District bonds in August of 2009 of which \$400,000 is outstanding as of September 16, 2021. The District's bonds and notes are not obligations of the Town; they are secured by property taxation levied by the Districts.

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

**Debt Statement**  
**As of September 16, 2021**  
**(Pro Forma)**

**Long-Term Debt Outstanding:**

General Purpose (Includes this issue*).....	\$ 58,110,500
Schools (Includes this issue*).....	39,898,500
Sewers (Includes this issue*).....	36,437,000
Golf .....	744,000
<b>Total Long-Term Debt</b> .....	<b>135,190,000</b>
<b>Short-Term Debt:</b>	
Bond Anticipation Notes (This Issue: Due 9/15/22).....	3,850,000
<b>Direct Debt</b> .....	<b>139,040,000</b>
<b>Underlying Debt (Bonds)</b> .....	<b>6,700,000</b>
<b>Overall Debt</b> .....	<b>145,740,000</b>
Less: Sewer Assessments Receivable (As of 6/30/20) .....	(23,443,278)
<b>Overall Net Debt</b> .....	<b>\$ 122,296,722</b>

**Current Debt Ratios\***  
**As of September 16, 2021**  
**(Pro Forma)**

Population (2019) <sup>1</sup> .....	35,976
Net Taxable Grand List (10/1/20).....	\$ 4,687,336,931
Estimated Full Value (70%).....	\$ 6,696,195,616
Equalized Net Taxable Grand List (10/1/19) <sup>1</sup> .....	\$ 7,234,399,798
Income per Capita (2019) <sup>1</sup> .....	\$ 51,818

	<b>Total Long Term Debt</b>	<b>Direct Debt</b>	<b>Overall Net Debt</b>
Per Capita .....	\$3,757.78	\$3,864.80	\$3,399.40
Ratio to Net Taxable Grand List .....	2.88%	2.97%	2.61%
Ratio to Estimated Full Value .....	2.02%	2.08%	1.83%
Ratio to Equalized Net Taxable Grand List .....	1.87%	1.92%	1.69%
Debt per Capita to Money Income per Capita 2019 .....	7.25%	7.46%	6.56%

<sup>1</sup> American Community Survey 2015-2019.

\*Preliminary, Subject to Change.

## **Bond Authorization**

The Town has the power to incur indebtedness by issuing its bonds or notes as authorized by the General Statutes of the State of Connecticut subject to statutory debt limitations and the requirements of the Town Charter for the authorization of indebtedness. Under the Charter, the Board of Finance and the Town Council authorizes borrowing subject to approval by the First Selectman. The Council can override a negative vote of the Board of Finance or the First Selectman with a 2/3 majority. Such authorizations are subject to referendum upon qualifying petition timely filed. Bond authorizations in excess of \$15 million are subject to mandatory referendum.

The General Statutes authorize the issuance of refunding bonds upon approval of the Town Council.

## **Temporary Financing**

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of temporary notes when they become due and payable and the legislative body schedules principal reductions by the end of the third year and for all subsequent years during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20th (1/30th for sewer and certain school projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer projects, by the amount of time temporary financing has been outstanding.

Temporary notes may be funded beyond ten years from the initial borrowing if a written commitment exists for State and/or Federal grants, for terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

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

## **School Projects**

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

*Debt Reimbursement System.* For school building projects approved prior to July 1, 1996, the State assistance took the form of debt reimbursement. Under the pre-1996 State program, a town finances the total cost of the school building project and the State reimburses the town for a portion of the debt service on the bonds financing the project as debt service payments are made. The State's allocable share of such debt service expense is based upon the State's share of eligible project costs and the total amount financed by the town. Under the pre-1996 program, the State's reimbursement payments continue over the life of the outstanding school bonds and any subsequent bond issues necessary to completely fund the approved school building projects.

*Progress Payment Reimbursement System.* Pursuant to Section 10-287i of the Connecticut General Statutes, as amended, for all school building projects approved on or after July 1, 1996, the State makes proportional progress payments during construction for the State's share of the eligible construction costs, provided that 5% of the State assistance is withheld pending completion of a final audit. Because the bulk of the State's share of the eligible project costs is paid shortly after a town submits its request for progress payments, a town is no longer required to issue bonds to finance the State's share of the project costs.

Presently, the Town estimates receiving approximately 30.71% of the overall eligible project costs of its current school building program from the State of Connecticut as grants. Through June 30, 2021, the Town has received, \$3,644,703 for the Trumbull High School class room expansion, and \$336,173 for the Jane Ryan School Roof project. In addition to these school projects, the Town completed a \$66,672,000 renovation project at Trumbull High School in September 2012, which renovated existing space at the High School as well as provided an estimated 38,000 square feet of expansion space to meet the needs of the student population. The Town received \$17,626,860 in grants on this project. The projects have been completed. The Town anticipates further State grant reimbursements for the balance of total school building costs once projects are audited by the State. Additionally, the Town is in the process of installing new windows at the Jane Ryan and Booth Hill Elementary Schools which will be partly reimbursed by the State.

### **Limitation of Indebtedness**

Municipalities shall not incur indebtedness through the issuance of bonds which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2.25 times annual receipts from taxation
School Purposes:	4.50 times annual receipts from taxation
Sewer Purposes:	3.75 times annual receipts from taxation
Urban Renewal Purposes:	3.25 times annual receipts from taxation
Unfunded Past Pension Purposes:	3.00 times annual receipts from taxation

“Annual receipts from taxation” (the “base”) are defined as total tax collections (including interest and penalties) and state payments for revenue losses under CGS Section 12-129d and P.A. 87-584, Sections 3 and 4. In no case shall total indebtedness exceed seven times the base.

The statutes also provide for exclusion from the debt limit calculation debt issued in anticipation of taxes; for the supply of water, gas, electricity; for the construction of underground conduits for cables, wires and pipes; and for two or more of such purposes. There are additional exclusions for indebtedness issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement, for indebtedness issued in anticipation of the receipt of proceeds from State or federal grants evidenced by a written commitment or contract but only to the extent such indebtedness can be paid from such proceeds, for indebtedness issued for certain water pollution control projects, and for refunding indebtedness.

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**Statement of Debt Limitation  
As of September 16, 2021  
(Pro Forma)**

**Total Tax Collections** (including interest and lien fees) for the year ended June 30, 2020..... \$ 158,031,000

**Reimbursement for Revenue Loss On:**

Tax relief for elderly & Other for the year ended June 30, 2020..... 3,000

**BASE FOR DEBT LIMITATION COMPUTATION**..... \$ 158,034,000

	General Purposes			Schools	Sewers	Urban Renewal	Unfunded Past Pension	Total
<b>Debt Limitation:</b>								
2 1/4 times base.....	\$ 355,576,500	-	-	-	-	-	-	\$ 355,576,500
4 1/2 times base.....	-	\$ 711,153,000	-	-	-	-	-	711,153,000
3 3/4 times base.....	-	-	\$ 592,627,500	-	-	-	-	592,627,500
3 1/4 times base.....	-	-	-	\$ 513,610,500	-	-	-	513,610,500
3 times base.....	-	-	-	-	-	\$ 474,102,000	-	474,102,000
<b>Total Debt Limitation</b> .....	<b>\$ 355,576,500</b>	<b>\$ 711,153,000</b>	<b>\$ 592,627,500</b>	<b>\$ 513,610,500</b>	<b>\$ 474,102,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,106,238,000</b>
<b>Less Indebtedness:</b>								
Bonds (Outstanding).....	46,859,500 <sup>1</sup>	39,413,500 <sup>2</sup>	35,487,000	-	-	-	-	121,760,000
Bonds (This Issue*).....	11,995,000	485,000	950,000	-	-	-	-	13,430,000
Notes (This Issue).....	3,600,000	250,000	-	-	-	-	-	3,850,000
Underlying Debt.....	6,700,000	-	-	-	-	-	-	6,700,000
Authorized But Unissued Debt.....	22,172,220	10,623,077	3,619,963	-	-	-	-	36,415,260
<b>Total Indebtedness</b> .....	<b>91,326,720</b>	<b>50,771,577</b>	<b>40,056,963</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>182,155,260</b>
Less: Sewer Assessments Receivable .....	-	-	(23,443,278)	-	-	-	-	(23,443,278)
<b>Net Debt for Calculation of Debt Limit</b> .....	<b>91,326,720</b>	<b>50,771,577</b>	<b>16,613,685</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>158,711,982</b>
<b>Debt Limitation in Excess of Outstanding and Authorized Debt</b> .....	<b>\$ 264,249,780</b>	<b>\$ 660,381,423</b>	<b>\$ 576,013,815</b>	<b>\$ 513,610,500</b>	<b>\$ 474,102,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 947,526,018</b>

<sup>1</sup> Includes outstanding self supporting Golf bonds in the amount of \$744,000. There is currently no authorized but unissued Golf debt.

<sup>2</sup> Does not include lease financing. To date the Board of Education ("BOE") has entered into \$6.8 million aggregate principal amount of lease financing to fund energy conservation improvements. The BOE entered into lease financings to undertake improvements that are expected to generate annual savings equal to or greater than aggregate lease payments.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$1,106,238,000.

\*Preliminary, Subject to Change.

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**Authorized but Unissued Debt  
As of September 16, 2021  
(Pro Forma)**

Project	Amount Authorized	Previously Bonded or Paid-down	Grants Received	Maturing Notes Due: 9/16/2021	THIS ISSUE:		Authorized but Unissued Debt
					The Notes Due: 9/15/2022	The Bonds*	
<b>Capital Plan (2012-2013):</b>							
Board of Education-various.....	\$ 3,090,000	\$ 2,475,000	\$ 471,033	\$ -	\$ -	\$ -	\$ 143,967
<b>Capital Plan (2013-2014):</b>							
Board of Education-Technology.....	785,150	770,000	-	-	-	-	15,150
WPCA.....	1,423,433	1,323,433	-	-	-	20,000	80,000
<b>Capital Plan (2014-2015):</b>							
Board of Education-Variou.....	1,500,000	1,170,471	-	-	-	-	329,529
Town.....	5,394,450	4,861,281	-	-	-	-	533,169
WPCA.....	1,776,464	1,605,584	-	-	-	50,000	120,880
<b>Capital Plan (2015-2016):</b>							
Board of Education-Variou.....	1,328,000	910,000	-	-	-	-	418,000
Town.....	10,480,000	6,961,086	-	-	-	600,000	2,918,914
WPCA.....	850,000	525,000	-	-	-	-	325,000
<b>Capital Plan (2016-2017):</b>							
Board of Education-Variou.....	2,665,000	2,140,236	-	-	-	-	524,764
Town.....	4,547,000	3,551,898	-	-	-	220,000	775,102
WPCA.....	568,000	-	-	-	-	-	568,000
Land Acquisition.....	30,000,000	28,251,000	-	1,749,000	-	1,749,000	-
Land Acquisition (2020).....	10,000,000	-	-	5,301,000	-	5,301,000	4,699,000
Police Department Improvements (2015).....	4,500,000	4,402,336	-	-	-	-	97,664
<b>Capital Plan (2017-2018):</b>							
Board of Education-Variou.....	3,980,000	3,327,946	652,054	-	-	-	-
Town.....	8,976,859	7,141,198	-	-	-	-	1,835,661
WPCA.....	200,000	-	-	-	-	100,000	100,000
<b>Capital Plan (2018-2019):</b>							
Board of Education-Variou.....	790,000	704,087	-	-	-	55,000	30,913
Town.....	6,518,105	4,408,165	-	-	-	625,000	1,484,940
WPCA.....	5,930,000	4,927,997	-	-	-	780,000	222,003
BOE - Security.....	1,568,000	1,020,829	-	-	-	330,000	217,171
Trumbull H.S. Renovation (As New) <sup>1</sup> .....	66,672,000	44,846,000	17,626,986	-	-	-	4,199,014
<b>Capital Plan (2019-2020)</b>							
Board of Education-Variou.....	1,280,000	804,671	-	-	-	100,000	375,329
Town.....	7,464,000	2,260,500	-	-	-	3,500,000	1,703,500
WPCA.....	2,466,000	502,920	-	-	-	-	1,963,080
<b>Capital Plan (2020-21)</b>							
Board of Education-Variou.....	1,202,000	232,760	-	-	-	-	969,240
Town.....	7,332,000	3,746,730	-	-	600,000	-	2,985,270
<b>Capital Plan (2021-22)</b>							
Board of Education-Variou.....	3,650,000	-	-	-	250,000	-	3,400,000
Town.....	8,139,000	-	-	-	3,000,000	-	5,139,000
WPCA.....	241,000	-	-	-	-	-	241,000
<b>Total.....</b>	<b>\$ 205,316,461</b>	<b>\$ 132,871,128</b>	<b>\$ 18,750,073</b>	<b>\$ 7,050,000</b>	<b>\$ 3,850,000</b>	<b>\$ 13,430,000</b>	<b>\$ 36,415,260</b>

<sup>1</sup> Pursuant to the State of Connecticut school building construction program, approximately 30.71% of eligible project expenses are estimated to be paid by the State of Connecticut, which is currently estimated to be \$20,420,585 for Trumbull High School renovations.

*\*Preliminary, Subject to Change.*



**Principal Amount of Outstanding Debt  
Last Five Fiscal Years**

<b>Long-Term Debt</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Bonds.....	\$ 133,710,000	\$ 128,870,000	\$ 135,750,000	\$ 136,140,000	\$ 143,530,000
<b>Short-Term Debt</b>					
Bond Anticipation Notes...	7,050,000	8,700,000	8,855,000	8,855,000	10,120,000
<b>Totals.....</b>	<b>\$ 140,760,000</b>	<b>\$ 137,570,000</b>	<b>\$ 144,605,000</b>	<b>\$ 144,995,000</b>	<b>\$ 153,650,000</b>

Source: Town of Trumbull Financial Reports 2017-2020. Finance Department 2021.

**Ratios of Net Long-Term Debt to Valuation, Population and Income**

<b>Fiscal Year Ended 6/30</b>	<b>Net Assessed Value</b>	<b>Estimated Full Value</b>	<b>Net Long-Term Debt <sup>1</sup></b>	<b>Ratio of Net Long-Term Debt to Assessed Value</b>	<b>Ratio of Net Long-Term Debt to Estimated Full Value</b>	<b>Population <sup>2</sup></b>	<b>Net Long-Term Debt per Capita</b>	<b>Ratio of Net Long-Term Debt per Capita to Per Capita Income <sup>3</sup></b>
2021	\$ 4,689,504,241	\$ 6,699,291,773	\$ 107,593,585	2.29%	1.61%	35,976	\$ 2,990.70	5.77%
2020	4,685,465,822	6,693,522,603	102,753,585	2.19%	1.54%	35,976	2,856.17	5.51%
2019	4,650,114,566	6,643,020,809	112,306,722	2.42%	1.69%	35,976	3,121.71	6.02%
2018	4,655,187,240	6,650,267,486	106,403,840	2.29%	1.60%	35,976	2,957.63	5.71%
2017	4,594,173,477	6,563,104,967	114,067,540	2.48%	1.74%	35,976	3,170.66	6.12%

<sup>1</sup> Long-Term debt less sewer assessment receivables.

<sup>2</sup> U.S. Bureau of Census, American Community Survey, 2015-2019

<sup>3</sup> U.S. Bureau of Census, American Community Survey, 2015-2019: Money Income Per Capita \$51,818.

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

**Ratio of Total General Fund Debt Service Expenditures  
To Total General Fund Expenditures and Transfers Out  
Last Five Fiscal Years**

<b>Fiscal Year Ended 6/30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Total General Fund Expenditures <sup>1</sup></b>	<b>Ratio of Total Debt Service to General Fund Expenditures (%)</b>
2021 <sup>2</sup>	\$ 8,894,750	\$ 3,581,001	\$ 12,475,751	\$ 192,496,619	6.5%
2020	8,783,496	4,594,693	13,378,189	193,201,258	6.9%
2019	8,251,893	3,693,105	11,944,998	180,891,780	6.6%
2018	8,644,768	2,958,381	11,603,148	189,664,400	6.1%
2017	9,211,693	3,659,629	12,871,322	186,225,842	6.9%

<sup>1</sup> Includes transfers out.

<sup>2</sup> Budgetary basis and subject to audit. Includes an estimate for State of Connecticut on-behalf payments for Teacher's Pension.

Source: Town of Trumbull Financial Reports 2017-2020. Finance Department 2021.

## **VI. Financial Administration**

### **Fiscal Year**

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

### **Basis of Accounting**

See footnote number 1 in "Notes to Financial Statements."

### **Budget Procedure**

The Trumbull Town Charter, adopted November 3, 1981 with the most recent revision becoming effective on December 8, 2011, defines the Town's budgetary policy. Department heads and chairpersons of boards, commissions or any agency submit departmental requests to the First Selectman as scheduled. No later than the first Tuesday in February, the First Selectman submits to the Board of Finance a proposed budget for the ensuing fiscal year. After a public hearing, the Board of Finance must, no later than the second Tuesday in March, submit a recommended budget to the Town Council for adoption. The Board of Finance may increase, decrease, add or eliminate any line item. The Council shall hold one or more public hearings no later than the fourth Tuesday in March, at which hearing any elector or taxpayer may be heard regarding appropriations for the new year. By the first Tuesday in April, the Town Council completes the budget process, and returns the adopted budget to the First Selectman. The Council may decrease or eliminate any item. The Council may only increase an item reduced by the Board of Finance by a 2/3 majority vote back to the amount recommended by the First Selectman. The First Selectman may veto any line item in the Council budget and the Council can override the veto by a 2/3 majority vote of the entire membership or else the amount approved by the Board of Finance stands. The Board of Finance establishes the mill rate no later than the fourth Tuesday in May. For the fiscal year 2022 budget, the Town Council approved the Town's expenditure budget on Thursday, May 20, 2021. The Board of Finance set the mill rate for fiscal year 2022 on Monday, June 14, 2021.

The Town's budget process must also anticipate the impact of the State's budget which proceeds simultaneously with the Town's.

Section 4-66l(h) (the "Act"), as amended, reduces a municipality's revenue sharing grant if its general budget expenditures (as modified by the Act) in any fiscal year exceeds a threshold set forth in the Act. As a result of utilizing modified budget growth to reduce a municipality's revenue sharing grant the Act is sometimes popularly referred to as imposing a "spending cap". Beginning in fiscal year 2018, the Office of Policy and Management ("OPM") must reduce the municipal revenue sharing grant amount for those municipalities whose spending, with certain exceptions, exceeds the spending limits specified in the Act. Each fiscal year, OPM must determine the municipality's percentage growth in spending over the prior fiscal year and reduce the grant if the growth rate is equal to or greater than 2.5% or the inflation rate, whichever is greater. The reduction is generally equal to 50 cents for every dollar the municipality spends over this cap.

The Act requires that each municipality annually certify to the Secretary of OPM whether the municipality exceeded the spending cap and if so, the amount over the cap.

Under the Act, municipal spending does not include expenditures: (1) for debt service, special education, costs to implement court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of \$100,000 or more, or payments on unfunded pension liabilities; (2) associated with a major disaster or emergency declaration by the President or disaster emergency declaration issued by the Governor under the civil preparedness law; or (3) for any municipal revenue sharing grant the municipality disburses to a special taxing district, up to the difference between the amount of property taxes the district levied on motor vehicles in the 2013 assessment year and the amount the levy would have been had the motor vehicle mill rate been 32 mills, for FY 17 disbursements, or 29.63 mills, for FY 18 disbursements and thereafter. In addition, if budget expenditures exceed the 2.5% cap, but are proportional to population growth from the previous year, the municipal; revenue sharing grant will not be reduced.

For fiscal years ending June 30, 2020 and each year thereafter, each municipal revenue sharing grant is proportionately reduced if amounts in the revenue sharing account are insufficient to fund all the revenue sharing grants.

## Capital Improvement Plan

A 5-year Capital Improvement Plan is adopted by the Town Council each year. The most recently adopted Capital Improvement Plan is set forth below. The Town expects to finance the capital projects through debt, grants and various Town resources.

Project	Calendar Year					Total
	2021	2022	2023	2024	2025	
Board of Education.....	\$ 6,647,000	\$ 7,156,759	\$ 6,485,000	\$ 5,133,000	\$ 960,000	\$ 26,381,759
Police.....	-	100,000	-	30,000	150,000	280,000
Public Works.....	6,007,567	12,155,120	8,267,551	9,029,982	6,137,600	41,597,820
Parks.....	2,088,000	13,026,000	6,461,000	925,000	2,650,000	25,150,000
Town Hall/Annex & Helen Plumb....	405,000	575,000	69,000	50,000	210,000	1,309,000
Senior Center/Community Center....	84,000	8,295,000	6,700,000	-	-	15,079,000
EMS.....	35,000	2,060,000	-	140,000	140,000	2,375,000
Emergency Management.....	-	-	-	-	800,000	800,000
Library.....	-	3,092,000	3,000,000	160,000	-	6,252,000
Economic Development.....	915,000	820,800	5,678,587	3,188,182	1,000,000	11,602,569
Engineering.....	3,415,000	2,975,000	6,915,402	1,893,000	2,525,000	17,723,402
Sewer Construction.....	1,741,000	6,800,000	2,700,000	650,000	2,700,000	14,591,000
Golf.....	58,679	126,358	104,000	148,000	250,000	687,037
<b>Total.....</b>	<b>\$ 21,396,246</b>	<b>\$ 57,182,037</b>	<b>\$ 46,380,540</b>	<b>\$ 21,347,164</b>	<b>\$ 17,522,600</b>	<b>\$ 163,828,587</b>

## Audit

The Town, pursuant to local ordinance and provisions of the Connecticut General Statutes, as amended, is required to undergo an annual audit by an independent public accountant. The auditor is required to conduct the audit under the guidelines outlined by the State of Connecticut Office of Policy and Management, which also receives a copy of the audit report. Included in this Official Statement and made a part hereof as Appendix A are the “Financial Statements” as of June 30, 2020, together with the opinion thereon rendered by Blum Shapiro & Company, P.C. Blum Shapiro has not been asked nor have they given their permission to include their audit report in the Official Statement.

## Liability Insurance

See footnote number 12 in “Notes to Financial Statements.”

## Pensions

The Town has two contributory pension plans covering substantially all full-time Town and non-certified Board of Education employees. One plan covers employees of the Police Department and the other plan covers all other Town employees. The certified faculty and administrative personnel of the Board of Education participate in a contributory retirement plan administered by the State Teachers’ Retirement Board. The Town does not contribute to the Board of Education plan. The Board of Education pays for the plan out of its budget. The Town pension plans are single-employer contributory defined benefit plans which are part of the Town’s financial reporting entity and are accounted for in two pension trust funds. Effective January 1, 2012 the Town implemented a 401(A) Defined Contribution Plan for new hires starting with the elected, appointed, nurses and civil service employees. As union contracts settled, a Defined Contribution Plan was negotiated and accepted for new hires.

As of July 1, 2019, active plan members in each plan are as follows: Police Benefit Plan (125) and Town Pension Plan (809).

Based on the most recent valuation for July 1, 2019, the actuarial value of the assets and the actuarial accrued liabilities of the Plans were as follows:

**Town Pension Plan**

Total Pension Liability at June 30, 2020.....	\$	89,887,998
Plan Fiduciary Net Position.....		<u>(38,579,028)</u>
Net Pension (Asset) Liability.....	\$	51,308,970
Plan Fiduciary Net Position as % of		
Total Pension Liability.....		42.92%

**Police Union Pension Plan**

Total Pension Liability at June 30, 2020.....	\$	89,802,579
Plan Fiduciary Net Position.....		<u>(72,428,359)</u>
Net Pension (Asset) Liability.....	\$	17,374,220
Plan Fiduciary Net Position as % of		
Total Pension Liability.....		80.65%

**Schedule of Employer Contributions**

**Town Plan**

	<u>2021<sup>1</sup></u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially Determined Employer Contribution (ADEC)...	\$ 5,322,000	\$ 5,227,000	\$ 5,148,000	\$ 5,048,000	\$ 4,243,000
Contributions in Relation to the ADEC.....	<u>5,322,000</u>	<u>5,227,000</u>	<u>5,148,200</u>	<u>5,048,000</u>	<u>4,243,000</u>
Contribution Deficiency (Excess).....	\$ -	\$ -	\$ (200)	\$ -	\$ -
Contributions as a % of ADEC.....	100.00%	100.00%	100.00%	100.00%	100.00%
Covered Employee Payroll.....	\$ 16,460,000	\$ 17,938,000	\$ 17,938,000	\$ 18,737,000	\$ 18,737,000
Contributions as a Percentage of					
Covered Employee Payroll.....	32.33%	29.14%	28.70%	26.94%	22.65%

**Police Plan**

	<u>2021<sup>1</sup></u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially Determined Employer Contribution (ADEC)...	\$ 2,999,000	\$ 2,926,000	\$ 3,157,000	\$ 3,080,000	\$ 3,004,000
Contributions in Relation to the ADEC.....	<u>2,999,000</u>	<u>3,056,259</u>	<u>3,157,000</u>	<u>3,080,000</u>	<u>3,004,000</u>
Contribution Deficiency (Excess).....	\$ -	\$ (130,259)	\$ -	\$ -	\$ -
Contributions as a % of ADEC.....	100.00%	104.45%	100.00%	100.00%	100.00%
Covered Employee Payroll.....	\$ 5,720,000	\$ 5,906,000	\$ 5,906,000	\$ 6,289,000	\$ 6,289,000
Contributions as a Percentage of					
Covered Employee Payroll.....	52.43%	51.75%	53.45%	48.97%	47.77%

<sup>1</sup> Budgeted.

In 2016, the Town's administration advocated for a pension plan funding ordinance that was passed by the Trumbull Town Council. The ordinance requires the Town to fund the annual required contribution for the Town and Police pensions each year. This funding requirement can only be overridden by a 2/3 vote of the Trumbull Town Council.

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

The following presents the net pension liability of the Town and Police Pension Plans, calculated using the discount rate of 7.50% for the Town Pension Plan and 7.50% for the Police Pension Plans as well as what the net pension liability would be if it were calculated using the discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
	<b>6.50%</b>	<b>Discount</b>	<b>8.50%</b>
	<hr/>		
Town Plan Net Pension (Asset) Liability			
as of June 30, 2020	\$ 59,602,093	\$ 51,308,970	\$ 44,091,725
Police Plan Net Pension (Asset) Liability			
as of June 30, 2020	\$ 29,861,772	\$ 17,374,220	\$ 7,167,366

See footnote number 11 in “Notes to Financial Statements” for more information on Pensions.

**Other Post-Employment Benefits**

The Town provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. An actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. In fiscal year 2009, the Town established a trust fund to irrevocably segregate assets to fund the liability associated with post-employment benefits in accordance with GASB guidelines. The latest actuarial valuation was made on July 1, 2019.

As of the date of the last actuarial valuation, July 1, 2019, there were 1,286 members in the plan with a June 30, 2020 Net OPEB Liability of \$29,297,563.

Based on the most recent actuarial valuation, the actuarial value of the assets and the actuarial accrued liabilities of the OPEB Plan was as follows:

Total OPEB Liability.....	\$ 30,001,607
Plan Fiduciary Net Position.....	704,044
Town Net OPEB Liability.....	<u>\$ 29,297,563</u>
Plan Fiduciary Net Position	
as % of Total OPEB Liability.....	2.35%

**Schedule of Employer Contributions**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Actuarially Determined Employer Contribution (ADEC)....	\$ 2,640,161	\$ 2,686,818	\$ 2,941,036	\$ 1,591,840	\$ 1,757,696
Contributions in Relation to the ADEC.....	960,860	931,250	539,392	710,756	900,291
Contribution Deficiency (Excess).....	\$ 1,679,301	\$ 1,755,568	\$ 2,401,644	\$ 881,084	\$ 857,405
Contributions as a % of ADEC.....	36.39%	34.66%	18.34%	44.65%	51.22%
Covered Employee Payroll.....	\$ 85,790,020	\$ 82,490,404	\$ 93,213,326	\$ 89,628,197	\$ 92,418,236
Contributions as a Percentage of					
Covered Employee Payroll.....	1.12%	1.13%	0.58%	0.79%	0.97%

See footnote number 10 in “Notes to Financial Statements.”

*Sensitivity of the Net OPEB Liability to Changes in the Discount Rate*

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

	<b>1% Decrease (2.36%)</b>	<b>Current Discount Rate (3.36%)</b>	<b>1% Increase (4.36%)</b>
Net OPEB Liability .....	\$ 32,880,473	\$ 29,297,563	\$ 26,246,475

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

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

	<b>1% Decrease (6.5% Decreasing to 5.75%)</b>	<b>Healthcare Cost Trend Rates (7.5% Decreasing to 6.75%)</b>	<b>1% Increase (8.5% Decreasing to 7.75%)</b>
Net OPEB Liability .....	\$ 25,725,919	\$ 29,297,563	\$ 33,538,006

**Investment Policy**

The Town Charter and Sections 7-400 and 7-402 of the Connecticut General Statutes, as amended govern the investments the Town is permitted to make.

The Town’s investment practices have been to invest in certificates of deposits, the State of Connecticut Short-Term Investment Fund (STIF), and the State of Connecticut Tax Exempt Proceeds Fund. The Town Treasurer has followed these investment practices and the Town’s operating funds and capital funds are currently invested in the following short-term investments: (1) money markets with Connecticut banks; (2) the State of Connecticut Short-Term Investment Fund; and (3) the State of Connecticut Tax Exempt Proceeds Fund.

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**General Fund Revenues and Expenditures**  
**Five Year Summary of Audited Revenues and Expenditures (GAAP Basis)**  
**and Estimated Actuals (Budgetary Basis)**

	<b>Adopted Budget 2021-22 <sup>1</sup></b>	<b>Estimated Actuals 2020-21 <sup>1</sup></b>	<b>Actuals 2019-20</b>	<b>Actuals 2018-19</b>	<b>Actuals 2017-18</b>	<b>Actuals 2016-17</b>
<b>Revenues:</b>						
Property Taxes .....	\$ 166,943,953	\$ 162,902,177	\$ 161,587,907	\$ 157,930,156	\$ 155,448,892	\$ 151,077,232
Intergovernmental .....	4,210,016	4,222,406	22,519,191	14,867,187	27,971,729	28,075,150
Charges for Services.....	7,033,500	6,154,111	6,440,394	7,491,249	6,568,975	7,023,500
Investment Income.....	330,000	188,723	1,169,919	1,468,197	414,801	171,841
Other .....	4,600,000	2,825,000	-	-	-	-
<b>Total Revenues .....</b>	<b>183,117,469</b>	<b>176,292,417</b>	<b>191,717,411</b>	<b>181,756,789</b>	<b>190,404,397</b>	<b>186,347,723</b>
<b>Expenditures:</b>						
General government .....	25,408,822	23,912,423	24,048,480	23,035,886	22,113,097	21,703,545
Public Safety .....	14,219,321	13,828,499	13,357,977	13,062,319	12,700,687	12,392,512
Public Works .....	9,396,521	8,702,177	8,812,889	8,855,237	8,732,074	8,627,413
Public Health .....	794,774	709,588	651,723	702,073	658,767	666,610
Libraries .....	1,711,122	1,379,307	1,515,280	1,603,301	1,575,290	1,546,832
Social Services .....	833,216	687,010	772,045	738,461	679,004	658,202
Parks and Recreation .....	3,324,347	2,771,838	3,172,754	3,156,772	3,006,447	2,540,487
Education .....	114,601,275	110,945,138	127,491,921	117,843,291	127,474,357	124,252,763
Debt Service .....	13,661,216	12,392,125	13,378,189	11,894,440	12,724,677	12,999,020
Capital Outlay .....	-	-	-	-	-	-
<b>Total Expenditures .....</b>	<b>183,950,614</b>	<b>175,328,105</b>	<b>193,201,258</b>	<b>180,891,780</b>	<b>189,664,400</b>	<b>185,387,384</b>
Revenues over (under) expenditures .....	(833,145)	964,312	(1,483,847)	865,009	739,997	960,339
<b>Other Financing Sources Uses:</b>						
Issuance of Refunding Bonds .....	-	-	21,736,000	-	-	-
Payments on Bond Refunding .....	-	-	(24,627,690)	-	-	-
Premium on refunding bonds .....	-	-	3,069,515	-	-	-
Premium on general obligation bonds .....	-	-	292,674	44,364	94,495	504,058
Operating Transfers In .....	833,145	893,456	1,010,113	980,257	1,038,462	880,041
Operating Transfers (Out) .....	-	-	-	-	-	(838,458)
Total other Financing Sources (uses) .....	833,145	893,456	1,480,612	1,024,621	1,132,957	545,641
Revenues and other financing sources over (under) expenditures and other financing (uses) .....	-	1,857,768	(3,235)	1,889,630	1,872,954	1,505,980
<b>Fund Balance, Beginning .....</b>	<b>27,777,592</b>	<b>25,919,824</b>	<b>25,923,059</b>	<b>24,033,429</b>	<b>22,160,475</b>	<b>20,654,495<sup>3</sup></b>
<b>Fund Balance, Ending .....</b>	<b>n/a</b>	<b>\$ 27,777,592</b>	<b>\$ 25,919,824</b>	<b>\$ 25,923,059</b>	<b>\$ 24,033,429</b>	<b>\$ 22,160,475</b>

<sup>1</sup> Budgetary basis and subject to audit.

<sup>2</sup> Use of general fund balance surplus.

<sup>3</sup> As restated.

**Analysis of General Fund Equity**

	<b>Estimated</b>					
	<b>Actuals 2020-21 <sup>1</sup></b>	<b>Actuals 2019-20</b>	<b>Actuals 2018-19</b>	<b>Actuals 2017-18</b>	<b>Actuals 2016-17</b>	<b>Actuals 2015-16</b>
Nonspendable.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,640,620
Committed-BOE.....	156,851	156,851	195,296	141,560	345,789	861,526
Assigned.....	1,592,632	1,592,632	2,153,754	1,697,731	697,731	80,999
Unassigned.....	26,028,109	24,170,341	23,574,009	22,194,138	21,116,955	19,757,957
<b>Total Fund Balance.....</b>	<b>\$ 27,777,592</b>	<b>\$ 25,919,824</b>	<b>\$ 25,923,059</b>	<b>\$ 24,033,429</b>	<b>\$ 22,160,475</b>	<b>\$ 22,341,102</b>

<sup>1</sup> Budgetary basis and subject to audit.

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

### **Litigation**

The Town, its officers, employees, boards and commissions are named defendants in a number of lawsuits, tax appeals, administrative proceedings and other miscellaneous claims. Based on consultation with the Town Attorney, the Town believes that such pending litigation will not be finally determined, individually or in the aggregate, so as to result in final judgments against the Town which would have a material adverse effect on the Town's financial position.

### **Documents Furnished at Delivery**

The original purchasers of the Bonds and Notes will be furnished the following documentation when the Bonds and Notes are delivered:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds and Notes or the levy or collection of taxes to pay them.
2. A Certificate on behalf of the Town, signed by the First Selectman, Town Treasurer and Director of Finance which will be dated the date of delivery, which will certify, to the best of said officials' knowledge and belief, that at the time bids on the Bonds and Notes were accepted the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.
3. Receipts for the purchase price of the Bonds and Notes.
4. The approving opinions of Pullman & Comley, LLC, Bond Counsel, of Bridgeport and Hartford, Connecticut, substantially in the forms of Appendix B-1 and Appendix B-2 attached hereto.
5. Executed Continuing Disclosure Agreements for the Bonds and Notes in substantially the forms of Appendix C-1 and Appendix C-2 attached hereto.
6. The Issuer will provide to the winning bidder of the Bonds 25 copies of the Official Statement and to the winning bidder of the Notes 10 copies of the Official Statement, prepared for this Bond and Note issue at the Issuer's expense and delivered not later than seven business days after the bid opening. Additional copies may be obtained by the winning bidders at their own expense by arrangement with the printer. If the Issuer's municipal advisor is provided with the necessary information from the winning bidders by noon of the day after the bid opening, the copies of the Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating, yields or reoffering prices, the name of the managing underwriter, and the name of the insurer, if any, of the Bonds and Notes.

A record of the proceedings taken by the Town in authorizing the Bonds will be kept on file at the principal office of the Certifying Agent, U.S. Bank National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103 and may be examined upon reasonable request.

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**Concluding Statement**

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, such statements are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the Town from official and other sources and is believed by the Town to be reliable, but such information other than that obtained from official records of the Town has not been independently confirmed or verified by the Town and its accuracy is not guaranteed.

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

**TOWN OF TRUMBULL, CONNECTICUT**

By: \_\_\_\_\_  
VICKI A. TESORO, *First Selectman*

By: \_\_\_\_\_  
ANTHONY MUSTO, *Town Treasurer*

By: \_\_\_\_\_  
MARIA T. PIRES, *Director of Finance*

Dated: August \_\_, 2021

## ***Appendix A***

### ***2020 Financial Statements Excerpted from the Town's Annual Financial Report***

The following includes the General Purpose Financial Statements of the Town of Trumbull, Connecticut for the fiscal year ended June 30, 2020. The supplemental data that was a part of that report has not been reproduced herein. A copy of the complete report is available upon request from Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors LLC, 53 River Street, Suite 1, Milford, Connecticut 06460. Telephone (203) 878-4945.



## **Independent Auditors' Report**

To the Board of Finance  
Town of Trumbull, Connecticut

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Trumbull, Connecticut, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town of Trumbull, Connecticut's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditors' Responsibility***

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

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Trumbull, Connecticut, as of June 30, 2020 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As discussed in Note 12 to the financial statements, the beginning net position has been restated to correct a misstatement, and the June 30, 2020 financial statements have been reissued to reflect an error in the major fund determination. The previously issued financial statements were audited by Blum, Shapiro & Company, P.C., whose partners and professional staff joined CliftonLarsonAllen LLP as of January 1, 2021 and has subsequently ceased operations. Our opinion is not modified with respect to these matters.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Trumbull, Connecticut's basic financial statements. The introductory section, supplemental, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2021 on our consideration of the Town of Trumbull, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Trumbull, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Trumbull, Connecticut's internal control over financial reporting and compliance.

*CliftonLarsonAllen LLP*

West Hartford, Connecticut  
March 29, 2021

**TOWN OF TRUMBULL, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020  
(In thousands)**

The Town of Trumbull, Connecticut's (the Town) Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Town's financial activity, (c) identify changes in the Town's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts and the Town's financial statements (beginning on page 13).

**Financial Highlights - Primary Government**

- On a government-wide basis, the assets and deferred outflows of resources of the Town of Trumbull exceeded its liabilities and deferred inflows of resources resulting in total net position at the close of the fiscal year of \$155 million. Total net position for Governmental Activities at fiscal year-end was \$62 million and total net position for Business-Type Activities were \$93 million.
- On a government-wide basis, during the year, the Town's net position increased by \$9.2 million. Net position increased by \$2.8 million for Governmental Activities and increased by \$6.4 million for Business-Type Activities.
- At the close of the year, the Town of Trumbull's governmental funds reported, on a current financial resources basis, a combined ending fund balance of \$10.5 million, which is a decrease of \$3.1 million from the prior fiscal year. This is due to a deficit in the five year capital plan of \$2.5 million due to construction projects not yet bonded and \$600,000 in the School Lunch Program.
- At the end of the current fiscal year, the total fund balance for the general fund alone was \$26 million, with no change from the prior fiscal year. Of the total fund balance in the general fund as of June 30, 2020, \$24.2 million represents unassigned balance, which is available for spending at the government's discretion. Unassigned fund balance in the general fund at year-end represents 12.5% of total general fund expenditures of \$193 million.
- The Town of Trumbull's total debt decreased by \$6.9 million during the current fiscal year. The key factors in the decrease were the issuance of \$9.5 million in new bonds and the retirement/debt payments of \$12.8 million, and a decrease of \$2.9 million due to advance refundings.
- The net position of the Town was restated as of 7/1/2019 due to BOE capital leases in the amount of \$6.2 million.

**Overview of the Financial Statements**

This discussion and analyses are intended to serve as an introduction to the Town of Trumbull's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to 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 and liabilities, with the difference between the two reported as net position. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the Town include general government, public safety, education, highways and streets, solid waste disposal, human services and culture and recreation activities.

The Business-type activities of the Town include the Water Pollution Control Authority and the Tashua Knolls Golf Course. They are reported here as the Town charges a fee to customers to help cover all or most of the cost of operations.

The government-wide financial statements (statement of net position and statement of activities) can be found on pages 13 and 14 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The Town of Trumbull, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town of Trumbull has three kinds of funds:

**Governmental funds.** Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures and changes in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's total assets and total liabilities is labeled as the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements; however, because different accounting bases are used to prepare fund financial statements and government-wide financial statements, there are often significant differences between the totals presented in these financial statements. For this reason, there is an analysis included with the balance sheet that reconciles the total fund balance to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis included with the statement of revenues, expenditures, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) can be found on pages 15-18 of this report.

**Proprietary funds.** Proprietary fund financial statements consist of a statement of net position, statement of revenues, expenses and changes in fund net position and statement of cash flows, and are prepared on an accounting basis that is similar to the basis used to prepare the governmental-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds.

The Town of Trumbull maintains two different types of enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statement. The Town of Trumbull uses Enterprise funds to account for its Water Pollution Control Authority and the Tashua Knolls Golf Course. Internal service funds are an accounting device used to accumulate and allocate certain costs internally among the Town's various functions. The Town uses an internal service fund to account for the acquisition and use of certain vehicles of departments of the Town, and the medical and workers' compensation reserves.

Because the internal service fund predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The propriety fund financial statements can be found on pages 19-21 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to provide services to the Town's constituency. The Town has two pension trust funds. The basic fiduciary fund financial statements can be found on pages 22 and 23 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 through 65 of this report.

**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of Trumbull's General Fund budgetary comparison. This information can be found on pages 66 through 70 of this report.



**TABLE 1  
NET POSITION  
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 46,104	\$ 52,130	\$ 37,524	\$ 39,041	\$ 83,628	\$ 91,171
Capital assets, net of depreciation	256,359	250,034	100,019	96,993	356,378	347,027
Total assets	<u>302,463</u>	<u>302,164</u>	<u>137,543</u>	<u>136,034</u>	<u>440,006</u>	<u>438,198</u>
Deferred outflows of resources	<u>4,218</u>	<u>3,130</u>	<u>452</u>	<u>1,017</u>	<u>4,670</u>	<u>4,147</u>
Current liabilities	39,959	39,310	3,831	4,819	43,790	44,129
Noncurrent liabilities*	197,214	195,591	40,708	45,354	237,922	240,945
Total liabilities	<u>237,173</u>	<u>234,901</u>	<u>44,539</u>	<u>50,173</u>	<u>281,712</u>	<u>285,074</u>
Deferred inflows of resources	<u>8,004</u>	<u>11,696</u>	<u>205</u>	<u></u>	<u>8,209</u>	<u>11,696</u>
Net Position:						
Net investment in capital assets*	145,577	141,518	56,137	47,978	201,714	189,496
Restricted	59	59			59	59
Unrestricted	<u>(84,132)</u>	<u>(82,880)</u>	<u>37,114</u>	<u>38,900</u>	<u>(47,018)</u>	<u>(43,980)</u>
Total Net Position	<u>\$ 61,504</u>	<u>\$ 58,697</u>	<u>\$ 93,251</u>	<u>\$ 86,878</u>	<u>\$ 154,755</u>	<u>\$ 145,575</u>

\* 2019 as restated

### Government-Wide Financial Analysis

The Town's overall financial position and operations for the past year are summarized as follows based on the information included in the government-wide financial statements (see pages 13 and 14).

By far the largest portion of the Town of Trumbull's net position reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Trumbull's net 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.

Deferred outflow and inflow of resources decreased by \$3.0 million during the fiscal year of which Governmental Funds decreased by \$2.6 million and Business-Type increased by \$.4 million. The composition of the outflows and inflows as of June 30, 2020 are detailed as follows:

#### Deferred Outflows of Resources:

Governmental Activities	Deferred outflows related to pensions	\$3.2 million
Governmental Activities	Deferred outflows related to OPEB	\$1.0 million
Business-Type Activities	Deferred charge on bond refunding	<u>\$.5 million</u>
	Total Deferred Outflows of Resources	<u>\$4.7 million</u>

#### Deferred Inflows of Resources:

Governmental Activities	Deferred inflows related to pensions	\$3.0 million
Governmental Activities	Deferred inflows related to OPEB	\$4.8 million
Governmental Activities	Deferred charge on bond refunding	\$.1 million
Governmental Activities	Advance property tax collections	\$.1 million
Business-Type Activities	Deferred charge on bond refunding	<u>\$.2 million</u>
	Total Deferred Inflows of Resources	<u>\$8.2 million</u>

TOTAL OUTFLOWS AND INFLOWS \$(3.5) million

**CHANGES IN NET POSITION**  
(In Thousands)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues:						
Program revenues:						
Charges for services	\$ 10,186	\$ 11,301	\$ 9,899	\$ 10,061	\$ 20,085	\$ 21,362
Operating grants and contributions	33,892	18,336			33,892	18,336
Capital grants and contributions	8,769	2,273	8,004	3,847	16,773	6,120
General revenues:						
Property taxes	161,318	158,891			161,318	158,891
Grants and contributions not restricted to specific purposes	342	358			342	358
Unrestricted investment earnings	1,172	1,471	956	1,224	2,128	2,695
Other general revenues	300	52			300	52
Total revenues	<u>215,979</u>	<u>192,682</u>	<u>18,859</u>	<u>15,132</u>	<u>234,838</u>	<u>207,814</u>
Program expenses:						
General government	21,576	19,853			21,576	19,853
Public safety	15,548	13,234			15,548	13,234
Public works	15,516	11,680			15,516	11,680
Health and welfare	635	856			635	856
Libraries	1,641	1,674			1,641	1,674
Social services	772	739			772	739
Parks and recreation	3,765	3,772			3,765	3,772
Education	149,008	126,233			149,008	126,233
Interest on long-term debt	5,571	4,836			5,571	4,836
WPCA			10,142	10,845	10,142	10,845
Golf Course			1,484	1,529	1,484	1,529
Total program expenses	<u>214,032</u>	<u>182,877</u>	<u>11,626</u>	<u>12,374</u>	<u>225,658</u>	<u>195,251</u>
Excess before transfers	1,947	9,805	7,233	2,758	9,180	12,563
Transfers	<u>860</u>	<u>4,660</u>	<u>(860)</u>	<u>(4,660)</u>	<u>-</u>	<u>-</u>
Increase in Net Position	2,807	14,465	6,373	(1,902)	9,180	12,563
Net Position, Beginning	<u>58,697</u>	<u>50,605</u>	<u>86,878</u>	<u>88,780</u>	<u>145,575</u>	<u>139,385</u>
Restatement		<u>(6,373)</u>				<u>(6,373)</u>
Net Position, Ending	<u>\$ 61,504</u>	<u>\$ 58,697</u>	<u>\$ 93,251</u>	<u>\$ 86,878</u>	<u>\$ 154,755</u>	<u>\$ 145,575</u>

**TABLE 3  
GOVERNMENTAL ACTIVITIES  
(In Thousands)**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Education	\$ 149,008	\$ 126,233	\$ (113,035)	\$ (105,264)
Public safety	15,548	13,234	(10,626)	(8,783)
Public works	15,516	11,680	(7,423)	(8,744)
General government	21,576	19,853	(19,151)	(17,443)
All others	<u>12,384</u>	<u>11,877</u>	<u>(10,950)</u>	<u>(10,733)</u>
Totals	<u>\$ 214,032</u>	<u>\$ 182,877</u>	<u>\$ (161,185)</u>	<u>\$ (150,967)</u>

Trumbull's net position increased by \$9 million during the fiscal year, with net position of Governmental Activities increasing by \$2.8 million and net position of Business-Type Activities increasing by \$6.4 million.

Key elements of this increase are as follows:

- The Town's revenue increased by \$27 million during the current fiscal year. There was an increase in tax revenue of \$2 million due to an increase in the mill rate with less than 1% grand list growth netted by a decrease in revenue of \$1.2 million due to ongoing tax appeals. Additionally there was an increase in the Teacher Retirement Board pension revenue and expense of approximately \$17.3 million.
- Education Costs increased by \$23 million mostly due to the TRB Pension and OPEB expense which was offset by a decrease in Town's Expenses mostly due to vacancies in various departments and programs that didn't take place due to COVID.

### Financial Analysis of the Government'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 balance of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$10.5 million. Of this amount, the Town has an unassigned fund balance of \$1.5 million. The remaining \$9.0 million of fund balance is not available for new spending because it has already been committed to liquidate contracts, purchase orders of the prior period and Board of Education reserve.

**General Fund.** At the end of the current fiscal year, unassigned fund balance of the general fund was \$24.2 million. Unassigned fund balance of the general fund represents 12.5% of total general fund expenditures.

**Five Year Capital Plan.** At the end of the current fiscal year, unassigned fund balance of the five year capital plan was a deficit of \$16.8 million. The five year capital plan expenditures totaled \$13.5 million during the fiscal year consisting of school renovations and security, town wide road paving, snow plows and other renovations to various town facilities. These projects are funded by issuance of \$9.5 million in bonds.

**Public Works Capital Projects.** At the end of the current fiscal year, committed fund balance of the public works capital projects fund was \$187 thousand. Expenditures totaled \$6.8 million for a project funded under the State of Connecticut Local Transportation Capital Program.

**Water Pollution Control Authority.** The Water Pollution Control Authority (WPCA) had an unrestricted net position balance at June 30, 2020 of \$36.3 million and net investment in capital assets of \$52.6 million.

**Golf Course.** The Tashua Knolls Golf Course had an unrestricted net position balance at June 30, 2020 of \$830,000 and net investment in capital assets of \$3.5 million.

## **GENERAL FUND BUDGETARY HIGHLIGHTS (NOT ALL ROUNDED)**

The difference between the original budget and the final amended budget for expenditures was \$1 million and the major contributing factors can be summarized as follows:

- There was a supplemental appropriation for \$500,000 for an additional Town and Police pension contributions which were set aside in the Assigned Fund Balance in fiscal year 2019.
- There were several supplemental appropriation in the EMS department totaling \$128,000 of which \$93,000 to cover in house EMTs, \$27,000 for security cameras and \$8,000 for a new stretcher.
- There was a supplemental appropriation for \$35,000 for outside legal to address various pension related issues.
- There were several supplemental appropriations totaling \$158,000 in the Tree Warden's department to cover tree work related to various rain and wind storms.
- There was a supplemental appropriation of \$84,000 to cover the shortfall. The shortfall was actually \$398,000 due to the settlement of various worker compensation claims that settled during the year. The transfer of \$314,000 was from FICA and Medical expenses that had savings due to vacancies and higher medical premium share by employees.
- There was an additional supplemental appropriation totaling \$50,000 for consulting costs to design an Aquatic Facility.
- There was a supplemental appropriation in the Fire Marshal's department for \$48,000 to purchase new radios for better communication with Police and EMS.

However, the final budget to actual expenditure variance was favorable by \$2.2 million. The major reasons for the net variance are as follows:

- There was a \$505,000 surplus in Town Hall Contingency account due to better contract negotiations than expected and there were enough funds in their departments to cover the increases.
- There were surpluses of \$481,000 in various departments due to retirements, employees on workers compensation and other vacancies of which \$180,000 was in Public Safety, \$147,000 in Public Works and \$84,000 in Parks and Recreation and other various departments \$70,000.

There were surpluses in various departments of \$698,000 due to COVID as certain programs did not take place. The savings were \$274,000 in Parks and Recreation, \$101,000 in the Library, \$80,000 in the Nursing departments as school went virtual for the remainder of the school year, \$120,000 in non-public school transportation and consultants, \$38,000 in the Senior Center and \$88,000 in the Transfer Station.

- There was a surplus of \$188,000 in debt service due to a bond refunding.

- The Town and BOE incurred approximately \$367,000 in COVID related expenses that are included in “other nonmajor funds”. Funds were requested for reimbursement from both FEMA and State CRF (Municipal Coronavirus Relief Fund). As of this date we have received \$154,000 from the CRF and are waiting on the FEMA’s reimbursement.

The difference between the final revenue budget and actual revenues resulted in a net deficit of \$1.1 million. The major reasons for the favorable variance are as follows:

- Licenses, permits and fees were over budget by \$128,000 of which there was an increase in Town Clerk’s revenue of \$140,000 due to additional conveyance tax as a result of more refinancing and home purchases due to lower interest rates. There was an increase in Building permits of \$355,000, decrease of \$90,000 in various other permitting revenues as construction slowed down due to COVID, Parks and recreation had a decrease of \$195,000 due to cancellation of various programs due to COVID, and a reduction in BOE tuition of \$41,000 due to less attendance to the VOAG school.
- Intergovernmental revenues were over budget by \$295,000 of which \$223,000 was for the VOAG grant.
- There was a deficit of \$1.5 million in the Property Taxes revenue due to major tax appeals.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

As of year-end, the Town had \$356 million (net of accumulated depreciation) invested in a variety of capital assets, as reflected in the following schedule:

**TABLE 4  
CAPITAL ASSETS  
(In Thousands)**

	Governmental		Business-Type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
Land	\$ 40,698	\$ 40,698	\$ 1,962	\$ 1,962	\$ 42,660	\$ 42,660
Land improvements	7,616	8,192	2,586	2,668	10,202	10,860
Buildings and improvements	136,122	142,239	957	924	137,079	143,163
Machinery and equipment	5,936	6,002	661	651	6,597	6,653
Infrastructure	40,085	38,588	86,535	88,737	126,620	127,325
Vehicles	4,351	4,672	87	103	4,438	4,775
Construction in progress	21,550	9,643	7,231	1,948	28,781	11,591
Total	<u>\$ 256,358</u>	<u>\$ 250,034</u>	<u>\$ 100,019</u>	<u>\$ 96,993</u>	<u>\$ 356,377</u>	<u>\$ 347,027</u>

Additional information on the Town’s capital assets can be found on pages 35 and 36 of this report.

**Long-term Debt.** At the end of the current fiscal year, the Town of Trumbull had total bonded debt outstanding of \$128.9 million. One hundred percent (100%) of this debt is backed by the full faith and credit of the Town government.

**TABLE 5  
LONG-TERM DEBT  
(In Thousands)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
General Obligation Bonds	\$ 89,060	\$ 89,855	\$ 39,810	\$ 45,895	\$ 128,870	\$ 135,750

The Town of Trumbull’s general obligation bonds decreased by \$6.9 million during the fiscal year ended June 30, 2020

The Town of Trumbull maintains an AA+ by both Standard & Poor’s and Fitch Rating. We elected not to request a rating from Moody’s at this time.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times its annual tax collections. The current debt limitation for the Town is \$ 1,106 million, 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 on pages 38 through 41 of this report.

**Relevant Current Economic Factors, Decisions, and Conditions**

The unemployment rate for the Town is currently 9.2%, which compares favorably to the State’s average unemployment rate of 10.0% and Bridgeport Labor Market is 10.3%.

The Grand List growth has been less than 1.5% for each of the last several years.

Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the Town of Trumbull’s annual budget.

**Request for Information**

This financial report is designed to provide a general overview of the Town’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Maria Pires, Director of Finance, 5866 Main Street, Trumbull, CT 06611.

# **Basic Financial Statements**

**TOWN OF TRUMBULL, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and cash equivalents	\$ 24,655,664	\$ 13,300,726	\$ 37,956,390
Investments	12,516,015		12,516,015
Receivables, net	8,650,179	24,456,298	33,106,477
Interfund loans	233,429	(233,429)	-
Inventories	46,979		46,979
Other assets	1,483		1,483
<b>Capital assets:</b>			
Assets not being depreciated	62,247,674	9,192,755	71,440,429
Assets being depreciated, net	194,110,851	90,826,570	284,937,421
Total assets	<u>302,462,274</u>	<u>137,542,920</u>	<u>440,005,194</u>
<b>Deferred Outflows of Resources:</b>			
Deferred outflows of resources related to pensions	3,192,764		3,192,764
Deferred outflows of resources related to OPEB	1,023,808		1,023,808
Deferred charge on refunding		452,279	452,279
Total deferred outflows of resources	<u>4,216,572</u>	<u>452,279</u>	<u>4,668,851</u>
<b>Liabilities:</b>			
Accounts and other payables	14,870,734	118,046	14,988,780
Accrued liabilities	651,042	14,307	665,349
Bond anticipation notes	8,700,000		8,700,000
Unearned revenue	4,948,695		4,948,695
<b>Noncurrent liabilities:</b>			
Due within one year	10,787,546	3,699,019	14,486,565
Due in more than one year	197,213,937	40,707,472	237,921,409
Total liabilities	<u>237,171,954</u>	<u>44,538,844</u>	<u>281,710,798</u>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows of resources related to pensions	3,039,959		3,039,959
Deferred inflows of resources related to OPEB	4,778,959		4,778,959
Deferred charge on refunding	123,527	204,800	328,327
Advance property tax collections	61,202		61,202
Total deferred inflows of resources	<u>8,003,647</u>	<u>204,800</u>	<u>8,208,447</u>
<b>Net Position:</b>			
Net investment in capital assets	145,576,776	56,137,221	201,713,997
<b>Restricted for:</b>			
<b>Trust purposes:</b>			
Nonexpendable	58,807		58,807
Unrestricted	(84,132,338)	37,114,334	(47,018,004)
<b>Total Net Position</b>	<u>\$ 61,503,245</u>	<u>\$ 93,251,555</u>	<u>\$ 154,754,800</u>

The accompanying notes are an integral part of the financial statements



**TOWN OF TRUMBULL, CONNECTICUT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

Functions/Programs	Program Revenues			Net (Expense) Revenue And Changes In Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 21,575,955	\$ 1,579,534	\$ 845,410	\$ -	(19,151,011)	\$ -	(19,151,011)
Public safety	15,547,742	4,787,600	38,365	96,000	(10,625,777)		(10,625,777)
Public works	15,515,565	386,917	465,103	7,240,258	(7,423,287)		(7,423,287)
Public health	635,394	212,642	130,335	780,697	488,280		488,280
Libraries	1,641,165				(1,641,165)		(1,641,165)
Social services	772,045				(772,045)		(772,045)
Parks and recreation	3,764,821	233,008	78,277		(3,453,536)		(3,453,536)
Education	149,007,812	2,986,122	32,334,417	652,054	(113,035,219)		(113,035,219)
Interest on long-term debt	5,571,177				(5,571,177)		(5,571,177)
Total governmental activities	<u>214,031,676</u>	<u>10,185,823</u>	<u>33,891,907</u>	<u>8,769,009</u>	<u>(161,184,937)</u>	<u>-</u>	<u>(161,184,937)</u>
Business-type activities:							
WPCA	10,142,231	8,026,591		8,004,487		5,888,847	5,888,847
Golf course	1,483,993	1,872,709				388,716	388,716
Total business-type activities	<u>11,626,224</u>	<u>9,899,300</u>	<u>-</u>	<u>8,004,487</u>	<u>-</u>	<u>6,277,563</u>	<u>6,277,563</u>
Total primary governmental activities	\$ <u>225,657,900</u>	\$ <u>20,085,123</u>	\$ <u>33,891,907</u>	\$ <u>16,773,496</u>	<u>(161,184,937)</u>	<u>6,277,563</u>	<u>(154,907,374)</u>
General revenues:							
Property taxes					161,317,143		161,317,143
Grants and contributions not restricted to specific programs					341,545		341,545
Unrestricted investment earnings					1,172,095	955,886	2,127,981
Miscellaneous					299,945		299,945
Transfers					860,113	(860,113)	-
Total general revenues and transfers					<u>163,990,841</u>	<u>95,773</u>	<u>164,086,614</u>
Change in net position					2,805,904	6,373,336	9,179,240
Net Position at Beginning of Year as Restated					58,697,341	86,878,219	145,575,560
Net Position at End of Year					\$ <u>61,503,245</u>	\$ <u>93,251,555</u>	\$ <u>154,754,800</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF TRUMBULL, CONNECTICUT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2020**

	<u>General</u>	<u>Five Year Capital Plan</u>	<u>Public Works Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 12,226,835	\$ 914,308	\$ 2,115,581	\$ 6,468,799	\$ 21,725,523
Investments	12,516,015				12,516,015
Receivables, net	7,304,448	652,054	11,800	681,877	8,650,179
Inventories				46,979	46,979
Due from other funds	12,830,470		4,668,651	3,123,884	20,623,005
Interfund loans	233,429				233,429
Total Assets	<u>\$ 45,111,197</u>	<u>\$ 1,566,362</u>	<u>\$ 6,796,032</u>	<u>\$ 10,321,539</u>	<u>\$ 63,795,130</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts and other payables	\$ 10,295,664	\$ 1,132,911	\$ 1,973,551	\$ 662,015	\$ 14,064,141
Due to other funds	3,123,884	8,565,015		8,212,338	19,901,237
Unearned revenue	114,165		4,634,944	199,586	4,948,695
Bond anticipation notes		8,700,000			8,700,000
Total liabilities	<u>13,533,713</u>	<u>18,397,926</u>	<u>6,608,495</u>	<u>9,073,939</u>	<u>47,614,073</u>
Deferred Inflows of Resources:					
Unavailable revenue - property taxes	5,596,458				5,596,458
Advance property tax collections	61,202				61,202
Total deferred inflows of resources	<u>5,657,660</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,657,660</u>
Fund Balances:					
Nonspendable				105,786	105,786
Restricted				106,333	106,333
Committed	156,851		187,537	6,842,335	7,186,723
Assigned	1,592,632				1,592,632
Unassigned	24,170,341	(16,831,564)		(5,806,854)	1,531,923
Total fund balances	<u>25,919,824</u>	<u>(16,831,564)</u>	<u>187,537</u>	<u>1,247,600</u>	<u>10,523,397</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 45,111,197</u>	<u>\$ 1,566,362</u>	<u>\$ 6,796,032</u>	<u>\$ 10,321,539</u>	<u>\$ 63,795,130</u>

(Continued on next page)

**TOWN OF TRUMBULL, CONNECTICUT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)**  
**JUNE 30, 2020**

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

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

Fund balances - total governmental funds	\$	10,523,397
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Capital assets used in governmental activities are not financial  
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 424,160,287	
Less accumulated depreciation	<u>(169,733,587)</u>	
Net capital assets		254,426,700

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

Property tax receivables greater than 60 days	4,844,671
Interest receivable on property taxes	751,787
Deferred outflows related to Pensions	3,192,764
Deferred outflows related to OPEB	1,023,808

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

1,835,201

Long-term liabilities, including deferred outflows of resources, are not due  
and payable in the current period and, therefore, are not reported in the funds:

Net pension liability	(68,683,190)
Deferred Inflows related to Pensions	(3,039,959)
Deferred Inflows related to OPEB	(4,778,959)
Net OPEB liability	(29,297,563)
Bonds payable	(89,059,990)
Interest payable on bonds and notes	(1,375,983)
Compensated absences	(5,426,145)
Capital Leases	(6,186,147)
Claims and judgments	(411,535)
Bond premium	(6,712,085)
Deferred charge on refunding	<u>(123,527)</u>

Net Position of Governmental Activities (Exhibit I)	\$	<u><u>61,503,245</u></u>
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The accompanying notes are an integral part of the financial statements

**TOWN OF TRUMBULL, CONNECTICUT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>General</u>	<u>Five Year Capital Plan</u>	<u>Public Works Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes	\$ 161,587,907	\$	\$ 6,774,091	\$ 5,330,858	\$ 161,587,907
Intergovernmental	22,519,191	748,054	6,774,091	5,330,858	35,372,194
Investment earnings	1,169,919			2,176	1,172,095
Charges for goods and services	6,440,394			3,745,429	10,185,823
Other				7,271	7,271
Total revenues	<u>191,717,411</u>	<u>748,054</u>	<u>6,774,091</u>	<u>9,085,734</u>	<u>208,325,290</u>
Expenditures:					
Current:					
General government	24,048,480			293,360	24,341,840
Public safety	13,357,977			2,210,183	15,568,160
Public works	8,812,889			62,623	8,875,512
Public health	651,723			69,962	721,685
Libraries	1,515,280				1,515,280
Social service	772,045				772,045
Parks and recreation	3,172,754			146,279	3,319,033
Education	127,491,921			4,971,395	132,463,316
Other				147,216	147,216
Debt service:					
Principal	8,783,496				8,783,496
Interest	4,594,693				4,594,693
Capital outlay		13,506,126	6,856,579	1,646,322	22,009,027
Total expenditures	<u>193,201,258</u>	<u>13,506,126</u>	<u>6,856,579</u>	<u>9,547,340</u>	<u>223,111,303</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,483,847)</u>	<u>(12,758,072)</u>	<u>(82,488)</u>	<u>(461,606)</u>	<u>(14,786,013)</u>
Other Financing Sources:					
Transfers in	1,010,113				1,010,113
Transfers out				(150,000)	(150,000)
Issuance of capital lease		787,883			787,883
Issuance of general obligation bonds		9,525,000			9,525,000
Premium on general obligation bonds	292,674				292,674
Issuance of refunding bonds	21,736,000				21,736,000
Premium on bond refunding	3,069,515				3,069,515
Payments to escrow agent	(24,627,690)				(24,627,690)
Total other financing sources	<u>1,480,612</u>	<u>10,312,883</u>	<u>-</u>	<u>(150,000)</u>	<u>11,643,495</u>
Net Change in Fund Balances	(3,235)	(2,445,189)	(82,488)	(611,606)	(3,142,518)
Fund Balances at Beginning of Year	<u>25,923,059</u>	<u>(14,386,375)</u>	<u>270,025</u>	<u>1,859,206</u>	<u>13,665,915</u>
Fund Balances at End of Year	<u>\$ 25,919,824</u>	<u>\$ (16,831,564)</u>	<u>\$ 187,537</u>	<u>\$ 1,247,600</u>	<u>\$ 10,523,397</u>

(Continued on next page)

**TOWN OF TRUMBULL, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

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

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

Net change in fund balances - total governmental funds (Exhibit IV) \$ (3,142,518)

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

Capital outlay	16,118,646
Depreciation expense	(9,720,182)

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

Property tax receivable - accrual basis change	(101,261)
Property tax interest and lien revenue - accrual basis change	(169,503)
Deferred outflows related to pensions	1,676,570
Deferred outflows related to OPEB	1,023,808

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction 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 amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Issuance of bonds and notes	(9,525,000)
Premium on bond issuance	(292,674)
Proceeds from leases	(787,883)
Refunding bonds issued	(21,736,000)
Bond principal payments	8,095,590
Capital lease payments	975,124
Premium on refunding bonds	(3,069,515)
Payment to refunding bond escrow agent	24,627,690

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 the governmental funds:

Compensated absences	121,431
Accrued interest	712,808
Amortization of deferred charge on refunding	(1,398,072)
Amortization of bond premiums	689,359
Net pension liability	(1,882,378)
Change in deferred inflows related to pensions	4,676,502
Change in deferred inflows related to OPEB	(4,552,211)
Net OPEB liability	(572,733)
Claims and judgments	(28,780)

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.

1,067,086

Change in Net Position of Governmental Activities (Exhibit II) \$ 2,805,904

The accompanying notes are an integral part of the financial statements

**TOWN OF TRUMBULL, CONNECTICUT**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**JUNE 30, 2020**

	<u>Business-Type Activities</u>		<u>Total Business-Type Activities</u>	<u>Governmental</u>
	<u>WPCA</u>	<u>Nonmajor Golf Course</u>		<u>Internal Service Funds</u>
Assets:				
Current assets:				
Cash and cash equivalents	\$ 11,908,800	\$ 1,391,926	\$ 13,300,726	\$ 2,930,141
Receivables, net	994,375	18,645	1,013,020	
Assessment receivable	23,443,278		23,443,278	
Total current assets	<u>36,346,453</u>	<u>1,410,571</u>	<u>37,757,024</u>	<u>2,930,141</u>
Noncurrent assets:				
Capital assets, net	<u>95,335,378</u>	<u>4,683,947</u>	<u>100,019,325</u>	<u>1,931,825</u>
Total assets	<u>131,681,831</u>	<u>6,094,518</u>	<u>137,776,349</u>	<u>4,861,966</u>
Deferred Outflows of Resources:				
Deferred charge on refunding	<u>452,279</u>		<u>452,279</u>	
Liabilities:				
Current liabilities:				
Accounts and other payables	42,886	75,160	118,046	80,169
Accrued liabilities		14,307	14,307	
Due to other funds				721,768
Interfund loan		233,429	233,429	
Bonds payable	3,619,010	55,000	3,674,010	
Compensated absences	11,603	13,406	25,009	
Claim payable				334,963
Total current liabilities	<u>3,673,499</u>	<u>391,302</u>	<u>4,064,801</u>	<u>1,136,900</u>
Deferred Inflows of Resources:				
Deferred charge on refunding		<u>204,800</u>	<u>204,800</u>	
Noncurrent liabilities:				
Bonds payable, net	39,546,658	1,113,715	40,660,373	
Compensated absences	8,131	38,968	47,099	
Claims payable				1,889,865
Total noncurrent liabilities	<u>39,554,789</u>	<u>1,152,683</u>	<u>40,707,472</u>	<u>1,889,865</u>
Total liabilities	<u>43,228,288</u>	<u>1,543,985</u>	<u>44,772,273</u>	<u>3,026,765</u>
Net Position:				
Net investment in capital assets	52,621,989	3,515,232	56,137,221	1,129,888
Unrestricted	<u>36,283,833</u>	<u>830,501</u>	<u>37,114,334</u>	<u>705,313</u>
Total Net Position	<u>\$ 88,905,822</u>	<u>\$ 4,345,733</u>	<u>\$ 93,251,555</u>	<u>\$ 1,835,201</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF TRUMBULL, CONNECTICUT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN FUND NET POSITION - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Business-Type Activities</u>		<u>Total Business-Type Activities</u>	<u>Governmental</u>
	<u>WPCA</u>	<u>Nonmajor Golf Course</u>		<u>Activities Internal Service Funds</u>
Operating Revenues:				
Charges for services	\$ <u>8,026,591</u>	\$ <u>1,872,709</u>	\$ <u>9,899,300</u>	\$ <u>3,397,423</u>
Operating Expenses:				
Operating and maintenance	7,030,847	1,255,669	8,286,516	
Claims expense			-	1,848,318
Depreciation	<u>2,348,759</u>	<u>169,598</u>	<u>2,518,357</u>	<u>482,019</u>
Total operating expenses	<u>9,379,606</u>	<u>1,425,267</u>	<u>10,804,873</u>	<u>2,330,337</u>
Operating Income (Loss)	<u>(1,353,015)</u>	<u>447,442</u>	<u>(905,573)</u>	<u>1,067,086</u>
Nonoperating Revenue (Expenses):				
Income on investments	955,886		955,886	
Interest expense	<u>(762,625)</u>	<u>(58,726)</u>	<u>(821,351)</u>	
Net nonoperating revenues (expenses)	<u>193,261</u>	<u>(58,726)</u>	<u>134,535</u>	<u>-</u>
Income (Loss) Before Capital Contributions, Transfers and Other	<u>(1,159,754)</u>	<u>388,716</u>	<u>(771,038)</u>	<u>1,067,086</u>
Capital Contributions and Transfers:				
Capital contributions	8,004,487		8,004,487	
Transfers out	<u>(613,901)</u>	<u>(246,212)</u>	<u>(860,113)</u>	
Total capital contributions and transfers	<u>7,390,586</u>	<u>(246,212)</u>	<u>7,144,374</u>	<u>-</u>
Change in Net Position	6,230,832	142,504	6,373,336	1,067,086
Net Position at Beginning of Year	<u>82,674,990</u>	<u>4,203,229</u>	<u>86,878,219</u>	<u>768,115</u>
Net Position at End of Year	\$ <u><u>88,905,822</u></u>	\$ <u><u>4,345,733</u></u>	\$ <u><u>93,251,555</u></u>	\$ <u><u>1,835,201</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF TRUMBULL, CONNECTICUT**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities			Governmental Activities Internal Service Funds
	WPCA	Nonmajor Golf Course	Total Business-Type Activities	
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 10,361,241	\$ 1,925,863	\$ 12,287,104	\$ 3,397,423
Cash paid to suppliers for goods and services	(7,007,658)	(1,228,908)	(8,236,566)	(21,037)
Cash received from (paid to) employees	46	13,753	13,799	
Cash paid for insurance claims and premiums			-	(2,966,338)
Net cash provided by (used in) operating activities	<u>3,353,629</u>	<u>710,708</u>	<u>4,064,337</u>	<u>410,048</u>
Cash Flows from Noncapital Financing Activities:				
Transfers out	(613,901)	(246,212)	(860,113)	
Cash paid to other funds		(25,776)	(25,776)	(1,593)
Net cash provided by (used in) noncapital financing activities	<u>(613,901)</u>	<u>(271,988)</u>	<u>(885,889)</u>	<u>(1,593)</u>
Cash Flows from Capital and Related Financing Activities:				
Principal payment - long-term obligations	(4,480,410)	(254,000)	(4,734,410)	
Interest paid	(1,073,940)	(81,323)	(1,155,263)	
Debt issuance costs			-	
Purchase of capital assets and construction	(122,441)	(77,582)	(200,023)	(408,455)
Proceeds from bond issuance	140,000		140,000	
Capital grants and contributions	2,659,839		2,659,839	
Net cash provided by (used in) capital and related financing activities	<u>(2,876,952)</u>	<u>(412,905)</u>	<u>(3,289,857)</u>	<u>(408,455)</u>
Cash Flows from Investing Activities:				
Interest received	955,886		955,886	
Net Increase (Decrease) in Cash and Cash Equivalents	818,662	25,815	844,477	-
Cash and Cash Equivalents at Beginning of Year	<u>11,090,138</u>	<u>1,366,111</u>	<u>12,456,249</u>	<u>2,930,141</u>
Cash and Cash Equivalents at End of Year	<u>\$ 11,908,800</u>	<u>\$ 1,391,926</u>	<u>\$ 13,300,726</u>	<u>\$ 2,930,141</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)	\$ (1,353,015)	\$ 447,442	\$ (905,573)	\$ 1,067,086
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	2,348,759	169,598	2,518,357	482,019
Change in asset and liabilities:				
(Increase) decrease in accounts receivable	2,334,650	53,154	2,387,804	
Increase (decrease) in accounts payable	23,189	26,761	49,950	(21,037)
Increase (decrease) in compensated absences payable	46	13,753	13,799	
Increase (decrease) in claims payable			-	(1,118,020)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 3,353,629</u>	<u>\$ 710,708</u>	<u>\$ 4,064,337</u>	<u>\$ 410,048</u>
Noncash Capital and Related Financing Activities:				
Capital Asset Contributions from Town	<u>\$ 5,282,935</u>		<u>\$ 5,282,935</u>	

The accompanying notes are an integral part of the financial statements



**TOWN OF TRUMBULL, CONNECTICUT**  
**STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**JUNE 30, 2020**

	<b>Pension and OPEB Trust Funds</b>	<b>Private Purpose Trust Funds</b>	<b>Agency Funds</b>
<b>Assets:</b>			
Cash and cash equivalents	\$ 5,279,527	\$ 110,691	\$ 425,466
Investments:			
Mutual funds	106,431,577		
Accounts receivable	327		
	<u>111,711,431</u>	<u>110,691</u>	<u>\$ 425,466</u>
Total assets			
<b>Liabilities:</b>			
Deposits held for others			\$ <u>425,466</u>
	<u>-</u>	<u>-</u>	<u>\$ 425,466</u>
Total liabilities			
<b>Net Position:</b>			
Held in Trust for Private Purpose		110,691	
Restricted for OPEB Benefits	704,044		
Restricted for Pension Benefits	<u>111,007,387</u>		
Total Net Position	<u>\$ 111,711,431</u>	<u>\$ 110,691</u>	

The accompanying notes are an integral part of the financial statements

**TOWN OF TRUMBULL, CONNECTICUT  
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Pension and OPEB Trust Funds</b>	<b>Private Purpose Trust Funds</b>
	<u>                    </u>	<u>                    </u>
Additions:		
Contributions:		
Employer	\$ 9,613,860	\$
Plan members	1,361,674	
Other		73,734
Total contributions	<u>10,975,534</u>	<u>73,734</u>
Investment income:		
Net change in fair value of investments	973,931	
Interest and dividends	<u>3,135,746</u>	<u>40</u>
Total investment income	<u>4,109,677</u>	<u>40</u>
Other:		
Intergovernmental		<u>12,961</u>
Total additions	<u>15,085,211</u>	<u>86,735</u>
Deductions:		
Benefits	10,296,665	62,192
Administration	<u>253,482</u>	
Total deductions	<u>10,550,147</u>	<u>62,192</u>
Change in Net Position	4,535,064	24,543
Net Position at Beginning of Year	<u>107,176,367</u>	<u>86,148</u>
Net Position at End of Year	<u>\$ 111,711,431</u>	<u>\$ 110,691</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF TRUMBULL, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The Town of Trumbull, Connecticut, was incorporated as a town in the early 1600s. The Town covers an area of 23.5 square miles and is located in Fairfield County, approximately 60 miles from New York City and 60 miles from Hartford. The Town operates under a First Selectman, Town Council and Finance Committee form of government and provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning and general administrative services to its residents.

Accounting principles generally accepted in the United States of America require that the reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable, and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by the Codification, Section 2100 has been considered and as a result, there are no agencies or entities that should be, but are not, included in the financial statements of the Town.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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 and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. 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 pension trust 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 revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, charges for services, licenses 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 are considered to be measurable and available only when cash is received.

Agency funds use the accrual basis of accounting but have no measurement focus since they report only assets and liabilities.

The Town reports the following major governmental funds:

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

The *Five Year Capital Plan Fund* accounts for resources and expenditures on various capital projects.

The *Public Works Capital Projects Fund* accounts for resources and expenditures on various grant funded capital projects.

The Town reports the following major proprietary funds:

The *Water Pollution Control Authority (WPCA)* accounts for the operations of the Town's wastewater treatment plant. It is independent in terms of its relationship to other Town functions. Its operations are financed from special assessments and direct charges to the users of the service.

Additionally, the Town reports the following fund types:

The *Internal Service Funds* account for the acquisition and use of certain vehicles of departments of the Town, and the medical and workers compensation reserves.

The *Pension Trust Funds* and *OPEB Trust Fund* account for the activities of the Town's defined benefit plans and other post-employment benefits, which accumulate resources for benefit payments to qualified employees.

**TOWN OF TRUMBULL, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

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The *Agency Funds* account for monies held as a custodian for performance bonds for contractors to ensure completion of construction projects, and student activity funds collected and paid for expenses for education related extra-curricular activities.

The *Private Purpose Trust Funds* account for assets held by the Town in a trustee capacity on behalf of the Trumbull Library.

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

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

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

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

#### **D. Deposits and Investments**

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the Town are reported at fair value.

#### **E. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles. An amount of \$750,000 has been established as an allowance for uncollectible taxes. At June 30, 2020, this represents 18.8% of all property taxes receivable.

**TOWN OF TRUMBULL, CONNECTICUT  
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Property taxes are assessed as of October 1 and are levied on the following July 1. Personal property taxes and real estate taxes are due in four installments, on July 1 and the following October 1, January 1, and April 1. Motor vehicle taxes are due in two installments, on July 1 and January 1. Liens are filed by the end of the fiscal year in which the taxes are collectible.

**F. Inventories and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**G. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the primary government, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Buildings improvements	20
Distribution and collection systems	50-65
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-20

Capital assets are reported as expenditures (capital outlay) and no depreciation expense is reported in the governmental fund financial statements.

**H. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and

**TOWN OF TRUMBULL, CONNECTICUT  
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amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience and changes in investment gains or losses. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

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

### **I. Compensated Absences**

Employees earn annual leave or vacation time according to the terms of the union contract that applies to them. Such amounts are liquidated within the functional cost area in which the employee's payroll is paid.

Annual leave, vacation and sick pay are accrued when incurred in proprietary funds and reported as a fund liability. Annual leave, vacation and sick pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a liability of the governmental fund that will pay it. Amounts not expected to be paid with expendable available financial resources are not reported in governmental funds. No expenditure is reported for these amounts.

Liabilities for compensated absences, including the current portion, are reported in the government-wide statement of net position. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

### **J. Net Pension Liability**

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

**K. Net OPEB Liability**

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

**L. Long-Term Obligations**

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

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

**M. Fund Equity**

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

**Invested in Capital Assets**

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

**Restricted Net Position**

Net position is restricted because it is externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

**Unrestricted Net Position**

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



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

**Nonspendable Fund Balance**

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

**Restricted Fund Balance**

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

**Committed Fund Balance**

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

**Assigned Fund Balance**

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

**Unassigned Fund Balance**

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

**N. Accounting Estimates**

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

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

Annual budgets are legally adopted for the General Fund and the two Enterprise Funds, WPCA and Golf Course. The budget is prepared on a modified accrual basis.

The Town follows these procedures in establishing budgetary data reflected in the financial statements:

- Department heads, officers and agencies of the Town file estimates of expenditures to be made and revenues to be collected in the upcoming year to the First Selectman. The First Selectman submits the proposed budget to the Board of Finance who adopts and approves the budget proposed, or makes changes in any estimates or appropriations contained in the proposed budget as deemed proper. The Board of Finance then recommends budgets, as revised, for adoption by the Town Council. Under the new Charter, taxpayers can petition for a referendum.
- The budget is legally adopted by the Town Council.

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- The Board of Finance is authorized to transfer budgeted amounts between departmental appropriations. Subsequent appropriations must be approved by the Board of Finance and the Town Council if they are in excess of \$2,000. Additional appropriations of \$1,002,951 were approved during the fiscal year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.
- Appropriations for capital projects do not lapse until completion of the applicable projects. All General Fund unexpended appropriations lapse at year end.

The Town does not have legally adopted annual budgets for its special revenue funds because budgetary control is alternatively achieved by constraints imposed by the project authorization and grant awards related to these funds. The Town does not have legally adopted budgets for its fiduciary funds.

### **3. CASH, CASH EQUIVALENTS AND INVESTMENTS**

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

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

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

**TOWN OF TRUMBULL, CONNECTICUT  
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**Deposits**

**Deposit Custodial Credit Risk**

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$27,807,975 of the Town’s bank balance of \$42,731,076 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 24,977,178
Uninsured and collateral held by the pledging bank’s trust department, not in the Town’s name	<u>2,830,797</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 27,807,975</u>

**Cash Equivalents**

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2020, the Town’s cash equivalents amounted to \$16,038,124. The following table provides a summary of the Town’s cash equivalents (excluding U.S. Government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard &amp; Poor’s</u>
State Short-Term Investment Fund (STIF)	AAAm
Wells Fargo Money Market*	
Janney*	
Infinex*	

\*Not rated

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**B. Investments**

Investments as of June 30, 2020 in all funds are as follows:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1-10</u>	<u>More Than 10</u>
Interest-bearing investments:					
U.S. Government Agencies	AAA	\$ 6,854,827	\$ 705,000	\$ 2,836,132	\$ 3,313,695
Certificate of deposit	N/A	1,866,575	601,082	1,265,493	
Total interest-bearing investments			\$ 1,306,082	\$ 4,101,625	\$ 3,313,695
Other investments:					
Mutual funds	N/A	<u>110,226,190</u>			
Total Investments		\$ <u>118,947,592</u>			

\*Not rated

**Interest Rate Risk**

The Town and the pension policies limit their exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and pension payments, thereby avoiding the need to sell securities on the open market prior to maturity, and investing idle funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

**Credit Risk - Investments**

The Town's investment policy minimizes credit risk by limiting investments to the safest types of securities, prequalifying the financial institution, broker/dealers, intermediaries and advisers, and diversifying the investment portfolio so that potential losses on individual securities will be minimized.

**Concentration of Credit Risk**

The Town and the pension policies are to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific issuer.

**Custodial Credit Risk**

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2020, the Town's investments, other than open-end mutual funds and other pooled accounts that are not categorized as to custodial credit risk, were uninsured and unregistered securities held by the counterparty, or by its trust department or agent, and were not in the Town's name.

**TOWN OF TRUMBULL, CONNECTICUT  
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The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2020:

	<b>Fair Value Measurement</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investments by fair value level:			
U.S. Government securities	\$ 6,854,827	\$	\$
Mutual funds	110,226,190		
<b>Total Investments by Fair Value Level</b>	<b>\$ 117,081,017</b>	<b>\$ -</b>	<b>\$ -</b>

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. There are no Level 2 or 3 investments.

**4. RECEIVABLES**

Receivables as of year end for the Town’s individual major funds and nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<b>General</b>	<b>Five Year Capital Plan</b>	<b>Public Works Capital Projects</b>	<b>WPCA</b>	<b>Nonmajor and Other Funds</b>	<b>Total</b>
Receivables:						
Taxes	\$ 3,991,675					\$ 3,991,675
Other deferred taxes	3,067,200					3,067,200
Interest on taxes	751,787					751,787
Accounts	209,988			994,375	395,162	1,599,525
Intergovernmental	33,798	652,054	11,800		305,687	1,003,339
Special assessments				23,443,278		23,443,278
Gross receivables	8,054,448	652,054	11,800	24,437,653	700,849	33,856,804
Less allowance for uncollectibles	(750,000)					(750,000)
<b>Net Total Receivables</b>	<b>\$ 7,304,448</b>	<b>\$ 652,054</b>	<b>\$ 11,800</b>	<b>\$ 24,437,653</b>	<b>\$ 700,849</b>	<b>\$ 33,106,804</b>

**TOWN OF TRUMBULL, CONNECTICUT  
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**5. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 40,698,004	\$	\$	\$ 40,698,004
Construction in progress	<u>9,643,117</u>	<u>13,248,808</u>	<u>1,342,255</u>	<u>21,549,670</u>
Total capital assets not being depreciated	<u>50,341,121</u>	<u>13,248,808</u>	<u>1,342,255</u>	<u>62,247,674</u>
Capital assets being depreciated:				
Land improvements	18,159,541	58,277		18,217,818
Buildings and improvements	231,240,651	300,329		231,540,980
Machinery and equipment	18,395,978	997,386		19,393,364
Vehicles	13,634,286	464,033		14,098,319
Infrastructure	<u>86,307,973</u>	<u>2,812,550</u>		<u>89,120,523</u>
Total capital assets being depreciated	<u>367,738,429</u>	<u>4,632,575</u>	<u>-</u>	<u>372,371,004</u>
Less accumulated depreciation for:				
Land improvements	9,967,923	633,928		10,601,851
Buildings and improvements	89,001,228	6,417,358		95,418,586
Machinery and equipment	12,393,760	1,063,279		13,457,039
Vehicles	8,961,870	785,278		9,747,148
Infrastructure	<u>47,721,145</u>	<u>1,314,384</u>		<u>49,035,529</u>
Total accumulated depreciation	<u>168,045,926</u>	<u>10,214,227</u>	<u>-</u>	<u>178,260,153</u>
Total capital assets being depreciated, net	<u>199,692,503</u>	<u>(5,581,652)</u>	<u>-</u>	<u>194,110,851</u>
Governmental Activities Capital Assets, Net	<u>\$ 250,033,624</u>	<u>\$ 7,667,156</u>	<u>\$ 1,342,255</u>	<u>\$ 256,358,525</u>

**TOWN OF TRUMBULL, CONNECTICUT  
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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,962,013	\$	\$	\$ 1,962,013
Construction in progress	1,947,805	5,384,937	102,000	7,230,742
Total capital assets not being depreciated	<u>3,909,818</u>	<u>5,384,937</u>	<u>102,000</u>	<u>9,192,755</u>
Capital assets being depreciated:				
Land improvements	4,154,758			4,154,758
Building and improvements	2,581,442	102,000		2,683,442
Machinery and equipment	1,614,483	84,126		1,698,609
Vehicles	263,522			263,522
Infrastructure	125,152,157	75,608		125,227,765
Total capital assets being depreciated	<u>133,766,362</u>	<u>261,734</u>	<u>-</u>	<u>134,028,096</u>
Less accumulated depreciation for:				
Land improvements	1,487,032	81,806		1,568,838
Building and improvements	1,657,354	68,913		1,726,267
Machinery and equipment	963,169	74,323		1,037,492
Vehicles	160,347	16,004		176,351
Infrastructure	36,415,267	2,277,311		38,692,578
Total accumulated depreciation	<u>40,683,169</u>	<u>2,518,357</u>	<u>-</u>	<u>43,201,526</u>
Total capital assets being depreciated, net	<u>93,083,193</u>	<u>(2,256,623)</u>	<u>-</u>	<u>90,826,570</u>
Business-Type Activities Capital Assets, Net	<u>\$ 96,993,011</u>	<u>\$ 3,128,314</u>	<u>\$ 102,000</u>	<u>\$ 100,019,325</u>

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

Governmental activities:	
Board of Education	\$ 6,779,493
General Government	250,336
Social Services	73,085
Public health	14,009
Public Works	1,887,856
Public Safety	635,060
Libraries	113,896
Recreation and Parks	<u>460,492</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 10,214,227</u>
Business-type activities	
WPCA	\$ 2,348,759
Golf Fund	<u>169,598</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 2,518,357</u>

**TOWN OF TRUMBULL, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The composition of interfund balances as of June 30, 2020 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor Governmental Funds	General Fund	\$ 3,123,884
Public Works Capital Projects Fund	Nonmajor Governmental Funds	4,668,651
General Fund	Nonmajor Governmental Funds	3,543,687
General Fund	Five Year Capital Plan	8,565,015
General Fund	Internal Service	<u>721,768</u>
		<u>\$ 20,623,005</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided and reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. The amounts also include balances of working capital made to several nonmajor governmental funds for projects that the general fund expects to get reimbursed when subsequent bonds are issued.

**Interfund Loans**

On June 30, 2013, the General Fund issued a loan for \$400,000, with an interest rate of 2.75% and a maturity date of June 30, 2028, to the Golf Course Fund. The balance remaining between the funds at June 30, 2020 was \$233,429.

**Interfund Transfers**

	<u>Transfers In</u>	<u>Total</u>
	<u>General</u>	<u>Transfers</u>
		<u>Out</u>
Transfers out:		
WPCA	\$ 613,901	\$ 613,901
Nonmajor governmental	150,000	150,000
Golf Course	<u>246,212</u>	<u>246,212</u>
Total Transfers In	<u>\$ 1,010,113</u>	<u>\$ 1,010,113</u>

The above transfers represent normal budgetary and other recurring transfers.



**TOWN OF TRUMBULL, CONNECTICUT  
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**7. LONG-TERM DEBT**

**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Funds:					
Bonds payable:					
General obligation bonds	\$ 89,854,580	\$ 31,261,000	\$ 32,055,590	\$ 89,059,990	\$ 7,650,990
Premium on bonds	5,046,200	3,362,189	1,696,304	6,712,085	
Total bonds payable	94,900,780	34,623,189	33,751,894	95,772,075	7,650,990
Other liabilities:					
Insurance claims	3,342,848	1,848,318	2,966,338	2,224,828	334,963
Other claims and judgments	382,755	331,000	302,220	411,535	
Net pension liability	66,800,812	1,882,378		68,683,190	
Compensated absences	5,547,576	305,481	426,912	5,426,145	1,611,075
Capital lease payable	6,373,388 *	787,883	975,124	6,186,147	1,190,518
Net OPEB liability	28,724,830	572,733		29,297,563	
<b>Total Governmental Activities Long-Term Liabilities</b>	<b>\$ <u>206,072,989</u></b>	<b>\$ <u>40,350,982</u></b>	<b>\$ <u>38,422,488</u></b>	<b>\$ <u>208,001,483</u></b>	<b>\$ <u>10,787,546</u></b>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 45,895,420	\$ 10,184,000	\$ 16,269,410	\$ 39,810,010	\$ 3,674,010
Premium on bonds	4,136,892	1,455,575	1,068,094	4,524,373	
Total bonds payable	50,032,312	11,639,575	17,337,504	44,334,383	3,674,010
Compensated absences	58,309	13,799		72,108	25,009
<b>Business-Type Activities Long-Term Liabilities</b>	<b>\$ <u>50,090,621</u></b>	<b>\$ <u>11,653,374</u></b>	<b>\$ <u>17,337,504</u></b>	<b>\$ <u>44,406,491</u></b>	<b>\$ <u>3,699,019</u></b>

\*as restated.

The liability for the governmental activities compensated absences, net pension liability and net OPEB liability are liquidated normally by the General Fund.

**Bonds Payable**

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

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General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. Certain general obligation bonds are to be repaid by revenues of the enterprise funds. General obligation bonds currently outstanding are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Annual Principal</u>	<u>Balance Outstanding June 30, 2020</u>
Governmental:						
General purpose:						
General obligation refunding	8/19/08	8/19/21	3.25-5%	\$ 5,241,880	various	\$ 471,990
General obligation	9/1/10	9/1/28	3-5%	10,000,000	various	377,000
General obligation	9/1/12	9/1/32	2-3%	15,900,000	various	795,000
General obligation	9/1/13	9/1/33	2.5-4.5%	6,605,000	various	4,625,000
General obligation	3/12/14	9/1/27	3-5%	7,844,000	various	2,156,000
General obligation	9/5/14	9/1/35	2-4%	6,875,000	various	5,150,000
General obligation refunding	11/4/14	6/30/29	2-5%	545,000	various	384,000
General obligation	9/5/15	9/1/36	2.125-4%	6,600,000	various	5,280,000
General obligation refunding	6/7/16	6/30/30	2.5-4%	3,520,000	various	2,930,000
General obligation	9/1/16	6/30/37	2-4%	7,630,000	various	6,475,000
General obligation refunding	10/25/17	6/30/32	3-5%	12,395,000	various	12,395,000
General obligation	9/2/17	6/30/38	2-4%	9,060,000	various	8,170,000
General obligation	8/29/18	8/15/38	2.25-4%	9,080,000	various	8,626,000
General obligation refunding	8/15/19	9/15/23	0.05	5,767,000	various	5,731,000
General obligation	8/15/19	8/15/39	1.7-4%	9,525,000	various	9,525,000
General obligation refunding	6/30/20	9/1/32	1-5%	15,969,000	various	<u>15,969,000</u>
Total governmental activities						<u>89,059,990</u>
Business-Type:						
General purpose:						
General obligation	8/19/08	8/19/21	3.25-5%	2,790,180	various	183,010
General obligation	9/1/10	9/1/29	2.25-4.05%	12,000,000	various	453,000
General obligation	9/1/12	9/1/32	2-3%	5,500,000	various	275,000
General obligation	9/1/13	9/1/33	2.5-4.5%	5,000,000	various	3,500,000
General obligation	3/12/14	9/1/27	3-5%	2,171,000	various	569,000
General obligation	9/5/14	9/1/35	2-4%	700,000	various	525,000
General obligation refunding	11/4/14	6/30/29	2-5%	11,315,000	various	7,806,000
General obligation	9/5/15	6/1/36	2.125-4%	900,000	various	720,000
General obligation refunding	6/7/16	6/30/30	2.5-4%	2,590,000	various	2,050,000
General obligation refunding	10/25/17	6/30/32	3-5%	12,105,000	various	12,105,000
General obligation	8/29/18	6/30/39	2.25-4%	1,530,000	various	1,454,000
General obligation refunding	8/15/19	9/15/23	1-5%	2,228,000	various	2,214,000
General obligation	8/15/19	8/15/39	1.7-4%	140,000	various	140,000
General obligation refunding	6/30/20	9/1/32	1-5%	6,875,000	various	6,875,000
General obligation refunding	6/30/20	9/1/32	1-5%	941,000	various	<u>941,000</u>
Total business-type activities						<u>39,810,010</u>
Total Outstanding						<u>\$ 128,870,000</u>

**TOWN OF TRUMBULL, CONNECTICUT  
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The annual requirements to amortize bonds payable as of June 30, 2020 are as follows:

	<b>Governmental Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2021	\$ 7,650,990	\$ 2,895,398
2022	7,681,000	2,771,794
2023	7,379,000	2,450,669
2024	7,340,000	2,130,462
2025	6,286,000	1,874,015
2026-2030	28,361,000	6,044,348
2031-2035	17,711,000	2,085,856
2036-2040	6,651,000	344,000
	<u>\$ 89,059,990</u>	<u>\$ 20,596,542</u>

	<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2021	\$ 3,674,010	\$ 1,480,916
2022	4,479,000	1,394,362
2023	4,026,000	1,202,263
2024	4,050,000	1,019,719
2025	3,859,000	862,857
2026-2030	14,834,000	2,231,314
2031-2035	4,494,000	314,566
2036-2040	394,000	24,522
	<u>\$ 39,810,010</u>	<u>\$ 8,530,519</u>

The following is a schedule of bond anticipation note activity for the year ended June 30, 2020:

	<b>Governmental Activities</b>
Balance, July 1, 2019	\$ 8,855,000
Issued	8,700,000
Retired	<u>(8,855,000)</u>
Balance, June 30, 2020	<u>\$ 8,700,000</u>

The above retired note with an interest rate of 2.00 matured on August 28, 2019. The issued notes had an interest rate of 1.50% and matures on August 27, 2020, and were issued for a variety of projects, including Town, Board of Education and WPCA projects, approved as part of the 2016-2017 through 2018-2019 capital plans.

**TOWN OF TRUMBULL, CONNECTICUT  
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**General Obligation Bonds - New Issue**

On August 15, 2019, the Town issued \$9,665,000 of general obligation bonds with interest rates ranging from 2.00% to 4.00% payable in annual installments of \$485,000. The bonds mature on August 15, 2039.

**General Obligation Bonds - Advance Refunding**

On August 15, 2019, the Town also issued \$7,995,000 of general obligation refunding bonds with interest rates from 1.00% to 5.00% to advance refund \$14,220,000 of 2012 referendum bonds, and \$12,840,000 of 2012 bonds. Net proceeds of \$27,618,805 (including a premium of \$3,833,805 and issuance costs of \$179,356, net of underwriter's discounts) will reduce total debt service payments over the next 10 years by approximately \$1,886,179 and represent an economic gain (difference between present values of the debt service payments on the old and new debt) of \$1,886,344. As a result, the refunded bonds are considered defeased, and all future interest and principal on the defeased bonds has been paid from the proceeds of the refunding issue, which were placed into an irrevocable escrow account.

On June 3, 2020, the Town also issued \$23,785,000 of general obligation refunding bonds with a 5.00% interest rate to current refund \$7,120,000 of 2009 series B bonds, and \$1,315,000 of 2011 bonds. Net proceeds of \$8,681,982 (including a premium of \$686,982 and issuance costs of \$77,238, net of underwriter's discounts) will reduce total debt service payments over the next 10 years by. As a result, the refunded bonds are considered defeased, and all future interest and principal on the defeased bonds has been paid from the proceeds of the refunding issue, which were placed into an irrevocable escrow account.

In the current year, the Town refunded bonds which are considered defeased, and all future interest and principal on the defeased bonds will be paid from the proceeds of the refunding issue which were placed into an irrevocable escrow account until all the defeased bonds have been called. The balance in escrow was \$27,436,927 at June 30, 2020. The outstanding balance of the defeased bonds as of June 30, 2020 is \$27,060,000.

**Indebtedness**

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 355,577	\$ 97,800	\$ 257,777
Schools	711,153	56,518	654,635
Sewers	592,628	19,632	572,996
Urban renewal	513,611		513,611
Pension deficit	474,102		474,102

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$1,106 million.

**TOWN OF TRUMBULL, CONNECTICUT  
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**Authorized but Unissued Bonds**

The total of authorized but unissued bonds (net of projected grants) at June 30, 2020 is \$52,537,518. In some cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

**Capital Leases**

The Board of Education has entered into various lease agreements with TB Bank and Bank of America to finance equipment and other building improvements. The leases qualify as capital leases for accounting purposes and therefore have been recorded at the present value of their future minimum lease payments as of the inception date. The lease are included in capital assets as of June 30, 2020.

The future minimum lease obligation and the net present value of the minimum lease payments as of June 30, 2020 were as follows:

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2021	\$ 1,191,518	\$ 140,327
2022	1,089,972	110,165
2023	988,214	82,227
2024	850,145	58,843
2025	659,517	40,849
2026-2030	1,282,641	62,192
2031	<u>124,140</u>	<u>1,918</u>
	<u>\$ 6,186,147</u>	<u>\$ 496,521</u>

**TOWN OF TRUMBULL, CONNECTICUT  
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**8. FUND BALANCE**

The components of fund balance for the governmental funds at June 30, 2020 are as follows:

	<u>General</u>	<u>Five Year Capital Plan</u>	<u>Public Works Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:					
Nonspendable:					
Inventory	\$	\$	\$	\$ 46,979	\$ 46,979
Permanent funds				58,807	58,807
Restricted for:					
Grants				3,976	3,976
Permanent funds				102,357	102,357
Committed to:					
General government	45,247			704,735	749,982
Public works				374,104	374,104
Public safety				1,417,307	1,417,307
Health and welfare				8,951	8,951
Libraries				2,547	2,547
Parks and recreation				236,021	236,021
Education	111,604				111,604
Capital projects			187,537	4,098,670	4,286,207
Assigned to:					
Tax appeals	1,500,000				1,500,000
General government	2,008				2,008
Public works	1,472				1,472
Public safety	77,139				77,139
Health and welfare	232				232
Libraries	855				855
Parks and recreation	10,926				10,926
Unassigned	<u>24,170,341</u>	<u>(16,831,564)</u>		<u>(5,806,854)</u>	<u>1,531,923</u>
Total Fund Balances	<u>\$ 25,919,824</u>	<u>\$ (16,831,564)</u>	<u>\$ 187,537</u>	<u>\$ 1,247,600</u>	<u>\$ 10,523,397</u>

Significant encumbrances of \$92,632 at June 30, 2020 are contained in the above table in the assigned categories of the General Fund.

**TOWN OF TRUMBULL, CONNECTICUT  
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The Town had deficits in the following funds:

Major Fund:	
Five Year Capital Plan	\$ 16,831,564
Nonmajor Governmental Funds:	
Millington League Settlement	75,853
Police Grants	245,791
School Lunch	600,047
Health Department Grants	3,037
Land Acquisition	152,575
LOCIP	237,830
Resurfacing of Tennis Courts	4,670
Daniels Farm Road Bridge	17,571
Rails to Trails	159,853
New Elementary School	425,928
BOE Capital Projects	3,836,720

These deficits will be funded by General Fund contributions, future grants and general obligation bonds.

**9. 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; injuries to and health of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties, except as disclosed below. The amount of settlements has not exceeded insurance coverage in any of the past three years.

**Workers' Compensation and Heart and Hypertension**

The Town maintains stop loss insurance on workers' compensation and heart and hypertension claims. The Town's maximum exposure for the year ended June 30, 2020 was \$850,000 per incident. The Town and its actuary estimate a liability for both workers' compensation claims payable and for claims incurred but not reported.

At June 30, 2020, \$2,224,828 has been accrued for self-insurance claims payable and for incurred but not reported claims related to worker compensation and heart and hypertension claims.

Claims and liabilities are estimated based on claims paid for the year. Claim transactions for the last two years for the entire program are as follows:

	<u>Accrued Liability Beginning of Fiscal Year</u>		<u>Current Year Claims Paid and Changes in Estimates</u>		<u>Accrued Liability Claim Payments</u>		<u>Accrued Liability End of Fiscal Year</u>
2019-20	\$ 3,342,848	\$	1,848,318	\$	2,966,338	\$	2,224,828
2018-19	3,342,848		1,595,077		1,595,077		3,342,848

**10. OTHER POSTEMPLOYMENT BENEFITS**

**Post-Retirement Medical Program**

**A. Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements of the Other Postemployment Benefits Fund are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are paid by the Town.

**B. Plan Description**

The Town provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. An annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The Town does not issue a separate stand-alone financial statement for this plan.

Management of the post employment benefits plan is vested with the Police Department. Policy oversight is provided by the Administrative committee, which is comprised of the Town’s First Selectman, the Town’s Treasurer, the Town’s Finance Director, the Union President and a Union representative.

At July 1, 2019, plan membership consisted of the following:

	<b>Post Retirement Medical Program</b>
	<u>                    </u>
Actives (covered)	929
Actives (not covered)	256
Retirees (covered)	86
Retirees (not covered)	<u>15</u>
 Total	 <u><u>1,286</u></u>



**TOWN OF TRUMBULL, CONNECTICUT  
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**C. Funding Policy**

The Town provides post-retirement benefits for certain employees for current future health and life insurance benefit expenses through a single-employer defined benefit plan. An actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. In fiscal year 2009, the Town established a trust fund to irrevocably segregate assets to fund the liability associated with postemployment benefits in accordance with GASB guidelines. The Town is currently developing a funding strategy to provide for normal cost and the amortization of the accrued liability. The Town anticipates a commitment to fund normal cost and a long-term approach to the amortization of the actuarial accrued liability. The goal is to absorb, within the budgetary process, the actual cost of benefits in the determination of the costs of providing services to taxpayers.

The Town’s funding strategy for postemployment obligations are based upon characteristics of benefits on each distinct group of employees established within their respective collective bargaining units.

**D. Investments**

**Investment Policy**

The OPEB Benefits Plan investment policy limits investments to money market accounts.

**Rate of Return**

For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 1.48%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**E. Net OPEB Liability of the Town**

The Town’s net OPEB liability was measured as of June 30, 2020. The components of the net OPEB liability of the Town at June 30, 2020, were as follows:

Total OPEB liability	\$	30,001,607
Plan fiduciary net position		<u>704,044</u>
Net OPEB Liability	\$	<u><u>29,297,563</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability		2.35%

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	4.00%, average, including inflation
Investment rate of return	3.36%, net of OPEB plan investment expense,
Healthcare cost trend rates	7.50% to 6.75% over a 3 year period.

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Mortality rates were based on Pre- and Post Retirement: 1994 Uninsured Pensioner Mortality table, with rates projected to 2014.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 - June 30, 2016.

The long-term expected rate of return on OPEB plan investments was determined to be the 20 year bond rate of 3.36%.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 3.36%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the Net OPEB Liability**

	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a)-(b)</b>
Balances as of July 1, 2019	\$ 29,407,602	\$ 682,772	\$ 28,724,830
Changes for the year:			
Service cost	666,174		666,174
Interest on total OPEB liability	978,625		978,625
Differences between expected and actual experience	(102,766)		(102,766)
Employer contributions		960,860	(960,860)
Member contributions	70,033	70,033	-
Net investment income		8,440	(8,440)
Benefit payments, including refund to employee contributions	(1,018,061)	(1,018,061)	-
Net changes	<u>594,005</u>	<u>21,272</u>	<u>572,733</u>
Balances as of June 30, 2020	<u>\$ 30,001,607</u>	<u>\$ 704,044</u>	<u>\$ 29,297,563</u>

**TOWN OF TRUMBULL, CONNECTICUT  
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**F. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

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

	<b>1% Decrease (2.36%)</b>	<b>Current Discount Rate (3.36%)</b>	<b>1% Increase (4.36%)</b>
Net OPEB Liability	\$ 32,880,473	\$ 29,297,563	\$ 26,246,475

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

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

	<b>1% Decrease (6.5% Decreasing to 5.75%)</b>	<b>Healthcare Cost Trend Rates (7.5% Decreasing to 6.75%)</b>	<b>1% Increase (8.5% Decreasing to 7.75%)</b>
Net OPEB Liability	\$ 25,725,919	\$ 29,297,563	\$ 33,538,006

**H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2020, the Town recognized OPEB expense of \$779,459. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$	\$ 4,678,002
Changes of assumptions	1,023,808	
Net difference between projected and actual earning on pension plan investments		100,956
Total	<u>\$ 1,023,808</u>	<u>\$ 4,778,958</u>

**TOWN OF TRUMBULL, CONNECTICUT  
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30</u>	
2021	\$ (1,065,258)
2022	(1,065,030)
2023	(1,047,921)
2024	(576,941)

**Other Post Employment Benefit - Connecticut State Teachers Retirement Plan**

**A. Plan Description**

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers’ Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other post employment benefit plan administered by the Teachers’ Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

**B. Benefit Provisions**

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree’s share of the cost of coverage, and any remaining portion is used to offset the district’s cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

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

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If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

**Survivor Health Care Coverage**

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

**C. Eligibility**

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

**Credited Service**

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, State employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

**Normal Retirement**

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

**Early Retirement**

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

**Proratable Retirement**

Age 60 with 10 years of Credited Service.

**Disability Retirement**

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

**Termination of Employment**

Ten or more years of Credited Service.

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**D. Contributions**

*State of Connecticut*

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

*Employer (School Districts)*

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

For the year ended June 30, 2020, the amount of "on-behalf" contributions made by the State was \$469,230 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

*Employees/Retirees*

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

**E. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2020, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's proportionate share of the net OPEB liability	\$	-
State's proportionate share of the net OPEB liability associated with the Town		<u>35,372,721</u>
Total	\$	<u><u>35,372,721</u></u>

The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2018. At June 30, 2020, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2020, the Town recognized OPEB expense and revenue of \$(2,588,455) in Exhibit II.

**TOWN OF TRUMBULL, CONNECTICUT  
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**F. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Health care costs trend rate	
Pre-Medicare	5.95% decreasing to 4.75% by 2025
Medicare	5.00% decreasing to 4.75% by 2028
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2019

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.41%).

**G. Discount Rate**

The discount rate used to measure the total OPEB liability was 3.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2019 and, as a result, the Municipal Bond Index Rate was used in the determination.

**H. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate**

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

**I. Other Information**

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at [www.ct.gov](http://www.ct.gov).

**11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

**A. Pension Trust Fund**

The Town of Trumbull is the administrator of a single-employer Public Employee Retirement System (PERS) established and administered by the Town to provide pension benefits for its full-time employees other than police, firefighters and teachers. The PERS is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a pension trust fund. The PERS does not issue a stand-alone report.

Management of the plans rests with the PERS Board, which consists of seven voting members. One of whom shall be the Director of Finance and one the Treasurer. One and only one of the remaining five members shall be an employee of the Town and appointed by the First Selectman. The other four are appointed by the Town Council.

**Plan Description and Benefits Provided**

The Town of Trumbull Pension Plan provides retirement, death and disability benefits through a single-employer, contributory, defined benefit plan. Benefits vest at 50% after 5 years of service and increase an additional 10% per year to 100% after 10 years. Employees can retire on or after age 62 if they have at least 10 years of service, or after age 60 if age plus years of service equals at least 85. Employees who retire at these ages are entitled to an annual retirement benefit, payable monthly for 10 years certain and life, in an amount equal to 2% of final earnings for each year of service. There is a maximum annual pension of 60% of final earnings. Final earnings is the employee's average earnings during the 36 consecutive months that produces the highest average. Employees may retire early on or after age 55 with at least 10 years of service with a benefit reduced ½% for each month the early retirement date precedes the normal retirement date. The death benefit provides a benefit to a beneficiary of a fully vested participant of 120 months of retirement benefits beginning at the participant's normal retirement date as long as the beneficiary does not receive the deceased participant's employee contributions with credited interest and the proceeds from the \$25,000 life insurance policy are assigned to the pension plan. Employee contributions with credited interest are returnable on termination or death while active or retired (less any benefits paid) provided, in each case, that no death benefits are otherwise payable. Benefits and contributions are fixed by contract and may be amended by union negotiation.



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The membership of the plan consisted of the following at July 1, 2018:

	<u>Police Benefit Plan</u>	<u>Town Pension Plan</u>
Retirees and beneficiaries receiving benefits	60	372
Terminated plan members entitled to but not yet receiving benefits	2	72
Active plan members	<u>63</u>	<u>365</u>
Total	<u><u>125</u></u>	<u><u>809</u></u>

**Summary of Significant Accounting Policies and Plan Asset Matters**

**Basis of Accounting**

PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized when due; investment income is recognized when earned. Expenses (benefits, administration and refunds of contributions) are recognized when incurred.

**Method Used to Value Investments**

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

**Funding Policy**

Employees are required to contribute amounts ranging between 3.5% and 5.5% of their monthly salary to the PERS depending on their contract. The Town is required to contribute the remaining amounts necessary to fund these benefits.

**TOWN OF TRUMBULL, CONNECTICUT  
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**Investments**

**Investment Policy**

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the PERS Board by a majority vote of its members. It is the policy of the PERS Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Town and Police adopted asset allocation policy as of June 30, 2019:

<b>Town</b>	
<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	45 %
International equity	20
Fixed income	30
Inflation protection	5
	<u>100 %</u>

<b>Police</b>	
<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	41 %
International equity	14
Fixed income	35
Alternative investments	10
	<u>100 %</u>

**Rate of Return**

For the year ended June 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 0.28% for the Town Pension Plan and 5.82% for the Police Pension Plan. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**TOWN OF TRUMBULL, CONNECTICUT  
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**Net Pension Liability of the Town**

The components of the net pension liability of the Town at June 30, 2020, were as follows:

	<b>Town</b>	
Total pension liability	\$	89,887,998
Plan fiduciary net position		<u>(38,579,028)</u>
Net Pension Liability	\$	<u><u>51,308,970</u></u>
Plan fiduciary net position as a percentage of the total pension liability		42.92%
	<b>Police</b>	
Total pension liability	\$	89,802,579
Plan fiduciary net position		<u>(72,428,359)</u>
Net Pension Liability	\$	<u><u>17,374,220</u></u>
Plan fiduciary net position as a percentage of the total pension liability		80.65%

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of July 1, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

	<b>Town</b>
Inflation	4.50%
Salary increases	3.5%, per annum, compounded annually
Investment rate of return	7.5%, per annum, compounded annually
	<b>Police</b>
Inflation	4.50%
Salary increases	4.5%, per annum, compounded annually
Investment rate of return	7.5%, per annum, compounded annually

Mortality rates were based on the UP-1994 Mortality Table, with current and future mortality improvement estimated by projecting improvements to 2018 using Scale AA.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2014.

**TOWN OF TRUMBULL, CONNECTICUT  
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The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	9.25 %
International equity	9.75
Fixed income	4.25
Real estate	8.75
Cash	3.5

**Discount Rate**

The discount rate used to measure the total pension liability was 7.5% for the Town Pension Plan and 7.5% for the Police Pension Plan. 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 TRUMBULL, CONNECTICUT  
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**Changes in the Net Pension Liability**

	<b>Town</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
Balances as of July 1, 2019	\$ 87,503,787	\$ 37,713,552	\$ 49,790,235
Changes for the year:			
Service cost	1,622,014		1,622,014
Interest on total pension liability	6,470,379		6,470,379
Employer contributions		5,596,741	(5,596,741)
Member contributions		951,391	(951,391)
Net investment income		104,956	(104,956)
Benefit payments, including refund to employee contributions	(5,708,182)	(5,708,182)	-
Administrative expenses		(79,430)	79,430
Net changes	<u>2,384,211</u>	<u>865,476</u>	<u>1,518,735</u>
Balances as of June 30, 2020	<u>\$ 89,887,998</u>	<u>\$ 38,579,028</u>	<u>\$ 51,308,970</u>
	<b>Police</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
Balances as of July 1, 2019	\$ 85,790,620	\$ 68,780,043	\$ 17,010,577
Changes for the year:			
Service cost	1,192,534		1,192,534
Interest on total pension liability	6,389,847		6,389,847
Employer contributions		3,056,259	(3,056,259)
Member contributions		340,250	(340,250)
Net investment income		3,996,281	(3,996,281)
Benefit payments, including refund to employee contributions	(3,570,422)	(3,570,422)	-
Administrative expenses		(174,052)	174,052
Net changes	<u>4,011,959</u>	<u>3,648,316</u>	<u>363,643</u>
Balances as of June 30, 2020	<u>\$ 89,802,579</u>	<u>\$ 72,428,359</u>	<u>\$ 17,374,220</u>

**TOWN OF TRUMBULL, CONNECTICUT  
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**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the Town and Police Pension Plans, calculated using the discount rate of 7.50% for the Town Pension Plan and 7.50% for the Police Pension Plans as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

		<b>Town</b>		
		<b>1% Decrease 6.50%</b>	<b>Current Discount Rate 7.50%</b>	<b>1% Increase 8.50%</b>
Net Pension Liability	\$	59,602,093	\$ 51,308,970	\$ 44,091,725

  

		<b>Police</b>		
		<b>1% Decrease 6.50%</b>	<b>Current Discount Rate 7.50%</b>	<b>1% Increase 8.50%</b>
Net Pension Liability	\$	29,861,772	\$ 17,374,220	\$ 7,167,366

**Pensions and Other Post Employment Benefit Plan Fiduciary Net Position**

	<b>Town Pension</b>	<b>Police Pension</b>	<b>OPEB Trust Fund</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,293,825	\$ 1,281,690	\$ 704,012	\$ 5,279,527
Investments	35,285,066	71,146,511		106,431,577
Receivables	137	158	32	327
Total assets	<u>38,579,028</u>	<u>72,428,359</u>	<u>704,044</u>	<u>111,711,431</u>
Net Position Held in Trust for Pension Benefits and Other Purposes	<u>\$ 38,579,028</u>	<u>\$ 72,428,359</u>	<u>\$ 704,044</u>	<u>\$ 111,711,431</u>

**TOWN OF TRUMBULL, CONNECTICUT  
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**Changes in Pension Net Position**

	<u>Town Pension</u>	<u>Police Pension</u>	<u>OPEB Trust Fund</u>	<u>Total</u>
Additions:				
Contributions:				
Employer	\$ 5,596,741	\$ 3,056,259	\$ 960,860	\$ 9,613,860
Plan members	<u>951,391</u>	<u>340,250</u>	<u>70,033</u>	<u>1,361,674</u>
Total contributions	<u>6,548,132</u>	<u>3,396,509</u>	<u>1,030,893</u>	<u>10,975,534</u>
Investment income:				
Net change in fair value of investments	973,931			973,931
Interest and dividends	<u>(868,975)</u>	<u>3,996,281</u>	<u>8,440</u>	<u>3,135,746</u>
Net investment income	<u>104,956</u>	<u>3,996,281</u>	<u>8,440</u>	<u>4,109,677</u>
Total additions	<u>6,653,088</u>	<u>7,392,790</u>	<u>1,039,333</u>	<u>15,085,211</u>
Deductions:				
Benefits	5,708,182	3,570,422	1,018,061	10,296,665
Administrative	<u>79,430</u>	<u>174,052</u>		<u>253,482</u>
	<u>5,787,612</u>	<u>3,744,474</u>	<u>1,018,061</u>	<u>10,550,147</u>
Change in net position	865,476	3,648,316	21,272	4,535,064
Net position at beginning of year	<u>37,713,552</u>	<u>68,780,043</u>	<u>682,772</u>	<u>107,176,367</u>
Net Position at End of Year	<u>\$ 38,579,028</u>	<u>\$ 72,428,359</u>	<u>\$ 704,044</u>	<u>\$ 111,711,431</u>

**TOWN OF TRUMBULL, CONNECTICUT  
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**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2020, the Town recognized pension expense of \$2,422,664 and \$1,759,642 for the Town and Police plans, respectively. At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Town</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 335,740	\$
Changes of assumptions		1,703,501
Net difference between projected and actual earning on pension plan investments	<u>2,466,266</u>	
Total	<u>\$ 2,802,006</u>	<u>\$ 1,703,501</u>

  

	<u>Police</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ 1,174,572
Changes of assumptions		161,886
Net difference between projected and actual earning on pension plan investments	<u>390,758</u>	
Total	<u>\$ 390,758</u>	<u>\$ 1,336,458</u>

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

<u>Year Ending June 30</u>	<u>Town</u>	<u>Police</u>
2021	\$ (992,244)	(954,352)
2022	834,143	(311,126)
2023	706,715	89,944
2024	549,891	229,834



**B. Connecticut Teachers Retirement System - Pension**

**Plan Description**

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

**Benefit Provisions**

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

**Normal Retirement**

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

**Early Retirement**

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

**Disability Retirement**

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

**Contributions**

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

*Employer (School Districts)*

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

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

For the year ended June 30, 2020, the amount of "on-behalf" contributions made by the State was \$17,168,514 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

*Employees*

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

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

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

At June 30, 2020, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>226,812,709</u>
Total	\$	<u>226,812,709</u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2020, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2020, the Town recognized pension expense and revenue of \$27,856,466 in Exhibit II.

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increase	3.25-6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

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Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007 and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

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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 current capital market assumptions and the target asset allocation as provided by the State of Connecticut Treasurer's Office:

<u>Asset Class</u>	<u>Expected Return</u>		<u>Target Allocation</u>		<u>Standard Deviation</u>	
Public Equity - US Equity	8.10	%	20.00	%	17.00	%
Public Equity - International Developed Equity	8.50		11.00		19.00	
Public Equity - Emerging Markets Equity	10.40		9.00		24.00	
Fixed Income - Core Fixed Income	4.60		16.00		7.00	
Fixed Income - Inflation Linked Bonds	3.60		5.00		7.00	
Fixed Income - High Yield	6.50		6.00		11.00	
Fixed Income - Emerging Market Debt	5.20		5.00		11.00	
Private Equity	9.80		10.00		23.00	
Real Estate	7.00		10.00		15.00	
Alternative Investments - Real Assets	8.20		4.00		17.00	
Alternative Investments - Hedge Funds	5.40		3.00		7.00	
Liquidity Fund	2.90		1.00		1.00	
Total			<u>100.00</u>	%		

**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 the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at [www.ct.gov](http://www.ct.gov).

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**Other Information**

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

**12. RESTATEMENT**

During the fiscal year, it was determined that the financing leases to purchase equipment were not reported correctly by the Board of Education. As a result, restatements were posted to the beginning net position as follows:

	<b>Governmental Activities Net Position</b>
Balance at June 30, 2019, as previously reported	\$ 65,070,729
Adjustments:	
Capital lease payable	<u>(6,373,388)</u>
Balance at July 1, 2020, as Restated	<u>\$ 58,697,341</u>

In addition, the June 30, 2020 financial statements have been reissued to report the Public Works Capital Projects as a major fund.

**13. CORONAVIRUS (COVID-19)**

On January 30, 2020, the World Health Organization declared the coronavirus to be a public health emergency. On March 10, 2020, the Governor of the State of Connecticut declared a public health emergency and a civil preparedness emergency due to COVID-19.

The Town derives a significant portion of its revenues from property taxes. While the Town has not experienced any significant increase in the amount of delinquency from its taxpayers, the situation creates uncertainty about the impact of future revenues that might be generated. In addition, at this time, it is uncertain what the effects of the pandemic will be on the Town's health care costs, changes in interest rates, investment valuation and the future federal or state fiscal relief.

**14. CONTINGENT LIABILITIES**

**Lawsuits**

There are several personal injury, negligence and personnel related lawsuits pending against the Town. The outcome and eventual liability of the Town, if any, in these cases is not known at this time. Based upon consultation with legal counsel, the Town's management estimates that potential claims against the Town resulting from such litigation and not covered by insurance would not have a material adverse effect the financial condition of the Town.

**Municipal Solid Waste Service Agreement**

Solid waste collection in Trumbull is collected by private firms who have direct contracts with residents. Trumbull is one of nine municipalities that have entered into a Municipal Service Agreement (MSA) with Wheelabrator (Resco) for the disposal of solid waste through the Greater Bridgeport Resource Recovery System (the System). Each Municipality which has signed such MSA (a Participating Municipality) has agreed to deliver or cause to be delivered to the System all "Acceptable Waste," as defined therein, generated within its boundaries. The facility for the System (the Facility) is located in the City of Bridgeport, Connecticut, and was designed and constructed and is operated by Bridgeport Resco Company, L.P. (the Company). The Facility began commercial operation in July 1988 and is designed to process up to 2,250 tons of solid waste per day.

The Town and the other eight municipalities have exercised their option to extend the contract for another 10 years to 2024, retroactively to July 1, 2014. Wheelabrator (Resco) will bill each Participating Municipality a fixed charge of \$60.25 per ton of Municipal Solid Waste MSW actually delivered by or on behalf of each Participating Municipality, which escalates at 0.75% of the Consumer Price Index (the CPI) for the term of the contract. Starting July 1, 2016, the CPI will result in an increase in the disposal tipping fee to \$61.22 and the disposal fee adjustment for the program will decrease to \$0.10 for a total of \$61.32 Each Participating Municipality has agreed to pay Municipal Disposal Fees to Wheelabrator (Resco) for the acceptance and processing and/or disposing of Acceptable Waste. The Municipal Disposal Fees, which are payable on a monthly basis, include (i) disposal fees under a SolidWaste Disposal Agreement, and (ii) an Administrative Fee. Additionally, the Town anticipates spending another \$27 per ton of MSW to pay a private contractor to transport MSW to the Facility and to operate and maintain the MSW transfer station.

The Town has opted to engage with recycling processors independently. It has negotiated a contract that pays the Town \$35 per ton for recyclables that are directed to the processor. The most recent contract ran from July 1, 2012 to June 30, 2013 with five one year options. The Town is committed to deliver recyclables annually consisting of food and beverage containers made of glass, metal and certain plastics, and newspapers. Other defined residential recyclables are cardboard, waste oil, storage batteries, scrap metal and e-waste.

**15. SUBSEQUENT EVENTS**

On August 13, 2020, the Town issued \$17,095,000 General Obligation Bonds at a variable rate of 2.0%-4.0% and a final maturity of August 15, 2040, to permanently finance a range of capital projects approved by the Town in the 2018-2019 through 2020-2021, capital plans.

**Required  
Supplementary  
Information**

**TOWN OF TRUMBULL, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Property Taxes:				
Current levy	\$ 162,374,653	\$ 162,374,653	\$ 160,898,045	\$ (1,476,608)
Interest and lien fees	725,000	725,000	666,784	(58,216)
PILOT - St. Joseph's Village	21,243	21,243	23,078	1,835
Total property taxes	<u>163,120,896</u>	<u>163,120,896</u>	<u>161,587,907</u>	<u>(1,532,989)</u>
Intergovernmental:				
Education equalization grant	2,540,838	2,540,838	2,540,838	-
Special Ed-Excess				-
Military state and local	18,000	18,000	18,289	289
Social services grant			16,762	16,762
Nonpublic pupils	60,000	60,000	68,886	8,886
State property reimbursement	10,178	10,178	10,276	98
Disability exemption	2,500	2,500	2,904	404
Distribution to towns grant			20,800	20,800
Veterans grant	27,000	27,000	21,686	(5,314)
Telephone access tax	102,626	102,626	78,281	(24,345)
Manufacturing - tax relief	189,309	189,309	189,309	-
VOAG grant	625,000	625,000	848,199	223,199
Health HHS Stimulus			5,644	5,644
EMS HHS Stimulus			32,796	32,796
DOT senior transportation			15,721	15,721
DRS controller interest tax	98	98		(98)
Per capita grant	604,706	604,706	604,706	-
Total intergovernmental	<u>4,180,255</u>	<u>4,180,255</u>	<u>4,475,097</u>	<u>294,842</u>
Licenses, Permits, Fees and Other:				
Town clerk fees	775,000	775,000	915,397	140,397
Town attorney	45,000	45,000	31,750	(13,250)
Planning and zoning	56,000	56,000	28,507	(27,493)
Parks and recreation	420,000	420,000	224,597	(195,403)
Police	50,000	50,000	52,031	2,031
Building	680,000	680,000	1,034,732	354,732
Tuition/rentals - BOE	800,000	800,000	759,006	(40,994)
Fire marshal	55,000	55,000	79,859	24,859
Disposal area	313,500	313,500	263,914	(49,586)
Counseling center	15,000	15,000	7,882	(7,118)
Emergency medical services	1,550,000	1,550,000	1,522,747	(27,253)
Town engineer	60,000	60,000	47,534	(12,466)
Miscellaneous revenue	85,000	85,000	75,608	(9,392)
Health Department	100,000	100,000	101,482	1,482
Senior services	16,800	16,800	8,914	(7,886)
Cell tower rental	215,000	215,000	210,303	(4,697)
Total licenses, permits, fees and other	<u>5,236,300</u>	<u>5,236,300</u>	<u>5,364,263</u>	<u>127,963</u>

(Continued on next page)



**TOWN OF TRUMBULL, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Investment income:				
Unrealized loss	\$	\$	\$ 57,882	\$ 57,882
Income from investments	1,150,000	1,150,000	1,112,037	(37,963)
Total investment income	<u>1,150,000</u>	<u>1,150,000</u>	<u>1,169,919</u>	<u>19,919</u>
Other financing sources:				
Transfer in	1,010,113	1,010,113	1,010,113	-
Total other financing sources	<u>1,010,113</u>	<u>1,010,113</u>	<u>1,010,113</u>	<u>-</u>
Total Revenues and Other Financing Sources	<u>\$ 174,697,564</u>	<u>\$ 174,697,564</u>	173,607,299	<u>\$ (1,090,265)</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut pension expense for the Connecticut State				
Teachers' Retirement System for Town teachers are not budgeted			17,168,514	
State of Connecticut OPEB expense for the Connecticut State				
Teachers' Retirement System for Town teachers are not budgeted			469,230	
Refunding Bond Issuance			21,736,000	
Refunding Bond Premium			3,069,515	
The Town budgets for certain revenues net of their related expenditures			93,537	
The Town budgets for bond premiums received net of debt service expenditures			<u>292,674</u>	
Total Revenues and Other Financing Sources as Reported on the General Fund Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Exhibit A-2			216,436,769	
The Town does not budget for the Special Revenue BOE Programs, or Trumbull Day/Fall Festival Fund revenues			<u>1,388,944</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 217,825,713</u>	

**TOWN OF TRUMBULL, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General Government:				
Town council	\$ 94,633	\$ 94,633	\$ 89,192	\$ 5,441
Ethics commission	120	120		120
First selectman	311,842	311,842	307,454	4,388
Probate judge	12,691	12,691	12,691	-
Elections registrar	142,818	142,818	116,277	26,541
Finance director	580,670	580,670	565,746	14,924
Finance board	89,980	89,980	89,608	372
Assessor	495,783	495,783	469,341	26,442
Tax review	2,345	2,345	782	1,563
Tax collector	342,331	342,331	338,710	3,621
Purchasing	116,299	116,299	115,131	1,168
Treasurer	26,073	26,431	26,431	-
Technology	997,875	1,011,018	1,009,655	1,363
Town attorneys	403,355	403,355	373,095	30,260
Human resources	307,551	339,342	332,131	7,211
Employee benefits	17,295,365	17,879,373	17,878,576	797
Town clerk	323,110	323,110	316,773	6,337
Town hall	1,999,551	1,929,622	1,359,055	570,567
Planning and zoning	320,382	320,382	292,197	28,185
Economic development	172,586	172,586	163,032	9,554
Inland-wetlands commission	8,925	8,925	4,788	4,137
Conservation commission	6,385	6,385	5,390	995
Transit district	44,084	44,084	44,084	-
Trumbull nature center	2,837	2,837	2,384	453
Total general government	<u>24,097,591</u>	<u>24,656,962</u>	<u>23,912,523</u>	<u>744,439</u>
Public Safety:				
Police	9,442,734	9,442,734	9,287,543	155,191
Dog warden	140,889	140,889	133,947	6,942
Emergency medical service	1,422,703	1,559,966	1,555,253	4,713
Fire marshal	374,306	422,040	412,369	9,671
Fire hydrants - water	1,536,403	1,549,935	1,549,935	-
Building official	388,845	395,850	395,768	82
Emergency management	100,132	100,132	76,877	23,255
Total public safety	<u>13,406,012</u>	<u>13,611,546</u>	<u>13,411,692</u>	<u>199,854</u>

(Continued on next page)

**TOWN OF TRUMBULL, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Public Works:				
Public works Director	\$ 196,048	\$ 196,048	\$ 194,939	\$ 1,109
Street lights	335,000	321,468	317,139	4,329
Public works (highway)	2,695,126	2,695,126	2,674,914	20,212
Snow removal	515,000	515,000	369,842	145,158
Highway construction	100,000	100,000	100,000	-
Public works maintenance	925,329	948,307	948,303	4
Fleet maintenance	1,199,458	1,199,458	1,050,495	148,963
Disposal area	2,583,103	2,583,103	2,495,010	88,093
Town engineer	656,339	656,339	631,931	24,408
Total public works	<u>9,205,403</u>	<u>9,214,849</u>	<u>8,782,573</u>	<u>432,276</u>
Public Health:				
Board of health	381,131	381,131	368,953	12,178
Vital statistics	1,200	1,200	723	477
Nursing - seniors	34,108	34,108	31,645	2,463
Non-public schools	332,095	332,095	250,631	81,464
Total public health	<u>748,534</u>	<u>748,534</u>	<u>651,952</u>	<u>96,582</u>
Social Services:				
Social services	119,034	129,909	127,858	2,051
Counseling center	358,695	367,994	361,328	6,666
Senior citizen commission	320,924	320,924	282,742	38,182
Total social services	<u>798,653</u>	<u>818,827</u>	<u>771,928</u>	<u>46,899</u>
Libraries	<u>1,617,049</u>	<u>1,617,049</u>	<u>1,516,131</u>	<u>100,918</u>
Recreation and Parks:				
Public events	20,000	20,000	15,298	4,702
Trumbull Day				-
Recreation and parks	934,875	934,875	797,188	137,687
Parks	2,090,876	2,140,876	2,004,972	135,904
Tree warden	153,868	312,294	310,122	2,172
Total recreation and parks	<u>3,199,619</u>	<u>3,408,045</u>	<u>3,127,580</u>	<u>280,465</u>

(Continued on next page)

**TOWN OF TRUMBULL, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Education:				
Pension - Teachers Retirement System	\$ 510,870	\$	\$	\$ -
Contractual services	213,000	159,012	159,012	-
Operational expenditures	105,607,462	106,118,332	106,118,332	-
Busing	1,021,563	1,112,117	1,045,368	66,749
Use of buildings	103,500	155,748	155,748	-
Community television	88,490	88,490	74,699	13,791
Business education initiative	10,800	10,800	8,694	2,106
School nurses	884,482	884,482	868,684	15,798
Total education	<u>108,440,167</u>	<u>108,528,981</u>	<u>108,430,537</u>	<u>98,444</u>
Debt Service:				
Principal - bonds and notes	9,444,943	9,484,193	9,484,193	-
Interest - bonds	3,739,593	3,611,529	3,423,497	188,032
Total debt service	<u>13,184,536</u>	<u>13,095,722</u>	<u>12,907,690</u>	<u>188,032</u>
Total Expenditures	<u>\$ 174,697,564</u>	<u>\$ 175,700,515</u>	173,512,606	<u>\$ 2,187,909</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut pension expense for the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			17,168,514	
State of Connecticut OPEB expense for the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			469,230	
Payments to escrow agent			24,627,690	
Bond issuance costs on refunding not budgeted			177,825	
The Town budgets for certain revenues net of their related expenditures			93,537	
The Town budgets for bond premiums received net of debt service expenditures			292,674	
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes			<u>59,483</u>	
Total Expenditures and Other Financing Uses as Reported on the General Fund Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Exhibit A-2			216,401,559	
The Town does not budget for the Special Revenue BOE Programs, or Trumbull Day/Fall Festival Fund expenditures			<u>1,427,389</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 217,828,948</u>	

**TOWN OF TRUMBULL, CONNECTICUT  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
TOWN PENSION PLAN  
LAST SEVEN FISCAL YEARS\***

	2014	2015	2016	2017	2018	2019	2020
Total pension liability:							
Service cost	\$ 2,793,812	\$ 2,701,045	\$ 2,448,431	\$ 1,759,518	\$ 1,692,325	\$ 1,567,163	\$ 1,622,014
Interest	4,505,608	4,697,592	5,096,998	5,946,083	6,125,358	6,302,407	6,470,379
Differences between expected and actual experience	(1,420,269)	454,201		2,265,911		167,945	
Changes of assumptions	(888,190)	(6,003,401)	(4,632,778)	(15,331,501)	(5,338,169)	(5,661,437)	(5,708,182)
Benefit payments, including refunds of member contributions	(4,191,446)	(4,436,959)	2,912,651	(5,144,488)	2,479,514	2,376,078	2,384,211
Net change in total pension liability	799,515	(2,587,522)	90,240,021	(10,504,477)	82,648,195	85,127,709	87,503,787
Total pension liability - beginning	92,028,028	92,827,543	90,240,021	93,152,672	85,127,709	87,503,787	89,887,998
Total pension liability - ending	92,827,543	90,240,021	93,152,672	82,648,195	85,127,709	87,503,787	89,887,998
Plan fiduciary net position:							
Contributions - employer	4,576,000	4,693,000	4,144,000	4,243,000	5,048,000	5,148,200	5,596,741
Contributions - member	890,129	957,865	1,013,782	1,014,599	973,039	968,820	951,391
Net investment income (loss)	3,621,539	760,124	(325,750)	4,067,296	2,044,233	1,884,001	104,956
Benefit payments, including refunds of member contributions	(4,191,446)	(4,436,959)	(4,632,778)	(5,144,488)	(5,338,169)	(5,661,437)	(5,708,182)
Administrative expense	(43,756)	(65,602)	(78,943)	(74,325)	(27,815)	(30,906)	(79,430)
Net change in plan fiduciary net position	4,852,466	1,908,428	120,311	4,106,082	2,699,288	2,308,678	865,476
Plan fiduciary net position - beginning	21,718,299	26,570,765	28,479,193	28,599,504	32,705,586	35,404,874	37,713,552
Plan fiduciary net position - ending	26,570,765	28,479,193	28,599,504	32,705,586	35,404,874	37,713,552	38,579,028
Town's Net Pension Liability - Ending	\$ 66,256,778	\$ 61,760,828	\$ 64,553,168	\$ 49,942,609	\$ 49,722,835	\$ 49,790,235	\$ 51,308,970
Plan fiduciary net position as a percentage of the total pension liability	28.61%	31.55%	30.69%	39.57%	41.59%	43.10%	42.92%
Covered payroll	\$ 16,964,000	\$ 18,823,000	\$ 18,823,000	\$ 18,737,000	\$ 18,737,000	\$ 17,938,000	\$ 17,938,000
Town's net pension liability as a percentage of covered payroll	390.63%	328.17%	342.95%	266.55%	265.37%	277.57%	286.04%

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

**TOWN OF TRUMBULL, CONNECTICUT  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
POLICE PENSION PLAN  
LAST SEVEN FISCAL YEARS\***

	2014	2015	2016	2017	2018	2019	2020
Total pension liability:							
Service cost	\$ 1,197,110	\$ 1,244,273	\$ 1,222,269	\$ 1,208,765	\$ 1,263,157	\$ 1,141,181	\$ 1,192,534
Interest	4,873,896	5,121,135	5,409,980	5,610,735	5,918,839	6,104,057	6,389,847
Differences between expected and actual experience	(1,799,468)	(225,852)		(1,330,307)		(1,461,171)	
Changes of assumptions	337,006	(2,137,428)		(593,578)			
Benefit payments, including refunds of member contributions	(2,087,953)	(2,317,222)	(2,524,849)	(2,674,840)	(2,856,832)	(3,401,725)	(3,570,422)
Net change in total pension liability	2,520,591	1,684,906	4,107,400	2,220,775	4,325,164	2,382,342	4,011,959
Total pension liability - beginning	68,549,442	71,070,033	72,754,939	76,862,339	79,083,114	83,408,278	85,790,620
Total pension liability - ending	71,070,033	72,754,939	76,862,339	79,083,114	83,408,278	85,790,620	89,802,579
Plan fiduciary net position:							
Contributions - employer	1,700,000	2,050,000	2,907,021	3,004,000	3,080,000	3,157,000	3,056,259
Contributions - member	348,591	365,070	353,864	374,797	366,204	333,579	340,250
Net investment income	5,662,996	1,784,182	791,309	6,272,024	4,757,590	4,696,660	3,996,281
Benefit payments, including refunds of member contributions	(2,087,953)	(2,317,222)	(2,524,849)	(2,674,840)	(2,856,832)	(3,401,725)	(3,570,422)
Administrative expense	(177,899)	(145,610)	(125,049)	(134,628)	(153,018)	(161,209)	(174,052)
Net change in plan fiduciary net position	5,445,735	1,736,420	1,402,296	6,841,353	5,193,944	4,624,305	3,648,316
Plan fiduciary net position - beginning	43,535,990	48,981,725	50,718,145	52,120,441	58,961,794	64,155,738	68,780,043
Plan fiduciary net position - ending	48,981,725	50,718,145	52,120,441	58,961,794	64,155,738	68,780,043	72,428,359
Town's Net Pension Liability - Ending	\$ 22,088,308	\$ 22,036,794	\$ 24,741,898	\$ 20,121,320	\$ 19,252,540	\$ 17,010,577	\$ 17,374,220
Plan fiduciary net position as a percentage of the total pension liability	68.92%	69.71%	67.81%	74.56%	76.92%	80.17%	80.65%
Covered payroll	\$ 5,995,000	\$ 5,995,000	\$ 5,995,000	\$ 6,289,000	\$ 6,289,000	\$ 5,906,000	\$ 5,906,000
Town's net pension liability as a percentage of covered payroll	368.45%	367.59%	412.71%	319.94%	306.13%	288.02%	294.18%

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

**TOWN OF TRUMBULL, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TOWN PENSION PLAN  
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Actuarially determined contribution	\$ 4,472,000	\$ 4,438,000	\$ 4,576,000	\$ 4,576,000	\$ 4,639,000	\$ 4,144,000	\$ 4,243,000	\$ 5,048,000	\$ 5,148,000	\$ 5,227,000
Contributions in relation to the actuarially determined contribution	2,325,000	3,000,000	3,700,000	4,576,000	4,693,000	4,144,000	4,243,000	5,048,000	5,148,000	5,596,741
Contribution Deficiency (Excess)	\$ 2,147,000	\$ 1,438,000	\$ 876,000	\$ -	\$ (54,000)	\$ -	\$ -	\$ -	\$ -	\$ (369,741)
Covered payroll	\$ 18,308,000	\$ 18,559,000	\$ 18,559,000	\$ 16,964,000	\$ 18,823,000	\$ 18,823,000	\$ 18,737,000	\$ 18,737,000	\$ 17,938,000	\$ 17,938,000
Contributions as a percentage of covered payroll	12.70%	16.16%	19.94%	26.97%	24.93%	22.02%	22.65%	26.94%	28.70%	31.20%

**Notes to Schedule**

- Valuation date: July 1, 2018
- Measurement date: June 30, 2020
- Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported
- Methods and assumptions used to determine contribution rates:
  - Entry age normal
  - Level dollar
  - 25 year closed period
  - Market value
  - Inflation 4.50%
  - Salary increases 3.5%, per annum, compounded annually
  - Investment rate of return 7.5%, per annum, compounded annually
  - Retirement age Employees can retire on or after age 62 if they have at least 10 years of service, or after age 60 if age plus years of service equals at least 85.
- Mortality UP-1994 Mortality Table, with current and future mortality improvement estimated by projecting improvement to 2018 using Scale AA (dynamic)
- Changes to the Plan Provisions Since Prior Year None noted

**TOWN OF TRUMBULL, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION PLAN  
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Actuarially determined contribution	\$ 3,474,000	\$ 3,393,000	\$ 3,088,000	\$ 3,088,000	\$ 3,226,000	\$ 2,907,000	\$ 3,004,000	\$ 3,080,000	\$ 3,157,000	\$ 2,926,000
Contributions in relation to the actuarially determined contribution	1,350,000	1,450,000	1,600,000	1,700,000	2,050,000	2,907,000	3,004,000	3,080,000	3,157,000	3,056,259
Contribution Deficiency (Excess)	\$ 2,124,000	\$ 1,943,000	\$ 1,488,000	\$ 1,388,000	\$ 1,176,000	\$ -	\$ -	\$ -	\$ -	\$ (130,259)
Covered payroll	\$ 5,542,000	\$ 5,358,000	\$ 5,358,000	\$ 5,655,000	\$ 5,995,000	\$ 5,995,000	\$ 6,289,000	\$ 6,289,000	\$ 5,906,000	\$ 5,906,000
Contributions as a percentage of covered payroll	24.36%	27.06%	29.86%	30.06%	34.20%	48.49%	47.77%	48.97%	53.45%	51.75%

**Notes to Schedule**

Valuation date: July 1, 2018  
 Measurement date: June 30, 2020  
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported  
 Methods and assumptions used to determine contribution rates:  
 Actuarial cost method: Entry age normal  
 Amortization method: Level dollar  
 Remaining amortization period: 15 year open period  
 Asset valuation method: Market value  
 Inflation: 4-50%  
 Salary increases: 4.5% per annum, compounded annually  
 Investment rate of return: 7.5% per annum, compounded annually  
 Retirement age: Employees can retire on or after age 47 if they have at least 25 years of service. Retirees older than 47 with at least 25 years of service receive an additional 1.25% for each 3 month period worked after 25 years up to a maximum of 75% of base salary plus 13 days of holiday pay.  
 Mortality: UP-1994 Mortality Table, with current and future mortality improvement estimated by projecting improvement to 2018 using Scale AA  
 Changes to the Plan Provisions Since Prior Year: None noted



**TOWN OF TRUMBULL, CONNECTICUT  
 SCHEDULE OF INVESTMENT RETURNS  
 LAST SEVEN FISCAL YEARS\***

	2014	2015	2016	2017	2018	2019	2020
Town Pension Plan							
Annual money-weighted rate of return, net of investment expense	16.06%	2.78%	-1.22%	14.03%	6.19%	5.29%	0.28%
Police Pension Plan							
Annual money-weighted rate of return, net of investment expense	12.99%	3.63%	1.55%	11.97%	8.02%	7.29%	5.82%

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

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>129,130,140</u>	<u>139,705,936</u>	<u>187,905,525</u>	<u>178,108,210</u>	<u>174,885,776</u>	<u>226,812,709</u>
Total	<u>\$ 129,130,140</u>	<u>\$ 139,705,936</u>	<u>\$ 187,905,525</u>	<u>\$ 178,108,210</u>	<u>\$ 174,885,776</u>	<u>\$ 226,812,709</u>
Town's covered payroll	\$ 50,065,869	\$ 52,166,685	\$ 53,241,652	\$ 54,453,242	\$ 56,783,573	\$ 57,495,381
Town's proportionate share of the net pension liability as a percentage of its covered payroll	61.51%	59.50%	52.26%	55.93%	57.69%	52.00%
Plan fiduciary net position as a percentage of the total pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Notes to Schedule**

Changes in benefit terms	<p>HB 7424 made the following provision changes:</p> <ul style="list-style-type: none"> <li>- Beginning July 1, 2019, annual interest credited on mandatory contributions set at 4.0%.</li> <li>- For members retiring on or after July 1, 2019 with a partial refund option election (Plan N), if 50% of the benefits paid prior to death do not exceed the Member's mandatory contributions plus interest frozen at the date of benefit commencement, the difference is paid to the Member's beneficiary.</li> </ul>
Changes of assumptions	<p>HB 7424 made the following assumption changes:</p> <ul style="list-style-type: none"> <li>- Reduce the inflation assumption from 2.75% to 2.50%.</li> <li>- Reduce the real rate of return assumption from 5.25% to 4.40% which, when combined with the inflation assumption change, results in a decrease in the investment rate of return assumption from 8.00% to 6.90%.</li> <li>- Increase the annual rate of wage increase assumption from 0.50% to 0.75%.</li> <li>- Phase in to a level dollar amortization method for the June 30, 2024 valuation.</li> </ul>
Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Single equivalent amortization period	17.6 years
Asset valuation method	4-year smoothed market
Inflation	2.75%
Salary increase	3.25%-6.50%, including inflation
Investment rate of return	8.00%, net of investment related expense

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

**TOWN OF TRUMBULL, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**OPEB**  
**LAST FOUR FISCAL YEARS\***

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB liability:				
Service cost	\$ 790,313	\$ 829,829	\$ 634,451	\$ 666,174
Interest	968,427	1,010,692	1,102,679	978,625
Differences between expected and actual experience	(9,228)	(172,183)	(5,829,127)	(102,766)
Changes in assumptions			1,316,325	
Contributions - member	66,101	66,995	65,701	70,033
Benefit payments	<u>(617,908)</u>	<u>(505,654)</u>	<u>(1,011,500)</u>	<u>(1,018,061)</u>
Net change in total OPEB liability	1,197,705	1,229,679	(3,721,471)	594,005
Total OPEB liability - beginning	<u>30,701,689</u>	<u>31,899,394</u>	<u>33,129,073</u>	<u>29,407,602</u>
Total OPEB liability - ending	<u>31,899,394</u>	<u>33,129,073</u>	<u>29,407,602</u>	<u>30,001,607</u>
Plan fiduciary net position:				
Contributions - employer	710,756	539,392	931,250	960,860
Contributions - member	66,101	66,995	65,701	70,033
Net investment income	2,159	7,425	14,565	8,440
Benefit payments	<u>(617,908)</u>	<u>(505,654)</u>	<u>(1,011,500)</u>	<u>(1,018,061)</u>
Net change in plan fiduciary net position	161,108	108,158	16	21,272
Plan fiduciary net position - beginning	<u>413,490</u>	<u>574,598</u>	<u>682,756</u>	<u>682,772</u>
Plan fiduciary net position - ending	<u>574,598</u>	<u>682,756</u>	<u>682,772</u>	<u>704,044</u>
Net OPEB Liability - Ending	<u>\$ 31,324,796</u>	<u>\$ 32,446,317</u>	<u>\$ 28,724,830</u>	<u>\$ 29,297,563</u>
Plan fiduciary net position as a percentage of the total OPEB liability	1.80%	2.06%	2.32%	2.35%
Covered payroll	\$ 89,628,198	\$ 93,213,326	\$ 82,490,404	\$ 85,790,020
Net OPEB liability as a percentage of covered payroll	34.95%	34.81%	30.82%	35.52%

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

**TOWN OF TRUMBULL, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OPEB  
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Actuarially determined contribution (1)	\$ 1,916,068	\$ 1,961,359	\$ 1,711,014	\$ 1,779,694	\$ 1,690,667	\$ 1,757,696	\$ 1,591,840	\$ 2,941,036	\$ 2,686,818	\$ 2,640,161
Contributions in relation to the actuarially determined contribution	510,133	556,045	929,628	1,024,168	764,501	900,291	710,756	539,392	931,250	960,860
Contribution Deficiency (Excess)	\$ 1,405,935	\$ 1,405,314	\$ 781,386	\$ 755,526	\$ 926,166	\$ 857,405	\$ 881,084	\$ 2,401,644	\$ 1,755,568	\$ 1,679,301
Covered payroll	\$ 75,396,441	\$ 79,418,708	\$ 79,418,708	\$ 92,418,236	\$ 92,418,236	\$ 92,418,236	\$ 89,628,198	\$ 93,213,326	\$ 82,490,404	\$ 85,790,020
Contributions as a percentage of covered payroll	0.68%	0.70%	1.17%	1.11%	0.83%	0.97%	0.79%	0.58%	1.13%	1.12%

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

**Notes to Schedule**

Valuation date: July 1, 2019  
Measurement date: June 30, 2020

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percent per pay
Amortization period	20 year closed
Asset valuation method	Market Value
Inflation	4.50%
Healthcare cost trend rates	7.50% declining to 6.75% over a three year period
Salary increases	4.00%
Investment rate of return	3.36%
Retirement age	Police - age 47 with 25 years of service, Town and BOE non-certified employees age 62 with 10 years of service Teachers and administrators age 50 with 25 years of service, or age 55 with 30 years of service or age 60 with 10 years of service
Mortality	1994 Uninsured pensioner mortality table with rates projected to 2014, separate tables for males and females

**TOWN OF TRUMBULL, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
OPEB  
LAST FOUR FISCAL YEARS\***

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	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Annual money-weighted rate of return, net of investment expense	0.45%	0.45%	1.48%	1.48%

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

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

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>45,843,019</u>	<u>34,960,809</u>	<u>35,372,721</u>
Total	<u>\$ 45,843,019</u>	<u>\$ 34,960,809</u>	<u>\$ 35,372,721</u>
Town's covered payroll	\$ 54,453,242	\$ 56,783,573	\$ 57,495,381
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.79%	1.49%	2.08%

**Notes to Schedule**

Changes in benefit terms	The Plan was amended by the Board, effective January 1, 2019, during the September 12, 2018 meeting. The Board elected a new prescription drug plan, which is expected to reduce overall costs and allow for the Board to receive a government subsidy for members whose claims reach a catastrophic level. These changes were communicated to retired members during the months leading up to the open enrollment period that preceded the January 1, 2019 implementation date.
Changes of assumptions	Based on the procedure described in GASB 74, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2019 was updated to equal the Municipal Bond Index Rate of 3.50% as of June 30, 2019.  Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on July 1, 2019. The expected rate of inflation was decreased, and the real wage growth assumption was increased.
Actuarial cost method	Entry age
Amortization method	Level percent of payroll over an open period
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Investment rate of return	3.00%, net of investment related expense including price inflation
Price inflation	2.75%

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

***Appendix B-1***

***Form of Opinion of Bond Counsel – The Bonds***

**FORM OF OPINION OF BOND COUNSEL – THE BONDS**

September \_\_, 2021

Town of Trumbull  
Trumbull Town Hall  
5866 Main Street  
Trumbull, Connecticut 06611

We have acted as Bond Counsel to the Town of Trumbull, Connecticut (the “Town”) in connection with the issuance by the Town of its \$ \_\_\_\_\_ General Obligation Bonds, Issue of 2021, Series B, dated September \_\_, 2021 (the “Bonds”). In such capacity, we have examined a record of proceedings of the Town authorizing the Bonds, a Tax Regulatory Agreement of the Town, dated September \_\_, 2021 (the “Agreement”), such law and such other proceedings, certifications, and documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We are of the opinion that when the Bonds are duly certified by U.S. Bank National Association, they will be valid and binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excluded from gross income. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds shall be excluded from gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds.

In rendering the below opinions regarding the federal treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Agreement, and (ii) continuing compliance by the Town with the procedures and covenants set forth in the Agreement as to such tax matters.



In our opinion, under existing statutes and court decisions, (i) interest on the Bonds is excluded from gross income for federal income tax purposes; and (ii) such interest is not an item of tax preference for purposes of calculating the federal alternative minimum tax. Although we have rendered an opinion that interest on the Bonds is excluded from gross income for federal income tax purposes, federal income tax liability may otherwise be affected by the ownership or disposition of the Bonds. We express no opinion regarding other federal income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We are further of the opinion that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other State income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement dated August \_\_\_, 2021 and other offering material relating to the Bonds.

We have not undertaken to advise whether any events after the date of issuance of the Bonds, including the adoption of federal tax legislation, may affect the tax status of the Bonds.

Respectfully,

PULLMAN & COMLEY, LLC

***Appendix B-2***

***Form of Opinion of Bond Counsel – The Notes***

**FORM OF OPINION OF BOND COUNSEL – THE NOTES**

September \_\_, 2021

Town of Trumbull  
Trumbull Town Hall  
5866 Main Street  
Trumbull, Connecticut 06611

We have acted as Bond Counsel to the Town of Trumbull, Connecticut (the “Town”) in connection with the issuance by the Town of its \$ \_\_\_\_\_ General Obligation Bond Anticipation Notes, dated September \_\_, 2021 (the “Notes”). In such capacity, we have examined a record of proceedings of the Town authorizing the Notes, a Tax Regulatory Agreement of the Town, dated September \_\_, 2021 (the “Agreement”), such law and such other proceedings, certifications, and documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We are of the opinion that when the Notes are duly certified by U.S. Bank National Association, they will be valid and binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Notes in order that interest on the Notes be excluded from gross income. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes to ensure that interest on the Notes shall be excluded from gross income for federal income tax purposes retroactive to the date of issuance of the Notes, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Notes.

In rendering the below opinions regarding the federal treatment of interest on the Notes, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Agreement, and (ii) continuing compliance by the Town with the procedures and covenants set forth in the Agreement as to such tax matters.

In our opinion, under existing statutes and court decisions, (i) interest on the Notes is excluded from gross income for federal income tax purposes; and (ii) such interest is not an item of tax preference for purposes of calculating the federal alternative minimum tax. Although we have rendered an opinion that interest on the Notes is excluded from gross income for federal income tax purposes, federal income tax liability may otherwise be affected by the ownership or disposition of the Notes. We express no opinion regarding other federal income tax consequences caused by ownership or disposition of, or receipt of interest on the Notes.

We are further of the opinion that, under existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other State income tax consequences caused by ownership or disposition of, or receipt of interest on the Notes.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement dated August \_\_\_, 2021 and other offering material relating to the Notes.

We have not undertaken to advise whether any events after the date of issuance of the Notes, including the adoption of federal tax legislation, may affect the tax status of the Notes.

Respectfully,

PULLMAN & COMLEY, LLC

***Appendix C-1***

***Form of Continuing Disclosure Agreement – The Bonds***

**FORM OF CONTINUING DISCLOSURE AGREEMENT FOR BONDS  
BY THE TOWN OF TRUMBULL, CONNECTICUT**

**In Connection With The Issuance and Sale of  
\$ \_\_\_\_\_ Town of Trumbull, Connecticut  
General Obligation Bonds, Issue of 2021, Series B  
dated September \_\_, 2021**

This Continuing Disclosure Agreement (“Agreement”) is made as of September \_\_, 2021, by the Town of Trumbull, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of its \$ \_\_\_\_\_ General Obligation Bonds, Issue of 2021, Series B dated September \_\_, 2021 (the “Bonds”).

**Section 1. Definitions.** In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Section 2 of this Agreement.

“EMMA” means the Electronic Municipal Market Access System as described in the 1934 Act Release #59062 and maintained by the Municipal Securities Rulemaking Board for the purposes of the Rule and as further described in Section 13 hereof.

“Final Official Statement” means the official statement of the Issuer dated August \_\_, 2021 prepared in connection with the issuance of the Bonds.

“Fiscal Year End” shall mean the last day of the Issuer’s fiscal year, currently June 30.

“Listed Events” shall mean any of the events listed in Section 4 of this Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Rule” means rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

“SEC” means the Securities and Exchange Commission of the United States, or any successor thereto.

**Section 2. Annual Reports.**

(a) The Issuer shall provide or cause to be provided to the MSRB, in accordance with the provisions of the Rule and of this Agreement, the following annual financial information and operating data regarding the Issuer:

(i) Audited financial statements as of and for the year ending on its Fiscal Year End for the general fund, capital projects funds and special revenue funds, prepared in accordance with generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time; and

(ii) Financial information and operating data as of and for the year ending on its Fiscal Year End of the following type to the extent not included in the audited financial statements described in (i) above:

- (A) the amounts of the gross and net taxable grand list;
  - (B) a listing of the ten largest taxpayers on the grand list, together with each such taxpayer's taxable valuation thereon;
  - (C) the percentage and amount of the annual property tax levy collected and uncollected;
  - (D) a schedule of the annual debt service on outstanding long-term bonded indebtedness;
  - (E) a calculation of the net direct debt, total direct debt, and total overall net debt (reflecting overlapping and underlying debt);
  - (F) the total direct debt, total net direct debt and total overall net debt of the Issuer per capita;
  - (G) the ratios of total direct debt and total overall net debt of the Issuer to the Issuer's net taxable grand list;
  - (H) a statement of statutory debt limitations and debt margins;
- and
- (I) the funding status of the Issuer's pension benefit obligations.

(b) The above-referenced information is expected to be provided by the filing of and cross reference to the Issuer's audited financial statements. The information may be provided in whole or in part by cross-reference to other documents provided to the MSRB, including official statements of the Issuer which will be available from the MSRB's internet web site or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report or the annual adopted budget.

(c) Subject to the requirements of Section 8 hereof, the Issuer reserves the right to modify from time to time the specific types of information or data provided or the format of the presentation of such information or data, to the extent necessary or appropriate; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule. The Issuer also reserves the right to modify the preparation and presentation of financial statements described herein as may be required to conform with changes in Connecticut law applicable to municipalities or any changes in generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time.

**Section 3. Timing.** the Issuer shall provide the information and data referenced in Section 2(a) not later than eight months after each Fiscal Year End subsequent to the date of issuance of the Bonds, provided, however, that if such financial information and data for the Fiscal Year End preceding the date of issuance of the Bonds is not contained in the Final Official Statement for the Bonds or has not otherwise been previously provided, the Issuer shall provide such information and data no later than eight months after the close of such preceding Fiscal Year End. The Issuer agrees that if audited information is not

available eight months after the close of any Fiscal Year End, it shall submit unaudited information by such time and will submit audited information when available.

**Section 4. Event Notices.**

**(a)** The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Bonds, notice of the occurrence of such event:

- (i)** principal and interest payment delinquencies;
- (ii)** unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii)** unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv)** substitution of credit or liquidity providers, or their failure to perform;
- (v)** adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds;
- (vi)** tender offers;
- (vii)** bankruptcy, insolvency, receivership, or a similar proceeding by the Issuer;
- (viii)** Bond defeasances;
- (ix)** rating changes; and
- (x)** default, event of acceleration, termination event, modification of terms, or other similar events under the terms of financial obligation of the Issuer, any of which reflect financial difficulties.

**(b)** The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Bonds, notice of the occurrence of such event, if material:

- (i)** non-payment related defaults;
- (ii)** modifications to rights of Bondholders;
- (iii)** Bond calls;
- (iv)** release, substitution, or sale of property securing repayment of the Bonds;
- (v)** consummation of a merger, consolidation, acquisition involving the Issuer, other than the ordinary course of business, or the sale of all or substantially all the



assets of the Issuer, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms;

(vi) appointment of a successor or additional trustee, or the change in the name of the trustee; and

(vii) incurrence of a financial obligation of the Issuer or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders.

*Note to clauses (a)(x) and (b)(vii): For purposes of the events identified in clauses (a)(x) and (b)(vii), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.*

**Section 5. Notice of Failure.** The Issuer agrees to provide or cause to be provided, in a timely manner to the MSRB, notice of any failure by the Issuer to provide the annual financial information described in Section 2(a) of this Agreement on or before the date set forth in Section 3 hereof.

**Section 6. Termination of Reporting Obligation.** The Issuer’s obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

**Section 7. Agent.** The Issuer may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

**Section 8. Amendment; Waiver.** Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) the Agreement as so amended would have complied with the requirements of the Rule as of the date of the Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

**Section 9. Additional Information.** Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communications, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**Section 10. Indemnification.** The Issuer agrees to indemnify and save its officials, officers and employees harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any such liabilities due to any such person's malicious, wanton, or willful act. The obligations of the Issuer under this Section shall survive, notwithstanding that such person may no longer be serving in such capacity.

**Section 11. Enforceability.** The Issuer agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. The present address of the Issuer is Trumbull Town Hall, 5866 Main Street, Trumbull, Connecticut 06611. In the event the Issuer does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Issuer's obligations hereunder. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute default of the Issuer with respect to the Bonds.

**Section 12. Governing Law.** This Agreement shall be governed by the laws of the State of Connecticut.

**Section 13. Method of Filing.** To the extent filings are required to be made to the MSRB under this Agreement, the Issuer shall transmit such filings or notices in an electronic format to the continuing disclosure service portal provided through MSRB's EMMA as provided at <http://emma.msrb.org/> or any similar system that is acceptable to the SEC.

**IN WITNESS WHEREOF**, the Issuer has caused this Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

**TOWN OF TRUMBULL, CONNECTICUT**

By: \_\_\_\_\_  
Vicki A. Tesoro, First Selectwoman

By: \_\_\_\_\_  
Anthony Musto, Treasurer

By: \_\_\_\_\_  
Maria T. Pires, Director of Finance

***Appendix C-2***

***Form of Continuing Disclosure Agreement – The Notes***

**CONTINUING DISCLOSURE AGREEMENT FOR NOTES  
BY THE TOWN OF TRUMBULL, CONNECTICUT**

**In Connection With The Issuance and Sale of  
\$ \_\_\_\_\_ Town of Trumbull, Connecticut  
General Obligation Bond Anticipation Notes**

This Continuing Disclosure Agreement (“Agreement”) is made as of September \_\_, 2021, by the Town of Trumbull, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of its \$ \_\_\_\_\_ General Obligation Bond Anticipation Notes, dated September \_\_, 2021 (the “Notes”).

**Section 1. Definitions.** In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

“EMMA” means the Electronic Municipal Market Access System as described in the 1934 Act Release #59062 and maintained by the Municipal Securities Rulemaking Board for the purposes of the Rule and as further described in Section 10 hereof.

“Final Official Statement” means the official statement of the Issuer dated August \_\_, 2021 prepared in connection with the issuance of the Notes.

“Listed Events” shall mean any of the events listed in Section 2 of this Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Rule” means rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

“SEC” means the Securities and Exchange Commission of the United States, or any successor thereto.

**Section 2. Event Notices.**

(a) The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Notes, notice of the occurrence of such event:

- (i) principal and interest payment delinquencies;
- (ii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) substitution of credit or liquidity providers, or their failure to perform;

(v) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Notes, or other events affecting the tax status of the Notes;

(vi) tender offers;

(vii) bankruptcy, insolvency, receivership, or a similar proceeding by the Issuer;

(viii) Note defeasances;

(ix) rating changes

(x) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

(b) The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Notes, notice of the occurrence of such event, if material:

(i) non-payment related defaults;

(ii) modifications to rights of Note holders;

(iii) Note calls;

(iv) release, substitution, or sale of property securing repayment of the Notes;

(v) consummation of a merger, consolidation, acquisition involving the Issuer, other than the ordinary course of business, or the sale of all or substantially all the assets of the Issuer, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms;

(vi) appointment of a successor or additional trustee, or the change in the name of the trustee;

(vii) incurrence of a financial obligation of the Issuer or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders.

*Note to clauses (a)(x) and (b)(vii): For purposes of the events identified in clauses (a)(x) and (b)(vii), the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.*

**Section 3. Termination of Reporting Obligation.** The Issuer's obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Notes.

**Section 4. Agent.** The Issuer may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

**Section 5. Amendment; Waiver.** Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Notes and (ii) the Agreement as so amended would have complied with the requirements of the Rule as of the date of the Agreement, taking in account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

**Section 6. Additional Information.** Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communications, or including any other information in any annual report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any annual report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future annual report or notice of occurrence of a Listed Event.

**Section 7. Indemnification.** The Issuer agrees to indemnify and save its officials, officers and employees harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any such liabilities due to any such person's malicious, wanton, or willful act. The obligations of the Issuer under this Section shall survive, notwithstanding that such person may no longer be serving in such capacity.

**Section 8. Enforceability.** The Issuer agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Notes. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Notes of such failure. The present address of the Issuer is Trumbull Town Hall, 5866 Main Street, Trumbull, Connecticut 06611. In the event the Issuer does not cure such failure, the right of any beneficial owner of the Notes to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Issuer's obligations hereunder. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute default of the Issuer with respect to the Notes.

**Section 9. Governing Law.** This Agreement shall be governed by the laws of the State of Connecticut.

**Section 10. Method of Filing.** To the extent filings are required to be made to the MSRB under this Agreement, the Issuer shall transmit such filings or notices in an electronic format to the continuing disclosure service portal provided through MSRB's EMMA as provided at <http://emma.msrb.org/> or any similar system that is acceptable to the SEC.

**IN WITNESS WHEREOF**, the Issuer has caused this Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

**TOWN OF TRUMBULL, CONNECTICUT**

By: \_\_\_\_\_  
Vicki A. Tesoro, First Selectwoman

By: \_\_\_\_\_  
Anthony Musto, Treasurer

By: \_\_\_\_\_  
Maria T. Pires, Director of Finance

***Appendix D-1***

***Notice of Sale and Bid Form – The Bonds***



## NOTICE OF SALE

**TOWN OF TRUMBULL, CONNECTICUT**  
**\$13,430,000\* GENERAL OBLIGATION BONDS, ISSUE OF 2021, SERIES B**  
**BOOK-ENTRY ONLY**  
**(the “Bonds”)**

ELECTRONIC BIDS via **PARITY**<sup>®</sup> (as described herein) will be received by the **TOWN OF TRUMBULL, CONNECTICUT** (the “Town”) at Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, Connecticut 06611 until **11:30 A.M. (Eastern Time), WEDNESDAY**

**AUGUST 18, 2021**

(the “Bid Date”) for the purchase of all (but not less than all) of \$13,430,000\* General Obligation Bonds, Issue of 2021, Series B of the Town (the “Bonds”), when issued, at not less than par and accrued interest from the date of the Bonds to the date of delivery, which mature on September 15 in the years and amounts as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2022	\$670,000	2032	\$670,000
2023	\$675,000	2033	\$670,000
2024	\$675,000	2034	\$670,000
2025	\$675,000	2035	\$670,000
2026	\$675,000	2036	\$670,000
2027	\$675,000	2037	\$670,000
2028	\$675,000	2038	\$670,000
2029	\$670,000	2039	\$670,000
2030	\$670,000	2040	\$670,000
2031	\$670,000	2041	\$670,000

**The Issue**

The full faith and credit of the Town will be pledged for the prompt payment of the principal of, redemption premium, if any, and interest on the Bonds. The Bonds will be general obligations of the Town payable, unless paid from other sources, from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limit as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended. The Bonds will be dated the date of delivery, with interest payable on March 15, 2022 and semiannually thereafter on each September 15 and March 15 in each year until maturity, or earlier redemption. The information in this Notice of Sale is only a brief summary of certain provisions of the Bonds. For further information about the Bonds, reference is hereby made to the Preliminary Official Statement, dated August 11, 2021.

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**\*Preliminary, subject to change. See “Adjustment of Principal Amount and Maturity Schedule of the Bonds” herein.**

## Optional Redemption

The Bonds maturing on or before September 15, 2028 are not subject to redemption prior to maturity. The Bonds maturing September 15, 2029 and thereafter are subject to redemption prior to maturity, at the option of the Town, on or after September 15, 2028, at any time, in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine at the following redemption price (expressed as a percentage of the principal amount of Bonds to be redeemed) plus interest accrued and unpaid to the redemption date:

<u>Redemption Period</u>	<u>Redemption Price</u>
September 15, 2028 and thereafter	100%

The Town, so long as a book-entry system is used for the Bonds, will send any notice of redemption only to DTC (or a successor securities depository) or its nominee. Any failure of DTC to advise any DTC Participant, or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption.

## Ratings

The Town has applied to S&P Global Ratings and Fitch Ratings for assignment of their municipal bond ratings to the Bonds. The assigned ratings may be obtained from the rating agencies or will be posted through the facilities of *PARITY*<sup>®</sup> prior to sale.

## Official Statement and Continuing Disclosure Agreement

The Town has prepared a Preliminary Official Statement for the Bonds which is dated August 11, 2021, which is deemed final as of its date for purposes of SEC Rule 15c2-12(b)(1), except for omissions permitted thereby, but is subject to revision or amendment. The Town will make available to the winning purchaser 25 copies of the Official Statement at the Town's expense. The copies of the Official Statement will be made available to the winning purchaser at delivery of the Bonds or by the seventh business day after the day bids on the Bonds are received. If the Town's municipal advisor is provided with the necessary information from the winning purchaser by noon of the date following the day bids on the Bonds are received, the copies of the Official Statement will include an additional cover page and other pages indicating the interest rates, ratings, yields or reoffering prices, the name of the managing underwriter, and any corrections. The purchaser shall arrange with the municipal advisor the method of delivery of the copies of the Official Statement to the purchaser. Additional copies of the Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

The purchaser agrees to promptly file a final Official Statement with the Municipal Securities Rulemaking Board and to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to the ultimate purchasers.

The Town will enter into a Continuing Disclosure Agreement with respect to the Bonds, substantially in the form attached as Appendix C-1 to the Official Statement (the "Continuing Disclosure Agreement"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12(b)(5), (i) annual financial information and operating data including audited financial statements, (ii) notice of the occurrence of certain events with respect to the Bonds within ten (10) business days of such

event, and (iii) timely notice of a failure by the Town to provide the required annual financial information. The winning bidder's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement for the Bonds.

### **Electronic Proposals Bidding Procedure**

Electronic bids for the purchase of the Bonds must be submitted electronically via **PARITY**<sup>®</sup>, in accordance with this Notice of Sale, until 11:30 A.M. (Eastern Time) on Wednesday, August 18, 2021, but no bid will be received after the time for receiving bids specified herein. To the extent any instructions or directions set forth in **PARITY**<sup>®</sup> shall conflict with information in this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**<sup>®</sup>, including any fee charged, potential bidders may contact i-Deal LLC at 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018, telephone: (212) 849-5021. Any prospective bidder must be a subscriber of i-Deal LLC's BiDCOMP competitive bidding system. The Town neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of **PARITY**<sup>®</sup> is communicated to the Town, it shall constitute an irrevocable offer, in response to this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Town. By submitting a bid for the Bonds via **PARITY**<sup>®</sup>, the bidder represents and warrants to the Town that such bidder's bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Town will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice of Sale. **The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY<sup>®</sup>, or the inaccuracies of any information, including bid information or worksheets supplied by PARITY<sup>®</sup>, the use of PARITY<sup>®</sup> facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

For the purpose of the electronic bidding process, the time maintained on **PARITY**<sup>®</sup> shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the Town, as described under "Award, Delivery and Payment" below, represented by the rate or rates of interest and the bid price specified in their respective bids. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale.

***Disclaimer.*** Each **PARITY**<sup>®</sup> prospective electronic bidder shall be solely responsible to make necessary arrangements to access **PARITY**<sup>®</sup> for the purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Town nor **PARITY**<sup>®</sup> shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Town nor **PARITY**<sup>®</sup> shall be responsible for a bidder's failure to make a bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY**<sup>®</sup>. The Town is using **PARITY**<sup>®</sup> as a communication mechanism, and not as the Town's agent, to conduct the electronic bidding for the Bonds. The Town is not bound by any advice and determination of **PARITY**<sup>®</sup> to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY**<sup>®</sup> are the sole responsibility of the bidders; and the Town is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Bonds, the prospective bidder should telephone **PARITY**<sup>®</sup> at (212) 849-5021.

## **Bid Requirements**

Each proposal for the purchase of the Bonds must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and shall specify in a multiple of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%) the rate or rates of interest per annum which the Bonds are to bear, but shall not specify (a) more than one interest rate for any Bonds having a like maturity, or (b) any interest rate for any Bonds which exceeds the interest rate specified in such proposal for any other Bonds by more than two percent (2%). Interest shall be computed on the basis of twelve 30-day months and a 360 day year. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery, if any. No bid for less than par and accrued interest will be considered.

## **Adjustment of Principal Amount and Maturity Schedule of the Bonds**

After the receipt of bids, the Town reserves the right to adjust the aggregate principal amount of the Bonds and to increase or decrease the principal amount of individual maturities of the Bonds and the final purchase price of the Bonds, even if the aggregate principal amount of the Bonds is unchanged. The Town anticipates the adjustments to eliminate excess premium proceeds. Prior to award, the successful bidder will be required to provide the coupon, yield and reoffering price information to be included in the issue price certificate, if requested, for purposes of determining the adjustment. The Town will make every effort to maintain the underwriting discount percentage based on the bid and reoffering price information.

The adjustments are at the sole discretion of the Town, a bidder may not withdraw its bid for the Bonds or change interest rates or reoffering prices of its bid, as a result of any changes made, and agrees to purchase the Bonds based on the adjustments, if any, described herein.

## **Establishment of Issue Price**

In order to provide the Town with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Town at or prior to the delivery of the Bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public (the "Initial Offering Price") or the actual sales price or prices of the Bonds, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. For purposes of this "Establishment of Issue Price" section, Bond Counsel may act on behalf of the Town.

The Town intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "Competitive Sale Rule") because:

- (1) The Town shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Town anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

- (4) the Town anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest TIC, as set forth in this Notice of Sale.

By submitting a bid, each bidder is certifying that (i) it is an underwriter with an established industry reputation for underwriting municipal bonds, and (ii) its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the Competitive Sale Rule, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds. Phoenix Advisors will advise the winning bidder if the Competitive Sale Rule was met at the same time it notifies the winning bidder of the award of the Bonds. Bids will not be subject to cancellation in the event that the Competitive Sale Rule is not satisfied.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. Acceptance by the Town of a bid pursuant to this Notice of Sale shall constitute a written contract between the Town and the winning bidder.

In the event that the Competitive Sale Rule is not satisfied, the Town shall treat the first price at which 10% of a maturity of the Bonds (the “Actual Sale Rule”) is sold to the Public as the issue price of that maturity. In such event, the winning bidder shall promptly advise the Town if the Bonds satisfy the Actual Sale Rule as of the Bid Date.

To satisfy the Actual Sale Rule for the Bonds, the winning bidder:

- (1) will make a bona fide offering to the Public of all of the Bonds at the Initial Offering Price and provide the Town with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,
- (2) will report to the Town information regarding the actual prices at which at least 10% of each maturity of the Bonds have been sold to the Public,
- (3) will provide the Town with reasonable supporting documentation or certifications of such sale prices the form of which is acceptable to Bond Counsel. This reporting requirement, which may extend beyond the closing date of the Bonds, will continue until such date that 10% of each maturity of the Bonds has been sold to the Public at such sale price, and
- (4) has or will include within any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, language obligating each Underwriter to comply with the reporting requirement described above.

Sales of any Bonds to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (1) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.
- (2) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (3) *Related Party* generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (4) *Underwriter* means (i) winning bidder, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of the selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

### **Award, Delivery and Payment**

Unless all bids are rejected, the Bonds will be awarded to the bidder whose bid will result in the lowest true interest cost (“TIC”) to the Town. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds to September 16, 2021, the date of the Bonds, results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. In the event that two or more bidders offer bids at the same lowest TIC, the Town will determine by lot which of such bidders will be awarded the Bonds. It is requested that each proposal be accompanied by a statement of the percentage of true interest cost computed and rounded to four decimal places. Such statement shall not be considered as a part of the proposal. The purchase price must be paid in Federal Funds.

Promptly upon verbal notification that a bidder’s proposal may be accepted, the bidder shall confirm to the Town the reoffering prices of all the Bonds of each maturity.

Bids will be finally accepted or rejected promptly after opening and not later than 3:00 p.m. (Eastern Time) on the Bid Date in accordance with the provisions herein.

At or prior to the delivery of the Bonds the successful bidder shall be furnished, without cost, with the approving opinion of Pullman & Comley, LLC, of Bridgeport and Hartford, Connecticut, Bond Counsel, substantially in the form set out in Appendix B-1 to the Official Statement. The successful bidder will also be furnished with a receipt of payment for the Bonds, a Signature and No Litigation Certificate dated as of the date of delivery of the Bonds, stating that there is no litigation pending, or to the knowledge of the signers thereof, threatened, affecting the validity of the Bonds or the power of the Town to levy and collect taxes to pay them. A signed copy of the Official Statement prepared for this Bond issue will also be furnished together with a certificate of Town Officials relating to the accuracy and completeness of the Official Statement.

The Bonds **SHALL NOT** be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986.

The Town will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Town's costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under securities or "Blue Sky" laws and the preparation of any surveys or memoranda in connection with such sale. The Town shall have no responsibility for such clearance, exemption or preparation.

The Bonds will be delivered to The Depository Trust Company, New York, New York ("DTC") or its agent via Fast Automated Securities Transfer ("FAST") on or about September 16, 2021 against payment in immediately available Federal Funds. The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the winning bidder or bidders to obtain CUSIP numbers for the Bonds prior to delivery, and the Town will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of the winning bidder or bidders to obtain such numbers and to supply them to the Town in a timely manner. The Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

#### **Right to Reject Bids; Waiver**

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

#### **Postponement; Change of Terms**

The Town reserves the right to alter any terms of the Bonds or this Notice of Sale and to postpone, from time to time, the date or time established for the receipt of the bids.

#### **Book-Entry-Only Form**

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to DTC, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in the principal amount of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its Participants pursuant to rules and procedures adopted by DTC and its Participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Town or its agent to DTC or its nominee as registered owner of the Bonds. Principal, redemption premium, if any, and interest payments by DTC to Participants of DTC will be the responsibility of DTC; principal, redemption premium, if any, and interest payments to Beneficial Owners by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The Town will not be responsible or liable for payments by DTC to its Participants or by DTC Participants to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Town fails to identify another qualified securities depository to replace DTC, or (b) the Town determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Town will authenticate and deliver replacement Bonds in the form of fully registered Bond certificates directly to the Beneficial Owners of the Bonds or their nominees. (The record dates for the Bonds will be the close of business on the last day of February and August in each year, or the preceding business day, if such last day is not a business day).

**Additional Information**

For more information regarding the Bonds and the Town, reference is made to the Official Statement. Copies of the Official Statement may be obtained from Mr. Matthew A. Spoerndle, Managing Director, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Tel. (203) 878-4945.

VICKI A. TESORO  
First Selectwoman

ANTHONY MUSTO  
Treasurer

MARIA T. PIRES  
Director of Finance

August 11, 2021



***Appendix D-2***

***Notice of Sale and Bid Form – The Notes***

**NOTICE OF SALE****\$3,850,000****TOWN OF TRUMBULL, CONNECTICUT  
GENERAL OBLIGATION BOND ANTICIPATION NOTES  
BOOK-ENTRY ONLY**

SEALED PROPOSALS and ELECTRONIC BIDS via *PARITY*<sup>®</sup> (as described herein) will be received by the **TOWN OF TRUMBULL, CONNECTICUT** (the “Town”) at Trumbull Town Hall, Office of the Director of Finance, 5866 Main Street, Trumbull, Connecticut 06611, until **11:00 A.M. (Eastern Time), WEDNESDAY,**

**AUGUST 18, 2021**

for the purchase of \$3,850,000 Town of Trumbull, Connecticut General Obligation Bond Anticipation Notes (the “Notes”). Sealed proposals (see “Sealed Proposal Procedures”) and electronic bids must be submitted via *PARITY*<sup>®</sup> (See “Electronic Bidding Procedures”).

**The Notes**

The Notes are expected to be dated September 16, 2021 and will mature and be payable to the registered owner on September 15, 2022 as further described in the Preliminary Official Statement for the Notes dated August 11, 2021 (the “Preliminary Official Statement”). The Notes will bear interest (which interest shall be computed on a 360-day year, 30-day month basis) payable at maturity at the rate or rates per annum fixed in the proposal or proposals accepted for their purchase, which rates shall be in multiples of 1/100 of 1% per annum.

**The Issue**

The full faith and credit of the Town will be pledged for the prompt payment of the principal of, redemption premium, if any, and interest on the Notes. The Notes will be general obligations of the Town payable, unless paid from other sources, from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limit as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended. The information in this Notice of Sale is only a brief summary of certain provisions of the Notes. For further information about the Notes, reference is hereby made to the Preliminary Official Statement, dated August 11, 2021.

The Notes **SHALL NOT** be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Code, as amended, for purposes of the deduction by financial institutions for federal income tax purposes of a portion of interest expense allocable to the Notes.

**Book Entry-Only Form**

The Notes will be issued by means of a book-entry system with no physical distribution of note certificates made to the public. The Notes will be issued in registered form and one note certificate for each interest rate will be issued to The Depository Trust Company, New York, New York (“DTC”), registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be

employed, evidencing ownership of the Notes in principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The winning bidder, as a condition to delivery of the Notes, will be required to deposit the note certificates with DTC, or its custodian, registered in the name of Cede & Co. Principal of and interest on the Notes will be payable by the Town or its agent in same-day funds to DTC or its nominee as registered owner of the Notes. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

## **Ratings**

The Town has received ratings “SP-1+” and “F1+” from S&P Global Ratings and Fitch Ratings, respectively, on the Notes. The assigned ratings may be obtained from the respective rating agency or will be posted through the facilities of *PARITY*<sup>®</sup> prior to sale.

## **Official Statement and Continuing Disclosure Agreement**

The Town has prepared a Preliminary Official Statement for the Notes which is dated August 11, 2021, which is deemed final as of its date for purposes of SEC Rule 15c2-12(b)(1), except for omissions permitted thereby, but is subject to revision or amendment. The Town will make available to the winning purchaser 10 copies of the Official Statement at the Town’s expense. The copies of the Official Statement will be made available to the winning purchaser at delivery of the Notes or by the 7<sup>th</sup> business day after the day bids on the Notes are received. If the Town’s municipal advisor is provided with the necessary information from the winning purchaser by noon of the date following the day bids on the Notes are received, the copies of the Official Statement will include an additional cover page and other pages indicating the interest rate, ratings, yield or reoffering price, the name of the managing underwriter, and any corrections. The purchaser shall arrange with the municipal advisor the method of delivery of the copies of the Official Statement to the purchaser. Additional copies of the Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

The purchaser agrees to promptly file a final Official Statement with the Municipal Securities Rulemaking Board and to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Notes to the ultimate purchasers.

The Town will enter into a Continuing Disclosure Agreement with respect to the Notes, substantially in the form attached as Appendix C-2 to the Official Statement (the “Continuing Disclosure Agreement”), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12(b)(5), notice of the occurrence of certain events with respect to the Notes within ten (10) business days of such event. The winning bidder’s obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to the delivery of the Notes, an executed copy of the Continuing Disclosure Agreement for the Notes.

## **Sealed Proposal Procedures**

Bids will be accepted in written form on the form of Proposal for Notes attached hereto, at the place and time indicated above. Bids must be enclosed in sealed envelopes marked "Proposal for Notes" and addressed to The Honorable Vicki A. Tesoro, First Selectwoman, Town of Trumbull, Connecticut, 5866 Main Street, Trumbull, Connecticut 06611.

## **Electronic Bidding Procedures**

Any prospective bidder intending to submit an electronic bid must submit its electronic bid through the facilities of **PARITY**<sup>®</sup>. Subscription to i-Deal LLC's BiDCOMP Competitive Bidding System is required in order to submit an electronic bid and the Town will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of **PARITY**<sup>®</sup> shall be deemed an irrevocable offer to purchase the Notes on the terms provided in this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Town. By submitting a bid for the Notes via **PARITY**<sup>®</sup>, the bidder represents and warrants to the Town that such bidder's bid for the purchase of the Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Town will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Notes on the terms described in this Notice of Sale. **The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of **PARITY**<sup>®</sup>, or the inaccuracies of any information, including bid information or worksheets supplied by **PARITY**<sup>®</sup>, the use of **PARITY**<sup>®</sup> facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

If any provisions of this Notice of Sale shall conflict with information provided by **PARITY**<sup>®</sup> as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about **PARITY**<sup>®</sup>, including any fee charged, may be obtained from **PARITY**<sup>®</sup>, 1359 Broadway, 36<sup>th</sup> Street, 2<sup>nd</sup> Floor, New York, NY 10018, Attention: Customer Service Department (telephone: (212) 849-5021 - email notice: [www.parity@i-deal.com](mailto:www.parity@i-deal.com)).

For purposes of the sealed proposal process, the telephone bidding process and the electronic bidding process, the time as maintained by **PARITY**<sup>®</sup> shall constitute the official time. For information purposes only, bidders are requested to state in their bids the net interest cost to the Town, as described under "Bid Specifications/Basis of Award" below, and in the written form of Proposal for Notes. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale and form of Proposal for Notes.

**Disclaimer.** Each **PARITY**<sup>®</sup> prospective electronic bidder shall be solely responsible to make necessary arrangements to access **PARITY**<sup>®</sup> for the purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Town nor **PARITY**<sup>®</sup> shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Town nor **PARITY**<sup>®</sup> shall be responsible for a bidder's failure to make a bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY**<sup>®</sup>. The Town is using **PARITY**<sup>®</sup> as a communication mechanism, and not as the Town's agent, to conduct the electronic bidding for the Notes. The Town is not bound by any advice and determination of **PARITY**<sup>®</sup> to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids

via *PARITY*<sup>®</sup> are the sole responsibility of the bidders; and the Town is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Notes, the prospective bidder should telephone *PARITY*<sup>®</sup> at (212) 849-5021.

### **Bid Specifications/Basis of Award**

Proposals for the purchase of the Notes must be in the form of the proposal for purchase attached hereto or, if submitted electronically, in accordance with the requirements prescribed herein. A proposal may be for all or any part of the Notes but any proposal for a part must be for \$100,000, or a whole multiple thereof, plus any odd amount, and a separate proposal will be required for each part of the Notes for which a separate interest rate is bid. Unless all bids are rejected, the Notes will be awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost, computed as to each interest rate stated by adding the total interest which will be paid at such rate and deducting therefrom the premium offered, if any. As between proposals resulting in the same lowest net interest cost to the Town, the award will be made on the basis of the highest principal amount of the Notes specified. No bid for less than par and accrued interest, if any, will be considered and the Town reserves the right to award to any bidder all or any part of the Notes bid for in its proposal. If a bidder is awarded only a part of the Notes bid for in its proposal, any premium offered in such proposal will be proportionately reduced so that the resulting net interest cost to the Town with respect to the Notes awarded is the same as that contained in the bidder's proposal with respect to the entire amount bid, carried to six decimal places. The purchase price must be paid in Federal Funds.

### **Establishment of Issue Price**

In order to provide the Town with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), relating to the exclusion of interest on the Notes from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Town at or prior to the delivery of the Notes an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public (the "Initial Offering Price") or the actual sales price or prices of the Notes, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. However, such certificate may indicate that the winning bidder has purchased the Notes for its own account in a capacity other than as an Underwriter, and currently has no intent to reoffer the Notes for sale to the Public (as defined below). For purposes of this "Establishment of Issue Price" section, Bond Counsel may act on behalf of the Town.

The Town intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "Competitive Sale Rule") because:

- (1) the Town shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Town anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

- (4) the Town anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the lowest net interest cost, as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid. Acceptance by the Town of a bid pursuant to this Notice of Sale shall constitute a written contract between the Town and the winning bidder.

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

In the event that the Competitive Sale Rule is not satisfied, the Town shall so advise the successful bidder in writing on the sale date. The Town may treat the first price at which 10% of the Notes (the “Actual Sale Rule”) are sold to the Public as the issue price of the Notes. The successful bidder shall advise the Town if the Notes satisfy the Actual Sale Rule as of the date and time of the award of the Notes.

If the Competitive Sale Rule is not satisfied, then until the Actual Sale Rule is satisfied for the Notes, the winning bidder agrees to promptly report to the Town and Bond Counsel the prices at which the unsold Notes have been sold to the Public. This reporting obligation shall continue, whether or not the Closing Date has occurred, until the Actual Sale Rule is satisfied for the Notes.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to report the prices at which it sells to the Public the unsold Notes allotted to it until it is notified by the winning bidder that the Actual Sales Rule has been satisfied as to the Notes, and (ii) any agreement among underwriters relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the Public to require each broker-dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the Public the unsold Notes allotted to it until it is notified by the winning bidder or such Underwriter that the Actual Sales Rule has been satisfied as to the Notes, if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (1) “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (2) “*Related Party*” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (3) “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the Town (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described

in clause (i) of this definition to participate in the initial sale of the Notes to the Public (including a member of the selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

### **Settlement of the Notes**

The Notes will be available for delivery on or about September 16, 2021. The deposit of the Notes with DTC or its custodian under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the Phoenix Advisors, LLC to obtain CUSIP numbers for the Notes prior to delivery, and Phoenix Advisors, LLC will provide the CUSIP Service Bureau with the final details of the sale, including the identity of the winning bidder or bidders. The Town will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of Phoenix Advisors, LLC to obtain such numbers and to supply them to the Town in a timely manner. The Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

The Notes will be certified by U. S. Bank National Association, of Hartford, Connecticut. The legality of the Notes will be passed upon by Pullman & Comley LLC, Bond Counsel, Bridgeport and Hartford, Connecticut, and the winning bidder(s) will be furnished, without cost, with such opinion, substantially in the form set out in Appendix B-2 to the Official Statement. Each winning bidder(s) will also be furnished with a signature and no litigation certificate, a receipt of payment satisfactory in form to Bond Counsel, a copy of the final Official Statement prepared for this sale, a certificate signed by the appropriate officials of the Town relating to the accuracy and completeness of information contained in the final Official Statement and an executed Continuing Disclosure Agreement.

In rendering the legal opinion, Pullman & Comley, LLC will rely upon and assume the material accuracy of the representations and statements of expectation contained in the Tax Regulatory Agreement entered into by the Town for the benefit of the owners of the Notes, and further, will assume compliance by the Town with the covenants and procedures set forth in such Tax Regulatory Agreement.

### **Right to Reject Bids; Waiver**

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

### **Postponement; Change of Terms**

The Town reserves the right to alter any terms of the Notes or this Notice of Sale and to postpone, from time to time, the date or time established for the receipt of the bids.

**Additional Information**

For more information regarding the Notes and the Town, reference is made to the Official Statement. Copies of the Official Statement may be obtained from Mr. Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Tel. (203) 878-4945.

VICKI A. TESORO  
First Selectwoman

ANTHONY MUSTO  
Treasurer

MARIA T. PIRES  
Director of Finance

August 11, 2021

(See attached for form of Proposal for Notes)



**PROPOSAL FOR NOTES**

August \_\_, 2021

VICKI A. TESORO, First Selectwoman  
 ANTHONY MUSTO, Treasurer  
 MARIA T. PIRES, Director of Finance  
 Town of Trumbull, Connecticut  
 Town Hall  
 5866 Main Street  
 Trumbull, CT 06611

Subject to the provisions of the Notice of Sale dated August 11, 2021, which Notice is made a part of this proposal, we offer to purchase the principal amount of the \$3,850,000 Town of Trumbull, Connecticut General Obligation Bond Anticipation Notes, specified below at the stated interest rate (provided not less than \$100,000 of principal amount per interest rate is bid and the total of all principal amounts bid does not exceed \$3,850,000) plus the premium specified below, if any, and to pay therefor par plus the premium specified below, if any, on the date of delivery. We further provide our computation of net interest cost as to each bid, carried to six decimals, and made as provided in the above-mentioned Notice of Sale, but not constituting any part of the foregoing proposal.

Principal amount	_____	Principal amount	_____
Interest rate	_____	Interest rate	_____
Premium	_____	Premium	_____
Net Interest Cost	_____ %	Net Interest Cost	_____ %
	(Six Decimals)		(Six Decimals)
Principal amount	_____	Principal amount	_____
Interest rate	_____	Interest rate	_____
Premium	_____	Premium	_____
Net Interest Cost	_____ %	Net Interest Cost	_____ %
	(Six Decimals)		(Six Decimals)

The undersigned hereby agrees to accept delivery of and make payment for the indicated principal amount of the Notes in Federal Funds on the date of the Notes or as soon thereafter (but not later than 30 days thereafter) as such Notes may be prepared and ready for delivery by the Town.

\_\_\_\_\_  
 (Name of Bidder)

\_\_\_\_\_  
 (Authorized Signature)

\_\_\_\_\_  
 (Mailing Address)

\_\_\_\_\_  
 (Telephone Number)

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