

**PRELIMINARY OFFICIAL STATEMENT DATED JUNE 11, 2026**

**REFUNDING / NEW ISSUE –Book-Entry-Only**

**RATING:** (See “Ratings” herein)

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



**TOWN OF STRATFORD, CONNECTICUT**

**\$22,740,000\* GENERAL OBLIGATION BONDS, ISSUE OF 2026, SERIES A**

**Dated: Date of Delivery**

**Due: June 1, as shown on inside cover page**

The \$22,740,000\* General Obligation Bonds, Issue of 2026, Series A (the “Series A Bonds”) will be general obligations of the Town of Stratford, Connecticut (the “Town”) and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. (See “Security and Remedies” herein). Interest on the Series A Bonds will be payable semiannually on June 1 and December 1 in each year until maturity, commencing December 1, 2026.

**The Series A Bonds ARE subject to redemption prior to maturity.** (See “Optional Redemption” herein).

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**\$13,775,000\* GENERAL OBLIGATION REFUNDING BONDS, ISSUE OF 2026, SERIES B**

**Dated: Date of Delivery**

**Due: January 1 and July 1, as shown on inside cover page**

The \$13,775,000\* General Obligation Refunding Bonds, Issue of 2026, Series B (the “Series B Bonds”) will be general obligations of the Town of Stratford, Connecticut (the “Town”) and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. (See “Security and Remedies” herein).

Interest on the Bonds will be payable semiannually on January 1 and July 1 in each year until maturity, commencing January 1, 2027.

**The Series B Bonds are NOT subject to redemption prior to maturity.**

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**\$26,440,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES, ISSUE OF 2026, SERIES B**

**Dated: Date of Delivery**

**Due: June 22, 2027**

The \$26,440,000 General Obligation Bond Anticipation Notes (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 Notes when due. (See “Security and Remedies” herein).

Interest on the Notes will be payable at maturity. The Notes are **not** subject to redemption prior to maturity.

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The Series A and Series B Bonds (collectively “the Bonds”) and the Notes will be issuable only as fully-registered obligations, without coupons, and when issued, will be registered in the name of Cede & Co., as Bondowner and Noteowner, respectively, and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds and the Notes. Purchases of the Bonds will be made in book-entry-only form, in denominations of \$5,000 and purchases of the Notes will be made in book-entry-only form, in denominations of \$100,000 and any integral multiples of \$5,000 in excess thereof. Purchasers will not receive certificates representing their ownership in the Bonds or the Notes. (See “SECTION I – SECURITIES OFFERED - BOOK-ENTRY-ONLY TRANSFER SYSTEM” herein).

U.S. Bank Trust Company, National Association, of Hartford, Connecticut will be the Registrar, Certifying Agent, Transfer Agent and Paying Agent for the Bonds and Registrar, Certifying Agent, Transfer Agent, Paying Agent and Escrow Agent for the Notes.

*The Bonds and the Notes are offered for delivery when, as and if issued, subject to the final approving opinions of Pullman & Comley, LLC, Bond Counsel, of Bridgeport and Hartford, Connecticut. Certain matters will be passed upon for the Underwriter by Robinson & Cole LLP, Underwriter’s Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds and the Notes in book-entry-only form will be made through the facilities of DTC on or about June 30, 2026.*

**RAYMOND JAMES®**

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\* Preliminary, subject to change.

# TOWN OF STRATFORD, CONNECTICUT

## \$22,740,000\* GENERAL OBLIGATION BONDS, ISSUE OF 2026, SERIES A

**Dated: Date of Delivery**

**Due: June 1, as shown below**

### MATURITY SCHEDULE AND AMOUNTS\*

Maturity	Amount*	Coupon	Yield	CUSIP <sup>1</sup>	Maturity	Amount*	Coupon	Yield	CUSIP <sup>1</sup>
2028	\$1,200,000	%	%	862812***	2038	\$1,200,000	%	%	862812***
2029	1,200,000			862812***	2039	1,200,000			862812***
2030	1,200,000			862812***	2040	1,200,000			862812***
2031	1,200,000			862812***	2041	1,200,000			862812***
2032	1,200,000			862812***	2042	1,200,000			862812***
2033	1,200,000			862812***	2043	1,200,000			862812***
2034	1,200,000			862812***	2044	1,200,000			862812***
2035	1,200,000			862812***	2045	1,200,000			862812***
2036	1,200,000			862812***	2046	1,140,000			862812***
2037	1,200,000			862812***					

## \$13,775,000\* GENERAL OBLIGATION REFUNDING BONDS, ISSUE OF 2026, SERIES B

**Dated: Date of Delivery**

**Due: January 1, 2027 and July 1 thereafter, as shown below**

### MATURITY SCHEDULE AND AMOUNTS\*

SERIES B BONDS									
Maturity	Amount*	Coupon	Yield	CUSIP <sup>1</sup>	Maturity	Amount*	Coupon	Yield	CUSIP <sup>1</sup>
January 2027	\$ 485,000	%	%	862812***	July 2032	\$1,330,000	%	%	862812***
July 2027	1,330,000			862812***	July 2033	1,330,000			862812***
July 2028	1,330,000			862812***	July 2034	1,330,000			862812***
July 2029	1,330,000			862812***	July 2035	1,330,000			862812***
July 2030	1,330,000			862812***	July 2036	1,320,000			862812***
July 2031	1,330,000			862812***					

\* Preliminary, subject to change.

## \$26,440,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES, ISSUE OF 2026, SERIES B

**Dated: June 30, 2026**

**Due: June 22, 2027**

<u>Par amount</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP<sup>1</sup></u>
\$26,440,000	%	%	862812***

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

No dealer, broker, salesperson or other person has been authorized by the Town to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering made hereby, 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 and the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Town from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness.

This Official Statement has been prepared only in connection with the initial offering and sale of the Bonds and the Notes and may not be reproduced or used, in whole or in part, for any other purpose.

The information, estimates and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the Bonds and the Notes made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date of this Official Statement.

Other than as to matters expressly set forth in Appendix A – “Audited Financial Statements” hereto, the independent auditors for the Town are not passing on and do not assume any responsibility for the accuracy or adequacy of the financial information presented in this Official Statement and make no representation that they have independently verified the same. The independent auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The independent auditor also has not performed any procedures relating to this Official Statement.

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

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

The Bonds and the Notes have not been registered under the Securities Act of 1933, as amended, nor have the Bonds and the Notes been registered under any state securities laws.

The Municipal Advisor to the Town has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Town and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

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

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information, however, and such information is not to be construed as a representation of any of the foregoing.

**IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AND THE NOTES AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS AND THE NOTES TO CERTAIN DEALERS AND DEALER BANKS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF, AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.**

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

**BOND COUNSEL**  
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Bridgeport and Hartford, Connecticut  
(203) 330-2000

**MUNICIPAL ADVISOR**  
**MUNISTAT SERVICES, INC.**  
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(203)-421-2880

## TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
Series A Bond Sale Summary.....	i	V. Financial Information	
Series B Bond Sale Summary.....	ii	Accounting Policies.....	32
Note Sale Summary.....	iii	Basis of Accounting.....	32
I. Securities Offered		Audit.....	32
Introduction.....	1	Budgetary Procedures.....	32
Description of the Bonds.....	1	Emergency Appropriations.....	33
Optional Redemption.....	1	Employee Pension Systems.....	33
Notice of Optional Redemption.....	2	Other Post-Employment Benefits.....	36
Description of the Notes.....	2	Investment Policies and Procedures.....	37
Authorization and Purpose.....	2	Property Tax Revenues.....	37
Plan of Refunding.....	3	Intergovernmental Revenues.....	38
Verification of Mathematical Computations....	4	Municipal Budget Expenditures Cap.....	38
Sources and Uses of Bond and Note Proceeds.	4	Expenditures.....	38
Book-Entry-Only Transfer System.....	4	Comparative General Fund Operating Statement.....	39
Replacement Bonds and Notes.....	5	Comparative Balance Sheets – General Fund.....	40
DTC Practices.....	6	Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund.....	41
Security and Remedies.....	6	VI. Debt Summary	
Tax Matters.....	6	Principal Amount of Indebtedness.....	42
Public Health Considerations.....	8	Combined Schedule of General Fund and Enterprise Fund Debt Through Maturity.....	43
Cybersecurity.....	8	Schedule of General Fund Debt Through Maturity....	44
Climate Change.....	9	Clean Water Fund Program.....	44
Qualification for Financial Institutions.....	10	Schedule of WPCA and EMS Enterprise Fund Debt Through Maturity.....	45
Availability of Continuing Disclosure.....	10	Outstanding Short-term Indebtedness.....	46
Underwriting.....	11	Overlapping and Underlying Indebtedness.....	46
II. The Issuer		Debt Statement.....	46
Description of the Town.....	12	Current Debt Ratios.....	47
Form of Government.....	13	Temporary Financing.....	47
Municipal Officials.....	13	School Building Projects.....	48
Organizational Chart.....	14	Limitation of Indebtedness.....	48
Summary of Municipal Services.....	15	Computation of Statutory Debt Limit and Debt Margin.....	49
Educational System.....	16	Provisions Regarding Bond Authorizations.....	50
Educational Facilities.....	16	Authorized But Unissued Debt.....	51
School Enrollment.....	17	Historical Debt Statement.....	51
Municipal Employment.....	17	Historical Debt Ratios.....	52
Municipal Employees by Category.....	18	Capital Improvement Program.....	52
Municipal Employees Bargaining Organizations.....	19	VII. Additional Information	
Economic Development.....	20	Litigation.....	53
III. Economic and Demographic Information		Municipal Advisor.....	53
Population Trends.....	23	Documents Accompanying Delivery of the Bonds and the Notes.....	53
Age Distribution of the Population.....	23	Concluding Statement.....	54
Selected Wealth and Income Indicators.....	23	Appendix A – Audited Financial Statements	
Income Distribution.....	24	Appendix B – Form of Opinion of Bond Counsel for the Series A Bonds	
Educational Attainment.....	24	Appendix C – Form of Opinion of Bond Counsel for the Series B Bonds	
Employment by Industry.....	25	Appendix D – Form of Opinion of Bond Counsel for the Notes	
Major Employers.....	25	Appendix E – Form of Continuing Disclosure Agreement for the Series A Bonds	
Unemployment Rate Statistics.....	26	Appendix F – Form of Continuing Disclosure Agreement for the Series B Bonds	
Value of Building Permits.....	26	Appendix G – Form of Continuing Disclosure Agreement for the Notes	
Number of Dwelling Units.....	26		
Stratford Housing Inventory.....	27		
Characteristics of Housing Units.....	27		
Age Distribution of Housing.....	27		
Breakdown of Land Use.....	28		
IV. Tax Base Data			
Assessment Practices.....	29		
Motor Vehicle Property Tax Rate.....	29		
Tax Collection Procedure.....	29		
Property Tax Levies and Collections.....	30		
Taxable Grand List.....	30		
Ten Largest Taxpayers.....	31		
Equalized Net Grand List.....	31		

## SERIES A BOND SALE SUMMARY

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The information in this Series A Bond Sale Summary, cover page and inside cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. The Official Statement speaks only as of its date and the information herein is subject to change.

<b>Issuer:</b>	Town of Stratford, Connecticut (the “Town”).
<b>Issue:</b>	\$22,740,000* General Obligation Bonds, Issue of 2026, Series A (the “Series A Bonds”).
<b>Dated Date:</b>	June 30, 2026.
<b>Principal Due:</b>	Serially, June 1, 2028 - 2046.
<b>Interest Due:</b>	Semiannually on June 1 and December 1 in each year until maturity or earlier redemption, commencing December 1, 2026.
<b>Purpose and Authority:</b>	The Series A Bonds are being issued to finance various capital improvement projects undertaken by the Town and authorized by ordinances adopted by the Town Council. See “Authorization and Purpose of the Bonds and the Notes” herein.
<b>Redemption:</b>	The Series A Bonds ARE subject to redemption prior to maturity as described herein under “Optional Redemption”.
<b>Security:</b>	The Series A Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of the principal of and interest on the Series A Bonds when due.
<b>Credit Rating:</b>	The Series A Bonds have been rated “AA-” by S&P Global Ratings (“S&P”). The underlying ratings on certain of the Town’s outstanding bonds have recently been affirmed as “AA-” by S&P. See “Rating” herein.
<b>Tax Matters:</b>	See “Tax Matters” herein.
<b>Continuing Disclosure Undertaking:</b>	See “Availability of Continuing Disclosure” and “Appendix E” herein.
<b>Bank Qualification:</b>	The Series A Bonds 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, for purposes of the deduction by financial institutions for interest expense allocable to the Series A Bonds.
<b>Certifying Bank Registrar, Transfer and Paying Agent:</b>	U.S. Bank Trust Company, National Association, Hartford, Connecticut.
<b>Legal Opinion:</b>	Pullman & Comley, LLC, of Bridgeport and Hartford, Connecticut is Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Series A Bonds in book-entry-only form will be made on or about June 30, 2026, against payment in federal funds.
<b>Issuer Official:</b>	Questions regarding this Official Statement should be directed to Caitlin Bosse, Director of Finance, Town of Stratford, Connecticut - Telephone (203) 385-4040.
<b>Municipal Advisor:</b>	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Mr. William N. Lindsay, Managing Director, Telephone: (203) 421-2880.

\* Preliminary, subject to change.

## SERIES B BOND SALE SUMMARY

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The information in this Series B Bond Sale Summary, cover page and inside cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. The Official Statement speaks only as of its date and the information herein is subject to change.

<b>Issuer:</b>	Town of Stratford, Connecticut (the “Town”).
<b>Issue:</b>	\$13,775,000* General Obligation Refunding Bonds, Issue of 2026, Series B (the “Series B Bonds”).
<b>Dated Date:</b>	June 30, 2026.
<b>Principal Due:</b>	Serially, January 1, 2027 and July 1, 2027 - 2036.
<b>Interest Due:</b>	Semiannually on January 1 and July 1 in each year until maturity, commencing January 1, 2027.
<b>Purpose and Authority:</b>	The Series B Bonds are being issued to refinance various prior bonds of the Town. See “Plan of Refunding” herein.
<b>Redemption:</b>	The Series B Bonds are NOT subject to redemption prior to maturity.
<b>Security:</b>	The Series B Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of the principal of and interest on the Series B Bonds when due.
<b>Credit Rating:</b>	The Series B Bonds have been rated “AA-” by S&P Global Ratings (“S&P”). The underlying ratings on certain Town outstanding bonds have recently been affirmed as “AA-” by S&P. See “Rating” herein.
<b>Tax Matters:</b>	See “Tax Matters” herein.
<b>Continuing Disclosure Undertaking:</b>	See “Availability of Continuing Disclosure” and “Appendix F” herein.
<b>Bank Qualification:</b>	The Series B Bonds 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, for purposes of the deduction by financial institutions for interest expense allocable to the Series B Bonds.
<b>Certifying Bank Registrar, Transfer and Paying Agent:</b>	U.S. Bank Trust Company, National Association, Hartford, Connecticut.
<b>Legal Opinion:</b>	Pullman & Comley, LLC, of Bridgeport and Hartford, Connecticut is Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Series B Bonds in book-entry only form will be made on or about June 30, 2026, against payment in federal funds.
<b>Issuer Official:</b>	Questions regarding this Official Statement should be directed to Caitlin Bosse, Director of Finance, Town of Stratford, Connecticut - Telephone (203) 385-4040.
<b>Municipal Advisor:</b>	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Mr. William N. Lindsay, Managing Director, Telephone: (203) 421-2880.

\* Preliminary, subject to change.

## NOTE SALE SUMMARY

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

<b>Issuer:</b>	Town of Stratford, Connecticut (the “Town”).
<b>Issue:</b>	\$26,440,000 General Obligation Bond Anticipation Notes, Issue of 2026, Series B.
<b>Dated Date:</b>	June 30, 2026.
<b>Principal Due:</b>	At maturity, June 22, 2027.
<b>Interest Due:</b>	At maturity, June 22, 2027.
<b>Purpose and Authority:</b>	The Notes are being issued to finance and refinance various capital improvement projects under taken by the Town and authorized by ordinances adopted by the Town Council. See “Authorization and Purpose of the Notes” herein.
<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, and the Town will pledge its full faith and credit to the payment of the principal of and interest on the Notes when due.
<b>Credit Rating:</b>	The Notes have been rated “SP-1+” by S&P Global Ratings (“S&P”). The underlying ratings on certain Town outstanding bonds have recently been affirmed as “AA-” by S&P. See “Rating” herein.
<b>Tax Matters:</b>	See “Tax Matters” herein.
<b>Continuing Disclosure Undertaking:</b>	See “Availability of Continuing Disclosure” and “Appendix G” herein.
<b>Bank Qualification:</b>	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, for purposes of the deduction by financial institutions for interest expense allocable to the Notes.
<b>Certifying Bank Registrar, Transfer, Paying and Escrow Agent:</b>	U.S. Bank Trust Company, National Association, Hartford, Connecticut.
<b>Legal Opinion:</b>	Pullman & Comley, LLC, of Bridgeport and Hartford, Connecticut is Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Notes in book-entry only form will be made on or about June 30, 2026, against payment in federal funds.
<b>Issuer Official:</b>	Questions regarding this Official Statement should be directed to Caitlin Bosse, Director of Finance, Town of Stratford, Connecticut - Telephone (203) 385-4040.
<b>Municipal Advisor:</b>	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Mr. William N. Lindsay, Managing Director, Telephone: (203) 421-2880.

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## I. SECURITIES OFFERED

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### INTRODUCTION

This Official Statement, including the cover page and appendices has been prepared by the Town of Stratford, Connecticut (the “Town”) with assistance from its municipal advisor and is provided for the purpose of presenting certain information relating to the Town, in connection with the original issuance and sale of \$22,740,000\* General Obligation Bonds, Issue of 2026, Series A (the “Series A Bonds”) and \$13,775,000\* General Obligation Refunding Bonds, Issue of 2026, Series B (the “Series B Bonds” together with the Series A Bonds, the “Bonds”) and \$26,440,000 General Obligation Bond Anticipation Notes, Issue of 2026, Series B (the “Notes”), of the Town.

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

The presentation of information 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. Except for information expressly attributed to other sources, all financial and other information presented herein has been provided by the Town.

### DESCRIPTION OF THE BONDS

The Series A Bonds will be dated the date of delivery and will mature in annual installments on June 1 in each of the years and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Series A Bonds will be payable semiannually on December 1 and June 1 in each year until maturity or earlier redemption, commencing on December 1, 2026. Interest on the Series A Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months and will be payable to the registered owners of the Bonds as of the fifteenth day of November and May, or the preceding business day if the fifteenth day is not a business day (record date). The legal opinion on the Series A Bonds will be rendered by Pullman & Comley, LLC, of Bridgeport and Hartford, Connecticut, in substantially the form set forth in Appendix B- “Form of Legal Opinion of Bond Counsel for the Series A Bonds” hereto. **The Series A Bonds ARE subject to optional redemption prior to maturity.**

The Series B Bonds will be dated the date of delivery and will mature in annual installments on January 1, 2027 and July 1 thereafter, in each of the years and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Series B Bonds will be payable semiannually on January 1 and July 1 in each year until maturity, commencing on January 1, 2027. Interest on the Series B Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months and will be payable to the registered owners of the Bonds as of the fifteenth day of December and June, or the preceding day if the fifteenth day is not a business day (record date). The legal opinion on the Series B Bonds will be rendered by Pullman & Comley, LLC, of Bridgeport and Hartford, Connecticut, in substantially the form set forth in Appendix C- “Form of Legal Opinion of Bond Counsel for the Series B Bonds” hereto. **The Series B Bonds are NOT subject to optional redemption prior to maturity.**

A book-entry system will be employed evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of The Depository Trust Company, New York, New York (“DTC”), and its participants pursuant to rules and procedures established by DTC and its participants. See “Book-Entry Transfer System” herein. The Registrar, Certifying Bank, Paying Agent and Transfer Agent on the Bonds will be U.S. Bank Trust Company, National Association of Hartford, Connecticut.

### OPTIONAL REDEMPTION

The Series A Bonds maturing on or before June 1, 2034 are not subject to redemption prior to maturity. The Series A Bonds maturing on or after June 1, 2035 are subject to redemption prior to maturity, at the option of the Town, on or after June 1, 2034, 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 prices (expressed as a percentage of principal amount of the Series A Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
June 1, 2034 and thereafter	100%

\* Preliminary, subject to change.

The Series B Bonds are NOT subject to optional redemption prior to maturity.

## **NOTICE OF REDEMPTION**

Notice of redemption shall be given by the Town or its agent by mailing a copy of the redemption notice by first-class mail at least thirty (30) nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bonds designated for redemption in whole or in part at the address of such registered owner as the same shall last appear on the registration books for the Bonds. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if such 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 the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of 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 Bond to be redeemed shall be in the principal amount of \$5,000 or some 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 being called for redemption, 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. Redemption of portions of the Bonds of any maturity by the Town will reduce the outstanding principal amount of Bonds 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 interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by the Town, the Registrar or Paying Agent.

## **DESCRIPTION OF THE NOTES**

The Notes will be dated the date of delivery and will be due and payable as to both principal and interest at maturity, on June 22, 2027. The Notes will bear interest calculated on the basis of a 30-day month and a 360-day year at the rate or rates per annum as set forth on the inside cover page of this Official Statement. A book-entry system will be employed evidencing ownership of the Notes in principal amounts of \$5,000 or integral multiples thereof plus any odd amount, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. (See “Book-Entry-Only Transfer System” herein.) The Registrar, Certifying Bank, Paying, Transfer and Escrow Agent for the Notes will be U.S. Bank Trust Company, National Association of Hartford, Connecticut. The legal opinion on the Notes will be rendered by Pullman & Comley, LLC, of Bridgeport and Hartford, Connecticut, in substantially the form set forth in Appendix D- “Form of Legal Opinion of Bond Counsel” hereto. **The Notes are NOT subject to redemption prior to maturity.**

## **RATING**

The Series A Bonds and the Series B Bonds have been rated “AA-” by S&P Global Ratings (“S&P”) and the rating on certain outstanding bonds of the Town has recently been affirmed as “AA-” by S&P. The Notes have been rated “SP-1+” by S&P. The ratings reflect only the views of S&P and an explanation of the significance of such rating may be obtained from S&P at the following address: S&P Global Ratings, 55 Water Street, New York, NY 10041. There is no assurance that such ratings will continue for any given period of time or that they will not be revised or withdrawn entirely by S&P if, in the judgment of S&P, circumstances so warrant. A revision or withdrawal of such ratings may have an effect on the market price of the bonds and notes of the Town, including the Bonds and the Notes.

## **AUTHORIZATION AND PURPOSE**

Authorization: The Series A Bonds and the Notes are issued pursuant to Title 7 of the General Statutes of Connecticut, as amended, the Charter of the Town and certain ordinances adopted by the Town Council.

Purpose: Proceeds of the Series A Bonds and the Notes are anticipated to be used to finance and refinance the various public improvements and school projects and equipment authorized by the Town as follows:

Project	Authorization	BANs	Additions/ Reductions	The Series A	The Notes
		Maturing 7/23/2026		Bonds (This Issue)	(This Issue)
Stratford High School Improvements.....	\$ 65,000,000	\$ 7,000,000	\$ -	\$ -	\$ 7,000,000
2020 School Roof Projects.....	6,900,000	4,115,000	-	-	4,115,000
2021 School Photo-voltaic Panel Array Projects..	4,296,000	2,562,000	-	-	2,562,000
Fiscal Year 2017-18 Capital Improvement Plan....	3,828,705	-	200,000	200,000	-
Fiscal Year 2018-19 Capital Improvement Plan....	10,932,000	-	767,664	767,664	-
Fiscal Year 2020-21 Capital Improvement Plan....	12,739,000	-	917,500	917,500	-
Fiscal Year 2022-23 Capital Equipment Plan.....	2,013,000	1,416,000	-	-	1,416,000
Fiscal Year 2022-23 Capital Improvement Plan....	10,425,000	1,045,000	690,000	690,000	1,045,000
Fiscal Year 2023-24 Capital Equipment Plan.....	3,200,000	3,113,599	246,179	-	3,359,778
Fiscal Year 2023-24 Capital Improvement Plan....	14,853,000	-	2,049,000	2,049,000	-
Fiscal Year 2024-25 Capital Equipment Plan.....	5,189,015	2,563,977	1,702,037	-	4,266,014
Fiscal Year 2024-25 Capital Improvement Plan....	17,767,500	-	7,804,000	7,804,000	-
Fiscal Year 2025-26 Capital Equipment Plan.....	4,474,000	569,424	2,106,784	-	2,676,208
Fiscal Year 2025-26 Capital Improvement Plan....	16,320,742	-	10,311,836	10,311,836	-
Total.....	<u>\$177,937,962</u>	<u>\$22,385,000</u>	<u>\$26,795,000</u>	<u>\$22,740,000 *</u>	<u>\$26,440,000</u>

Upon delivery of the Notes, a portion of the proceeds of the Notes will be placed in an irrevocable escrow fund (the “Escrow Deposit Fund”) established with U.S. Bank Trust Company, National Association, as escrow agent (the “Escrow Agent”) under an Escrow Agreement (the “Escrow Agreement”) dated as of the date of delivery of the Notes, between the Escrow Agent and the Town. The initial deposit into the Escrow Deposit Fund (\$ ) will contain proceeds sufficient to pay off the principal of and interest on the Town’s \$22,385,000 General Obligation Bond Anticipation Notes coming due on July 23, 2026.

**PLAN OF REFUNDING**

The proceeds of the Series B Bonds will be used to refund certain of the Town’s outstanding bonds, as set forth below (the “Refunded Bonds”). The Refunded Bonds will be redeemed on the date of the Series B Bonds close, which is June 30, 2026.

Issue	Dated Date	Maturity Date	Amount Outstanding	Interest Rate	Redemption Date	Redemption Price
2017	1/4/2017	7/1/2026	\$ 1,330,000	5.000%	6/30/2026	100.00%
2017	1/4/2017	7/1/2027	1,330,000	5.000	6/30/2026	100.00
2017	1/4/2017	7/1/2028	1,330,000	5.000	6/30/2026	100.00
2017	1/4/2017	7/1/2029	1,330,000	5.000	6/30/2026	100.00
2017	1/4/2017	7/1/2030	1,330,000	5.000	6/30/2026	100.00
2017	1/4/2017	7/1/2031	1,330,000	5.000	6/30/2026	100.00
2017	1/4/2017	7/1/2032	1,330,000	5.000	6/30/2026	100.00
2017	1/4/2017	7/1/2033	1,330,000	5.000	6/30/2026	100.00
2017	1/4/2017	7/1/2034	1,330,000	5.000	6/30/2026	100.00
2017	1/4/2017	7/1/2035	1,330,000	5.000	6/30/2026	100.00
2017	1/4/2017	7/1/2036	1,320,000	5.000	6/30/2026	100.00
		Total	<u>\$ 14,620,000 *</u>			

\* Preliminary, subject to change.

## VERIFICATION OF MATHEMATICAL COMPUTATIONS

The accuracy of the mathematical computations relating to (i) the adequacy of the proceeds of the Series B Bonds to pay when due, the principal of and interest on the Refunded Bonds; and (ii) the adequacy of the proceeds of the Notes, together with amounts contributed by the Town, to pay when due, the principal of and interest on the Town's bond anticipation notes maturing on July 23, 2026, will be verified by American Municipal Tax-Exempt Compliance Corporation dba AMTEC, of Avon, Connecticut, and Michael Torsiello, C.P.A. (an independent Certified Public Accountant), of Morrisville, North Carolina (together, the "Verification Agent"). Such verification will be based upon information and assumptions supplied by the Underwriter and the Town, and such verification, information and assumptions will be relied on by Bond Counsel in rendering its opinion described herein.

## SOURCES AND USES OF BOND AND NOTE PROCEEDS

	<u>The Series A Bonds</u>	<u>The Series B Bonds</u>	<u>The Notes</u>
<b>Sources:</b>			
Par Amount .....	\$ 22,740,000.00 *	\$ 13,775,000.00 *	\$ 26,440,000.00
Net Original Issue Premium .....			
Total Sources .....	<u>\$ 22,740,000.00</u>	<u>\$ 13,775,000.00</u>	<u>\$ 26,440,000.00</u>
<b>Uses:</b>			
Construction Fund Deposit.....			
Retirement of Refunded Bonds...			
BAN Escrow Deposit.....			
Costs of Issuance <sup>1</sup> .....			
Underwriter's Discount .....			
Town Contribution.....			
Total Uses .....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<sup>1</sup> Included legal fees, financial advisory fees, rating agency fees, and fees for other transaction related expenses.

\* Preliminary, subject to change.

## BOOK-ENTRY-ONLY TRANSFER SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds and the Notes. The Bonds and the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond and Note certificate will be issued for each interest rate of the Bonds and the Notes and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, 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 registered 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's 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 the Bonds and the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and the Notes on DTC's records. The ownership interest of each actual purchaser of each Bond and Note ("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 confirmation 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 Bonds and the Notes 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 the Bonds and the Notes, except in the event that use of the book-entry system for the Bonds and the Notes is discontinued.

To facilitate subsequent transfers, all Bonds and Notes 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 the Bonds and the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee does not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds and the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds and Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

Principal and interest payments on, and redemption premium, if any, with respect to the Bonds and the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or the Paying Agent on the 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 nor its nominee, the Paying Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying 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 Bonds and the Notes at any time by giving reasonable notice to the Town or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond and Note certificates are required to be printed and delivered.

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

The information in this section concerning DTC and DTC's book-entry system has been provided by DTC. The Town takes no responsibility for the accuracy thereof.

## **REPLACEMENT BONDS AND NOTES**

The Town will provide for the issuance of fully registered bond and note certificates directly to the Beneficial Owners of the Bond and the Notes or their nominees in the event that: (a) DTC determines not to continue to act as securities depository for the Bonds and the Notes, and the Town fails to identify another qualified securities depository for the Bonds and 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 and the Notes. A Beneficial Owner of the Bonds and the Notes, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Bonds and the Notes.

## **DTC PRACTICES**

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

Neither the Town, nor the Paying Agent, will have any responsibility or obligation to the Participants of DTC or the persons for whom they act as nominees with respect to (i) the accuracy of any records maintained by DTC or by any Participant of DTC, (ii) payments or the providing of notice to the Direct Participants, the Indirect Participants or the Beneficial Owners, (iii) the selection by DTC or by any Participant of DTC of any Beneficial Owner to receive payment in the event of a partial redemption of the Bonds or the Notes or (iv) any other actions taken by DTC or its partnership nominees as owner of the Bonds and the 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 tax revenues of the Town. The Town has the power under Connecticut statutes to levy ad valorem taxes on all taxable property subject to taxation by the Town without limitation 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 or of qualified disabled persons taxable at limited amounts.

Payment of principal and interest on 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 bonds and notes and a court of competent jurisdiction has the power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have the power in appropriate proceedings to order payment of a judgment on such bonds or 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 may 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 and to provisions of other statutes, if any, 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. Under the Federal Bankruptcy Code, the Town may seek relief only, among other requirements, if it is specifically authorized, in its capacity as a municipality or by name, to be a debtor under Chapter 9, Title 11 of the United States Code, or by State law or by a governmental officer or organization empowered by State law to authorize such entity to become a debtor under such chapter. Section 7-566 of the Connecticut General Statutes, as amended, provides that no Connecticut municipality shall file a petition in bankruptcy 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 having the power to levy taxes and issue bonds or other obligations.

## **TAX MATTERS**

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

Bond Counsel's opinion with respect to the Bonds and the Notes will be rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements of the Internal Revenue Code of 1986 (the "Code"). The Code and regulations promulgated thereunder establish certain requirements which must be satisfied at and subsequent to the issuance of the Bonds and the Notes in order that interest on the Bonds and the Notes be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds and the Notes to be included in gross income for federal income tax purposes retroactively to the

date of issuance of the Bonds and the Notes irrespective of the date on which such noncompliance occurs. In the Tax Regulatory and Compliance Agreement, which will be delivered concurrently with the issuance of the Bonds and the Notes, the Town will covenant to comply with certain provisions of the Code and will make certain representations designed to assure compliance with such requirements of the Code including, but not limited to, investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of the Bond/Note proceeds and certain other matters. The opinion of Bond Counsel delivered on the date of issuance of the Bonds and the Notes is conditioned upon compliance by the Town with such requirements.

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

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

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

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

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

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

**State Taxes.** In the opinion of Bond Counsel, under existing statutes, interest on the Bonds and the Notes is excludable 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 excludable 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 the 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 the 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.

## **PUBLIC HEALTH CONSIDERATIONS**

Commencing in late 2019, an outbreak of a respiratory disease caused by a new strain of coronavirus ("COVID-19") resulted in a global public health crisis. The federal and State governments both declared public health emergencies and, along with local governments, took action to limit the spread of the outbreak and reduce the resulting economic impact. The federal and State public health emergency declarations have since been terminated.

While COVID-19 continues to circulate and cause infections, vaccination rates have increased, and the number of cases and hospitalizations have decreased since the peak of the pandemic. To date, the COVID-19 outbreak has had no material adverse effect on the finances of the Town. However, prospective investors should assume that restrictions and limitations related to COVID-19 and any future variants or pandemics may be instituted by the federal or State governments and that any resurgence of COVID-19 or another infectious disease could have a material adverse effect on the Town and its financial and operational performance.

The Town received \$25.9 million from the American Rescue Plan Act of 2021 in response to the COVID-19 pandemic (the "COVID-19 Aid"). The Town developed a plan for the use of such funds that focused on infrastructure improvements and other initiatives that complied with the program eligibility criteria. No assurance can be given that the Town would receive federal aid akin to the COVID-19 Aid if another pandemic or similar public health emergency were to occur.

## **CYBERSECURITY**

The Town, like many other public and private entities, relies on technology to conduct its operations. The Town and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls, including the use of virtual private networks, off-site servers, and hosting platforms for its financial systems to mitigate risk. All third-party vendors are fully insured. Additionally, the Town undertakes internal testing of its systems and maintains variable daily backup schedules. Recently, the Town has taken a number of steps to improve its security over email, including the implementation of conditional access, cybersecurity education through BullPhish, and email scanning powered by Inky. In addition, the Town has contracted with a service provider to do quarterly vulnerability scans. No assurances can be given,

however, that such security and operational control measures will be completely successful in guarding against future cyber threats and attacks. The results of any such attack could impact business operations and/or damage the Town's digital networks and systems and the costs of remedying any such damage could be substantial.

## **CLIMATE CHANGE**

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. Like much of Connecticut, the Town is vulnerable to inland wetland, small stream and river flooding as well as coastal flooding and storm surge. Finally, the Town faces other threats due to climate change, including soil erosion, heat impacts, and damaging wind that could become more severe and frequent.

The Town of Stratford's location in Southern Connecticut on Long Island Sound increases its vulnerability to storm surge and coastal flooding. To prepare itself for risks related to flooding, the Town has undertaken a number of coastal resiliency and flood mitigation efforts, including the adoption of a Coastal Resiliency Plan in December of 2016. Stratford has been recognized as a leader in statewide resiliency efforts by being one of only 13 towns in CT designated as Class 8 community in FEMA's Community Rating System ("CRS") program. This designation aids property owners with national flood insurance policies by reducing their premiums by 10%. As part of participation in the CRS program, the Town is currently in the process of conducting a Repetitive Loss Area Analysis ("RLAA"), which evaluates properties in Town that have experienced repetitive flood damage and site-specific mitigation solutions will be developed accordingly. The Town's expectation is that through this analysis, property owners will be able to implement low-cost, short-term solutions on their properties to mitigate flooding impacts. The Town partnered with the Connecticut Metropolitan Council of Governments to update the multi-jurisdictional Natural Hazard Mitigation Plan ("NHMP") in calendar year 2024, thus satisfying Federal Emergency Management Agency ("FEMA") requirements to update this plan once every five years. The NHMP was officially adopted by the Town Council in October 2024 and was adopted by FEMA in November 2024, qualifying the Town to pursue federal climate mitigation grants. The Town is also in the process of constructing a floodwall around the Town's Water Pollution Control Facility with the support of roughly \$2.7 million in grant dollars from FEMA to implement flood protection measures. Further, through Congressionally Directed Spending, the Town was awarded approximately \$4.1 million in grant dollars from FEMA's Pre-Disaster Mitigation grant programs for site drainage upgrades at the Water Pollution Control Facility.

The Town is actively addressing its larger climate resiliency goals, including how to combat coastal and riverine flooding through major infrastructure investments and long-term resilience planning. This includes the Ferry Boulevard & Broad Street Bridge replacement project, which was awarded \$5.5M from the Connecticut Department of Economic and Community Development in March 2026. The Town will provide a \$2M match to support the bridge's completion. This project will reduce chronic flooding at this critical intersection and will help protect Main Street near the Metro-North rail line and Interstate 95, as well as the surrounding businesses and residences. It also supports the EPA's cleanup of the Raymark site, helping ensure Stratford's natural waterways function more effectively while protecting the surrounding community.

In addition, there are other significant planning efforts taken on by the Town and outside agencies to mitigate flooding. The Town was one of seven municipalities in the state selected by the Connecticut Institute for Resilience and Climate Adaptation to develop scientifically informed adaptation strategies and to scope the engineering and infrastructure components to develop concept designs for promoting climate resiliency within the Lordship Boulevard commercial/industrial area and the South End neighborhood. The recommendations of this study, once implemented, will benefit the businesses in heavy manufacturing/commercial neighborhoods as well as residents in low-lying coastal areas that are affected by flooding. Additionally, a South End Drainage Study conducted by Weston & Sampson was completed in June 2024, and the Town is completing its review of the study. The Town has invested and entered into an agreement with the US Army Corps of Engineers to conduct a Coastal Risk Management Study that will provide next-level feasibility analyses for the coastal resiliency projects identified in the Town's Coastal Resiliency Plan. The Town intends to seek Federal grant dollars to support implementation of viable projects.

Stratford Point Living Shoreline received "Best Restored Shore Award" from the American Shore and Beach Preservation Association for the artificial reef balls implemented along the mouth of the Housatonic River at Stratford Point. Lastly, to mitigate urban heat, the Town has undertaken various planning efforts to support its urban and community forestry. The benefits of urban trees include lowering temperatures in urban areas, protecting biodiversity, and managing stormwater. The Town seeks to reap these benefits by enhancing its urban and community forestry with the now finalized tree canopy assessment and tree inventory. To further these efforts, the Town will construct its first Arboretum. Design and construction have been funded in part by \$650,000 in grants from the Connecticut Department of Public Health Block Grant program and the Connecticut Department of Energy and Environmental Protection (CT DEEP). In April 2026, CT DEEP announced an additional award of \$667,500 for the Arboretum. The Town continues to seek grant funding to complete the initiated urban forest management plan, which will support future tree-related practices and implementation and help mitigate urban heat.

The Town cannot predict the timing, extent, or severity of climate change and its impact on the Town's operations and finances. Between its mitigation efforts and budgeted reserves for contingencies, the Town is prepared to respond and recover from any severe weather events. The Town is continually applying for grant funding to support its mitigation efforts at either the planning or implementation stage. Further, the Town regularly communicates and collaborates with both State and Federal agencies such as Connecticut Department of Energy and Environmental Protection, U.S. Army Corps of Engineers, and FEMA for mitigation funding opportunities or guidance. The planning efforts involved in climate change mitigation are extensive and involve a variety of agencies beyond the local level.

The Town remains steadfast in its commitment to mitigating impacts from climate change and will continue to work collaboratively with agencies to ensure a safe community for everyone.

## **QUALIFICATION FOR FINANCIAL INSTITUTIONS**

The Bonds and the Notes shall **NOT** be designated as qualified tax-exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds and the Notes.

## **AVAILABILITY OF CONTINUING DISCLOSURE INFORMATION**

In accordance with State law, the Town provides or causes to be provided annual audited financial statements and operating statements and files such annual audits with the State of Connecticut Office of Policy and Management annually. The Town provides, and will continue to provide the rating agencies with 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 from time to time.

The Town will enter into Continuing Disclosure Agreements with respect to the Bonds and the Notes, substantially in the forms attached as Appendices E, F and G to this Official Statement (the "Continuing Disclosure Agreements") to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, (i) annual financial information and operating data with respect to the Bonds, (ii) timely notice of the occurrence of certain events not later than ten (10) business days after such occurrence with respect to the Bonds and the Notes and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement with respect to the Bonds. The Underwriter's obligation to purchase the Bonds and the Notes shall be conditioned upon its receiving, at or prior to the delivery of the Bonds and the Notes, executed copies of the Continuing Disclosure Agreements for the Bonds and the Notes.

The Town has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and notices of certain events pursuant to Rule 15c2-12(b)(5). Over the last five years, the Town has complied in all material respects with its undertakings under such agreements with the exception of a timely filing of its annual financial information and operating data for the fiscal years ending June 30, 2021, 2022 and 2023. For fiscal year 2021, due to unforeseen circumstances related to the COVID-19 pandemic and a merger at the Town's accounting firm, the Town's financial statements were delayed. The Town timely filed a notice of failure to file on February 28, 2022 and subsequently filed the fiscal year 2021 audited financial statements on April 21, 2022 and financial information and operating data on April 26, 2022. For fiscal year 2022, due to a combination of turnover at key positions at the Town and staffing issues with the Town's auditor, the Town's financial statements were again delayed. The Town timely filed a notice of failure to file on February 28, 2023 and subsequently filed the fiscal year 2022 audited financial statements on August 1, 2023 and financial information and operating data on August 11, 2023. For fiscal year 2023, like many local governments in Connecticut and across the country, the Town's audited financial statements were again delayed. The Town timely filed a failure to file notice on February 27, 2024 and subsequently filed its audited financial statements on May 1, 2024 and financial information and operating data on May 3, 2024. For fiscal year 2024, the Town timely filed draft financial statements on February 28, 2025 and subsequently filed its audited financial statements on April 1, 2025 along with the required financial information and operating data. For fiscal year 2025, the Town timely filed its audited financial statements and financial information and operating data.

Additionally, the Town failed to timely post notices of incurrence of the following financial obligations on EMMA: 1) the \$12,245,000 Town of Stratford, General Obligation Bond Anticipation Note, Issue of 2021 which closed on December 16, 2021 (the "2021 Notes"), and 2) the \$12,245,000 Town of Stratford, General Obligation Bond Anticipation Note, Issue of 2022A which closed on March 15, 2022 (the "2022 Notes"). When the Town was made aware of the missed filings, it promptly filed notices on EMMA on May 4, 2022 reflecting incurrence of the financial obligations for both the 2021 Notes and the 2022 Notes.

In an effort to improve its continuing disclosure procedures, the Town has signed up for reminder notifications from the Municipal Security Rulemaking Board's ("MSRB") Electronic Municipal Market Data ("EMMA") and has retained Munistat Services Inc. as its dissemination agent.

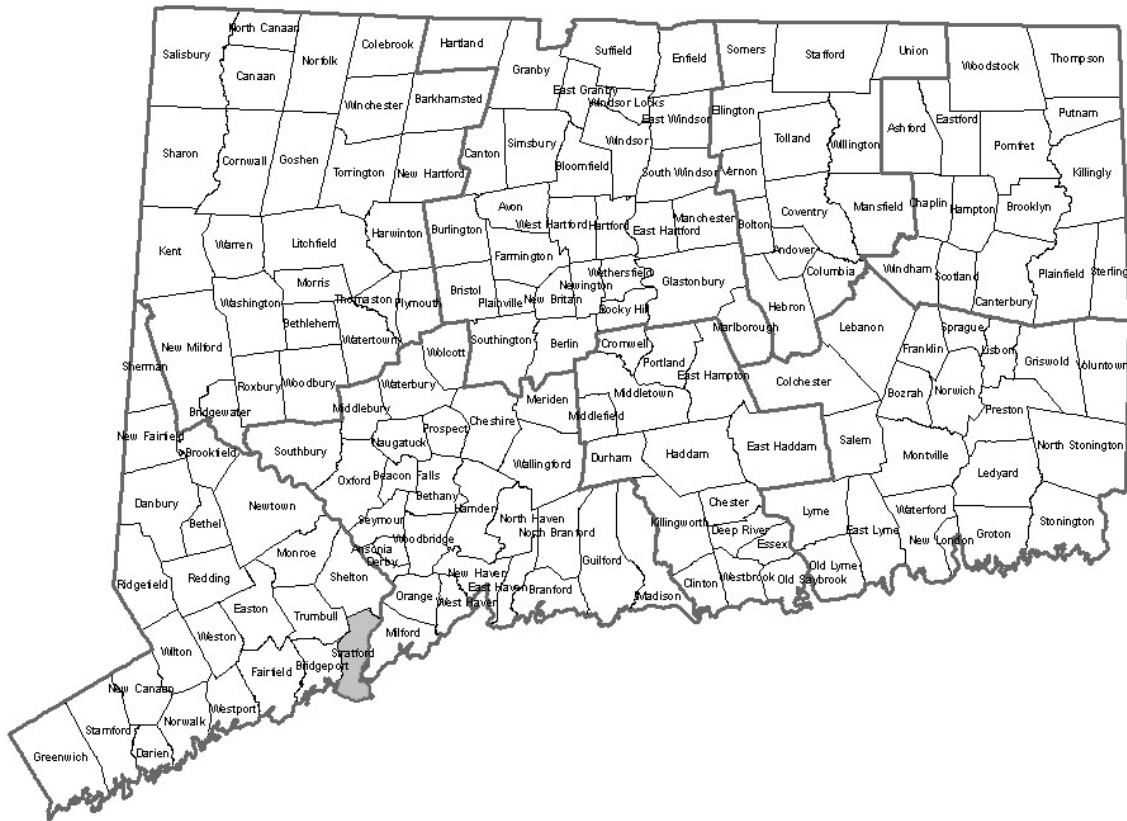
## **UNDERWRITING**

The Bonds and the Notes are being purchased by Raymond James & Associates, Inc. as managing underwriter (the "Underwriter") pursuant to the terms of a bond and note purchase agreement with the Town (the "Bond and Note Purchase Agreement"). Pursuant to the Bond and Note Purchase Agreement, the Underwriter has agreed, subject to certain conditions, to purchase the Series A Bonds from the Town at the net aggregate purchase price of \$\_\_\_\_\_ (consisting of the par amount of \$\_\_\_\_\_, plus original issue premium of \$\_\_\_\_\_, less an underwriter's discount of \$\_\_\_\_\_), to purchase the Series B Bonds from the Town at the net aggregate purchase price of \$\_\_\_\_\_ (consisting of the par amount of \$\_\_\_\_\_, plus original issue premium of \$\_\_\_\_\_, less an underwriter's discount of \$\_\_\_\_\_ ) and to purchase the Notes from the Town at the net aggregate purchase price of \$\_\_\_\_\_ (consisting of the par amount of \$\_\_\_\_\_, plus original issue premium of \$\_\_\_\_\_, less an underwriter's discount of \$\_\_\_\_\_).

The Bonds and the Notes may be offered and sold to certain dealers (including unit investment trusts and other affiliated portfolios and other dealers depositing the Bonds and the Notes into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriter.

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## II. THE ISSUER



### DESCRIPTION OF THE TOWN

The Town of Stratford (the “Town”) was founded by English settlers in 1639, making it the eighth oldest town in the State of Connecticut. Located thirteen miles west of New Haven and adjacent to Bridgeport to the west, Milford to the east, Long Island Sound to the south and Shelton to the north, the Town is located approximately 65 miles east of New York City and 50 miles southwest of Hartford, Connecticut. The Town encompasses approximately 18.7 square miles within Fairfield County.

The Town is traversed by two major highways, the Merritt Parkway (Route 15) and the Connecticut Turnpike (Interstate 95). Metro-North and Amtrak provide rail service to Boston or New York. Sikorsky Memorial Airport is located within the Town and provides various services to both private industry and commuters to New York’s major airports. The Town is a member of the Greater Bridgeport Transit District that operates more than 50 buses along 16 routes within the Town, the Towns of Fairfield and Trumbull and the City of Bridgeport.

The Town is a balanced community of residential, waterfront and rural areas, retail and commercial development and major industrial plants. The large selection of affordable homes is one reason many companies are located in the Town. The Town has more land zoned for industry percentage-wise than any other town in the State of Connecticut, almost all of which is within five minutes of either Interstate 95 or the Merritt Parkway. The Stratford Industrial Park, a 240-acre site, is located one-half mile from Interstate 95 and Sikorsky Airport.

The Town's public school system provides a balanced curriculum for approximately 6,500 students. There are several vocational training facilities, colleges and universities in close proximity to the Town which offer a variety of educational programs.

The Town's location on Long Island Sound provides residents with 18 miles of shoreline, three public beaches, five marinas, a fishing pier and public launch ramp. In addition, Roosevelt Forest and Boothe Memorial Park are ideal for hiking, picnicking and cross-country skiing.

The Town offers a variety of cultural attractions, including the 11 museums and Celebrate Stratford Events which run community and cultural events throughout the year including a Latin Festival, the Booth Park Pumpkin Festival and Blue on the Beach to name a few.

**FORM OF GOVERNMENT**

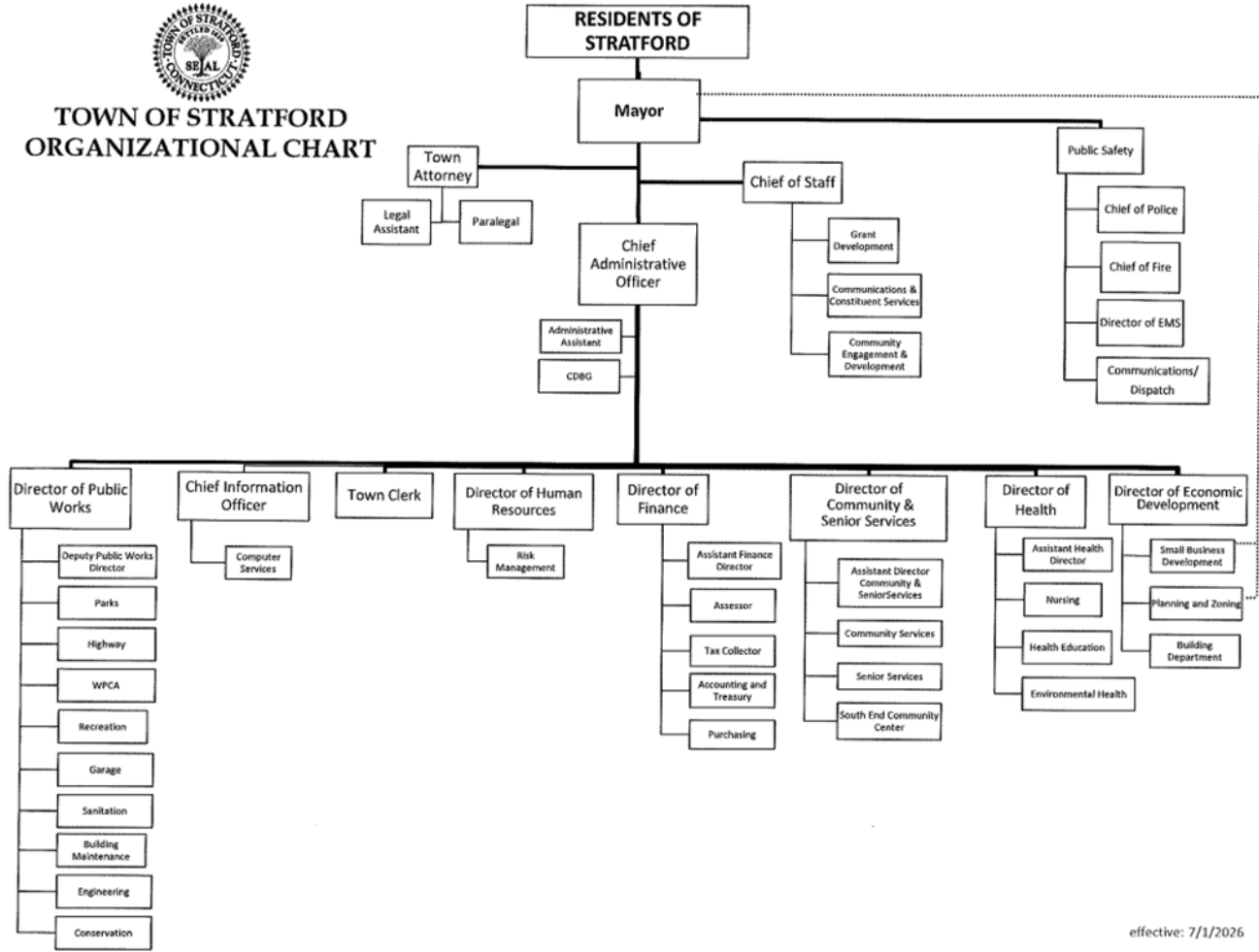
From 1921 until 2005, the Town operated under a Council-Manager form of government. In November 2003, the electors of the Town approved a revision to the Charter that changed the form of government to a Mayor-Council system. The new form of government took effect on December 12, 2005, when the Town's first Mayor was sworn into office. The Mayor is a full time, compensated, elected official. The Mayor's term is for four years. The Mayor is recognized as the head of the Town and appoints all department heads, including the Town Attorney, appoints citizens to commissions, prepares the budget, establishes criteria for evaluation of subordinates, and leads the economic development vision for growing the Town's grand list. The Mayor's attendance at all Council meetings is required, but the Mayor is not able to vote unless to break a tie vote of the Town Council. A Chief Administrative Officer (the "CAO") is appointed by the Mayor, and assists the Mayor with budget preparation, labor negotiations, and any other departmental operations deemed appropriate by the Mayor. The CAO is required to have an education and background in public administration. A Town Council of 10 members, who are elected biennially for two-year terms and cannot serve more than three consecutive terms, performs the legislative function. The Town Council approves the annual budget, supplemental appropriations, and bond authorizations. See "Emergency Appropriations" and "Legal Requirements for Approval of Borrowing" herein.

**MUNICIPAL OFFICIALS**

<u>Name</u>	<u>Position</u>	<u>Term</u>	<u>Length of Service</u>
David Chess.....	Mayor	4 years - Elected	Less than 1 year
Anthony Afriyie.....	Town Council Chair.....	2 years - Elected	2 years
Carl Glad.....	Town Council Member.....	2 years - Elected	2 years
Philip Young IV.....	Town Council Member.....	2 years - Elected	2 years
Christopher Green.....	Town Council Member.....	2 years - Elected	8 years (not
William Boyd.....	Town Council Member.....	2 years - Elected	Less than 1 year
Rene Gibson.....	Town Council Member.....	2 years - Elected	2 years
George Zamarly III.....	Town Council Member.....	2 years - Elected	Less than 1 year
Jean Collier.....	Town Council Member.....	2 years - Elected	Less than 1 year
Lisa Carroll Fabian.....	Town Council Member.....	2 years - Elected	Less than 1 year
Paul Aurelia.....	Town Council Member.....	2 years - Elected	2 years
Catherine Williams.....	Chief Administrative Officer.....	Appointed	Less than 1 year
Heather Borges.....	Superintendent of Schools.....	Appointed	10 years
Caitlin Bosse.....	Director of Finance.....	Appointed	Less than 1 year
Caryn Kaufman.....	Chief of Staff.....	Appointed	Less than 1 year
Thomas Tesoro.....	Human Resources Director.....	Appointed	Less than 1 year
Larry Ciccarelli.....	Public Safety Director.....	Appointed	11 years

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# ORGANIZATIONAL CHART



effective: 7/1/2026

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## SUMMARY OF MUNICIPAL SERVICES

As previously indicated, the Town operates under a Mayor-Council form of government where the Mayor functions as the Chief Executive of the Town and day-to-day operations are managed by the CAO, at the direction of the Mayor. Reporting to the Mayor are the Chief of Staff, the CAO, Town Attorney, the Chiefs of Police and Fire, Director of EMS, and Dispatch. Reporting to the CAO are the Finance, Human Resources, Public Works, Health, Community and Senior Services Directors, and the Town Clerk.

The Town also has full-time dedicated and certified staff specializing in Planning, Zoning, Engineering, Building and Information Technology. Also, to ensure proper public purchasing and fiscal controls, the Town has a fully skilled and staffed Finance Department, which includes finance administration, accounting, purchasing, tax assessment, and tax collection. The Finance Department, under the direction of the Finance Director, is responsible for overall supervision of the Town's financial management, including treasury functions, property tax assessment, tax collection, financial accounting and reporting, payroll processing, debt management, purchasing, special financial analysis, and management of the Town's pension fund.

The Town's Public Works Department serves the public with a comprehensive, one-stop shopping approach with responsibility for Town Building Maintenance, Engineering, Parks, Highways, Town Garage, Recycling/Refuse, Sewers, and Environmental Conservation. The Public Works Department is responsible for designing, developing, constructing, and maintaining public roads, walks, parks, and buildings in the community, including 191 miles of roads. This division also manages the building code enforcement program, pickup and disposal of solid waste generated within the Town, and provides guidance and direction in resource management on conservation and pollution control issues, including recycling mandates. The Town currently operates its own wastewater collection and treatment facility. The Town established an enterprise fund for its water pollution control facility on July 1, 1993. All costs of operating the sewer treatment system and its approximately 200 miles of sewer mains and laterals are funded through user charges. The Town's water is supplied by the Aquarion Water Company of Connecticut, a subsidiary of Aquarion Corporation, and the Town's electricity is supplied by United Illuminating and Eversource.

Public safety is of paramount importance to the Town and its citizens. The Fire, Police, Emergency Medical (ambulance), and Dispatch departments or services are responsible for the security and safety of the community. The Police Department has an authorized strength of 115 full-time members, including sworn officers, animal control officers, and civilian support personnel. Numerous state and federal grants help fund many programs in areas such as community policing, police-youth outreach, traffic enforcement, and drug enforcement and prevention. The Stratford Fire Department has 116 members, including a Communications Division responsible for manning the E-911 center and central dispatching. The department maintains a fire and rescue delivery system and an extensive fire prevention program. The Town maintains an Emergency Medical Services Program with seven administrative/supervisory employees and ten full-time paramedics. The Town bills for ambulance services and has established an enterprise fund to account for these billings.

The Town's Health Department attained national reaccreditation in fiscal year 2022 and is committed to improving the quality of life for Stratford residents. The department covers everything from restaurant inspections to childhood immunizations. The department educates, licenses, and inspects food establishments, hair and nail salons, and operates a school-based health center. The department leads the region's local health departments' emergency preparedness planning and response. It works daily to prevent disease and ensure a clean and safe environment for Stratford residents.

Beyond day-to-day operations, the citizens of the Town are offered services that range from counseling services through its Community Services Department to recreation and leisure services through its Parks and Recreation Department. Broadening the Town's reach of services are three Stratford-based nonprofit agencies, independent of the Town, which provide services to citizens by contract. These agencies are the Sterling House, the Stratford Public Library, and the Stratford Visiting Nurses Association. In addition to these agencies, the Stratford Housing Authority (the "SHA") owns and operates 514 dwelling units located in several separate areas throughout the Town. The SHA is self-supporting with an annual operating budget of over \$6.5 million and assets of over \$37.2 million.

The Town utilizes the Greater Bridgeport Regional Solid Waste Interlocal (the "Interlocal") for the disposal of solid waste through the Greater Bridgeport Regional Solid Waste Interlocal Committee (the "Committee"), including a solid waste disposal and processing facility located in Bridgeport and operated by Wheelabrator Bridgeport L.P (the "Facility"). The initial Municipal Services Agreement ("MSA") took effect on August 2, 2014 and expired on June 30, 2024, subject to two five (5) year extensions as described herein. The Town is one of eleven Connecticut municipalities participating in the contract (a "Participating Municipality"). Following an RFP for solid waste disposal services, the Committee voted in December 2023 on a new contract with operator Wheelabrator. Under the new contract, which commenced July 1, 2024 and will expire on June 30, 2029, tipping fees increased between 4-6% each year over the five-year term of the agreement. Each Participating Municipality has signed such an agreement, and each participating municipality submits itself to the governance and

jurisdiction of the Committee. Each Municipality annually appoints its Chief Elected Official to the Committee. The Committee negotiates, executes, and delivers contracts for delivery of solid waste to the Facility under terms, which it determines to be in the best interest of the eleven municipalities as a whole. Each municipality is obligated to deliver all its municipal solid waste to the Facility operated by Wheelabrator, but no minimum tonnage is required to be delivered without the consent of that Participating Municipality. However, there is a total capacity for the Interlocal (250,000 tons per year) and for each Participating Municipality and if there is “excess” waste over and above that capacity Wheelabrator will accept it, but only if it has the capacity to do so, at a per ton tipping fee to be agreed upon at the time. Each Participating Municipality pays a disposal fee which is the tipping fee for each year multiplied by the tons of Acceptable Waste (AW) delivered, plus or minus adjustments, all as calculated on a monthly basis. Base tipping fee equals \$60.00 per ton, less \$1.00 per ton for every 25,000 tons in excess of 175,000 tons per year to the stated Interlocal capacity. The tipping fee is adjusted annually based on a formula encompassing changes in the Consumer Price Index. The tipping for fiscal year 2025-26 is \$88.66 under the terms of the new agreement (the “2024 Agreement”). There is a weighted vote for all matters coming before the Committee based on tonnage delivered during the prior fiscal year. The total budget of the Interlocal will be prorated between each Participating Municipality based on tonnage delivered by each Participating Municipality to the Facility. The term of the 2024 Agreement is 10 years, with two 5-year options if the Interlocal and Wheelabrator both agree to the same. All Participating Municipalities, including the Town, pledge their full faith and credit for the payment of all service payments under the 2024 Agreement.

**EDUCATIONAL SYSTEM**

The Town's school system consists of one school for Pre-Kindergarten, eight schools for pupils in grades K through 6, two schools for pupils in grades 7-8, and two schools for pupils in grades 9-12. The schools are governed by a seven-member elected Board of Education.

**EDUCATIONAL FACILITIES**

<u>School</u>	<u>Grades</u>	<u>Year Built</u>	<u>Renovation</u>	<u>Enrollment 10/1/2025</u>
Stratford Academy School - Victoria Soto.....	Pre K	2015	N/A	235
Franklin Elementary School.....	K-6	1910	1917, 41, 66, 90	303
Second Hill Lane School.....	K-6	1954	1958, 99	561
Stratford Academy School - Johnson House...	K-6	1966	1995	433
Chapel Street School.....	K-6	1956	1966, 99	386
Lordship Elementary School.....	K-6	1941	1953, 84	202
Nichols Elementary School.....	K-6	1914	1927, 56, 91	408
Eli Whitney Elementary School.....	K-6	1945	1948, 54, 92	420
Wilcoxson Elementary School.....	K-6	1928	1941, 48, 91	316
Flood Intermediate School.....	7-8	1972	1988	479
Wooster Intermediate School.....	7-8	1953	1995	526
Bunnell High School.....	9-12	1971	1991	969
Stratford High School.....	9-12	1925	1930, 36, 42, 50, 71, 89, 2019	1,097
Evening HS.....	9-12	N/A	N/A	19
Other Programs.....	K-12	N/A	N/A	155
<b>Total</b>				<b>6,509</b>

Source: Superintendent of Schools.

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**SCHOOL ENROLLMENT**

**Actual Enrollments**

<b><u>School Year</u></b>	<b><u>PK-6</u></b>	<b><u>7-8</u></b>	<b><u>9-12</u></b>	<b><u>Total</u></b>
2016-17	3,720	1,158	2,109	6,987
2017-18	3,656	1,143	2,154	6,953
2018-19	3,613	1,139	2,164	6,916
2019-20	3,590	1,158	2,208	6,956
2020-21	3,413	1,128	2,253	6,794
2021-22	3,512	1,108	2,324	6,944
2022-23	3,430	1,084	2,351	6,865
2023-24	3,432	1,060	2,330	6,822
2024-25	3,389	1,040	2,255	6,684
2025-26	3,315	1,026	2,168	6,509

**Enrollment Projections**

2026-27	3,384	1,053	2,105	6,542
2027-28	3,397	1,016	2,117	6,530
2028-29	3,347	1,038	2,099	6,484
2029-30	3,311	1,031	2,042	6,384

Source: Superintendent of Schools.

**MUNICIPAL EMPLOYMENT**

<b><u>Fiscal Year</u></b>	<b><u>Full-time Equivalents</u></b>				
	<b><u>2026</u></b>	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>
Board of Education.....	1,064	1,053	1,005	970	955
General Government <sup>1</sup> .....	472	453	453	447	443
<b>Total</b>	<b>1,536</b>	<b>1,506</b>	<b>1,458</b>	<b>1,417</b>	<b>1,398</b>

<sup>1</sup> Includes Town grant supported employees and Town employees supported by Enterprise funds, including the Wastewater Treatment Plant and EMS.

Source: Town Officials.

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**MUNICIPAL EMPLOYEES BY CATEGORY**

<b>Department</b>	<b>Number of Employees <sup>1</sup></b>
<b>General Government</b>	
Administration.....	29
Finance.....	20
Human Development <sup>2</sup> .....	33
Physical Development.....	125
Public Safety.....	251
Wastewater Operations - WPC.....	14
Subtotal.....	472
<b>Board of Education</b>	
Administration and Principals.....	44
Teachers.....	601
Secretaries.....	43
Classroom Instructional Aids.....	167
Nurses.....	16
Custodial/Maintenance.....	57
Cafeteria Workers.....	18
Non-union.....	118
Subtotal.....	1,064
<b>Grand Total.....</b>	<b>1,536</b>

<sup>1</sup> As of May 8, 2026.

<sup>2</sup> Includes employees of the Stratford Library Association, whose budget is supported by the Town, but whose employees are hired and managed by the Town Council-appointed Library Trustees.

Source: Town Officials.

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**MUNICIPAL EMPLOYEE BARGAINING ORGANIZATIONS**

<u>Employees</u>	<u>Organization</u>	<u>Employees Covered</u> <sup>1</sup>	<u>Current Expiration</u>
<b>General Government</b>			
Communications/Dispatch...	United Public Service Employees Union.....	12	6/30/2025 <sup>2</sup>
Police.....	Council #15, Local 407, AFSCME.....	104	6/30/2025 <sup>2</sup>
Public Works.....	Local 134, Stratford Public Works Employees Association.....	112	6/30/2027
Firefighters.....	Local 998, International Association of Firefighters....	96	6/30/2026 <sup>2</sup>
Town Hall.....	Local 136, Administrative, Technical and Clerical Employees AFL-CIO.....	50	6/30/2026 <sup>2</sup>
Supervisors.....	Supervisors, Council #4 AFSCME.....	39	6/30/2027
Non-Bargaining.....	Town non-bargaining employees <sup>3</sup> .....	59	N/A
	<b>Total General Government</b>	<u>472</u>	
<b>Board of Education</b>			
Administrators.....	Stratford Administrators Association Inc.....	44	6/30/2029
Teachers.....	Stratford Education Association.....	601	6/30/2028
Secretaries.....	Stratford Educational Secretaries' Association, CSEA.	43	6/30/2029
Classroom Instructional Aids (CIA), & Lunch Personnel.....	UAW Local 376.....	185	6/30/2028
Nurses.....	Stratford School Nurses' Association, CSEA	16	6/30/2027
Custodians.....	Stratford Public School Custodians Association.....	57	6/30/2029
Non-Bargaining.....	Town non-bargaining employees.....	118	
	<b>Total Board of Education</b>	<u>1,064</u>	
	<b>Total.....</b>	<u><u>1,536</u></u>	

<sup>1</sup> As of May 8, 2026.

<sup>2</sup> In negotiations.

<sup>3</sup> Includes both grant employees and employees of the Stratford Library Association.

Source: Town Officials.

Connecticut General Statutes Sections 7-473c, 7-474, and 10-153a to 10-153n provide for 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 may reject an arbitration panel's decision by a two-thirds majority vote. The State 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 party. 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 of contracts, in assessing the financial capability of a municipality, 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 wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

## **ECONOMIC DEVELOPMENT**

Stratford boasts over 18 miles of scenic coastline, 400 acres of preserved forest, beautiful parks, and a rich cultural heritage, providing a unique quality of life for its multi-generational and diverse community of approximately 53,000 residents. The Town is home to world-class employers and a highly skilled workforce, supported by a cost of living that remains more affordable than in surrounding metropolitan areas.

Strategically located between New York City and Boston, Stratford offers transportation access that has fueled its economic development for decades. The Town is bisected by Interstate 95 and the Metro North railroad while the Merritt Parkway and Routes 8 and 25 connect the Town to the entire Northeast corridor. The federal government recently invested \$46 million to enhance the Town's transportation infrastructure at Sikorsky Memorial Airport. Upgrades included hazardous sub-soil remediation, installation of a new EMAS safety zone, and improvements to Main Street, further positioning the Town as a gateway for business travel and capitalizing on a large market for commercial service.

### **Sikorsky Aircraft, a Lockheed Martin company**

In 2025, the U.S. Department of War awarded Sikorsky Aircraft, a Lockheed Martin company ("Sikorsky"), a five-year contract to build up to 99 CH-53K King Stallion helicopters. In February, the U.S. Navy authorized \$232M to produce parts for the future assembly of King Stallion helicopters. The U.S. Army also awarded Sikorsky a contract that funds Black Hawk modernization efforts. Sikorsky is growing its aerial firefighting manufacturing capabilities, including an October 2025 MOU with CAL FIRE to enhance autonomous aerial firefighting technologies and the company is regularly demonstrating its MATRIX autonomy technology to a variety of users, including firefighters, U.S. Army, and U.S. Marine Corps.

In March 2026, Sikorsky announced it was preparing to build the first production batch of S-92A+™ helicopters, the latest variant of its flagship commercial heavy-lifter. A+ model aircraft will be manufactured and assembled in Stratford and Owego, New York, for a new head-of-state transport customer, and anticipated orders from Head of State and offshore-energy customers, marking an exciting development for current and future operators.

In March 2026, Sikorsky also announced the successful flight testing and delivery of the U.S. Army's experimental UH-60MX Black Hawk® helicopter fully integrated with the company's MATRIX™ autonomy system. The delivery of the UH-60MX aircraft, owned and operated by the Army, marks a milestone in the Army's pursuit of open-architecture, mission-supported autonomy and optionally piloted flight.

In a partnership with Robinson Helicopter Company, Sikorsky unveiled the R66 TURBINETRUCK, an autonomous cargo helicopter that combines Sikorsky's proven MATRIX™ autonomy system with Robinson Unmanned new cargo UAS helicopter. In April 2026, the United States Marine Corps recently awarded a \$15.5 million contract to Sikorsky for the Medium Aerial Resupply Vehicle – Expeditionary Logistics (MARV-EL) Increment 2 program, which selected the R66 TURBINETRUCK for this award.

As a global security, innovation, and aerospace company, Sikorsky provides aircraft systems to five branches of the U.S. armed forces and to global militaries and commercial operators in 40 nations.

### **Point Stratford Renewal (Army Engine Plant)**

This 77-acre waterfront property is a former Army Engine site that was the last base closure in 1995 and was conveyed on April 2, 2024, to the Army's preferred developer, Point Stratford Renewal ("PSR"). The project is well underway, with PCB remediation in some buildings, demolition of all buildings, and bringing in fill to cap the property, all occurring simultaneously. The final buildings are expected to be demolished by early 2027.

Originally slated for manufacturing warehouse use, the site is being repositioned to a mixed-use development that will generate jobs, increase tax revenue, expand housing opportunities, and ultimately reshape the Town's financial outlook. The vision includes housing, a hotel, a conference center, a Globe-style theater celebrating Stratford's Shakespearean heritage, and a potential sports and recreation facility. By creating a true destination, this project will not only enhance the Town's cultural and recreational offerings but also represent a long-term investment in Stratford's economic future.

Upon the conveyance, PSR and the Army entered into an Environmental Service Cooperative Agreement ("ESCA"), under which the Army granted PSR authority to manage the remediation of the tidal flats concurrently with the upland property. The site's tidal flat silt is being used as part of the capping. The tidal flat project began in May 2025 and is estimated to be completed in summer 2026. The project represents one of the largest coastal remediation projects in state history and is expected to be completed on time and under budget.

Stratford has received more than \$900,000 in grants from the State of Connecticut for “predevelopment planning and environmental compliance analysis” for the Point Stratford Renewal project, of which \$485,000 remains available. Stratford is using the grant money to design a waterfront linear park, ensuring a mile of waterfront access to the community. Additionally, the Town has applied for \$6 million from the CT Department of Economic and Community Development for brownfield remediation and is requesting \$5 million in state bonding to support master planning and economic analysis for the site. PSR has selected Cooper Robertson – Corgan as the Master Planner. Their work has begun, community engagement meetings are scheduled for summer 2026, with a master plan targeted for completion by the end of 2026.

### ***Additional Projects***

The additional projects below are in progress in Stratford’s designated Transit-Oriented District (“TOD”), which will enhance Stratford’s residential neighborhoods, preserve its historic character, revitalize Stratford Town Center and commercial areas, and promote mixed-use development that increases employment and the Town’s tax base.

- **The Village:** The Village will represent the Town’s newest 103-unit apartment complex located within Stratford’s Historic and Transit-Oriented District, at 2009-2019 Main Street. The three-acre site will preserve and restore the historic Lillie Devereux Blake House, creating four apartments. The complex will include a 5,500 square-foot amenity area. The development will open in June 2026.
- **1000 East Broadway (former Center School property):** The Town is finalizing its agreement with the developer, who will be building a 154-unit Transit-Oriented Development apartment complex on this 3 + acre Town-owned property in the heart of Stratford Center. The project will not only bring retail revitalization to the center of town but will also be included on the Town’s grand list for the first time.
- **Aldi’s Supermarket:** Aldi’s is beginning the permit approval process and will be located behind the train station in the TOD shopping plaza at Barnum Ave. extension.
- **Complete Streets:** Stratford Center has a finished Complete Streets with pedestrian/bike-friendly lanes in the Town Center and south. Phase II of Complete Streets is in the 90% design phase, extending Phase I north through Paradise Green, to connect the two retail-heavy centers.
- **Ferry Boulevard:** The Town’s Route 1 corridor has an abundance of residential/mixed-use projects in various stages of development. 211 Ferry Boulevard is a completed building with 45 units. Down the road, 382 Ferry Blvd is going before zoning with 127 residential apartments, and further along the corridor, 990 Stratford Ave. is moving forward with a mixed-use project on a former Exxon property that has been vacant for decades. All these developments are directly south of the train station. A 100% affordable residential development is also in development next to the train station. The mix of projects totals over 400 new apartments, which will increase downtown density and support local business and housing needs, including affordable housing.
- **The Greenway:** The third extension of the Greenway trail is in the design phase. The project will accommodate both cyclists and pedestrians along the Route 130 portion of Ferry Blvd. between Elm Street and the Devon bridge, in preparation for the mixed-use developments popping up along Route 1. The extended portion of the Greenway will add to the improved traffic pattern, thanks to the construction of the Exit 33 full interchange project several years ago, which has aided commercial redevelopment in and around Stratford’s TOD district and Route 1.
- **Contract Plating:** Contract Plating is a 10.5-acre brownfield site located in the TOD and abutting the Raymark Superfund site. The CT Department of Economic & Community Development (DECD) and the U.S. Environmental Protection Agency (EPA) have funded over \$4M in remediation grants. Included in the \$4 million is the most recent supplemental funding from DECD to remediate a section of the property where 11 fuel cells will be installed, along with completing Phase III on the property to move forward with developing the significant remaining portion. This property has not been on the tax rolls for well over a decade.
- **Fuel Cells:** HyAxiom, has invested approximately \$30 million and signed a 20-year lease for the southwest corner of the former Contract Plating property, where they will install 11 fuel cells. The fuel cell system will be gas-powered and will generate approximately 5 MW of power continuously, totaling over 44,000 MWh annually, helping to support a decentralized power grid.
- **Raymark Superfund Site Cleanup:** The former Raymark site is an EPA \$94 million Superfund remediation project: The excavation is complete along the Route 1 Ferry Blvd corridor, including all the businesses and marshlands remediated and restored. The result is an aesthetically improved shoreline area as well as tax revenue opportunities for the first time in over a quarter century. The Raybestos property, to which the remediated material has been

transported, has been capped and is ready for development. This property abuts the Contract Plating property. Next on the EPA's remediation list is 576 East Broadway, slated to begin work in summer 2026, transforming a contaminated, overgrown property into a sports complex for the Town.

- **Stratford Performing Arts Center:** The Stratford Performing Arts Center property, formerly the site of the Shakespeare Theatre, is undergoing a necessary facelift. The Shakespeare Theater Museum and Art Gallery is envisioned with a small performance space and cafe. Phase I plan includes infrastructure improvements and renovations to the long-vacant historic building on the property, the John Benjamin House. The project will also enhance accessibility to the building by installing an elevator. The Town is working with the Connecticut State Historic Preservation Office to ensure the project protects the building's historical significance and integrity. Full-service architectural firm, Svigals + Partners, has been selected for this phase of the project.
- **Parkway Plaza Development:** Located adjacent to Lockheed Martin Sikorsky, a Starbucks was completed during Phase I. To make way for Phase II, which includes a waterfront hotel and additional office/retail space, the property owner has purchased two lots adjacent to the current site. Phase III of the development will include a mixed-use building with apartments and a restaurant, as well as a stand-alone restaurant.
- **West Broad Street:** The recent streetscape project along West Broad Street has led to industrial and service industry business development around this intersection of I-95 on and off ramps.
- **Lordship Boulevard Neighborhood:** This vibrant industrial area includes many of Stratford's largest businesses, including three FedEx facilities that employ 1,200; UPS, Bridgeport Fittings, Nuovo Pasta, and Connecticut Distributors, to name a few. All these businesses have grown over the past several years, many with additional locations.
- **Stratford Avenue/Honeyspot Road:** This roundabout and sidewalk project is at 90% design and will provide improved traffic patterns, safer pedestrian travel, and enhanced aesthetics in a neighborhood that is experiencing an influx of new businesses and renovation projects.
- **Adult Use Recreational Marijuana:** The Town of Stratford is one of the few municipalities in the region that has not enacted a full moratorium on Adult Use Recreational Retailers and Manufacturers. Instead, the Town has implemented a controlled approach by limiting the number of retail cannabis establishments to two. Under current legislation, the Town receives a 3% municipal sales tax on retail cannabis transactions. A second cannabis retail location recently opened at 130 Honeyspot Rd. In addition to retail operations, a cannabis manufacturer has established a 40,000 sq. ft. cultivation and processing facility at 350 Hathaway Dr. This property had been vacant for nearly a decade and is located in a FEMA-designated flood zone. The manufacturer has made substantial investments to renovate and flood-proof the building, bringing new economic activity and revitalization to an underutilized industrial site.
- **Stratford Tourism:** Stratford's shoreline is lined with bustling restaurants and vibrant tourist activity, anchored by a beautifully renovated waterfront hotel. The Town is home to 11 museums and a thriving arts community. Founded in 1639, Stratford holds a significant place in American history, offering engaging historic walks and lectures that bring its rich past to life. Throughout July 2026, the Town will be celebrating the Country's 250th anniversary with several town events, many of which will be interwoven with Stratford's Celebrate Stratford events. These events, funded by private sponsors, will continue throughout the year, with highlights such as Restaurant Week, the Latin Music Festival, the Summer Concert Series, and the Great Pumpkin Festival. These events not only foster community but also support local businesses and the Town's many impactful non-profits.

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### III. ECONOMIC AND DEMOGRAPHIC DATA

#### POPULATION TRENDS

<u>Year</u>	<u>Town of Stratford</u>	<u>Fairfield County</u>	<u>Greater Bridgeport Planning Region <sup>1</sup></u>	<u>State of Connecticut</u>
1980	50,541	807,143	n/a	3,107,576
1990	49,389	857,270	n/a	3,287,116
2000	49,976	882,567	n/a	3,405,565
2010	51,384	916,829	n/a	3,574,097
2020	51,982	944,306	n/a	3,570,549
2024	52,790	n/a	329,259	3,624,508

<sup>1</sup> Starting with the 2018-2022 American Community Survey data, the county measurement was adjusted from Fairfield County to the Greater Bridgeport Planning Region.

Source: U.S. Census Bureau.

#### AGE CHARACTERISTICS OF POPULATION

<u>Age</u>	<u>Town of Stratford</u>		<u>Greater Bridgeport Planning Region</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under 5.....	2,254	4.3	17,773	5.4	181,691	5.0
5 - 9.....	2,332	4.4	19,548	5.9	195,164	5.4
10 - 14.....	3,119	5.9	21,437	6.5	214,972	5.9
15 - 19.....	3,283	6.2	25,471	7.7	239,710	6.6
20 - 24.....	3,129	5.9	22,779	6.9	238,387	6.6
25 - 34.....	5,604	10.6	37,518	11.4	454,892	12.6
35 - 44.....	6,280	11.9	42,634	12.9	460,916	12.7
45 - 54.....	8,143	15.4	43,920	13.3	453,917	12.5
55 - 59.....	3,747	7.1	22,143	6.7	256,068	7.1
60 - 64.....	3,990	7.6	23,235	7.1	258,234	7.1
65 - 74.....	6,129	11.6	30,517	9.3	386,232	10.7
75 - 84.....	3,480	6.6	14,729	4.5	196,373	5.4
85 and over....	1,300	2.5	7,555	2.3	87,952	2.4
<b>Total</b>	<b>52,790</b>	<b>100.0</b>	<b>329,259</b>	<b>100.0</b>	<b>3,624,508</b>	<b>100.0</b>
Median Age...	45.7		39.8		41.1	

Source: U.S. Census Bureau, 2020-2024 American Community Survey.

#### SELECTED WEALTH AND INCOME INDICATORS

	<u>Median Family Income</u>		<u>Per Capita Income</u>	
	<u>(2000)</u>	<u>(2024)</u>	<u>(2000)</u>	<u>(2024)</u>
Town of Stratford.....	\$64,364	\$122,272	\$26,501	\$ 50,099
Greater Bridgeport Planning Region..	n/a	116,373	n/a	52,385
Connecticut.....	65,521	122,706	28,766	55,915
United States.....	49,600	99,999	21,690	44,673

Source: U.S. Census Bureau.

## INCOME DISTRIBUTION

	<b>Town of Stratford</b>		<b>Greater Bridgeport</b>		<b>State of Connecticut</b>	
	<b>Families</b>	<b>Percent</b>	<b>Families</b>	<b>Percent</b>	<b>Families</b>	<b>Percent</b>
	<u>Families</u>	<u>Percent</u>	<u>Families</u>	<u>Percent</u>	<u>Families</u>	<u>Percent</u>
Less than \$10,000.....	187	1.3	2,253	2.8	24,004	2.6
10,000 to 14,999.....	116	0.8	1,397	1.7	12,584	1.4
15,000 to 24,999.....	458	3.3	2,857	3.6	27,285	3.0
25,000 to 34,999.....	393	2.8	3,656	4.6	33,429	3.6
35,000 to 49,999.....	1,048	7.5	6,060	7.6	59,826	6.5
50,000 to 74,999.....	1,830	13.2	9,358	11.7	106,611	11.6
75,000 to 99,999.....	1,689	12.1	9,207	11.5	106,893	11.6
100,000 to 149,999...	3,046	21.9	13,704	17.1	182,785	19.8
150,000 to 199,999...	2,157	15.5	9,982	12.4	131,310	14.3
200,000 or more.....	2,992	21.5	21,750	27.1	236,661	25.7
	<u>13,916</u>	<u>100.0</u>	<u>80,224</u>	<u>100.0</u>	<u>921,388</u>	<u>100.0</u>

Source: U.S. Census Bureau, 2020-2024 American Community Survey.

## EDUCATIONAL ATTAINMENT

<b><u>Educational Attainment Group</u></b>	<b>Town of Stratford</b>		<b>Greater Bridgeport</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than 9th grade.....	1,428	3.7	15,564	7.0	101,458	4.0
9th to 12th grade, no diploma.....	1,699	4.4	12,860	5.8	114,887	4.5
High School graduate (includes equivalency)...	11,087	28.7	53,673	24.1	647,192	25.3
Some college, no degree.....	6,929	17.9	33,560	15.1	410,903	16.1
Associates degree.....	2,935	7.6	13,820	6.2	195,081	7.6
Bachelor's degree.....	8,505	22.0	52,739	23.7	595,631	23.3
Graduate or professional degree.....	6,090	15.7	40,035	18.0	489,432	19.2
Total	<u>38,673</u>	<u>100.0</u>	<u>222,251</u>	<u>100.0</u>	<u>2,554,584</u>	<u>100.0</u>
Percent of High School Graduates.....		91.9%		87.2%		91.5%
Percent of College Graduates.....		37.7%		41.7%		42.5%

Source: U.S. Census Bureau, 2020-2024 American Community Survey.

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## EMPLOYMENT BY INDUSTRY

<b>Employment Sector</b>	<b>Town of Stratford</b>		<b>Greater Bridgeport Planning Region</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Agriculture, Forestry, Fishing, Hunting & Mining...	25	0.1	224	0.1	7,132	0.4
Construction.....	1,379	5.0	11,558	7.1	113,006	6.1
Manufacturing.....	3,051	11.2	14,338	8.8	198,526	10.7
Wholesale Trade.....	516	1.9	3,484	2.1	35,592	1.9
Retail Trade.....	3,126	11.4	18,846	11.5	192,698	10.4
Transportation, Warehousing & Utilities.....	1,363	5.0	7,479	4.6	87,076	4.7
Information.....	585	2.1	3,350	2.0	37,488	2.0
Finance, Insurance & Real Estate.....	2,252	8.2	14,376	8.8	161,226	8.7
Professional, Scientific & Management.....	3,332	12.2	22,260	13.6	228,229	12.3
Educational Services & Health Care.....	7,372	27.0	43,173	26.4	496,559	26.8
Arts, Entertainment, Recreation & Food Services...	2,089	7.6	12,581	7.7	143,851	7.8
Other Service (including nonprofit).....	1,190	4.4	7,362	4.5	80,617	4.4
Public Administration.....	1,057	3.9	4,801	2.9	67,864	3.7
<b>Total</b>	<b>27,337</b>	<b>100.0</b>	<b>163,832</b>	<b>100.0</b>	<b>1,849,864</b>	<b>100.0</b>

Source: U.S. Census Bureau, 2019-2023 American Community Survey.

## MAJOR EMPLOYERS

<b>Name of Employer</b>	<b>Nature of Entity</b>	<b>Number of Employees <sup>1</sup></b>
Lockheed Martin Sikorsky Aircraft...	Manufacturer of Helicopters.....	5,483
Town of Stratford.....	Government.....	1,536
Ashcroft Holdings.....	Manufacturer of Gauges, Valves.....	404
Burns Construction.....	Construction.....	365
Connecticut Distributors.....	Liquor Distributors.....	307
Encon.....	HVAC.....	287
Nuovo Pasta.....	Retail Grocery Products.....	275
Lord Chamberlain.....	Skilled Nursing Facility.....	246
Bridgeport Fittings.....	Manufacturer of Electrical Fittings.....	245
United Parcel Service.....	Package Delivery.....	224
Unifirst Corp.....	Uniforms.....	104
Two Roads Brewing.....	Craft Beer Industry.....	103
Amazon.....	Package Delivery.....	100
Straton Industries.....	Precision Manufacturing.....	93
William B Myers.....	Moving, Storage, & Rigging.....	83
<b>Total</b>		<b>9,855</b>

<sup>1</sup> As of May 1, 2026.

Source: Town of Stratford, Department of Economic and Community Development.

## UNEMPLOYMENT RATE STATISTICS

Period	Town of Stratford		Percentage Unemployed		
	Employed <sup>1</sup>	Unemployed <sup>1</sup>	Town of Stratford (%) <sup>1</sup>	Bridgeport Labor Market (%) <sup>1</sup>	State of Connecticut (%) <sup>1</sup>
Jan-Feb 2026.....	26,770	1,754	6.2	5.3	5.5
<b>Annual Average</b>					
2025 <sup>1</sup> .....	27,960	1,297	4.4	3.8	3.9
2024.....	28,120	1,038	3.6	3.1	3.2
2023.....	27,632	1,052	3.7	3.1	3.2
2022.....	27,495	1,317	4.6	3.8	4.1
2021.....	25,493	2,043	7.4	6.0	6.5
2020.....	25,307	2,526	9.1	7.6	8.0
2019.....	27,590	1,162	4.0	3.3	3.6
2018.....	27,477	1,243	4.3	3.5	3.9
2017.....	27,323	1,449	5.0	4.0	4.4
2016.....	27,351	1,540	5.3	4.3	4.9

<sup>1</sup> Not seasonally adjusted.

Source: State of Connecticut, Department of Labor; United States Department of Labor, Bureau of Labor Statistics.

## VALUE OF BUILDING PERMITS

Calendar Year	New Construction	Alterations/ Additions Miscellaneous	Total
2026 <sup>1</sup>	\$ 11,615,458	\$ 3,114,600	\$ 14,730,058
2025 <sup>1</sup>	45,307,463	9,226,522	54,533,985
2024	27,443,713	40,347,683	67,791,396
2023	15,659,287	43,532,865	59,192,152
2022	11,524,737	21,403,082	32,927,819
2021	15,516,068	31,500,290	47,016,358
2020	9,135,382	18,547,594	27,682,976
2019	18,697,958	34,679,028	53,376,986
2018	10,649,136	24,503,459	35,152,595
2017	12,960,514	23,549,891	36,510,405

<sup>1</sup> As of May 5, 2026.

Source: Town of Stratford, Office of Building Inspections.

## NUMBER OF DWELLING UNITS

2024	2020	2010	2000	1990	1980	% Increase 2010-2024	% Increase 1980-2024
21,663	21,596	21,091	20,596	20,152	18,957	2.7%	14.3%

Source: U.S. Census Bureau.

## STRATFORD HOUSING INVENTORY

<u>Type</u>	<u>Units</u>	<u>Percent</u>
1-unit detached.....	14,836	68.5
1-unit attached.....	1,934	8.9
2 to 4 units.....	2,723	12.6
5 to 9 units.....	294	1.4
10 or more units.....	1,839	8.5
Mobile home, trailer, other..	37	0.2
<b>Total Inventory.....</b>	<b>21,663</b>	<b>100.0</b>

Source: U.S. Census Bureau, 2020-2024 American Community Survey.

## CHARACTERISTICS OF HOUSING UNITS

<u>Value of Owner Occupied Units</u>	<u>Town of Stratford</u>		<u>Greater Bridgeport Planning Region</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$50,000.....	354	2.1	2,324	3.0	23,262	2.4
\$50,000 to 99,999.....	233	1.4	1,819	2.3	14,209	1.5
\$100,000 to 149,999.....	396	2.4	2,638	3.4	31,134	3.3
\$150,000 to 199,999.....	659	3.9	3,007	3.8	65,851	6.9
\$200,000 to 299,999.....	2,674	15.9	7,490	9.5	205,349	21.5
\$300,000 to 499,999.....	9,918	59.0	25,950	33.0	350,277	36.8
\$500,000 to 999,999.....	2,298	13.7	26,471	33.7	197,853	20.8
\$1,000,000 and over.....	285	1.7	8,851	11.3	65,054	6.8
<b>Total.....</b>	<b>16,817</b>	<b>100.0</b>	<b>78,550</b>	<b>100.0</b>	<b>952,989</b>	<b>100.0</b>
<b>Median Value .....</b>	<b>\$372,200</b>		<b>\$468,300</b>		<b>\$366,900</b>	

Source: U.S. Census Bureau, 2020-2024 American Community Survey.

## AGE DISTRIBUTION OF HOUSING

<u>Year Structure Built</u>	<u>Town of Stratford</u>		<u>Greater Bridgeport Planning Region</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
2020 or later.....	64	0.3	986	0.8	10,811	0.7
2010 to 2019.....	501	2.3	4,683	3.7	69,596	4.5
2000 to 2009.....	384	1.8	5,868	4.6	109,783	7.1
1990 to 1999.....	954	4.4	7,443	5.9	115,803	7.5
1980 to 1989.....	1,603	7.4	13,058	10.3	199,083	12.9
1970 to 1979.....	3,861	17.8	15,534	12.3	210,797	13.7
1960 to 1969.....	2,501	11.5	15,721	12.4	199,847	13.0
1950 to 1959.....	4,664	21.5	20,615	16.3	217,807	14.1
1940 to 1949.....	2,753	12.7	13,234	10.5	96,711	6.3
1939 or earlier.....	4,378	20.2	29,435	23.3	311,584	20.2
<b>Total housing units.....</b>	<b>21,663</b>	<b>100.0</b>	<b>126,577</b>	<b>100.0</b>	<b>1,541,822</b>	<b>100.0</b>

Source: U.S. Census Bureau, 2020-2024 American Community Survey.

**BREAKDOWN OF LAND USE**

<u>Land Use Category</u>	<u>Total Acreage by Zoning</u>	<u>Percent</u>
Agriculture.....	119	1.0
Residential - Low Density.....	5,012	42.0
Residential - Medium Density.....	716	6.0
Commercial.....	597	5.0
Industrial.....	1,074	9.0
Community Service.....	597	5.0
Public Services.....	716	6.0
Parks/Open Space/Recreation.....	2,387	20.0
Vacant.....	716	6.0
Total Area.....	<u>11,934</u>	<u>100.0</u>

Source: Town Plan of Conservation and Development 2023.

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## **IV. TAX BASE DATA**

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### **ASSESSMENT PRACTICES**

The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Town for inclusion onto the Grand List is the responsibility of the Assessor's Office. The Grand List represents the total of assessed value for all taxable real and personal property and motor vehicles located within the Town on October 1, in accordance with Section 12-62a of the Connecticut General Statutes. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments for real property are computed at 70% of the estimated market value at the time of the last revaluation.

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 Inspector. Upon issuance of a certificate of completion, a physical appraisal is then completed and the structure classified and priced with the aid of a schedule developed at the time of the last revaluation. The property depreciation and obsolescence factors are also considered when arriving at an equitable value.

Motor vehicle lists are furnished to the Town by the State of Connecticut Department of Motor Vehicles and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule recommended by the State of Connecticut Office of Policy and Management.

All personal property (furniture, fixtures, equipment, machinery, supplies, non-registered motor vehicles and leased equipment) is assessed annually with manufacturers and businesses completing and returning to the Assessor's Office standard worksheets for computing value. An assessor's check and audit is completed periodically. Assessments for both personal property and motor vehicles are computed at 70% of present market value.

The Town has recently completed a revaluation for the grand list dated October 1, 2025, which will be phased-in over a three year period beginning in fiscal year 2026-27. Under Section 12-62 of the Connecticut General Statutes, as amended, the Town must do a revaluation of its real property every five years based on generally accepted mass appraisal methods and a revaluation by physical inspection no later than 10 years from the preceding physical inspection. Prior to the completion of each revaluation, the Assessor shall conduct a field review.

### **MOTOR VEHICLE PROPERTY TAX RATE**

Connecticut General Statutes Section 12-71e, as amended, allows municipalities to tax motor vehicles at a different rate than other taxable property, but caps the motor vehicle tax rate at 32.46 mills for the assessment year commencing October 1, 2021. Section 4-661 of the General Statutes, as amended ("Section 4-661"), diverts a portion of state collected sales tax revenue to provide funding to municipalities to mitigate the revenue loss attributed to the motor vehicle property tax cap. The Town's motor vehicle tax rate for the current 2025 assessment year (Fiscal Year ending June 30, 2027) is 32.46 mills.

### **TAX COLLECTION PROCEDURES**

Taxes for the fiscal year are paid on the grand list of the prior October 1, and are payable in two installments, one half on July 1 and one half on January 1. Payments not received by August 1 and February 1 become delinquent and interest will accrue at the rate of 1.5% per month (18% per annum). Outstanding real estate tax accounts are automatically liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle and personal property accounts are transferred to suspense account after three years at which time they cease to be carried as receivables. Real estate accounts are transferred to suspense fifteen years after the due date in accordance with state statutes.

**PROPERTY TAX LEVIES AND COLLECTIONS**

<b>FY Ending 30-Jun</b>	<b>Net Taxable Grand List</b>	<b>Total Tax Rate (In Mills)</b>	<b>Adjusted Tax Levy</b>	<b>Collected</b>	<b>Uncollected Taxes</b>	
				<b>End of Each FY</b>	<b>Each FY</b>	<b>As of 6/30/2025</b>
2027 <sup>1, 2</sup>	\$6,216,503,960	37.73	\$230,270,746	In process	In process	In process
2026 <sup>1</sup>	5,363,029,709	40.20	207,122,914	In process	In process	In process
2025	5,149,703,992	40.20	203,429,459	96.6 %	\$6,986,368	\$6,986,368
2024	5,153,602,131	40.20	204,343,961	97.7	4,598,684	3,039,808
2023	4,909,532,523	39.46	195,327,984	97.9	4,190,785	1,537,684
2022	4,775,849,130	39.47	192,146,304	97.5	4,736,804	1,145,861
2021 <sup>3</sup>	4,769,109,532	39.64	189,770,948	97.8	4,095,027	224,659
2020	4,617,731,000	39.87	182,676,632	97.6	4,391,158	84,599
2019	4,553,923,882	39.90	181,908,368	97.9	3,874,828	55,616
2018	4,492,487,619	39.97	179,620,498	97.5	4,562,247	37,751

<sup>1</sup> Adopted budget.

<sup>2</sup> Revaluation. The 2025 Revaluation will be phased-in over a three-year period.

<sup>3</sup> Prior revaluation.

Sources: Annual audited financial statements; fiscal years 2025-26 and 2026-27 Adopted Budgets.

**TAXABLE GRAND LIST**

<b>Grand List Dated</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Motor Vehicle Property</b>	<b>Gross Taxable Grand List</b>	<b>Less Exemptions</b>	<b>Net Taxable Grand List</b>
10/1/25 <sup>1</sup>	\$6,940,842,274	\$ 834,959,074	\$517,072,440	\$8,292,873,788	\$2,076,369,828	\$6,216,503,960
10/1/24	4,198,754,391	773,248,609	496,197,260	5,468,200,260	105,170,551	5,363,029,709
10/1/23	4,173,659,663	768,900,855	517,802,068	5,460,362,586	310,658,594	5,149,703,992
10/1/22	4,146,606,470	774,252,183	540,689,508	5,461,548,161	307,946,030	5,153,602,131
10/1/21	4,041,780,685	681,118,728	494,214,415	5,217,113,828	307,581,305	4,909,532,523
10/1/20	4,017,920,520	632,943,671	381,013,445	5,031,877,636	256,028,506	4,775,849,130
10/1/19 <sup>2</sup>	4,062,106,980	586,022,641	361,182,757	5,009,312,378	240,202,846	4,769,109,532
10/1/18	3,929,535,970	575,631,130	351,015,990	4,856,183,090	238,452,090	4,617,731,000
10/1/17	3,909,285,220	544,923,142	345,667,180	4,799,875,542	245,951,660	4,553,923,882
10/1/16	3,897,095,857	495,024,132	341,137,740	4,733,257,729	240,770,110	4,492,487,619

<sup>1</sup> Revaluation. The 2025 Revaluation will be phased-in over a three-year period.

<sup>2</sup> Prior revaluation.

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The following table sets forth the Real Property portion of the Town's grand list by component:

<b>Grand List Dated</b>	<b>Residential Property</b>	<b>Commercial/ Industrial Property</b>	<b>Total Other Land</b>	<b>Total Real Property</b>
10/1/25 <sup>1</sup>	\$5,618,424,035	\$1,113,178,009	\$209,240,230	\$6,940,842,274
10/1/24	3,142,878,561	918,622,035	137,253,795	4,198,754,391
10/1/23	3,136,583,622	898,992,321	138,083,720	4,173,659,663
10/1/22	3,130,604,220	927,236,460	88,765,790	4,146,606,470
10/1/21	3,120,875,260	855,580,835	65,324,590	4,041,780,685
10/1/20	3,109,430,860	839,852,760	68,636,900	4,017,920,520
10/1/19 <sup>2</sup>	3,164,254,800	822,207,790	75,644,390	4,062,106,980
10/1/18	3,003,231,950	853,178,360	73,125,660	3,929,535,970
10/1/17	2,999,074,500	843,445,850	66,764,870	3,909,285,220
10/1/16	2,988,494,687	840,959,830	67,641,340	3,897,095,857

<sup>1</sup> Revaluation. The 2025 Revaluation will be phased-in over a three-year period.

<sup>2</sup> Prior evaluation.

Source: Town of Stratford Assessor's Office.

### LARGEST TAXPAYERS

<b>Business-Name</b>	<b>Nature of Business</b>	<b>Grand List of October 1, 2025</b>		
		<b>Estimated Assessment</b>	<b>Rank</b>	<b>Percent of Total</b>
United Illuminating.....	Utility.....	\$ 173,487,230	1	2.16%
Sikorsky Aircraft.....	Helicopter Manufacturer...	111,326,810	2	1.38%
Lockheed Martin Company.....	Helicopter Manufacturer...	94,872,450	3	1.18%
Southern Connecticut Gas.....	Utility.....	58,844,870	4	0.73%
495 Lordship De Owner LLC.....	Real Estate.....	28,822,430	5	0.36%
Stonybrook Gardens Cooperative.....	CO-OP .....	28,169,190	6	0.35%
Connecticut Light & Power.....	Utility.....	28,030,220	7	0.35%
ETCL Stratford, LLC.....	Real Estate.....	24,018,750	8	0.30%
Merion Stratford LP.....	Real Estate.....	23,658,930	9	0.29%
UB Dockside LLC.....	Real Estate.....	21,289,940	10	0.26%
	<b>Total</b>	<b>\$ 592,520,820</b>		<b>7.36%</b>

Source: Town of Stratford Assessor's Office.

### EQUALIZED NET GRAND LIST

<b>Grand List of 10/1</b>	<b>Equalized Net Grand List</b>	<b>% Growth</b>
2023	\$ 10,991,996,929	4.96%
2022	10,472,589,181	10.07%
2021	9,514,455,478	11.50%
2020	8,533,418,103	25.12%
2019 <sup>1</sup>	6,820,084,632	-3.14%
2018	7,041,461,636	2.81%
2017	6,849,326,658	4.01%
2016	6,585,078,288	-1.23%
2015	6,666,989,582	4.94%
2014 <sup>1</sup>	6,353,037,221	-2.94%

<sup>1</sup> Year of revaluation.

Source: State of Connecticut, Office of Policy and Management.

## V. FINANCIAL DATA

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### ACCOUNTING POLICIES

The Town's accounting policies are summarized in Note 1 "Summary of Significant Account Policies" in the Notes to Financial Statements, attached hereto as Appendix A.

### BASIS OF ACCOUNTING

See Note 1 "Basis of Accounting" in the Notes to Financial Statements, attached hereto as Appendix A.

### AUDIT

The Town has engaged outside independent auditors, CliftonLarsonAllen LLP, of West Hartford, Connecticut. The most recently completed audit report covers the fiscal year ended June 30, 2025. Included in this Official Statement and made a part hereof as Appendix A are the Financial Statements of the Town of Stratford, Connecticut as of June 30, 2025. Appendix A includes the auditor's opinion on the general-purpose financial statements and does not include all schedules, management letter or supplemental schedules from the complete audit report.

*Certificate of Achievement for Excellence in Financial Reporting:* The Town received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association ("GFOA") of the United States and Canada for its comprehensive annual financial report for fiscal year ending June 30, 2024. The Town has received the award for 29 out of 30 fiscal years. To be eligible for the award, financial reports must include general purpose financial statements presented in conformity with generally accepted accounting principles, and have been audited in accordance with generally accepted auditing standards. The reports also contain statistical information useful in evaluating the financial condition of a government and conform to certain generally accepted formatting standards established for the Certificate Program.

### BUDGETARY PROCEDURE

The Town follows the procedure below in establishing the budgetary data included in the General Fund and certain Special Revenue Funds financial statements. Financial controls are provided under the Town Council which is responsible for approving annual budgets and all other Town appropriations, and determining the tax rate. The annual budget making process for the Town is outlined in Section 6 of the Town Charter. The timetable is established annually but all actions must be completed at least 30 days prior to the beginning of each fiscal year based upon a budget submitted by the Mayor. The budget making process is detailed below:

<u>Date</u>	<u>Action</u>
By February 23	Departments, offices, boards and commissions submit estimates of revenues and expenditures to the Mayor. The Mayor reviews the budget requests together with estimates of revenues and expenditures for the current year with the requesting agency.
By March 12	Estimated revenues and expenditures, including the Board of Education, submitted to the Town Council by the Mayor.
By May 5	The Town Council holds one or more public hearings and makes any changes it believes are needed.
By May 12	The Ordinance Committee adopts a proposed budget and holds one or more public hearings.
By May 12	The Town Council adopts a recommended budget and sets the tax rate for the fiscal year beginning July 1.

All unencumbered appropriations lapse at year end, except those for the Capital Projects Fund and certain special revenue grants. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

**EMERGENCY APPROPRIATIONS**

Under the Town Charter, emergency appropriations may be made upon the recommendation of the Mayor and by a vote of not less than two-thirds (2/3), or seven members, of the Town Council, provided that a public hearing is held prior to making such appropriation. The hearing and notice of hearing may be waived if the Town Council, by two-thirds (2/3) of its entire membership, decides that a delay in making the emergency appropriation would jeopardize the peace, health, safety or property of its citizens. In the absence of an available un-appropriated and unencumbered general fund cash balance to meet such appropriation, additional means of financing shall be provided in such a manner, consistent with the provisions of the Connecticut General Statutes, and of the Town Charter, as may be determined by the Town Council.

**EMPLOYEE PENSION SYSTEMS**

The Town is the administrator of a single-employer, defined benefit public employee retirement system (“PERS”) which was established by the Town to provide pension benefits for its employees and non-certified employees of the Board of Education. The retirement plan is governed by a thirteen-member board composed of seven members appointed by the Town Council and six members from the Town's various union groups (the “Pension Board”). The Town's Finance Director is the Treasurer of the retirement plan. Effective July 1, 2012, the pension plan is closed to all new hires for all bargaining units. As of July 1, 2025, the date of the most recent actuarial valuation, there were 135 active or suspended members; 13 terminated vested or inactive members; and 638 retired, disabled, or beneficiaries of deceased members covered under this plan. Total membership of 786 was down from 800 in July 2023.

The certified teaching faculty and administrative personnel of the Board of Education participate in an employee contributory defined benefit plan administered by the Connecticut State Teachers' Retirement Board. The Town does not contribute to the plan nor does it have any legal obligation for benefit payments.

On October 29, 2013 the Town issued \$162,690,000 in Taxable General Obligation Pension Bonds (the “2013 Pension Bond Issue”) to fund a portion of the unfunded actuarial accrued liability of its retirement plan thereby increasing the plan's funded ratio to approximately eighty-five percent (85%). The 2013 Pension Bond Issue was issued by the Town in part pursuant to Title 7 of the Connecticut General Statutes, including Sections 7-374c and 7-403a. In accordance with Section 7-374c, the Town is required to annually fund the Actuarially Recommended Contribution, which is now referred to as the "Actuarial Determined Contribution" or “ADC”, on the Unfunded Actuarially Accrued Liability. Pursuant to Section 7-374c, in any fiscal year for which the Town fails to appropriate sufficient funds to meet the ADC, such contribution is “deemed appropriated”, notwithstanding the provisions of any general statute, special act, charter, home-rule ordinance, local ordinance or local law to the contrary. For the fiscal years ending June 30, 2017 and 2018, due to the timing of the completion of the pension valuations, the Town budgeted the estimated contribution initially provided by its actuarial consultant. However, when the valuations were ultimately completed, the final ADEC was greater than the Town’s contribution. See the Schedule of Employer Contributions provided in this section of the Official Statement.

In accordance with GASB Statement No. 67, the components of the net pension liability of the Town were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability.....	\$335,327,202	\$334,410,562	\$336,566,774	\$336,422,998	\$334,208,067
Plan fiduciary net position.....	<u>264,575,085</u>	<u>257,889,976</u>	<u>261,719,628</u>	<u>268,430,253</u>	<u>301,760,734</u>
Net pension liability.....	<u>\$70,752,117</u>	<u>\$76,520,586</u>	<u>\$74,847,146</u>	<u>\$67,992,745</u>	<u>\$32,447,333</u>
Plan fiduciary net position as a % of total pension liability.....	78.9%	77.1%	77.8%	79.8%	90.3%

The following represents the net pension liability of the Town, calculated using the discount rate of 6.75%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>1% Decrease</u>	<u>Current</u> <u>Discount Rate</u>	<u>1% Increase</u>
	<u>5.75%</u>	<u>6.75%</u>	<u>7.75%</u>
Net Pension Liability.....	\$ 105,410,888	\$ 70,752,117	\$ 41,306,913

Based on actuarial valuations performed by the Town’s actuary, the actuarial value of assets and accrued liabilities held in the PERS were as follows:

**Historic Trend Data**

**Schedule of Funding Progress  
(Actuarial Value - In Thousands)**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll ((b-a)/c)</b>
July 1, 2025	\$ 272,389	\$ 338,699	\$ 66,310	80.4%	\$ 14,947	443.6%
July 1, 2024	269,881	334,648	64,767	80.6%	14,856	436.0%
July 1, 2023	271,130	333,424	62,294	81.3%	15,215	409.4%
July 1, 2022	271,490	336,052	64,562	80.8%	16,470	392.0%
July 1, 2021	265,539	335,251	69,712	79.2%	15,704	443.9%
July 1, 2020	252,717	332,550	79,833	76.0%	16,509	483.6%
July 1, 2019	254,789	315,879	61,090	80.7%	17,810	343.0%
July 1, 2018	255,867	315,196	59,329	81.2%	17,810	333.1%
July 1, 2017	254,022	313,202	59,180	81.1%	18,713	316.3%
July 1, 2016	254,217	312,191	57,974	81.4%	18,756	309.1%

The following table represents recent funding trends for the Town's pension plans. Actual contributions include amounts from the General Fund and Water Pollution Control Authority Fund.

**Schedule of Employer Contributions**

<b>Fiscal Year</b>	<b>Actuarial Determined Contribution</b>	<b>Actual Contribution</b>	<b>Percentage Contributed</b>
2027 <sup>1</sup>	\$ 6,677,640	\$ 6,677,640	100.0%
2026 <sup>2</sup>	6,314,514	6,314,514	100.0%
2025	6,049,000	6,553,881	108.3%
2024	6,087,126	5,610,521	92.2%
2023	6,243,501	6,262,481	100.3%

<sup>1</sup> Adopted Budget.

<sup>2</sup> Unaudited estimate.

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The following table represents a prospective forecast of the Plan’s accrued liability and corresponding ARC based on the July 1, 2025 valuation and assumes (i) that the Town will pay the ADEC each year; (ii) that assets will return 6.75% on a market value basis and (iii) that there are no future changes in the actuarial methods, assumptions or plan provisions.

<b>Fiscal Year Ending</b>	<b>Actuarial Determined Contribution</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>
2027	\$ 6,677,640	\$ 272,389,306	\$ 338,699,342	\$ 66,310,036	80.4%
2028	7,547,000	263,070,000	338,089,000	75,019,000	77.8%
2029	7,879,000	261,602,000	337,457,000	75,855,000	77.5%
2030	8,029,000	262,128,000	336,442,000	74,314,000	77.9%
2031	8,110,000	263,513,000	335,034,000	71,521,000	78.7%
2032	8,292,000	263,695,000	333,360,000	69,665,000	79.1%
2033	8,497,000	263,767,000	331,314,000	67,547,000	79.6%
2034	8,690,000	263,725,000	328,778,000	65,053,000	80.2%
2035	8,786,000	263,436,000	325,547,000	62,111,000	80.9%
2036	8,916,000	262,576,000	321,170,000	58,594,000	81.8%
2037	9,066,000	261,434,000	316,040,000	54,606,000	82.7%
2038	9,246,000	260,009,000	310,086,000	50,077,000	83.9%
2039	9,447,000	258,449,000	303,456,000	45,007,000	85.2%
2040	9,594,000	256,748,000	296,054,000	39,306,000	86.7%
2041	9,804,000	254,946,000	287,805,000	32,859,000	88.6%
2042	9,962,000	253,276,000	279,031,000	25,755,000	90.8%
2043	10,142,000	251,649,000	269,468,000	17,819,000	93.4%
2044	10,200,000	250,451,000	259,584,000	9,133,000	96.5%
2045	8,000	249,783,000	249,402,000	(381,000)	100.2%
2046	-	249,633,000	239,031,000	(10,602,000)	104.4%

**Defined Contribution Plans**

The Town is also the administrator of two defined contribution (“DC”) retirement plans for employees. The first DC plan which was created for employees hired on or after their 45<sup>th</sup> birthday is now closed. The second DC plan was established for new employees hired after September 1999 for all bargaining units no longer eligible for the Town's Defined Benefit Pension Plan. The DC plans are administered by the Town's Human Resources Department. There are currently 163 members covered under the second DC plan. The following tables represent the Town's historic and projected contributions to the DC plans:

**Schedule of Employer Contributions – Historic**

<b>Fiscal Year</b>	<b>Town Contribution</b>
2027 <sup>1</sup>	\$ 2,413,071
2026 <sup>2</sup>	2,200,000
2025	2,343,678
2024	2,158,350
2023	1,887,104

<sup>1</sup> Adopted budget.

<sup>2</sup> Unaudited estimate.

*See Appendix A, "Audited Financial Statements", for additional information concerning the Town's retirement plans.*

**OTHER POST-EMPLOYMENT BENEFITS ("OPEB")**

The Town provides certain health care and life insurance benefits, in accordance with union contracts, to all Town employees who retire. Certain employees of the Board of Education receive post-employment benefits depending upon their bargaining unit. The Town also pays benefits under the Heart and Hypertension Act to retirees whose disabilities are claimed to be job related. The Town has established an OPEB Trust Fund makes contributions to the fund annually. The contribution requirements of plan members and the Town are negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums. For more information see Appendix A hereto.

The Town has retained the firm Milliman Inc. to perform an actuarial valuation to determine the Town's liability for post-employment benefits. The most recent valuation was effective July 1, 2024. Beginning in fiscal year 2017, the Town implemented Government Accounting Standards Board's (GASB) Statement No. 74. In accordance with GASB Statement 74, the net position is based on fair market value as of June 30th and OPEB Liability is based on the actuarial assumptions as of the prior valuation date updated to the end of the fiscal year. The components of the net OPEB liability of the Town were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability.....	\$180,295,378	\$207,256,005	\$209,942,354	\$243,132,373	\$288,762,665
Plan fiduciary net position.....	10,104,148	9,003,962	7,780,391	7,153,157	8,249,690
Net OPEB liability.....	<u>\$170,191,230</u>	<u>\$198,252,043</u>	<u>\$202,161,963</u>	<u>\$235,979,216</u>	<u>\$280,512,975</u>
Plan fiduciary net position as a % of total pension liability.....	5.60%	4.34%	3.71%	2.94%	2.86%

The following represents the net OPEB liability of the Town, calculated using the discount rate of 5.20%, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	<u>1% Decrease</u> <u>(3.20%)</u>	<u>Current Rate</u> <u>(5.20%)</u>	<u>1% Increase</u> <u>(4.20%)</u>
Town's Net OPEB Liability.....	\$ 191,502,153	\$ 170,191,230	\$ 152,324,308

The following represents the net OPEB liability of the Town, calculated using the current healthcare cost trend rates, as well as what the Town's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Town's Net OPEB Liability.....	\$ 148,736,829	\$ 170,191,230	\$ 196,465,267

The following represents historic trend data for the Town's OPEB Plan funding including the results of the July 2024 valuation:

**Schedule of Funding Progress**

<u>Actuarial</u> <u>Valuation</u> <u>Date</u>	<u>Actuarial</u> <u>Value</u> <u>of Assets</u> <u>(a)</u>	<u>Actuarial</u> <u>Accrued</u> <u>Liability</u> <u>(AAL)</u> <u>(b)</u>	<u>Unfunded</u> <u>AAL</u> <u>(UAAL)</u> <u>(b-a)</u>	<u>Funded</u> <u>Ratio</u> <u>(a/b)</u>	<u>Covered</u> <u>Payroll</u> <u>(c)</u>	<u>UAAL as</u> <u>a % of</u> <u>Covered</u> <u>Payroll</u> <u>((b-a)/c)</u>
July 1, 2024	\$ 9,003,962	\$ 202,426,881	\$193,422,919	4.4%	\$112,207,446	172.4%
July 1, 2022	7,153,157	208,399,310	201,246,153	3.4%	103,884,532	193.7%
July 1, 2020	5,923,076	279,769,067	273,845,991	2.1%	103,884,532	263.6%
July 1, 2018	5,022,624	263,345,104	258,322,480	1.9%	79,532,000	324.8%
July 1, 2016	3,784,000	250,657,000	246,873,000	1.5%	72,582,000	340.1%

### Schedule of Employer Contributions

Fiscal Year	Actuarial Required Contribution	Actual Contribution	Percentage Contributed
2026 <sup>1</sup>	\$23,017,920	\$ 140,000	0.6%
2025	21,641,312	10,616,010	49.1%
2024	20,374,013	10,191,622	50.0%
2023	26,594,245	9,726,281	36.6%
2022	24,704,615	10,544,013	42.7%

<sup>1</sup> Adopted budget. Represents pre-funding only. Excludes pay-as -you-go funding of benefits.

### INVESTMENT POLICIES AND PRACTICES

Under the Town Charter and under Connecticut General Statutes Section 7-400, as amended, the Town may invest in certificates of deposit, repurchase agreements, municipal notes and bonds, obligations of the United States of America, including joint and several obligations of the Federal Home Loan Mortgage Association, the Federal Savings and Loan Insurance Corporation, obligations of the United States Postal Service, all the Federal Home Loan Banks, all Federal Land Banks, the Tennessee Valley Authority, or any other agency of the United States government, mutual funds and money market mutual funds.

The Town policy for eligible investments is governed by State of Connecticut General Statutes Section 7-400, 7-401 and 7-402 which, in general, allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end money market mutual funds whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. The Town's investment practices have been to invest in certificates of deposit, repurchase agreements, U.S. Treasury securities and the State of Connecticut Short-Term Investment Fund (STIF). The Town's operating funds and capital funds are currently invested in the following short-term investments: (1) overnight repurchase agreement with M&T Bank, Bank of America, Fairfield County Bank and STIF.

All Town pension funds are invested in mutual funds and securities by pension fund administrators. The Town's Pension Board updated its investment policy in anticipation of the proceeds from the issuance of the Town's 2013 Pension Bonds and continues to review and update the policy as necessary. Board of Education pension funds for administrators and teachers are invested in a cost-sharing, multiple employer public employees' retirement system established by the State of Connecticut and administered by the State of Connecticut Retirement Commission to provide pension benefits for the employees of participating municipalities. For further description of the Town's Pension Plans, see Note 9 to the Town's audited financial statements in Appendix A hereof.

### PROPERTY TAX REVENUES

Fiscal Year	General Fund Revenues & Transfers In	Property Tax Revenues	Property Tax Revenues as a % General Fund Revenues
2027 <sup>1</sup>	\$ 277,694,067	\$ 229,579,812	82.7%
2026 <sup>2</sup>	260,051,133	211,709,414	81.4%
2025	277,163,711	203,048,522	73.3%
2024	277,376,130	205,076,452	73.9%
2023	268,634,492	196,311,851	73.1%
2022	257,666,444	193,473,157	75.1%
2021	249,577,239	190,726,606	76.4%
2020	243,810,807	185,583,030	76.1%
2019	229,186,559	183,916,324	80.2%
2018	236,161,983	180,421,843	76.4%

<sup>1</sup> Adopted budget, budgetary basis, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.

<sup>2</sup> Unaudited estimate, budgetary basis, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.

Sources: Annual audited financial statements; fiscal year 2025-26 unaudited estimate; fiscal year 2026-27 adopted budget.

## INTERGOVERNMENTAL REVENUES

<b>Fiscal Year</b>	<b>General Fund Revenues &amp; Transfers In</b>	<b>Federal and State Aid</b>	<b>Aid as a Percentage Of General Fund Revenue</b>
2027 <sup>1</sup>	\$ 277,694,067	\$ 37,883,998	13.6%
2026 <sup>2</sup>	260,051,133	36,418,664	14.0%
2025	277,163,711	61,006,739	22.0%
2024	277,376,130	62,240,433	22.4%
2023	268,634,492	58,817,345	21.9%
2022	257,666,444	54,079,573	21.0%
2021	249,577,239	49,714,746	19.9%
2020	243,810,807	47,900,337	19.6%
2019	229,186,559	36,258,221	15.8%
2018	236,161,983	48,171,466	20.4%

<sup>1</sup> Adopted budget, budgetary basis, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.

<sup>2</sup> Unaudited estimate, budgetary basis, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.

Sources: Annual audited financial statements; fiscal year 2025-26 unaudited estimate; fiscal year 2026-27 adopted budget.

## MUNICIPAL BUDGET EXPENDITURE CAP

Connecticut General Statutes Section 4-661, as amended (“Section 4-661”), creates certain disincentives on increasing adopted budget expenditures for municipalities in Connecticut. Beginning in fiscal year 2018, the Office of Policy and Management (“OPM”) must reduce the amount of the municipal revenue sharing grant for those municipalities whose increase in its adopted budget expenditures, with certain exceptions, exceeds the previous fiscal year by 2.5% or more or the rate of inflation, whichever is greater (the “expenditure cap”). The reduction to the municipal revenue sharing grant will generally equal 50 cents for every dollar by which the municipality’s adopted budget exceeds the expenditure cap. A municipality whose population increased from the previous fiscal year, as determined by OPM, may increase its adopted budget expenditures over the expenditure cap by an amount proportionate to its population growth. Section 4-661 requires each municipality to annually certify to the Secretary of OPM whether the municipality has exceeded the expenditure cap, and if so, the amount by which the expenditure cap was exceeded.

Under Section 4-661, municipal spending does not include expenditures: (i) for debt service, special education, or costs to implement court orders or arbitration awards; (ii) associated with a major disaster or emergency declaration by the President or disaster emergency declaration issued by the Governor under the civil preparedness law; (iii) for any municipal revenue sharing grant the municipality disburses to a district; or (iv) budgeting for an audited deficit, non-recurring grants, capital expenditures or payments on unfunded pension liabilities. Pursuant to Section 175 of Senate Bill No. 1 of 2026, the Municipal Budget Expenditure Cap has been suspended for fiscal year 2026-27.

## EXPENDITURES

<b>Fiscal Year</b>	<b>Education</b>	<b>Public Safety</b>	<b>Employee Benefits</b>	<b>Debt Service</b>	<b>Physical Development</b>
2027 <sup>1</sup>	50.2 %	11.1 %	11.0 %	12.6 %	6.6 %
2026 <sup>2</sup>	50.1	11.8	9.9	13.4	6.7
2025	53.8	11.3	8.8	11.7	5.9
2024	53.5	11.2	9.3	11.9	5.9
2023	53.2	11.1	9.4	12.5	6.0
2022	53.7	11.1	8.7	12.8	6.0
2021	53.6	11.2	8.2	13.3	6.3
2020	54.0	11.0	7.9	13.8	5.9
2019	52.8	11.2	8.5	13.1	5.7
2018	53.5	10.4	8.1	14.8	5.2

<sup>1</sup> Adopted budget, budgetary basis, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.

<sup>2</sup> Unaudited estimate, budgetary basis, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.

Sources: Annual audited financial statements; fiscal year 2025-26 unaudited estimate; fiscal year 2026-27 adopted budget.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**  
(Budgetary Basis)

	<u>Fiscal Year 2024-25</u>			<u>Fiscal Year</u>	<u>Fiscal Year</u>
	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>2025-26</u>	<u>2026-27</u>
	<u>Budget</u>	<u>Operations</u>	<u>Favorable</u>	<u>Unaudited</u>	<u>Adopted</u>
			<u>(Unfavorable)</u>	<u>Estimate</u>	<u>Budget</u>
<b>REVENUES</b>					
Property taxes, interest and liens.....	\$206,446,895	\$203,163,249	\$ (3,283,646)	\$211,709,414	\$229,579,812
Intergovernmental revenue.....	40,928,008	40,325,336	(602,672)	36,418,664	37,883,998
Departmental revenues.....	3,219,550	3,804,045	584,495	3,452,200	4,007,073
Licenses, fees and permits.....	1,193,000	1,281,415	88,415	1,310,855	1,319,753
Investment Income.....	2,600,000	4,453,380	1,853,380	3,600,000	3,000,000
Other revenues.....	2,964,000	886,846	(2,077,154)	2,185,000	473,431
<b>TOTAL REVENUES</b>	<u>257,351,453</u>	<u>253,914,271</u>	<u>(3,437,182)</u>	<u>258,676,133</u>	<u>276,264,067</u>
<b>EXPENDITURES</b>					
Current:					
Administration.....	\$ 7,164,794	\$ 7,941,190	\$ (776,396)	\$ 6,797,694	\$ 7,899,471
Contingency.....	5,704,383	4,875,292	829,091	2,663,780	3,140,547
Employee Benefits.....	37,275,418 <sup>1</sup>	36,168,943 <sup>1</sup>	1,106,475	37,991,613 <sup>1</sup>	41,974,905 <sup>1</sup>
Finance.....	2,357,748	2,158,839	198,909	2,687,545	2,966,953
Human Development.....	7,865,852	7,954,248	(88,396)	8,122,119	8,459,037
Physical Development.....	17,490,591	16,338,442	1,152,149	17,750,773	18,399,479
Public Safety.....	29,801,825	31,042,106	(1,240,281)	31,312,422	30,779,780
Education.....	127,502,725	127,502,725	-	132,953,937	139,434,355
Debt Service.....	23,702,064	21,509,544	2,192,520	23,981,801	23,746,067
<b>TOTAL EXPENDITURES</b>	<u>258,865,400</u>	<u>255,491,329</u>	<u>3,374,071</u>	<u>264,261,684</u>	<u>276,800,594</u>
Excess (deficiency) of revenues over expenditures	<u>(1,513,947)</u>	<u>(1,577,058)</u>	<u>(63,111)</u>	<u>(5,585,551)</u>	<u>(536,527)</u>
Other financing sources (uses):					
Operating transfers in.....	2,662,917	2,662,917	-	1,375,000	1,430,000
Operating transfers out.....	<u>(1,148,970)</u>	<u>(1,122,470)</u>	<u>26,500</u>	<u>(1,072,165)</u>	<u>(893,473)</u>
Total Other financing sources (uses).....	1,513,947	1,540,447	26,500	302,835	536,527
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses.....	<u>\$ -</u>	<u>\$ (36,611)</u>	<u>\$ (36,611)</u>	<u>\$ (5,282,716)</u>	<u>\$ -</u>

<sup>1</sup> Consistent with the presentation in the fiscal year 2025 ACFR, includes debt service for the Town's 2013 Pension Bond issue. Pension Bond debt service was moved to the debt service line item beginning with the Fiscal Year 2022-23 Adopted Budget.

Sources: Annual audited financial statements; fiscal year 2025-26 unaudited estimate and fiscal year 2026-27 adopted budget.

**COMPARATIVE BALANCE SHEETS - GENERAL FUND**

<b>Fiscal Year Ended:</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 38,347,614	\$ 55,335,140	\$ 56,554,113	\$ 8,283,131	\$ 12,895,370
Investments.....	-	-	5,893,004	-	-
Receivables, net.....	12,741,881	16,484,709	14,770,733	15,655,811	20,915,410
Inventories and prepaids.....	105,832	23,977	15,985	7,993	7,993
Advances to other funds.....	1,063,061	895,502	659,350	-	-
Due from other funds.....	108,994,946	108,327,724	34,736,472	23,406,737	20,125,754
<b>TOTAL ASSETS.....</b>	<b>\$ 161,253,334</b>	<b>\$ 181,067,052</b>	<b>\$ 112,629,657</b>	<b>\$ 47,353,672</b>	<b>\$ 53,944,527</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES.....</b>					
Accounts payable.....	\$ 4,383,557	\$ 3,421,448	\$ 4,009,096	\$ 4,149,650	\$ 3,462,440
Accrued liabilities.....	823,399	1,398,794	883,312	1,043,605	1,396,299
Due to other funds.....	132,701,294	147,335,733	72,923,715	-	5,079,213
<b>TOTAL LIABILITIES.....</b>	<b>137,908,250</b>	<b>152,155,975</b>	<b>77,816,123</b>	<b>5,193,255</b>	<b>9,937,952</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable resources - property taxes.....	11,407,315	8,721,644	7,993,063	9,210,646	11,824,172
Unavailable resources - property taxes interest...	-	3,617,197	3,554,529	3,619,199	3,508,583
Unavailable resources - other.....	34,411	-	-	-	-
Leases.....	-	1,427,345	1,662,461	1,673,027	3,949,870
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>11,441,726</b>	<b>13,766,186</b>	<b>13,210,053</b>	<b>14,502,872</b>	<b>19,282,625</b>
<b>FUND BALANCES</b>					
Nonspendable.....	1,168,893	919,479	675,335	7,993	7,993
Restricted.....	-	-	-	2,000,000	2,159,779
Committed.....	-	-	-	-	-
Assigned.....	502,946	599,538	1,470,530	32,195	-
Unassigned.....	10,231,519	13,625,874	19,457,616	25,617,357	22,556,178
<b>TOTAL FUND BALANCES.....</b>	<b>11,903,358</b>	<b>15,144,891</b>	<b>21,603,481</b>	<b>27,657,545</b>	<b>24,723,950</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 161,253,334</b>	<b>\$ 181,067,052</b>	<b>\$ 112,629,657</b>	<b>\$ 47,353,672</b>	<b>\$ 53,944,527</b>

Source: Annual audited financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND**

<b>Fiscal Year Ended:</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>REVENUES</b>					
Property taxes.....	\$190,726,606	\$193,473,157	\$196,311,851	\$205,076,452	\$203,048,522
State and Federal Governments.....	49,714,746	54,079,573	58,817,345	62,240,433	61,006,739
Charges for services.....	2,981,652	3,266,057	3,002,762	2,845,854	2,859,072
Licenses and permits.....	1,066,298	1,071,416	1,367,859	1,320,098	1,319,215
Investment income.....	22,420	(23,855)	1,871,489	4,908,702	4,453,381
Other revenues.....	635,275	2,060,072	663,186	894,591	1,813,865
<b>TOTAL REVENUES.....</b>	<b>\$245,146,997</b>	<b>\$253,926,420</b>	<b>\$262,034,492</b>	<b>\$277,286,130</b>	<b>\$274,500,794</b>
<b>EXPENDITURES</b>					
Current:					
Administration.....	5,595,510	6,250,354	6,081,025	7,155,306	8,041,359
Contingency.....	3,627,246	3,934,753	4,542,850	4,743,864	4,810,168
Employee Benefits.....	20,146,212	22,166,936	24,708,979	25,310,311	24,723,002
Finance.....	1,821,275	1,982,376	2,485,559	2,257,189	2,288,563
Human Development.....	5,651,247	6,353,933	6,853,989	7,321,422	8,033,568
Physical Development.....	15,444,312	15,371,085	15,622,075	16,094,092	16,448,887
Public Safety.....	27,567,001	28,203,594	28,970,979	30,345,824	31,547,498
Education.....	132,123,348	136,591,658	139,435,099	145,710,077	150,698,829
Debt service <sup>1</sup> .....	32,888,900	32,681,468	32,811,828	32,322,781	32,851,146
Capital outlay.....	163,073	88,754	113,519	71,200	104,286
<b>TOTAL EXPENDITURES.....</b>	<b>245,028,124</b>	<b>253,624,911</b>	<b>261,625,902</b>	<b>271,332,066</b>	<b>279,547,306</b>
Excess (deficiency) of revenues over expenditures.....	118,873	301,509	408,590	5,954,064	(5,046,512)
Other financing sources (uses):					
Proceeds from issuance of bonds...	92,104,976	-	-	-	-
Premium on bond issuance.....	5,877,594	-	-	-	-
Payment to bond escrow agent.....	(97,054,563)	-	-	-	-
Proceeds from capital lease.....	-	-	-	-	-
Operating transfers in.....	4,430,242	3,740,024	6,600,000	900,000	2,662,917
Operating transfers (out).....	(1,487,020)	(800,000)	(550,000)	(800,000)	(550,000)
Total other financing sources (uses).....	3,871,229	2,940,024	6,050,000	100,000	2,112,917
Excess (deficiency) of revenues and other financing sources over expenditures and other uses.....	3,990,102	3,241,533	6,458,590	6,054,064	(2,933,595)
Fund Balance - July 1.....	7,913,256	11,903,358	15,144,891	21,603,481	27,657,545
Fund Balance - June 30.....	<u>\$ 11,903,358</u>	<u>\$ 15,144,891</u>	<u>\$ 21,603,481</u>	<u>\$ 27,657,545</u>	<u>\$ 24,723,950</u>

<sup>1</sup> Includes debt service for the Town's 2013 Pension Bond issue.

Source: Annual audited financial statements.

**VI. INDEBTEDNESS**

**PRINCIPAL AMOUNT OF INDEBTEDNESS**

As of June 30, 2026  
(Pro Forma)

**Long-Term Debt**

<u>Date of Issue</u>	<u>Issue</u>	<u>Coupon Rate %</u>	<u>Original Issue Amount</u>	<u>Debt Outstanding Including This Issue</u>	<u>Final Maturity</u>
01/31/08	Clean Water Fund Loan #105-CSL <sup>1</sup> .....	2.000	\$ 1,837,123	\$ 64,023	01/31/27
10/31/10	Clean Water Fund Loan #366-C1 <sup>1</sup> .....	2.000	46,154,572	8,942,035	10/31/29
12/29/11	Series 2011 (Energy Performance Contract) <sup>1</sup> ...	3.240	8,212,115	2,147,784	06/15/30
10/29/13	Series 2013B (Federally Taxable).....	0.500 - 6.000	162,690,000	52,020,000	08/15/38
01/02/19	Series 2019.....	4.000 - 5.000	70,000,000	50,550,000	01/01/39
04/28/20	Series 2020A.....	3.000 -5.000	29,105,000	16,970,000	07/01/40
04/28/20	Series 2020B (Refunding)(Federally Taxable)..	0.349 - 2.461	78,100,000	55,005,000	08/01/34
12/16/21	Series 2022.....	4.000 - 5.000	15,650,000	13,910,000	05/15/42
04/28/23	Clean Water Fund Loan #713-CSL <sup>1</sup> .....	2.000	23,202,261	19,335,217	04/30/42
01/30/24	Series 2024.....	5.000	20,000,000	18,000,000	01/15/44
01/29/25	Series 2025A.....	4.000 - 5.000	15,750,000	14,960,000	01/15/45
06/30/26	Series 2026A (This Issue).....	TBD	22,740,000 *	22,740,000 *	06/01/46
06/30/26	Series 2026B (Refunding)(This Issue).....	TBD	13,775,000 *	13,775,000 *	07/01/36
	Total .....			<u>\$ 288,419,059</u>	

<sup>1</sup> Includes debt of the Water Pollution Control Authority and EMS Enterprise Funds which are guaranteed by the full faith and credit of the Town but are expected to be repaid from user fees.

\* Preliminary, subject to change.

**Short-Term Debt**

<u>Date of Issue</u>	<u>Issue</u>	<u>Coupon Rate %</u>	<u>Original Issue Amount</u>	<u>Debt Outstanding Including This Issue</u>	<u>Final Maturity</u>
06/30/26	Bond Anticipation Notes.....	TBD	\$26,440,000	\$ 26,440,000	6/22/2027

**THE TOWN OF STRATFORD, CONNECTICUT HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.**

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**COMBINED SCHEDULE OF GENERAL AND ENTERPRISE FUND DEBT THROUGH MATURITY**

As of June 30, 2026

(Pro Forma)

Fiscal Year	Existing Indebtedness <sup>1</sup>			Refunded Bonds Principal	The Series A Bonds Principal	The Series B Bonds Payments	Principal All Issues
	Principal Payments	Interest Payments	Total Debt Service <sup>2</sup>				
2026 <sup>3</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	24,150,907	10,561,278	34,712,184	(1,330,000)	-	485,000	23,305,907
2028	23,829,774	9,848,305	33,678,079	(1,330,000)	1,200,000	1,330,000	25,029,774
2029	23,603,731	9,115,874	32,719,605	(1,330,000)	1,200,000	1,330,000	24,803,731
2030	21,629,117	8,375,435	30,004,552	(1,330,000)	1,200,000	1,330,000	22,829,117
2031	19,351,172	7,674,206	27,025,377	(1,330,000)	1,200,000	1,330,000	20,551,172
2032	19,221,172	6,868,073	26,089,244	(1,330,000)	1,200,000	1,330,000	20,421,172
2033	19,181,172	5,933,002	25,114,174	(1,330,000)	1,200,000	1,330,000	20,381,172
2034	18,106,172	5,026,108	23,132,279	(1,330,000)	1,200,000	1,330,000	19,306,172
2035	18,051,172	4,194,114	22,245,286	(1,330,000)	1,200,000	1,330,000	19,251,172
2036	16,276,172	3,392,149	19,668,321	(1,330,000)	1,200,000	1,330,000	17,476,172
2037	16,266,172	2,612,276	18,878,448	(1,320,000)	1,200,000	1,320,000	17,466,172
2038	14,946,172	1,865,653	16,811,824	-	1,200,000	-	16,146,172
2039	14,866,172	1,153,829	16,020,001	-	1,200,000	-	16,066,172
2040	4,546,172	638,106	5,184,277	-	1,200,000	-	5,746,172
2041	4,511,172	471,382	4,982,554	-	1,200,000	-	5,711,172
2042	3,667,643	318,128	3,985,771	-	1,200,000	-	4,867,643
2043	1,790,000	192,800	1,982,800	-	1,200,000	-	2,990,000
2044	1,790,000	111,200	1,901,200	-	1,200,000	-	2,990,000
2045	740,000	29,600	769,600	-	1,200,000	-	1,940,000
2046	-	-	-	-	1,140,000	-	1,140,000
	<u>\$266,524,059</u>	<u>\$ 78,381,518</u>	<u>\$344,905,577</u>	<u>\$(14,620,000) *</u>	<u>\$ 22,740,000 *</u>	<u>\$ 13,775,000 *</u>	<u>\$288,419,059</u>

<sup>1</sup> Includes debt of the Water Pollution Control Authority and EMS Enterprise Funds which are guaranteed by the full faith and credit of the Town but are expected to be repaid from user fees. Includes bonds issued in December 2011 to finance a Guaranteed Energy Performance Contract ("EPC") between the Town and Honeywell International Inc. Under the terms of the contract, various equipment and improvements intended to reduce energy consumption were undertaken at Town and Board of Education buildings. The cost of the improvements were in part financed by the issuance of \$8,212,115 of bonds and a \$2,229,855 lease with Bank of America. Under the terms of the EPC, if energy savings in any year are not sufficient to substantially cover the cost of the debt service on the improvements, Honeywell will cover the differential. The amounts reflected herein include \$2,147,784 of outstanding bonds (principal) for the EPC. In December 2021, the final lease payment was made.

<sup>2</sup> Totals may not sum due to rounding.

<sup>3</sup> Excludes principal payments of \$26,093,073 and interest payments of \$11,247,420 made prior to June 30, 2026.

Source: Annual audited financial statements.

\* Preliminary, subject to change.

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**SCHEDULE OF GENERAL FUND BONDED DEBT THROUGH MATURITY**

As of June 30, 2026

(Pro Forma)

Fiscal Year	Existing Indebtedness <sup>1</sup>			Refunded Bonds Principal	The Series A Bonds Principal	The Series B Bonds Payments	Principal All Issues
	Principal Payments	Interest Payments	Total Debt Service <sup>2</sup>				
2026 <sup>3</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	20,215,239	10,026,528	30,241,767	(1,330,000)	-	485,000	19,370,239
2028	19,905,239	9,392,273	29,297,512	(1,330,000)	1,189,000	1,330,000	21,094,239
2029	19,625,239	8,739,199	28,364,438	(1,330,000)	1,189,000	1,330,000	20,814,239
2030	19,449,048	8,068,377	27,517,425	(1,330,000)	1,189,000	1,330,000	20,638,048
2031	18,130,000	7,396,389	25,526,389	(1,330,000)	1,189,000	1,330,000	19,319,000
2032	18,000,000	6,614,680	24,614,680	(1,330,000)	1,189,000	1,330,000	19,189,000
2033	17,960,000	5,704,033	23,664,033	(1,330,000)	1,189,000	1,330,000	19,149,000
2034	16,885,000	4,821,561	21,706,561	(1,330,000)	1,189,000	1,330,000	18,074,000
2035	16,830,000	4,013,991	20,843,991	(1,330,000)	1,189,000	1,330,000	18,019,000
2036	15,055,000	3,236,450	18,291,450	(1,330,000)	1,189,000	1,330,000	16,244,000
2037	15,045,000	2,481,000	17,526,000	(1,320,000)	1,189,000	1,320,000	16,234,000
2038	13,725,000	1,758,800	15,483,800	-	1,189,000	-	14,914,000
2039	13,645,000	1,071,400	14,716,400	-	1,189,000	-	14,834,000
2040	3,325,000	580,100	3,905,100	-	1,189,000	-	4,514,000
2041	3,290,000	437,800	3,727,800	-	1,189,000	-	4,479,000
2042	2,650,000	308,800	2,958,800	-	1,189,000	-	3,839,000
2043	1,790,000	192,800	1,982,800	-	1,189,000	-	2,979,000
2044	1,790,000	111,200	1,901,200	-	1,189,000	-	2,979,000
2045	740,000	29,600	769,600	-	1,189,000	-	1,929,000
2046	-	-	-	-	1,138,000	-	1,138,000
	<u>\$238,054,764</u>	<u>\$ 74,984,982</u>	<u>\$313,039,746</u>	<u>\$(14,620,000) *</u>	<u>\$22,540,000 *</u>	<u>\$ 13,775,000 *</u>	<u>\$259,749,764</u>

<sup>1</sup> Includes debt of the Water Pollution Control Authority and EMS Enterprise Funds which are guaranteed by the full faith and credit of the Town but are expected to be repaid from user fees. Includes bonds issued in December 2011 to finance a Guaranteed Energy Performance Contract ("EPC") between the Town and Honeywell International Inc. Under the terms of the contract, various equipment and improvements intended to reduce energy consumption were undertaken at Town and Board of Education buildings. The cost of the improvements were in part financed by the issuance of \$8,212,115 of bonds and a \$2,229,855 lease with Bank of America. Under the terms of the EPC, if energy savings in any year are not sufficient to substantially cover the cost of the debt service on the improvements, Honeywell will cover the differential. The amounts reflected herein include \$2,147,784 of outstanding bonds (principal) for the EPC. In December 2021, the final lease payment was made.

<sup>2</sup> Totals may not sum due to rounding.

<sup>3</sup> Excludes principal payments of \$22,055,239 and interest payments of \$10,632,804 made prior to June 30, 2026.

Source: Annual audited financial statements.

\* Preliminary, subject to change.

**CLEAN WATER FUND PROGRAM**

The Town is a participant in the State of Connecticut Clean Water Fund Program (Connecticut General Statutes Section 22a-475 et seq., as amended) which provides financial assistance through a combination of grants and loans bearing interest at a rate of 2% per annum. All participating municipalities receive a grant of 20% and a loan of 80% of total eligible costs (with the exception of combined sewer overflow correction projects which are financed with a 50% grant and a 50% loan and denitrification projects which are funded with a 30% grant and a 70% loan.)

Loans to each municipality are made pursuant to Project Grant and Project Loan Agreements (the "Loan Agreement"). Each municipality is obligated to repay only that amount which it draws down for the payment of project costs ("Interim Funding Obligations"). Each municipality must deliver to the State an obligation secured by the full faith and credit of the municipality and/or a dedicated source of revenue of such municipality.

Amortization of each loan is required to begin one year from the earlier of the scheduled completion date specified in the Loan Agreement or the actual project completion date. The final maturity of each loan is twenty years from the scheduled completion date. Principal and interest payments are made (1) in equal monthly installments commencing one month after the scheduled

completion date, or (2) in a single annual installment representing 1/20 of total principal not later than one year from the scheduled completion date specified in the Loan Agreement and then thereafter in monthly installments. Loans made under a Loan Agreement entered into prior to July 1, 1989 are repayable in annual installments. Borrowers may elect to make level debt service payments or level principal payments. Borrowers may prepay their loans at any time prior to maturity without penalty.

The Town has the following permanent Clean Water Fund loans outstanding:

<u>Project</u>	<u>Date of Issue</u>	<u>Original 2% Loan Amount</u>	<u>Amount Outstanding 6/30/2026</u>
CWF PLO 105-CSL....	8/31/2007	\$ 1,837,123	\$ 64,023
CWF PLO 366-C1.....	10/29/2010	46,154,572	8,942,035
CWF PLO 713-CSL....	4/28/2023	23,202,261	19,335,217
		<u>\$ 71,193,956</u>	<u>\$ 28,341,275</u>

Although the security on the loans was the Town's full faith and credit, the Town expects that the debt service on the loans will be repaid from sewer user fees.

**SCHEDULE OF WPCA AND EMS ENTERPRISE FUND DEBT THROUGH MATURITY**

As of June 30, 2026  
(Pro Forma)

<u>Fiscal Year</u>	<u>Existing Indebtedness</u>			<u>The Series A</u>	
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Debt Service <sup>1</sup></u>	<u>Bonds Principal</u>	<u>Principal All Issues</u>
2026 <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -
2027	3,935,668	534,749	4,470,417	-	3,935,668
2028	3,924,535	456,032	4,380,567	11,000	3,935,535
2029	3,978,493	376,675	4,355,168	11,000	3,989,493
2030	2,180,069	307,058	2,487,127	11,000	2,191,069
2031	1,221,172	277,817	1,498,988	11,000	1,232,172
2032	1,221,172	253,393	1,474,565	11,000	1,232,172
2033	1,221,172	228,970	1,450,141	11,000	1,232,172
2034	1,221,172	204,546	1,425,718	11,000	1,232,172
2035	1,221,172	180,123	1,401,294	11,000	1,232,172
2036	1,221,172	155,699	1,376,871	11,000	1,232,172
2037	1,221,172	131,276	1,352,448	11,000	1,232,172
2038	1,221,172	106,853	1,328,024	11,000	1,232,172
2039	1,221,172	82,429	1,303,601	11,000	1,232,172
2040	1,221,172	58,006	1,279,177	11,000	1,232,172
2041	1,221,172	33,582	1,254,754	11,000	1,232,172
2042	1,017,643	9,328	1,026,971	11,000	1,028,643
2043	-	-	-	11,000	11,000
2044	-	-	-	11,000	11,000
2045	-	-	-	11,000	11,000
2046	-	-	-	2,000	2,000
	<u>\$28,469,295</u>	<u>\$ 3,396,536</u>	<u>\$31,865,831</u>	<u>\$ 200,000 *</u>	<u>\$ 28,669,295</u>

<sup>1</sup> Totals may not sum due to rounding.

<sup>2</sup> Excludes principal payments of \$4,037,834 and interest payments of \$614,616 made prior to June 30, 2026.

Source: Annual audited financial statements.

\* Preliminary, subject to change.

**OUTSTANDING SHORT-TERM INDEBTEDNESS**

Following this issue the Town will have \$26,440,000 in outstanding short-term indebtedness which matures on June 22, 2027.

**OVERLAPPING AND UNDERLYING INDEBTEDNESS**

The Town has no overlapping or underlying indebtedness.

**DEBT STATEMENT**

As of June 30, 2026  
(Pro Forma)

<b>Indebtedness <sup>1</sup></b>	
<b>Bonded Debt</b>	
<i>The Series A Bonds (This Issue)</i> .....	\$ 22,740,000 *
<i>The Series B Bonds (This Issue)</i> .....	13,775,000 *
Refunded Bonds.....	(14,620,000) *
General Purpose.....	69,351,187
Schools.....	81,088,577
Sewers.....	128,020
Pensions.....	87,615,000
State of Connecticut CWF PLO <sup>2</sup> .....	<u>28,341,275</u>
Total Bonded Debt.....	<u>288,419,059 *</u>
<b>Short Term Debt</b>	
<i>The Notes (This Issue)</i> .....	<u>26,440,000</u>
Total Short-term Debt.....	<u>26,440,000</u>
<b>Gross Direct Debt</b> .....	314,859,059 *
<b>Exclusions:</b>	
Self-supporting Enterprise Fund Debt <sup>2</sup> .....	(28,341,275)
Guaranteed Energy Performance Contract <sup>3</sup> .....	<u>(2,147,784)</u>
<b>Net Direct Debt</b> .....	<u>\$284,370,000 *</u>

<sup>1</sup> Does not include authorized but unissued debt of \$54,230,867.

<sup>2</sup> The Town has financed renovations and upgrades to its Water Pollution Control Facility through the State of Connecticut Clean Water Fund Program. See “Authorized but Unissued Debt” and “Clean Water Fund” herein.

<sup>3</sup> Includes debt of the Water Pollution Control Authority and EMS Enterprise Funds which are guaranteed by the full faith and credit of the Town but are expected to be repaid from user fees. Includes bonds issued in December 2011 to finance a Guaranteed Energy Performance Contract (“EPC”) between the Town and Honeywell International Inc. Under the terms of the contract, various equipment and improvements intended to reduce energy consumption were undertaken at Town and Board of Education buildings. The cost of the improvements were in part financed by the issuance of \$8,212,115 of bonds and a \$2,229,855 lease with Bank of America. Under the terms of the EPC, if energy savings in any year are not sufficient to substantially cover the cost of the debt Honeywell will cover the differential. The amounts reflected herein include \$2,147,784 of outstanding bonds (principal) for the EPC. The final lease payment was made in December 2021.

\* Preliminary, subject to change.

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**CURRENT DEBT RATIOS**

As of June 30, 2026  
(Pro Forma)

Gross Direct Debt.....	\$314,859,059 *
Net Direct Debt.....	\$284,370,000 *
Population <sup>1</sup> .....	52,790
Net Taxable Grand List (10/1/25).....	\$6,216,503,960
Estimated Full Value.....	\$8,880,719,943
Equalized Net Taxable Grand List (2023) <sup>2</sup> .....	\$10,991,996,929
Per Capita Income <sup>1</sup> .....	\$50,099
<b>Total Direct Indebtedness:</b>	
Per Capita.....	\$5,964.37 *
To Net Taxable Grand List .....	5.06% *
To Estimated Full Value .....	3.55% *
To Equalized Net Taxable Grand List.....	2.86% *
Per Capita to Per Capita Income.....	11.91% *
<b>Net Direct Indebtedness:</b>	
Per Capita.....	\$5,386.82 *
To Net Taxable Grand List.....	4.57% *
To Estimated Full Value.....	3.20% *
To Equalized Net Taxable Grand List.....	2.59% *
Per Capita to Per Capita Income.....	10.75% *

<sup>1</sup> U.S. Census Bureau, American Community Survey, 2020-2024.

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

\* Preliminary, subject to change.

**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 project costs or temporary notes when they become due and payable, and the legislative body schedules principal reductions by the end of the third year and for each subsequent year during which such temporary notes remain outstanding, in an amount equal to a minimum of 1/20<sup>th</sup> (1/30<sup>th</sup> for sewer projects, certain school construction projects and in some instances, refunding bonds) 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.

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

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

**SCHOOL BUILDING PROJECTS**

Pursuant to Section 10-287i of the Connecticut General Statutes, the State of Connecticut provides proportional progress payments for eligible school construction expenses on projects approved after July 1, 1996. State grants will be paid directly to a municipality after it submits its request for progress payments, and accordingly, the municipality will issue bonds and notes only for its net share of project costs. Current and future school projects of the Town will receive reimbursement under this method include the following:

<u>Project</u>	<u>Total Appropriation</u>	<u>Reimbursement Rate</u>	<u>Estimated Grant <sup>1</sup></u>
New Victoria Soto School.....	\$ 18,350,654	56.43%	\$ 7,622,689
Stratford High School Improvements <sup>2</sup> .....	125,966,646	57.00%	65,269,060
2020 School Roof Projects.....	6,900,000	59.64%	4,115,160
2021 School Photo-voltaic Panel Array Projects..	4,296,000	59.64%	2,562,134
<b>Total</b>	<u>\$155,513,300</u>		<u>\$79,569,043</u>

<sup>1</sup> Estimated grants receivable are based upon eligibility of project costs. Eligible costs are to be determined at completion of a post-project audit. To date, the Town has received \$68,183,432 in grants for the projects listed above and expects to receive an additional \$11,385,611.

<sup>2</sup> The Town appropriated a total of \$125,966,646 for the Stratford High School Improvement project and has authorized up to \$65,000,000 in bonds to fund the Town’s share of the project costs.

**LIMITATION OF INDEBTEDNESS**

Municipalities shall not incur indebtedness through the issuance of bonds or notes 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 Pension Liability Purposes:	3.00 times annual receipts from taxation

In no case however, shall total indebtedness exceed seven times the base. "Annual receipts from taxation," (the "base") are defined as total tax collections including interest, penalties and late payment of taxes and state payments for revenue loss under CGS Sections 12-129d and 7-528.

The CGS also provide for exclusion from the debt limit calculation debt (i) issued in anticipation of taxes; (ii) issued for the supply of water, gas, electricity, electric demand response, conservation and load management, distributed generation and renewable energy projects; for the construction of subways for cables, wires and pipes; for the construction of underground conduits for cables, wires and pipes; for the construction and operation of a municipal community antenna television system and for two or more of such purposes; (iii) issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement; (iv) issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or for which allocation has been approved by the State Bond Commission or from a contract with the state, state agencies or another municipality providing for the reimbursement of costs but only to the extent such indebtedness can be paid from such proceeds; (v) issued for certain water pollution control projects; and (vi) upon placement in an escrow of the proceeds of refunding bonds, notes or other obligations or other funds of the municipality in an amount sufficient to provide for the payment when due of principal of and interest on such bond, note or other evidence of indebtedness.

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**COMPUTATION OF STATUTORY DEBT LIMIT AND DEBT MARGIN <sup>5</sup>**

As of June 30, 2026

(Pro Forma)

<b>Total Tax Collections</b> (including interest and lien fees) for the year ended June 30, 2025	\$202,738,302
<b>Reimbursement for Revenue Loss On:</b>	
Tax relief for elderly freeze	<u>-</u>
<b>Base for Debt Limitation Computation</b>	<u><u>\$202,738,302</u></u>

<u>Debt Limitation<sup>1</sup></u>	<u>General Purposes</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban</u>	<u>Past Pension</u>	<u>Total Debt</u>
2 1/4 times base.....	\$456,161,180					
4 1/2 times base.....		\$912,322,359				
3 3/4 times base.....			\$760,268,633			
3 1/4 times base.....				\$658,899,482		
3 times base .....					\$608,214,906	
7 times base.....						\$1,419,168,114
<b>Indebtedness:</b>						
Outstanding Debt <sup>2</sup> .....	\$ 69,351,187	\$ 81,088,577	\$ 128,020	\$ -	87,615,000	\$ 238,182,784
Refunded Bonds.....	(8,519,041)	(6,100,959)	-	-	-	(14,620,000)
<i>The Series A Bonds (This Issue) ...</i>	18,983,000 *	3,557,000 *	200,000			22,740,000 *
<i>The Series B Bonds (This Issue)....</i>	8,027,000 *	5,748,000 *				13,775,000 *
Notes (This Issue).....	10,687,063	15,752,937	-	-	-	26,440,000
Clean Water Fund PLO <sup>3</sup> .....	-	-	28,341,275	-	-	28,341,275
Authorized but Unissued Debt.....	27,918,490	5,133,814	21,178,563	-	-	54,230,867
<b>Total Indebtedness .....</b>	<u>126,447,699</u>	<u>105,179,369</u>	<u>49,847,858</u>	<u>-</u>	<u>87,615,000</u>	<u>369,089,926</u>
Less:						
School Grants Receivable <sup>4</sup> .....	-	(11,385,611)	-	-	-	(11,385,611)
<b>Total Net Indebtedness</b>	<u>126,447,699</u>	<u>93,793,758</u>	<u>49,847,858</u>	<u>-</u>	<u>87,615,000</u>	<u>357,704,315</u>
<b>Debt Limitation in Excess of</b>						
<b>Indebtedness.....</b>	<u>\$329,713,481</u>	<u>\$818,528,601</u>	<u>\$710,420,775</u>	<u>\$658,899,482</u>	<u>\$520,599,906</u>	<u>\$1,061,463,799</u>

<sup>1</sup> Under Chapter 109 of the Connecticut General Statutes the total of all indebtedness shall not exceed seven times the base or \$1,419,168,114.

<sup>2</sup> Includes debt of the Water Pollution Control Authority and EMS Enterprise Funds which are guaranteed by the full faith and credit of the Town but are expected to be repaid from user fees. Includes bonds issued in December 2011 to finance a Guaranteed Energy Performance Contract (“EPC”) between the Town and Honeywell International Inc. Under the terms of the contract, various equipment and improvements intended to reduce energy consumption were undertaken at Town and Board of Education buildings. The cost of the improvements were in part financed by the issuance of \$8,212,115 of bonds and a \$2,229,855 lease with Bank of America. Under the terms of the EPC, if energy savings in any year are not sufficient to substantially cover the cost of the debt service on the improvements, Honeywell will cover the differential. The amounts reflected herein include \$2,147,784 of outstanding bonds (principal) for the EPC. The final lease payment was made in December 2021.

<sup>3</sup> The Town has financed renovations and upgrades to its Water Pollution Control Facility through the State of Connecticut Clean Water Fund Program. See “Authorized but Unissued Debt” and “Clean Water Fund” herein.

<sup>4</sup> To date, the Town has received \$68,183,432 in progress payments for current school construction projects from the State of Connecticut. The Town expects to receive an additional \$11,385,611 in progress payments for school construction projects. (See “School Projects” herein.)

<sup>5</sup> Unaudited.

Source: Town Officials.

\* Preliminary, subject to change.

## PROVISIONS REGARDING BOND AUTHORIZATIONS

The normal provisions for adopting a bond ordinance in accordance with the Town Charter are provided below. However, in the case of refunding bonds, the Town, in accordance with Section 7-370c of the Connecticut General Statutes, which supersedes the Town Charter, authorizes its refunding bonds by the passage of a resolution by the Town Council. Such resolution is effective immediately upon passage.

Pursuant to the Town Charter, the legislative body of the Town is the Town Council. The Town Council has the authority to adopt ordinances making appropriations and authorizing the issuance of bonds and notes to meet appropriations. Bond ordinances require public notice of at least two weeks before final action by the Town Council. After a public hearing and a second reading, bond ordinances must be adopted upon the approval of at least seven members of the Town Council, or failing such approval, may be submitted to the electors of the Town at a regular or special election. Except for ordinances approving refunding bonds, ordinances become effective thirty days after passage.

The Town's bond ordinances authorize bonds or bond anticipation notes to be issued and sold by the Mayor and the Finance Director. The Mayor and Finance Director also approve the issuance and sale of bonds from time to time to permanently finance any bond anticipation notes outstanding when there are no other conditions precedent to the issuance of bonds under duly adopted ordinances.

The Charter of the Town provides in Section 6.2.6 as follows: "Upon the adoption of a budget, the Council shall, by ordinance, levy such tax as may be necessary to meet the appropriations made (less the estimated amount of revenue from other sources) and all sums required by law to be raised on account of the Town debt, together with such additional funds as may be required by the Town budget, and shall prescribe the manner and time for payment."

The Charter provides further in Section 2.2.4., in part, as follows: "Every issue of bonds shall be payable with a term of years not to exceed the estimated period of utility of the public improvement for which they are issued and in no case exceed thirty (30) years, and shall be payable, with exception of the last annual installment, in equal annual serial installments." and "Every ordinance for the issue of bonds shall provide for a tax levy for each year to meet the annual serial installments of principal and interest, and such amounts shall be included in a tax levy for each year until said bonds shall have been paid in full."

Each bond ordinance of the Town, including the bond ordinance for the Bonds and the Notes, contains the provisions of Sections 6.2.6 and 2.2.4 of the Town Charter, with respect to a pledge to levy taxes sufficient to pay principal and interest due on bonds of the Town in any fiscal year. Each bond of the Town issued pursuant to the Town Charter and a duly adopted bond ordinance constitutes a contract between the Town and the owner thereof.

The above provisions of the Town Charter and State law impose a legal duty on the Town to levy ad valorem taxes on all taxable property in the Town without limitation as to rate or amount, except as to classified property, to pay principal of and interest on the bonds or notes of the Town and, in the event of failure by the Town to make such payments when due, a bond owner may sue the Town to compel such payments.

The Charter of the Town further provides electors of the Town the power to initiate a petition for the adoption or repeal of ordinances or other measures. If the Town Council shall fail to adopt an ordinance or other measure initiated by petition, the proposed ordinance or measure must be submitted to a vote of the electors at the next Town election occurring not less than 30 days after the date of the final action by the Town Council, and if no election is to be held within six months from such date, the Town Council shall call a special election to be held not less than 30 nor more than 45 days from such date. If the electors petition to repeal an ordinance, a petition may be filed within 30 days of its final passage. The Town will reconsider such ordinance which will not go into effect until a vote of the electors is held. If the Town Council does not repeal the ordinance, it will be submitted to a vote of the electors at the next Town election which must occur not less than 30 days after such petition is filed.

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## AUTHORIZED BUT UNISSUED DEBT

<u>Capital Bond Ordinances</u>	<u>Amended Authorization</u>	<u>Prior Debt Issued</u>	<u>Grants Received</u>	<u>The Notes</u>	<u>The Bonds</u>	<u>Authorized but Unissued <sup>1</sup></u>
Miscellaneous Capital Bond Ordinances..	\$ 76,424,196	\$ 60,468,195	\$ 14,590,164	\$ -	\$ -	\$ 1,365,837
FY 2005-06 Capital Bond Ordinance.....	6,606,000	6,605,000	-	-	-	1,000
FY 2006-07 Capital Bond Ordinance.....	6,254,000	6,099,000	-	-	-	155,000
FY 2007-08 Capital Bond Ordinance.....	11,687,000	11,586,000	-	-	-	101,000
FY 2009-10 Capital Bond Ordinance.....	12,060,700	12,060,000	-	-	-	700
FY 2010-11 Capital Bond Ordinance.....	74,952,100	67,407,000	-	7,000,000	-	545,100
FY 2011-12 Capital Bond Ordinance.....	9,113,801	8,961,186	-	-	-	152,614
FY 2012-13 Capital Bond Ordinance.....	16,459,011	11,533,773	1,835,372	-	-	3,089,866
FY 2013-14 Capital Bond Ordinance.....	13,084,613	13,035,758	-	-	-	48,855
FY 2014-15 Capital Bond Ordinance.....	12,214,324	12,098,721	-	-	-	115,603
FY 2015-16 Capital Bond Ordinance.....	12,476,160	11,509,449	-	-	-	966,711
FY 2016-17 Capital Bond Ordinance.....	12,427,500	12,327,500	-	-	-	100,000
FY 2017-18 Capital Bond Ordinance.....	4,498,705	4,295,000	-	-	200,000	3,705
FY 2018-19 Capital Bond Ordinance.....	13,660,700	11,223,000	-	-	767,664	1,670,037
FY 2019-20 Capital Bond Ordinance.....	14,941,996	14,386,000	453,000	-	-	102,996
FY 2020-21 Capital Bond Ordinance.....	25,170,000	17,252,000	-	6,677,000	917,500	323,500
FY 2022-23 Capital Bond Ordinance.....	12,438,000	8,152,000	-	2,461,000	690,000	1,135,000
FY 2023-24 Capital Bond Ordinance.....	18,053,500	9,024,000	-	3,359,778	2,049,000	3,620,722
FY 2024-25 Capital Bond Ordinance.....	54,727,937	9,732,000	-	4,266,014	7,804,000	32,925,923
FY 2025-26 Capital Bond Ordinance.....	20,794,742	-	-	2,676,208	10,311,836	7,806,698
	<b><u>\$428,044,985</u></b>	<b><u>\$307,755,582</u></b>	<b><u>\$16,878,536</u></b>	<b><u>\$26,440,000 *</u></b>	<b><u>\$22,740,000 *</u></b>	<b><u>\$ 54,230,867</u></b>

<sup>1</sup> Water Pollution Control Facility Upgrades were financed through the State of Connecticut Clean Water Fund Program (See "Clean Water Fund Program" herein). Although the Town pledged its full faith and credit as security on the loans, it is expected that the loans will be repaid from user fees.

<sup>2</sup> Included in the Fiscal Year 2010-11 Capital Bond Ordinance is the Stratford High School Improvement project for which the Town has appropriated a total of \$125,966,646 and has authorized up to \$65,000,000 in bonds to fund the Town's share of project costs.

\* Preliminary, subject to change.

## HISTORICAL DEBT STATEMENT

	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>
Population <sup>1</sup> .....	52,790	52,790	52,403	52,436	52,360
Net taxable grand list.....	\$ 5,149,703,992	\$ 5,153,602,131	\$4,909,532,523	\$4,775,849,130	\$4,769,109,532
Estimated full value.....	\$ 7,356,719,989	\$ 7,362,288,759	\$7,013,617,890	\$6,822,641,614	\$6,813,013,617
Equalized net taxable grand list <sup>2</sup> ..	\$10,991,996,929	\$10,472,589,181	\$9,514,455,478	\$8,533,418,103	\$6,820,084,632
Per capita income <sup>1</sup> .....	\$ 50,099	\$ 50,099	\$ 49,178	\$ 47,849	\$ 41,009
Short-term debt.....	\$ 19,285,000	\$ 19,285,000	\$ 19,285,000	\$ 19,472,000	\$ 13,845,000
Long-term debt.....	\$ 260,378,145	\$ 302,212,249	\$ 307,422,632	\$ 308,099,818	\$ 315,865,727
Total Direct debt.....	\$ 279,663,145	\$ 321,497,249	\$ 326,707,632	\$ 327,571,818	\$ 329,710,727
Net Direct debt.....	\$ 279,663,145	\$ 321,497,249	\$ 326,707,632	\$ 327,571,818	\$ 329,710,727

<sup>1</sup> U.S. Census Bureau, American Community Survey.

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

**HISTORICAL DEBT RATIOS**

	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>
<b>Total Direct debt:</b>					
Per capita.....	\$5,297.65	\$6,090.12	\$6,234.52	\$6,247.08	\$6,297.00
To net taxable grand list.....	5.43%	6.24%	6.65%	6.86%	6.91%
To estimated full value.....	3.80%	4.37%	4.66%	4.80%	4.84%
To equalized net taxable grand list.....	2.54%	3.07%	3.43%	3.84%	4.83%
Debt per capita to per capita income..	10.57%	12.16%	12.68%	13.06%	15.36%
<b>Net direct debt:</b>					
Per capita.....	\$5,297.65	\$6,090.12	\$6,234.52	\$6,247.08	\$6,297.00
To net taxable grand list.....	5.43%	6.24%	6.65%	6.86%	6.91%
To estimated full value.....	3.80%	4.37%	4.66%	4.80%	4.84%
To equalized net taxable grand list.....	2.54%	3.07%	3.43%	3.84%	4.83%
Debt per capita to per capita income..	10.57%	12.16%	12.68%	13.06%	15.36%

**CAPITAL IMPROVEMENT / CAPITAL EQUIPMENT PROGRAMS**

The Mayor annually prepares five-year municipal capital improvement and capital equipment programs (“CIP/CEP”). The CIP/CEP are systematic programs of capital improvements to the Town's physical assets. The CIP/CEP are subject to approval of the Town Council annually.

<u>Department</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>2029-30</u>	<u>Total</u>
Public Safety.....	\$ 1,693,000	\$ 2,953,000	\$ 885,000	\$ 1,030,000	\$ 590,000	\$ 7,151,000
Public Works.....	4,037,000	4,097,000	3,907,000	2,847,000	2,832,000	17,720,000
Roads & Sewers.....	21,956,000	19,361,000	35,286,000	44,246,000	160,316,000	281,165,000
Board of Education.....	6,466,742	6,996,000	6,520,000	3,320,000	2,515,000	25,817,742
Town Facilities.....	7,520,000	3,191,000	2,046,000	1,690,000	1,690,000	16,137,000
Town Hall.....	-	100,000	-	100,000	-	200,000
<b>Total Program Costs.....</b>	<b>\$ 41,672,742</b>	<b>\$ 36,698,000</b>	<b>\$ 48,644,000</b>	<b>\$ 53,233,000</b>	<b>\$ 167,943,000</b>	<b>\$348,190,742</b>

<u>Funding Sources</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>2029-30</u>	<u>Total</u>
General Fund.....	\$ 47,000	\$ 47,000	\$ 47,000	\$ 147,000	\$ 47,000	\$ 335,000
G.O. BANs.....	5,279,000	5,839,000	5,561,000	5,445,000	5,300,000	27,424,000
G.O. Bonds (General Fund)...	18,485,742	21,766,000	31,490,000	35,520,000	138,890,000	246,151,742
G.O. Bonds (Harbor Fund).....	-	-	500,000	-	-	500,000
Grant.....	16,000,000	4,850,000	1,900,000	6,000,000	17,400,000	46,150,000
LOCIP Grants.....	596,000	596,000	596,000	596,000	596,000	2,980,000
EMS Fund.....	65,000	-	-	-	10,000	75,000
WPCA Fund.....	1,200,000	3,600,000	8,550,000	5,525,000	5,700,000	24,575,000
<b>Total Funding Sources....</b>	<b>\$ 41,672,742</b>	<b>\$ 36,698,000</b>	<b>\$ 48,644,000</b>	<b>\$ 53,233,000</b>	<b>\$ 167,943,000</b>	<b>\$348,190,742</b>

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## VII. ADDITIONAL INFORMATION

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### LITIGATION

The Town, its officers, employees, boards and commissions are defendants in various lawsuits. In the opinion of the Town Attorney, as of the date of this Official Statement, there are no claims or litigation pending or to his knowledge threatened, which would individually or in the aggregate result in final judgments against the Town which would have a material adverse effect on the finances of the Town or which would impact the validity of the Bonds and the Notes or the power of the Town to levy and collect taxes to pay them.

### MUNICIPAL ADVISOR

Munistat Services, Inc. (the "Municipal Advisor"), is a Municipal Advisor, registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent municipal advisor to the Town on matters relating to debt management. The Municipal Advisor is a municipal advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has assisted the Town as to the plan of finance and the structuring of the Bonds and the Notes and has reviewed and commented on certain legal documents, including this Official Statement. The advice on the plan of financing and the structuring of the Bonds and the Notes was based on materials provided by the Town and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Town or the information set forth in this Official Statement or any other information available to the Town with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement.

### DOCUMENTS ACCOMPANYING DELIVERY OF THE BONDS AND THE NOTES

Upon delivery of the Bonds and the Notes, the Underwriter will be provided with the following:

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 the Notes or the levy or collection of taxes to pay debt service on the Bonds and the Notes;
2. A certificate on behalf of the Town, signed by the Mayor and the 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 that as of the date of the Bond and Note Purchase Agreement, the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statement therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement;
3. Receipts for the purchase price of the Bonds and the Notes;
4. The approving opinions of Pullman & Comley, LLC, Bond Counsel, of Bridgeport and Hartford, in substantially the forms of Appendices B, C and D, attached hereto;
5. Executed Continuing Disclosure Agreements for the Bonds and the Notes in substantially the forms of Appendices E, F and G, attached hereto; and
6. Any other documents required by the Bond and Note Purchase Agreement.

The Town has prepared a Preliminary Official Statement for the Bonds and the Notes which is dated June 11, 2026. The Town deems such Official Statement final as of its date for the purposes of SEC Rule 15c2-12(b)(1), but is subject to revision or amendment. The Town will furnish the Underwriter with a reasonable number of copies of the Official Statement.

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

**CONCLUDING STATEMENT**

Additional information may be obtained upon request from the Director of Finance at (203) 385-4040 or Munistat Services, Inc. at (203) 421-2880.

This Official Statement is submitted only in connection with the sale of the Bonds and the Notes by the Town and may not be reproduced or used in whole or part for any other purpose. This Official Statement has been duly authorized and approved by the Town and duly executed and delivered on its behalf by the Town.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. 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.

**TOWN OF STRATFORD, CONNECTICUT**

**BY:** \_\_\_\_\_  
David Chess  
*Mayor*

**BY:** \_\_\_\_\_  
Caitlin Bosse  
*Director of Finance*

**Dated: June\_, 2026**

**APPENDIX A - AUDITED FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

*Appendix A - Basic Financial Statements* - is taken from the Annual Report of the Town of Stratford for the Fiscal Year ended June 30, 2025 as presented by the Auditors and does not include all schedules or management letter made in such report. A copy of the complete report is available upon request to the Finance Director, Town of Stratford, Connecticut.

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## INDEPENDENT AUDITORS' REPORT

Members of the Town Council  
Town of Stratford, Connecticut

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

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Stratford, Connecticut, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town of Stratford, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Stratford, Connecticut, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

### ***Required Supplementary Information***

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

**Supplementary Information**

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

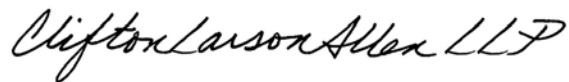
**Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2026, on our consideration of the Town of Stratford, 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 Stratford, 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 Town of Stratford, Connecticut's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
January 20, 2026

**TOWN OF STRATFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

This discussion and analysis of the Town of Stratford, Connecticut's (the Town) financial performance is developed by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2025. Please read this MD&A in conjunction with the transmittal letter and the Town's financial statements, Exhibits I to XI.

**Financial Highlights**

- In the Statement of Net Position, the Town's net position for governmental activities increased by \$37.7 million. The net position of our business-type activities increased by \$6.2 million.
- During the year, the Town's governmental activities program expenses of \$277.0 million were \$37.3 million less than the \$314.3 million generated in tax and other revenues for governmental programs.
- In the Town's business-type activities, revenues from charges for services are \$19.4 million while operating expenses are \$12.8 million.
- Total cost of all the Town's programs increased by \$1.5 million to \$289.7 million. The largest increase was in the Education function for \$7.7 million, which consists primarily of a \$4.2 million increase in budgeted Board of Education expenditures in the General Fund, and a \$2.8 million increase in expenditures in the Board of Education's Nonlapsing Fund.
- The General Fund reported a fund balance this year of \$24.7 million, which is a decrease of \$2.9 million from the prior year.

**Overview of the Financial Statements**

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements are presented in Exhibits III to XI. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

**Government-Wide Financial Statements**

The analysis of the Town as a whole begins on Exhibits I and II. The statement of net position and the statement of activities report information about the Town as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net position and changes in them. The Town's net position, the difference between assets and liabilities, are one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall health of the Town.

**TOWN OF STRATFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

In the statement of net position and the statement of activities, we divide the Town into two types of activities:

- *Governmental Activities* – Most of the Town's basic services are reported here, including education, public safety, highways and streets, sanitation, economic development and recreation. Property taxes, charges for services and state and federal grants finance most of these activities.
- *Business-Type Activities* – The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's Waste Operating Facility, Town golf facilities and EMS Fund are reported here.

**Fund Financial Statements**

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by Charter. However, the Town Council establishes many other funds to help control and manage financial activities for particular purposes (like the Capital Projects Fund) or to show that it is meeting legal responsibilities for using grants and other money (like grants received for education from the State Department of Education). The Town's funds are divided into three categories: governmental, proprietary and fiduciary.

**Governmental Funds (Exhibits III to IV):** Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.

**Proprietary Funds (Exhibits V to VII):** When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

**Fiduciary Funds (Exhibits VIII and IX):** The Town is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**TOWN OF STRATFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

**Government-Wide Financial Analysis**

The Town's combined net position increased from a year ago \$(226.5) million to \$(182.6) million. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental and business-type activities.

**Table 1  
SUMMARY STATEMENT OF NET POSITION  
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>ASSETS</b>						
Current and Other Assets	\$ 111,612	\$ 113,220	\$ 11,979	\$ 14,587	\$ 123,591	\$ 127,807
Capital Assets, Net of Depreciation	330,131	322,523	47,605	49,983	377,736	372,506
Total Assets	<u>441,743</u>	<u>435,743</u>	<u>59,584</u>	<u>64,570</u>	<u>501,327</u>	<u>500,313</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred Outflows - Pension	7,666	11,640	233	351	7,899	11,991
Deferred Outflows - OPEB	5,528	11,467	117	276	5,645	11,743
Deferred Outflows on Refunding	4,358	4,794	-	-	4,358	4,794
Total Deferred Outflows of Resources	<u>17,552</u>	<u>27,901</u>	<u>350</u>	<u>627</u>	<u>17,902</u>	<u>28,528</u>
<b>LIABILITIES</b>						
Current Liabilities	65,197	64,949	3,296	9,072	68,493	74,021
Long-Term Debt Outstanding	519,690	557,796	34,450	39,793	554,140	597,589
Total Liabilities	<u>584,887</u>	<u>622,745</u>	<u>37,746</u>	<u>48,865</u>	<u>622,633</u>	<u>671,610</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Inflows - Pension	-	1,086	-	33	-	1,119
Deferred Inflows - OPEB	73,532	78,907	1,551	1,900	75,083	80,807
Deferred Inflows on Refunding	106	119	-	-	106	119
Leases	3,966	1,712	-	-	3,966	1,712
Total Deferred Inflows of Resources	<u>77,604</u>	<u>81,824</u>	<u>1,551</u>	<u>1,933</u>	<u>79,155</u>	<u>83,757</u>
<b>NET POSITION</b>						
Net Investment in Capital Assets	188,345	180,577	15,098	13,466	203,443	194,043
Restricted	7,050	6,648	-	-	7,050	6,648
Unrestricted	<u>(398,591)</u>	<u>(428,150)</u>	<u>5,539</u>	<u>933</u>	<u>(393,052)</u>	<u>(427,217)</u>
Total Net Position	<u>\$ (203,196)</u>	<u>\$ (240,925)</u>	<u>\$ 20,637</u>	<u>\$ 14,399</u>	<u>\$ (182,559)</u>	<u>\$ (226,526)</u>

Net position of the Town's governmental activities increased to \$(203.2) million compared to the prior year at \$(240.9) million. The Town's net investment capital assets increased by 4.8% to \$203.4 million. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – increased from \$(427.2) million at prior year end to \$(393.0) million at June 30, 2025.

**TOWN OF STRATFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

**Table 2  
SUMMARY STATEMENT OF ACTIVITIES  
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>REVENUES</b>						
Program Revenues:						
Charges for Services	\$ 10,560	\$ 15,621	\$ 19,426	\$ 17,469	\$ 29,986	\$ 33,090
Operating Grants and Contributions	55,992	59,873	-	-	55,992	59,873
Capital Grants and Contributions	28,355	27,055	-	-	28,355	27,055
General Revenues:						
Property Taxes	205,693	207,496	-	-	205,693	207,496
Grants and Contributions Not Restricted to Specific Purposes	5,765	6,563	-	-	5,765	6,563
Unrestricted Investment Earnings	4,785	5,346	-	-	4,785	5,346
Miscellaneous	3,104	1,753	-	-	3,104	1,753
Total Revenues	<u>314,254</u>	<u>323,707</u>	<u>19,426</u>	<u>17,469</u>	<u>333,680</u>	<u>341,176</u>
<b>PROGRAM EXPENSES</b>						
General Government	33,930	38,105	-	-	33,930	38,105
Human Development	10,155	9,259	-	-	10,155	9,259
Physical Development	24,366	22,083	-	-	24,366	22,083
Public Safety	24,921	28,783	-	-	24,921	28,783
Education	173,213	166,136	-	-	173,213	166,136
Interest Expense	10,390	9,894	-	-	10,390	9,894
Waste Operating	-	-	8,819	10,788	8,819	10,788
Short Beach Golf Course	-	-	88	172	88	172
Emergency Medical Services	-	-	3,831	2,969	3,831	2,969
Total Program Expenses	<u>276,975</u>	<u>274,260</u>	<u>12,738</u>	<u>13,929</u>	<u>289,713</u>	<u>288,189</u>
<b>EXCESS BEFORE TRANSFERS</b>	37,279	49,447	6,688	3,540	43,967	52,987
<b>TRANSFERS</b>	<u>450</u>	<u>450</u>	<u>(450)</u>	<u>(450)</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	37,729	49,897	6,238	3,090	43,967	52,987
Net Position - Beginning of Year	<u>(240,925)</u>	<u>(290,822)</u>	<u>14,399</u>	<u>11,309</u>	<u>(226,526)</u>	<u>(279,513)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (203,196)</u>	<u>\$ (240,925)</u>	<u>\$ 20,637</u>	<u>\$ 14,399</u>	<u>\$ (182,559)</u>	<u>\$ (226,525)</u>

The Town's total revenues were \$333.7 million. The total cost of all programs and services was \$289.7 million. Our analysis below separately considers the operations of governmental and business-type activities.

**TOWN OF STRATFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

The Town's governmental activities change in Net Position is greatly impacted by the recognition of annual changes in the Town's Pension & OPEB liabilities as well as the associated recognition of deferred inflows/outflows that do not require the use of current financial resources but are recognized in the statement of activities as a change in Net Position. Financial Statement Exhibit IV's reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances reports the following changes related to the Town's Pension & OPEB Liabilities:

Changes in Net Pension Liability	\$ (68,664)
Change in Deferred Outflows Related to Pension	7,666
Change in Net OPEB Liability	(166,676)
Change in Deferred Outflows Related to OPEB	5,528
Change in Deferred Inflows Related to OPEB	(73,532)
Statement of Activities - Change in Pension/OPEB	\$ (295,678)

**Governmental Activities**

Approximately 65.5% of the revenues were derived from property taxes; the remaining 34.5% of revenue is made up of operating and capital grants, investment earnings and service fees. Major revenue factors include:

- Property taxes decreased by \$1.8 million from the prior year. Current tax collections totaled \$196.6 million or 96.7% of the current collectible taxes. Arrear taxes, interest, lien, and other collections was an additional \$6.2 million.
- Charges for services and grant related revenues (operating, capital, and unrestricted) also decreased by a combined \$8.4 million. The majority is due to receivables deferred in the Capital Projects fund, which decreased from \$15.6 million in the prior year to \$8.5 million in the current year. The revenue is recognized on the full accrual basis when the receivable is earned, but is not recognized at the fund level until the funds are considered available.
- Governmental expenses increased from \$274.2 million to \$277.0 million this year. The largest increase is in the Education function, which is offset by decreases in other functions.

Table 3 presents the cost of each of the Town's five largest programs - education, public safety, general administration, physical development, and human development - as well as each programs net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

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

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
General Government	\$ 33,930	\$ 38,105	\$ 19,807	\$ 22,152
Public Safety	24,921	28,783	22,564	26,696
Physical Development	24,366	22,083	13,905	9,185
Education	173,213	166,136	107,389	95,999
Human Development	10,155	9,259	8,013	7,785
All Others	10,390	9,894	10,390	9,894
Total	\$ 276,975	\$ 274,260	\$ 182,068	\$ 171,711

**TOWN OF STRATFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

**Business-Type Activities**

Business-type activities net position increased by \$6.2 million. The key factors were \$15.8 million in program operating revenues in Waste Operating Fund, which exceeded the fund's expenditures by \$7.7 million.

**Town Funds Financial Analysis**

**Governmental Funds** – The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, the 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 \$31.5 million, a decrease of \$2.1 million in comparison with the prior year.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the General Fund total fund balance is \$24.8 million.

General Fund mirrors the general fund activities analysis highlighted in RSI-1 and RSI-2. The fund balance of the Town's General Fund decreased by \$2.9 million during the current fiscal year.

The Capital Projects Fund has a fund balance of \$(65.4) million at the end of the year, an increase of \$1.3 million from the prior year. The Town will bond in FY26 to eliminate this deficit. Major projects in 2025 are as follows:

- Road Resurfacing, sidewalk improvement, street improvement, and bridge improvement of \$3.5 million.
- Capital equipment purchases including vehicles for public works, police, and fire of \$2.4 million.
- Board of Education school improvements of \$1.4 million, excluding those that are road related.

Other nonmajor governmental funds have a total fund balance of \$12.2 million, a decrease of \$0.5 million from the prior year. Most of the decrease is attributed to a decrease in state and federal grant funding earned and received by the Town.

**Proprietary Funds** – The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Overall enterprise funds' net position totaled \$19.9 million at the end of 2025, increasing by \$6.0 million from the previous year.

Net position of the Waste Operating Fund at the end of the year is \$21.8 million, 110% of total net position of the proprietary funds. Other nonmajor activities have net deficit of \$(1.9) million or (10)% of the total net position. Other factors concerning the finances of these funds have already been addressed in the discussion of the Town's Business-Type Activities.

**TOWN OF STRATFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

The Internal Service Funds net position at the end of 2025 totaled \$0.5 million, an increase of \$1.3 million from the prior year-end deficit.

Net position of the Health Benefit Fund and Workers' Compensation as of June 30, 2025 is \$10.3 million and (\$9.8) million, respectively. The increase in the Health Benefit fund net position is due to a transfer of ARPA funds to cover expenses as well as reduced claims. The decrease in the net position for Worker's Compensation is due to expenditures of \$5.5 million, which includes the accrual of a significant legal settlement, exceeding charges for services of \$3.1 million. The Town continues to utilize risk management strategies coupled with strong case management that includes department heads, town attorneys, and administration to contain costs and minimize lost wages.

**General Fund Budgetary Highlights**

During the year, total revenues were under budgetary estimates by \$3.4 million and total expenditures were under budgetary estimates by \$3.0 million. The Town had a negative revenue variance of \$(2.1) million in gain of sale on land, as well as \$(1.0) million in state revenue sharing for state aid that was received in the prior year, but not in the current year. Total property tax revenues were \$(3.3) million less than budgeted, of which \$(2.1) million is related to the current levy and (\$1.2) million is related to arrears. For expenditures, the Town had positive variances of \$1.1 million in Employee Benefits, \$1.1 million in Physical Development, and \$2.2 million in debt service. The positive variances are offset by overspending of \$1.2 million in Public Safety.

**Capital Asset and Debt Administration**

**Capital Assets** – The Town's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of June 30, 2025 amounted to \$330 million and \$48 million, respectively. This investment in capital assets included land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges.

**Table 4  
CAPITAL ASSETS AT YEAR-END  
NET OF DEPRECIATION  
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 16,142	\$ 15,855	\$ -	\$ -	\$ 16,142	\$ 15,855
Land Improvements	15,400	14,579	-	-	15,400	14,579
Buildings and Improvements	215,733	206,307	12,191	15,360	227,924	221,667
Infrastructure	53,978	46,045	28,265	27,686	82,243	73,731
Machinery and Equipment	17,460	12,507	2,189	1,593	19,649	14,100
Construction in Progress	11,418	27,230	4,960	5,344	16,378	32,574
Total	<u>\$ 330,131</u>	<u>\$ 322,523</u>	<u>\$ 47,605</u>	<u>\$ 49,983</u>	<u>\$ 377,736</u>	<u>\$ 372,506</u>

More detailed information about the Town's capital assets is presented in Note 1 and Note 5 to the financial statements.

**Long-Term Debt** – At June 30, 2025, the Town had \$324 million in bonds (including bond anticipation noted) and notes outstanding versus \$335 million last year, a decrease of 3.1% as shown in Table 5.

**TOWN OF STRATFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

**Table 5  
OUTSTANDING DEBT AT YEAR-END  
(In Thousands)**

	Governmental		Business-Type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
General and Pension Obligation Bonds	\$ 272,345	\$ 278,811	\$ 268	\$ 433	\$ 272,613	\$ 279,244
Notes Payable	-	-	32,239	36,084	32,239	36,084
Bond Anticipation Notes	19,285	19,285	-	-	19,285	19,285
Total	<u>\$ 291,630</u>	<u>\$ 298,096</u>	<u>\$ 32,507</u>	<u>\$ 36,517</u>	<u>\$ 324,137</u>	<u>\$ 334,613</u>

The Town maintains an “AA”- rating from Standard & Poor’s and an “A+” rating from Fitch’s for its general obligation debt. The Town provides the rating agencies with 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 from time to time.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.0 times its total prior year’s tax collections. The current debt limitation for the Town amounts to \$1.44 billion, significantly more than the Town’s outstanding general obligation debt.

More detailed information about the Town’s long-term liabilities is presented in Note 7 to the financial statements.

**Economic Factors and Next Year’s Budgets and Rates**

- Inflationary trends in the region are higher than the national indices.
- The Town will issue general obligation bonds for capital projects in fiscal year 2026.
- BOE was declared an Alliance District by State therefore the Town’s portion of State Education Cost Sharing/Equalization Grant will remain static while increases go directly to the BOE for programming requiring the General Fund Operating Budget to absorb the full impact of increases to education funding.

All of these factors were considered in preparing the Town’s budget for fiscal year 2026. The fiscal year 2025 General Fund budget calls for \$266,046,133 in revenues with matching expenditures resulting in an increase of \$5,621,934 over fiscal year 2025 or a 2.3% increase. The net taxable Grand List decreased by approximately 1.2% from fiscal year 2025 and the Town’s mill rate remained stable at 40.2.

During the current fiscal year, unassigned fund balance in the General Fund decrease by \$3.1 million for an unassigned balance of \$22.6 million at June 30, 2025. The Town did not appropriate or use any general fund balance for the fiscal year 2026 budget.

**Contacting the Town’s Financial Management**

This financial report is designed to provide citizens, taxpayers, customers, investors, governing bodies, and creditors with a general overview of the Town’s finances and to show the Town’s accountability for the tax and other funding it receives. The report is available on the Town website: ([www.townofstratford.com](http://www.townofstratford.com)) If you have questions about this report or need additional financial information, contact the Finance Director, Town of Stratford at 2725 Main Street, Stratford, Connecticut 06615.

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF STRATFORD, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 72,488,104	\$ 8,142,988	\$ 80,631,092
Investments	3,077,362	-	3,077,362
Receivables, Net	35,964,562	3,835,901	39,800,463
Supplies and Prepaids	81,600	-	81,600
Capital Assets:			
Assets Not Being Depreciated	27,560,643	4,960,043	32,520,686
Assets Being Depreciated, Net	302,570,476	42,645,116	345,215,592
Total Assets	<u>441,742,747</u>	<u>59,584,048</u>	<u>501,326,795</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to Pension	7,665,561	233,124	7,898,685
Deferred Outflows Related to OPEB	5,528,145	116,592	5,644,737
Deferred Outflows on Refunding	4,358,152	-	4,358,152
Total Deferred Outflows of Resources	<u>17,551,858</u>	<u>349,716</u>	<u>17,901,574</u>
<b>LIABILITIES</b>			
Accounts and Other Payables	7,498,091	420,815	7,918,906
Accrued Liabilities	5,968,653	100,870	6,069,523
Unearned Revenue	3,939,939	34,094	3,974,033
Internal Balances	1,458,758	(1,458,758)	-
Bond Anticipation Notes	19,285,000	-	19,285,000
Noncurrent Liabilities:			
Due Within One Year	27,046,748	4,199,481	31,246,229
Due in More Than One Year	519,690,204	34,449,981	554,140,185
Total Liabilities	<u>584,887,393</u>	<u>37,746,483</u>	<u>622,633,876</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to OPEB	73,531,601	1,550,834	75,082,435
Deferred Inflows on Refunding	105,685	-	105,685
Leases	3,965,541	-	3,965,541
Total Deferred Inflows of Resources	<u>77,602,827</u>	<u>1,550,834</u>	<u>79,153,661</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	188,344,997	15,098,029	203,443,026
Restricted For:			
Education	4,088,438	-	4,088,438
Human Development	232,652	-	232,652
Physical Development	2,729,062	-	2,729,062
Unrestricted	<u>(398,590,764)</u>	<u>5,538,418</u>	<u>(393,052,346)</u>
Total Net Position	<u>\$ (203,195,615)</u>	<u>\$ 20,636,447</u>	<u>\$ (182,559,168)</u>

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES</b>							
General Government	\$ 33,929,585	\$ 3,996,838	\$ 4,341,214	\$ 5,784,708	\$ (19,806,825)	\$ -	\$ (19,806,825)
Human Development	10,155,371	764,684	1,305,877	72,085	(8,012,725)	-	(8,012,725)
Physical Development	24,366,079	1,226,126	117,472	9,117,290	(13,905,191)	-	(13,905,191)
Public Safety	24,920,848	1,922,321	434,805	-	(22,563,722)	-	(22,563,722)
Education	173,212,987	2,649,919	49,792,868	13,381,123	(107,389,077)	-	(107,389,077)
Debt Service	10,390,441	-	-	-	(10,390,441)	-	(10,390,441)
Total Governmental Activities	276,975,311	10,559,888	55,992,236	28,355,206	(182,067,981)	-	(182,067,981)
<b>BUSINESS-TYPE ACTIVITIES</b>							
Waste Operating	8,819,093	15,843,628	-	-	-	7,024,535	7,024,535
Emergency Medical Services	3,830,666	3,153,022	-	-	-	(677,644)	(677,644)
Short Beach Golf Course	88,629	429,609	-	-	-	340,980	340,980
Total Business-Type Activities	12,738,388	19,426,259	-	-	-	6,687,871	6,687,871
Total	\$ 289,713,699	\$ 29,986,147	\$ 55,992,236	\$ 28,355,206	(182,067,981)	6,687,871	(175,380,110)
<b>GENERAL REVENUES</b>							
Property Taxes					205,692,852	-	205,692,852
Grants and Contributions Not Restricted to Specific Programs					5,765,217	-	5,765,217
Unrestricted Investment Earnings					4,784,782	-	4,784,782
Miscellaneous					3,104,350	-	3,104,350
Total General Revenues					219,347,201	-	219,347,201
Transfers					450,000	(450,000)	-
Total General Revenue and Transfers					219,797,201	(450,000)	219,347,201
<b>CHANGE IN NET POSITION</b>							
					37,729,220	6,237,871	43,967,091
Net Position - Beginning of Year					(240,924,835)	14,398,576	(226,526,259)
<b>NET POSITION - END OF YEAR</b>					\$ (203,195,615)	\$ 20,636,447	\$ (182,559,168)

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2025**

<b>ASSETS</b>	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	\$ 12,895,370	\$ 32,255,159	\$ 10,889,823	\$ 56,040,352
Investments	-	-	3,077,362	3,077,362
Receivables, Net	20,915,410	11,670,244	3,378,908	35,964,562
Supplies and Prepaids	7,993	-	73,607	81,600
Due From Other Funds	20,125,754	22,104	171,828	20,319,686
<b>Total Assets</b>	<b>\$ 53,944,527</b>	<b>\$ 43,947,507</b>	<b>\$ 17,591,528</b>	<b>\$ 115,483,562</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts and Other Payables	\$ 3,462,440	\$ 2,706,994	\$ 1,005,287	\$ 7,174,721
Accrued Liabilities	1,396,299	-	50,927	1,447,226
Unearned Revenue	-	2,798,696	1,141,243	3,939,939
Bond Anticipation Notes	-	19,285,000	-	19,285,000
Due to Other Funds	5,079,213	14,811,082	1,300,895	21,191,190
<b>Total Liabilities</b>	<b>9,937,952</b>	<b>39,601,772</b>	<b>3,498,352</b>	<b>53,038,076</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue - Property Taxes	11,824,172	-	-	11,824,172
Unavailable Revenue - Property Taxes Interest	3,508,583	-	-	3,508,583
Unavailable Revenue - Other Receivables	-	8,507,396	1,882,142	10,389,538
Unavailable Revenue - Special Assessments	-	1,283,040	-	1,283,040
Leases	3,949,870	-	15,671	3,965,541
<b>Total Deferred Inflows of Resources</b>	<b>19,282,625</b>	<b>9,790,436</b>	<b>1,897,813</b>	<b>30,970,874</b>
<b>FUND BALANCES</b>				
Nonspendable	7,993	-	3,325,212	3,333,205
Restricted	2,159,779	-	5,311,419	7,471,198
Committed	-	37,344,565	5,216,848	42,561,413
Unassigned	22,556,178	(42,789,266)	(1,658,116)	(21,891,204)
<b>Total Fund Balances</b>	<b>24,723,950</b>	<b>(5,444,701)</b>	<b>12,195,363</b>	<b>31,474,612</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 53,944,527</b>	<b>\$ 43,947,507</b>	<b>\$ 17,591,528</b>	<b>\$ 115,483,562</b>

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2025**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Fund Balances - Total Governmental Funds (Exhibit III) \$ 31,474,612

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

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

Governmental Capital Assets	610,695,754
Less Accumulated Depreciation	<u>(280,564,635)</u>
Net Capital Assets	330,131,119

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	11,824,172
Interest Receivable on Property Taxes	3,508,583
Assessments Receivable	1,283,040
Other Receivables	10,389,538

Deferred outflows of resources and deferred inflows of resources for pension and OPEB are applicable to future periods, and therefore, are not reported in the governmental funds:

Deferred Outflows Related to Pension	7,665,561
Deferred Outflows Related to OPEB	5,528,145
Deferred Charges on Refunding	4,358,152

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.

(172,728)

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

Bonds and Notes Payable	(260,110,003)
Bond Premium	(12,234,736)
Interest Payable on Bonds and Notes	(4,520,095)
Compensated Absences	(12,588,362)
Landfill Closure	(9,755,489)
Deferred Charges on Refunding	(105,685)
Claims and Judgments	(1,000,000)
Net Pension Liability	(68,663,921)
Net OPEB Liability	(166,675,917)
Deferred Inflows Related to OPEB	<u>(73,531,601)</u>

Net Position of Governmental Activities (Exhibit I) \$ (203,195,615)

**TOWN OF STRATFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2025**

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes and Assessments	\$ 203,048,522	\$ 201,233	\$ -	\$ 203,249,755
State and Federal Governments	61,006,739	10,675,590	21,848,392	93,530,721
Department Revenue	2,859,072	-	4,505,859	7,364,931
Licenses and Permits	1,319,215	-	66,283	1,385,498
Investment Income (Loss)	4,453,381	-	331,401	4,784,782
Other	1,813,865	-	2,280,548	4,094,413
Total Revenues	<u>274,500,794</u>	<u>10,876,823</u>	<u>29,032,483</u>	<u>314,410,100</u>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Administration	8,041,359	-	163,685	8,205,044
Contingency	4,810,168	-	-	4,810,168
Employee Benefits	24,723,002	1,685,277	-	26,408,279
Finance	2,288,563	-	-	2,288,563
Human Development	8,033,568	-	1,731,260	9,764,828
Physical Development	16,448,887	-	2,270,003	18,718,890
Public Safety	31,547,498	-	2,122,341	33,669,839
Education	150,698,829	-	21,279,573	171,978,402
Debt Service:				
Principal Retirements	25,316,160	-	-	25,316,160
Interest and Other Charges	7,534,986	-	219,050	7,754,036
Capital Outlay	104,286	23,629,433	915,876	24,649,595
Total Expenditures	<u>279,547,306</u>	<u>25,314,710</u>	<u>28,701,788</u>	<u>333,563,804</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(5,046,512)	(14,437,887)	330,695	(19,153,704)
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of Bonds	-	15,750,000	-	15,750,000
Premium on Bond Issuance	-	-	861,552	861,552
Transfers In	2,662,917	-	100,000	2,762,917
Transfers Out	(550,000)	-	(1,762,917)	(2,312,917)
Total Other Financing Sources	<u>2,112,917</u>	<u>15,750,000</u>	<u>(801,365)</u>	<u>17,061,552</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,933,595)	1,312,113	(470,670)	(2,092,152)
Fund Balances - Beginning of Year	<u>27,657,545</u>	<u>(6,756,814)</u>	<u>12,666,033</u>	<u>33,566,764</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 24,723,950</u>	<u>\$ (5,444,701)</u>	<u>\$ 12,195,363</u>	<u>\$ 31,474,612</u>

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV) \$ (2,092,152)

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

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	23,636,229
Depreciation Expense	(14,200,878)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net position differs from the change in fund balance by the cost of the assets sold. (1,827,690)

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	2,613,526
Property Tax Interest Receivable	(110,616)
Assessments	(59,813)
Other Receivables	(6,182,337)
Change in Deferred Outflows Related to Pension	(3,974,586)
Change in Deferred Outflows Related to OPEB	(5,939,218)
Change in Deferred Outflow on Refunding	(435,815)

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 positions. 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:

Bond Principal Payments	21,335,238
Premium on Bonds Issued	(861,552)
Issuance of Bonds	(15,750,000)
Amortization of Premiums and Discounts	1,742,650

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. The details of the changes in other recorded obligations are as follows:

Compensated Absences	(84,101)
Accrued Interest	24,468
Landfill Post Closure Care	(237,981)
Deferred Inflow on Refunding	13,211
Change in Net Pension Liability	5,615,280
Change in Net OPEB Liability	26,914,672
Change in Deferred Inflows Related to Pension	1,085,643
Change in Deferred Inflows Related to OPEB	5,375,384

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. 1,129,658

Change in Net Position of Governmental Activities (Exhibit II) \$ 37,729,220

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2025**

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Fund		Total	Internal Service Fund
	Waste Operating Fund	Nonmajor Funds		
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 8,140,392	\$ 2,596	\$ 8,142,988	\$ 16,447,752
Receivables:				
Accounts and Other	9,400	621,510	630,910	-
Sewer Usage Receivable	882,738	-	882,738	-
Unbilled Sewer Usage Receivable	2,322,253	-	2,322,253	-
Due From Other Funds	4,885,281	-	4,885,281	4,925,000
Total Current Assets	<u>16,240,064</u>	<u>624,106</u>	<u>16,864,170</u>	<u>21,372,752</u>
Capital Assets:				
Assets Not Being Depreciated	4,960,043	-	4,960,043	-
Assets Being Depreciated, Net	40,548,004	2,097,112	42,645,116	-
Total Capital Assets	<u>45,508,047</u>	<u>2,097,112</u>	<u>47,605,159</u>	<u>-</u>
Total Assets	61,748,111	2,721,218	64,469,329	21,372,752
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Related to Pension	233,124	-	233,124	-
Related to OPEB	116,592	-	116,592	-
Total Deferred Outflows of Resources	<u>349,716</u>	<u>-</u>	<u>349,716</u>	<u>-</u>
<b>LIABILITIES</b>				
Current:				
Accounts Payable	319,314	101,501	420,815	324,702
Accrued Wages and Benefits	100,870	-	100,870	-
Unearned Revenue	34,094	-	34,094	-
Due to Other Funds	-	4,142,096	4,142,096	4,796,681
Risk Management Claims	-	-	-	1,215,000
Bonds Payable	30,122	110,000	140,122	-
Serial Notes Payable - Clean Water Fund	3,897,712	-	3,897,712	-
Compensated Absences	76,781	84,866	161,647	-
Total Current Liabilities	<u>4,458,893</u>	<u>4,438,463</u>	<u>8,897,356</u>	<u>6,336,383</u>
Noncurrent Liabilities:				
Bonds Payable	128,021	-	128,021	-
Serial Notes Payable - Clean Water Fund	28,341,275	-	28,341,275	-
Risk Management Claims	-	-	-	14,493,524
Net Pension Liability	2,088,196	-	2,088,196	-
Net OPEB Liability	3,515,313	-	3,515,313	-
Compensated Absences	179,155	198,021	377,176	-
Total Noncurrent Liabilities	<u>34,251,960</u>	<u>198,021</u>	<u>34,449,981</u>	<u>14,493,524</u>
Total Liabilities	38,710,853	4,636,484	43,347,337	20,829,907
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Related to OPEB	1,550,834	-	1,550,834	-
<b>NET POSITION</b>				
Net Investment in Capital Assets	13,110,917	1,987,112	15,098,029	-
Unrestricted	8,725,223	(3,902,378)	4,822,845	542,845
Total Net Position	<u>21,836,140</u>	<u>(1,915,266)</u>	<u>19,920,874</u>	<u>542,845</u>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds	364,155	351,418	715,573	(715,573)
Net Position of Business-Type Activities	<u>\$ 22,200,295</u>	<u>\$ (1,563,848)</u>	<u>\$ 20,636,447</u>	<u>\$ (172,728)</u>

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2025**

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Fund		Total	Internal Service Funds
	Waste Operating Fund	Nonmajor Funds		
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 15,791,127	\$ 3,398,536	\$ 19,189,663	\$ 11,930,984
Other	42,901	-	42,901	-
Total Operating Revenues	<u>15,834,028</u>	<u>3,398,536</u>	<u>19,232,564</u>	<u>11,930,984</u>
<b>OPERATING EXPENSES</b>				
Operating and Maintenance	4,304,725	3,676,722	7,981,447	10,607,631
Depreciation	3,821,994	240,733	4,062,727	-
Total Operating Expenses	<u>8,126,719</u>	<u>3,917,455</u>	<u>12,044,174</u>	<u>10,607,631</u>
<b>OPERATING INCOME (LOSS)</b>	7,707,309	(518,919)	7,188,390	1,323,353
<b>NONOPERATING EXPENSES</b>				
Interest Expense, Net	<u>(692,374)</u>	<u>(1,840)</u>	<u>(694,214)</u>	<u>-</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	7,014,935	(520,759)	6,494,176	1,323,353
<b>TRANSFERS IN</b>	-	450,000	450,000	-
<b>TRANSFERS OUT</b>	<u>(900,000)</u>	<u>-</u>	<u>(900,000)</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	6,114,935	(70,759)	6,044,176	1,323,353
Net Position - Beginning of Year	<u>15,721,205</u>	<u>(1,844,507)</u>	<u>13,876,698</u>	<u>(780,508)</u>
<b>NET POSITION - END OF YEAR</b>	21,836,140	(1,915,266)	19,920,874	542,845
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds	<u>9,600</u>	<u>184,095</u>	<u>193,695</u>	<u>(193,695)</u>
Change in Net Position of Business-Type Activities	<u>\$ 6,124,535</u>	<u>\$ 113,336</u>	<u>\$ 6,237,871</u>	<u>\$ 1,129,658</u>

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2025**

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Fund			Internal Service Fund
	Waste Operating Fund	Nonmajor Funds	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received From Customers and Users	\$ 15,834,028	\$ 3,679,599	\$ 19,513,627	\$ 11,930,984
Cash Payments to Suppliers	(3,117,373)	(833,838)	(3,951,211)	(8,936,636)
Cash Payments to Employees	(2,902,735)	(2,897,525)	(5,800,260)	-
(Payments) Receipts for Interfund Services	(4,885,281)	(121,018)	(5,006,299)	4,796,681
Net Cash Provided (Used) by Operating Activities	<u>4,928,639</u>	<u>(172,782)</u>	<u>4,755,857</u>	<u>7,791,029</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers to (from) Other Funds	(900,000)	450,000	(450,000)	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Principal Payments on Debt	(3,874,878)	(135,000)	(4,009,878)	-
Acquisition and Construction of Capital Assets	(1,547,037)	(137,782)	(1,684,819)	-
Interest Paid on Debt	(692,374)	(1,840)	(694,214)	-
Net Cash Used by Capital and Related Financing Activities	<u>(6,114,289)</u>	<u>(274,622)</u>	<u>(6,388,911)</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(2,085,650)	2,596	(2,083,054)	7,791,029
Cash and Cash Equivalents - Beginning of Year	<u>10,226,042</u>	<u>-</u>	<u>10,226,042</u>	<u>8,656,723</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 8,140,392</u>	<u>\$ 2,596</u>	<u>\$ 8,142,988</u>	<u>\$ 16,447,752</u>

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2025**

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Fund			Internal Service Fund
	Operating Fund	Nonmajor Funds	Total	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 7,707,309	\$ (518,919)	\$ 7,188,390	\$ 1,323,353
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Depreciation	3,821,994	240,733	4,062,727	-
Change in Assets, Deferred Outflows, Liabilities and Deferred Inflows:				
(Increase) Decrease in Accounts Receivable	376,299	281,063	657,362	-
(Increase) Decrease in Unbilled Accounts Receivable	(99,099)	-	(99,099)	-
(Increase) Decrease in Due from Other Funds	(4,885,281)	-	(4,885,281)	-
Increase (Decrease) in Accounts Payable and Accrued Expenses	(597,540)	(37,692)	(635,232)	105,779
Increase (Decrease) in Risk Management Claim Liability	-	(464)	(464)	1,565,216
Increase (Decrease) in Compensated Absences	8,559	(16,485)	(7,926)	-
Increase (Decrease) in Due to Other Funds	-	(121,018)	(121,018)	4,796,681
Increase (Decrease) in Net Pension Liability	(153,189)	-	(153,189)	-
Increase (Decrease) in Net OPEB Liability	(1,146,141)	-	(1,146,141)	-
(Increase) Decrease in Deferred Outflows of Resources - Pension	118,119	-	118,119	-
Increase (Decrease) in Deferred Inflows of Resources - Pension	(32,759)	-	(32,759)	-
(Increase) Decrease in Deferred Outflows of Resources - OPEB	159,530	-	159,530	-
Increase (Decrease) in Deferred Inflows of Resources - OPEB	(349,162)	-	(349,162)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 4,928,639</u>	<u>\$ (172,782)</u>	<u>\$ 4,755,857</u>	<u>\$ 7,791,029</u>

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2025**

	<u>Pension and Other Employee Benefit Trust Funds</u>	<u>Custodial Fund Teachers' Retiree</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 7,379,239	\$ 1,287,954
Investments:		
Mutual Funds	14,234,997	-
Common Stock	139,571,812	-
U.S. Government Securities	13,406,384	-
U.S. Government Agencies	10,147,704	-
Corporate Bonds	46,214,351	-
Alternative Investments	43,724,746	-
Total Assets	<u>274,679,233</u>	<u>1,287,954</u>
<b>NET POSITION</b>		
Restricted for Pension Benefits	264,575,085	-
Restricted for OPEB Benefits	10,104,148	-
Restricted for Teacher's Retiree Fund	<u>-</u>	<u>1,287,954</u>
Total Net Position	<u><u>\$ 274,679,233</u></u>	<u><u>\$ 1,287,954</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT  
STATEMENT OF CHANGES IN PLAN NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2025**

	Pension and Other Employee Benefit Trust Funds	Custodial Fund Teachers' Retiree
<b>ADDITIONS</b>		
Contributions:		
Plan Members	\$ 1,149,698	\$ -
Employer	17,169,891	-
Other	-	1,382,340
Total Contributions	18,319,589	1,382,340
Investment Income (Loss):		
Net Change in Fair Value of Investments	16,328,202	-
Interest and Dividends	8,408,166	-
Total Investment Income	24,736,368	-
Investment Fee	(686,396)	-
Net Investment Income (Loss)	24,049,972	-
Total Additions	42,369,561	1,382,340
<b>DEDUCTIONS</b>		
Benefits	34,396,397	-
Other	187,869	1,518,043
Total Deductions	34,584,266	1,518,043
<b>CHANGE IN NET POSITION</b>	7,785,295	(135,703)
Net Position - Beginning of Year	266,893,938	1,423,657
<b>NET POSITION - END OF YEAR</b>	\$ 274,679,233	\$ 1,287,954

See accompanying Notes to Financial Statements.

**TOWN OF STRATFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town was founded in 1639. The Town covers an area of 18.7 square miles and is located on Long Island Sound, 65 miles east of New York City and 50 miles southwest of Hartford, Connecticut. The Town has operated under a Council/Manager form of government since 1921. Effective December 12, 2005, the Town became a Mayor-Council form of government.

The Town 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. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and 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. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

Fiduciary Component Units

The Town has established a single-employer Public Retirement Systems (PERS) and a postretirement retiree health plan (OPEB) to provide retirement benefits and post-retirement health care benefits to employees and their beneficiaries. The Town appoints a majority of the Pension Board and is required to make contributions to the pension and OPEB plans and can impose its will.

The financial statements of the fiduciary component units are reported as Pension and OPEB Trust funds in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

**B. Basis of Presentation**

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

**TOWN OF STRATFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Government-Wide and Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days after the end of the current fiscal period for property taxes and certain other revenues and 120 days for grants.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

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

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

The Town reports the following major governmental funds:

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

The Capital Projects Fund accounts for the proceeds of specific general obligation bonds for various projects to further develop the Town.

The Town reports the following major proprietary fund:

The Waste Operating Fund accounts for the operations at the Stratford Water Pollution Control Authority.

Additionally, the Town reports the following fund types:

The Internal Service Fund accounts for the Town's health benefit and workers' compensation costs.

The Pension and OPEB Trust Funds account for the fiduciary activities of the Town's defined benefit and defined contribution pension plans, which accumulate resources for pension benefit payments to qualified employees and also the activities of the Stratford non pension postemployment benefits for certain retirees and their beneficiaries.

The Custodial Funds are used to account for assets held by the Town in a custodial capacity for teachers.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

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

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

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

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

**C. Cash Equivalents**

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

**D. Investments**

Investments are stated at fair value, other than Alternative Investments which are valued using the net asset value (NAV) per share; for more information on Alternative Investments, see Note 3.

**E. Supplies**

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

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Receivables and Payables**

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "Due to/from Other Funds" (i.e., the current portion of interfund loans) or "Advances to/from Other Funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "Due to/from Other Funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

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

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

**G. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements.

Capital assets are defined by the Town as assets with an initial individual cost (or groups of like-assets with an aggregate cost) of more than \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

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

Land and construction in progress are not depreciated. Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

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

**TOWN OF STRATFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 outflow on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred outflow on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs and differences in actual versus expected investment income. 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) except for differences in actual versus expected investment income which is amortized over five years.

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 a deferred inflow on refunding, deferred inflows related to OPEB, deferred inflows for unavailable revenues and deferred inflows related to leases in the government-wide statement of net position. A deferred inflow on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in 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 OPEB plans (active employees and inactive employees). 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 three sources: property taxes, other receivables, and special assessments. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

**TOWN OF STRATFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Deferred Outflows/Inflows of Resources (Continued)**

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

**I. 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 the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

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

**J. Unearned Revenue**

Unearned revenues are reported in connection with resources that have been received but not yet earned.

**K. Compensated Absences**

Employees earn compensated absences for various leave types, such as sick and vacation, in accordance with established employment policies and contractual agreements.

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

A liability for these amounts is reported in governmental funds only for amounts expected to be paid with available resources, for example, as a result of employee resignations and retirements.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**L. Net Pension Liability and Net Other Post-Employment Benefits (OPEB) 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.

The net OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total OPEB liability), net 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.

**M. Net Position**

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

Net Investment in Capital Assets

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

Restricted Net Position

Restricted net position contains assets subject to restrictions that are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This component consists of net position that does not meet the definition of "Restricted" or "Net Investment in Capital Assets."

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.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Fund Balance**

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

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

Assigned Fund Balance

For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as restricted, committed or nonspendable. For the General Fund, includes amounts constrained for the intent to be used for a specific purpose by the Town of Stratford Town Council. Under the Town’s adopted policy, the Town Council has the authority to authorize the Director of Finance to assign amounts for specific purposes.

Unassigned Fund Balance

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O. Property Taxes**

The Town's property tax is levied on the Grand List of October 1 each year and is due and payable in two installments on the following July 1 and January 1. Supplemental motor vehicle taxes are due in full January 1.

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

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The Town defines the current period to mean within 60 days after year-end. Property taxes receivable not expected to be collected during the available period are reflected in unavailable revenue in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent years' assessment are reflected as advance tax collections in both the fund financial statements and the government-wide financial statements.

**P. 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, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**Q. Adoption of New Accounting Standards**

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 101, *Compensated Absences*. This statement aims to achieve a unified model for recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

In December 2023, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 102, *Certain Risk Disclosures*. This statement expands disclosure requirements for risks arising from concentrations and constraints that may significantly impact a government's ability to acquire resources or control spending. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

The Town adopted these requirements effective July 1, 2024. The implementation of these standards did not have a material impact on the Town's financial statements.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

General Fund

The Town's general budget policies are as follows:

Not later than March 12, the Mayor prepares and submits to the Town Council an annual budget for the next fiscal year based on detailed estimated revenues and expenditures for the Town.

The Town's charter requires the Town Council to hold public hearings prior to the adoption of the final budget, at which time taxpayers' comments are obtained.

Prior to May 13, the Town Council adopts the budget and sets the tax rate for the fiscal year through the passage of ordinances.

All interdepartmental appropriations and budget transfers must be approved by the Town Council. The Mayor approves all intradepartmental transfers.

Formal budgetary integration is employed as a management control device during the year for the General Fund.

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

Budgeted amounts reported are as originally adopted, or as amended by the Town Council during the course of the year. No supplemental appropriations were approved for year ended June 30, 2025.

Deficit Fund Equity

The following funds had fund deficits at June 30, 2025:

Major Funds:

Capital Projects****	\$ 5,444,701
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Nonmajor Special Revenue Funds:

Railroad Property*	502,941
Miscellaneous Grants**	1,155,175

Nonmajor Enterprise Funds:

Emergency Medical Services*	2,468,007
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Internal Service Funds:

Workers' Compensation***	9,772,560
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\* Deficit will be eliminated through future charges for services.

\*\* Deficit will be eliminated through future intergovernmental receipts.

\*\*\* Deficit will be eliminated through future appropriations.

\*\*\*\* Deficit will be eliminated through future debt proceeds.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**B. Expenditures Exceeding Appropriations**

The following line items exceeded appropriations for the year ended June 30, 2025:

Office of the Mayor	\$ 44,268
Human Resources	64,977
Town Attorney	545,716
Chief Administrative Officer	6,133
Department of Planning	6,902
Registrar of Voters	20,616
Town Buildings	209,983
Administration	14,178
Accounting	9,543
Economic Community Development	8,648
Recreation Department	140,079
Town Garage	22,534
Fire Suppression	819,000
Communications Center	42,660
Investigation	83,389
Patrol	317,446
Professional Standards	121,134

**NOTE 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.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

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.

**Deposits**

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$29,907,173 of the Town’s bank balance of \$31,237,173 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 26,791,455
Uninsured and Collateral Held by the Pledging Bank's Trust Department, not in the Town's Name	<u>3,115,718</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 29,907,173</u></u>

Cash Equivalents

At June 30, 2025, the Town’s cash equivalents amounted to \$53,775,783. State Short-Term Investment Fund (STIF) is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates. The Town also holds various money market funds which are exclusively invested in U.S. Treasury obligations. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**Deposits (Continued)**

Credit Risk – Cash Equivalents

Credit risk is the risk that an issuer of an investments will not fulfill its obligation to the holder. This is measure by the assignment of a rating by a nationally recognized statistical rating organization. The following chart summarizes year-end ratings for the Town as rated by Standard & Poor's:

	Standard & Poor's
State Short-Term Investment Fund (STIF)	AAAm
Allspring 100% Treasury Money Market Fund	AAAm
Morgan Stanley US Government Money Market Trust	AAAm
JPMorgan US Government Money Market Fund (CAP)	AAAm
US Bank Money Market Funds	AAAm

**Investments**

The Town categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. 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, 2025:

	Fair Value	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Securities	\$ 13,471,534	\$ 13,471,534	\$ -	\$ -
U.S. Government Agencies	10,147,704	10,147,704	-	-
Corporate Bonds	46,214,351	-	46,214,351	-
Common Stock	140,702,725	140,702,725	-	-
Mutual Funds	15,981,123	15,981,123	-	-
Total Investments by				
Fair Value Level	226,517,437	\$ 180,303,086	\$ 46,214,351	\$ -
Investments Recorded at Net				
Asset Value (NAV):				
Alternative Investments	43,859,919			
Total Investments		\$ 270,377,356		

Investments valued using the net asset value (NAV) per share (or its equivalent) are considered "Alternative Investments" and, unlike more traditional investments, generally do not have readily obtainable fair values and take the form of limited partnerships. The Town values these investments based on the partnerships' audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent calls and distributions.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

The valuation method for investments measured at net asset value (NAV) per share (or its equivalent) is presented on the following table:

	Fair Value	Unfunded Commitments	Frequency (If Currently Eligible)	Notice Period
Alternative Investments	\$ 43,859,919	\$ -	Quarterly	Various
Total Investments Measured at NAV	<u>\$ 43,859,919</u>	<u>\$ -</u>		

**Equity Hedge Funds**

This type includes an investment in a hedge fund that invest both long and short primarily in U.S. common stock. Management of each hedge fund can shift investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to a net short position. The fair values of the investments in this type have been determined using the NAV per share of the investments.

**Real Estate Investment Funds**

This type includes four real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share of the Plan's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share of the Plan's ownership interest in partners' capital. Once it has been determined which investments will be sold and whether those investments will be sold individually or in a group, the investments will be sold in an auction process.

**Interest Rate Risk**

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

As of June 30, 2025, the Town had the following investments:

	Fair Value	Less Than 1	1 - 10	More Than 10
Interest-Bearing investments:				
U.S. Government Securities	\$ 13,471,534	\$ 65,150	\$ 12,158,419	\$ 1,247,965
U.S. Government Agencies	10,147,704	-	-	10,147,704
Corporate Bonds	46,214,351	14,338,149	31,876,202	-
Total	<u>69,833,589</u>	<u>\$ 14,403,299</u>	<u>\$ 44,034,621</u>	<u>\$ 11,395,669</u>
Other investments:				
Mutual Funds	15,981,123			
Common Stock	140,702,725			
Alternative Investments	43,859,919			
Total Investments	<u>\$ 270,377,356</u>			

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

Credit Risk – Investments

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

Presented below is the rating of investments for each debt investment type as of June 30, 2025:

Average Rating	Corporate Bonds	U.S. Government Securities	U.S. Government Agencies
Aaa	\$ -	\$ 13,471,534	\$ 10,147,704
A1	4,454,151	-	-
A2	3,037,769	-	-
A3	8,909,920	-	-
Baa1	8,883,263	-	-
Baa2	11,612,514	-	-
Baa3	1,930,103	-	-
Ba1	4,323,452	-	-
Ba2	2,108,920	-	-
Ba3	954,259	-	-
Totals	<u>\$ 46,214,351</u>	<u>\$ 13,471,534</u>	<u>\$ 10,147,704</u>

Concentration of Credit Risk

The Town's investment policy does not allow for an investment in any one issuer that is in excess of 5% of the Town's investments.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2025, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent, that were not in the Town's name.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 RECEIVABLES**

Receivables as of June 30, 2025 for the Town's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Capital Projects	Waste Operating	Nonmajor Enterprise Funds	Nonmajor Governmental Funds and Other Funds	Total
Receivables:						
Taxes and Interest	\$ 16,743,249	\$ -	\$ -	\$ -	\$ -	\$ 16,743,249
Accounts and Other	528,639	-	9,400	927,627	487,195	1,952,861
Special Assessments	-	1,283,040	-	-	-	1,283,040
Sewer Usage	-	-	882,738	-	-	882,738
Unbilled Sewer Usage	-	-	2,322,253	-	-	2,322,253
Intergovernmental	189,376	10,387,204	-	-	2,875,408	13,451,988
Leases	4,104,146	-	-	-	16,305	4,120,451
Gross Receivables	<u>21,565,410</u>	<u>11,670,244</u>	<u>3,214,391</u>	<u>927,627</u>	<u>3,378,908</u>	<u>40,756,580</u>
Less Allowance for Uncollectibles	650,000	-	-	306,117	-	956,117
Net Total Receivables	<u>\$ 20,915,410</u>	<u>\$ 11,670,244</u>	<u>\$ 3,214,391</u>	<u>\$ 621,510</u>	<u>\$ 3,378,908</u>	<u>\$ 39,800,463</u>

The Town, acting as lessor, leases various assets, primarily land and buildings, under long-term, noncancelable lease agreements. The leases expire at various dates through fiscal year 2047. During the year ended June 30, 2025, the Entity recognized \$177,224 and \$65,644 in lease revenue and interest revenue, respectively, pursuant to these contracts.

**NOTE 5 CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 15,854,529	\$ 287,620	\$ -	\$ -	\$ 16,142,149
Construction in Progress	27,230,196	7,448,622	1,827,690	(21,432,634)	11,418,494
Total Capital Assets Not Being Depreciated	<u>43,084,725</u>	<u>7,736,242</u>	<u>1,827,690</u>	<u>(21,432,634)</u>	<u>27,560,643</u>
Capital Assets Being Depreciated:					
Land Improvements	28,679,238	1,399,223	-	642,947	30,721,408
Buildings and Improvements	317,697,925	3,364,608	-	14,014,756	335,077,289
Machinery and Equipment	54,403,412	5,096,375	151,401	1,948,347	61,296,733
Infrastructure	145,173,316	6,039,781	-	4,826,584	156,039,681
Total Capital Assets Being Depreciated	<u>545,953,891</u>	<u>15,899,987</u>	<u>151,401</u>	<u>21,432,634</u>	<u>583,135,111</u>
Less Accumulated Depreciation for:					
Land Improvements	14,100,126	1,221,445	-	-	15,321,571
Buildings and Improvements	111,390,316	7,954,647	-	-	119,344,963
Machinery and Equipment	41,896,027	2,091,925	151,401	-	43,836,551
Infrastructure	99,128,689	2,932,861	-	-	102,061,550
Total Accumulated Depreciation	<u>266,515,158</u>	<u>14,200,878</u>	<u>151,401</u>	<u>-</u>	<u>280,564,635</u>
Total Capital Assets Being Depreciated, Net	<u>279,438,733</u>	<u>1,699,109</u>	<u>-</u>	<u>21,432,634</u>	<u>302,570,476</u>
Governmental Activities Capital Assets, Net	<u>\$ 322,523,458</u>	<u>\$ 9,435,351</u>	<u>\$ 1,827,690</u>	<u>\$ -</u>	<u>\$ 330,131,119</u>

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 CAPITAL ASSETS (CONTINUED)**

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:					
Capital Assets Not Being Depreciated:					
Construction in Progress	\$ 5,344,366	\$ 783,135	\$ 1,167,458	\$ -	\$ 4,960,043
Capital Assets Being Depreciated:					
Land Improvements	2,148,942	-	-	-	2,148,942
Buildings and Improvements	71,576,138	-	-	-	71,576,138
Machinery and Equipment	8,804,132	857,364	-	-	9,661,496
Infrastructure	44,258,119	1,211,778	-	-	45,469,897
Total Capital Assets Being Depreciated	126,787,331	2,069,142	-	-	128,856,473
Less Accumulated Depreciation for:					
Land Improvements	2,148,942	-	-	-	2,148,942
Buildings and Improvements	56,215,599	3,168,954	-	-	59,384,553
Machinery and Equipment	7,211,498	261,257	-	-	7,472,755
Infrastructure	16,572,591	632,516	-	-	17,205,107
Total Accumulated Depreciation	82,148,630	4,062,727	-	-	86,211,357
Total Capital Assets Being Depreciated, Net	44,638,701	(1,993,585)	-	-	42,645,116
Business-Type Activities Capital Assets, Net	\$ 49,983,067	\$ (1,210,450)	\$ 1,167,458	\$ -	\$ 47,605,159

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

Governmental Activities:	
General Government	\$ 558,092
Human Development	390,543
Physical Development	4,395,842
Public Safety	1,424,864
Education	7,431,537
Total Depreciation Expense - Governmental Activities	<u>\$ 14,200,878</u>
Business-Type Activities:	
Waste Operating	\$ 3,821,994
Short Beach Golf Course	30,127
Emergency Medical Services	210,606
Total Depreciation Expense - Business-Type Activities	<u>\$ 4,062,727</u>

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 6 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2025 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Special Revenue	\$ 1,300,895
General Fund	Nonmajor Enterprise	4,142,096
General Fund	Capital Projects	9,886,082
General Fund	Internal Service Funds	4,796,681
Major Enterprise	General Fund	4,885,281
Nonmajor Special Revenue	General Fund	171,828
Capital Projects	General Fund	22,104
Internal Service	Capital Projects	4,925,000
Total		<u>\$ 30,129,967</u>

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

Interfund transfers for the year ended June 30, 2025 are as follows:

	Transfers In			Total Transfers Out
	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Nonmajor Enterprise</u>	
Transfers Out:				
General Fund	\$ -	\$ 100,000	\$ 450,000	\$ 550,000
Waste Operating Fund	900,000	-	-	900,000
Nonmajor Governmental Funds	1,762,917	-	-	1,762,917
Total Transfers In	<u>\$ 2,662,917</u>	<u>\$ 100,000</u>	<u>\$ 450,000</u>	<u>\$ 3,212,917</u>

All transfers are for regularly recurring operational transfers. These transfers represent:

- Revenue sources from the General Fund for capital improvement programs and various nonmajor governmental and enterprise fund activities
- Transfer of unrestricted revenue from enterprise funds and nonmajor governmental funds to the General Fund to finance various programs in accordance with budget authorizations.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 7 LONG-TERM DEBT**

**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Bonds	\$ 265,695,241	\$ 15,750,000	\$ 21,335,238	\$ 260,110,003	\$ 22,055,239
Premium on General Obligation Bonds	13,115,834	861,552	1,742,650	12,234,736	-
Claims and Judgments	1,000,000	-	-	1,000,000	-
Compensated Absences (Net Change)	12,504,261	84,101	-	12,588,362	3,776,509
Landfill Monitoring Closure and Postclosure Costs	9,517,508	251,981	14,000	9,755,489	-
Net Pension Liability	74,279,201	-	5,615,280	68,663,921	-
Net OPEB Liability	193,590,589	-	26,914,672	166,675,917	-
Risk Management	14,143,308	2,528,216	963,000	15,708,524	1,215,000
Governmental Activities Long-Term Liabilities *	<u>\$ 583,845,942</u>	<u>\$ 19,475,850</u>	<u>\$ 56,584,840</u>	<u>\$ 546,736,952</u>	<u>\$ 27,046,748</u>
<b>Business-Type Activities:</b>					
General Obligation Bonds Payable	\$ 433,265	\$ -	\$ 165,122	\$ 268,143	\$ 140,122
Direct Borrowing Notes Payable	36,083,743	-	3,844,756	32,238,987	3,897,712
Compensated Absences (Net Change)	546,749	-	7,926	538,823	161,647
Net Pension Liability	2,241,385	-	153,189	2,088,196	-
Net OPEB Liability	4,661,454	-	1,146,141	3,515,313	-
Business-Type Activities Long-Term Liabilities	<u>\$ 43,966,596</u>	<u>\$ -</u>	<u>\$ 5,317,134</u>	<u>\$ 38,649,462</u>	<u>\$ 4,199,481</u>

For governmental activities, claims and judgments, compensated absences, landfill post-closure costs, risk management, net pension and OPEB liabilities are generally liquidated by the General Fund.

**Debt Limitation**

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

Category	Debt Limit	Net Indebtedness	Balance
General Purpose	\$ 463,276,346	\$ 142,614,381	\$ 320,661,965
Schools	926,552,691	120,740,130	805,812,561
Sewer and Water	772,127,243	36,924,271	735,202,972
Urban Renewal	669,176,944	-	669,176,944
Unfunded Pension Benefit Obligation	617,701,794	95,500,000	522,201,794
Total	<u>\$ 3,448,835,017</u>	<u>\$ 395,778,782</u>	<u>\$ 3,053,056,235</u>

The total overall statutory debt limit for the Town does not exceed the legal debt limitation that is equal to seven times annual receipts from taxation (\$1.44 billion).

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 7 LONG-TERM DEBT (CONTINUED)**

**General Obligation Bonds**

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

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

Description	Balance Outstanding June 30, 2025
<b>Governmental Activities:</b>	
School bonds with interest rates ranging from 2.0% to 5.0% and varying expiration dates ranging from June 2030 to January 2045	\$ 88,593,087
General obligation pension bonds with interest rates ranging from 0.5% to 5.0% and varying expiration dates from August 2030 to August 2038	95,500,000
General obligation bonds with interest rates ranging from 2.0% to 5.0% and varying expiration dates from June 2030 to January 2045	76,016,916
Total Governmental Activities	\$ 260,110,003
<b>Business-Type Activities:</b>	
EMS Bonds with interest rates ranging from 2.0% to 5.0% and an expiration date of August 2025	\$ 110,000
WPCA Bonds with interest rates ranging from 1.0% to 5.0% and an expiration date of June 2030	158,143
Total Business-Type Activities	\$ 268,143

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

**Governmental Activities**

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 22,055,239	\$ 10,632,805	\$ 32,688,044
2027	20,215,239	10,026,529	30,241,768
2028	19,905,239	9,392,273	29,297,512
2029	19,625,238	8,739,199	28,364,437
2030	19,449,048	8,068,377	27,517,425
2031-2035	87,805,000	28,707,654	116,512,654
2036-2040	60,795,000	9,048,750	69,843,750
2041-2045	10,260,000	1,002,200	11,262,200
Total	\$ 260,110,003	\$ 85,617,787	\$ 345,727,790

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 7 LONG-TERM DEBT (CONTINUED)**

**General Obligation Bonds (Continued)**

**Business-Type Activities**

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 140,123	\$ 5,477	\$ 145,600
2027	30,122	3,904	34,026
2028	30,122	2,927	33,049
2029	30,123	1,952	32,075
2030	37,653	976	38,629
Total	<u>\$ 268,143</u>	<u>\$ 15,236</u>	<u>\$ 283,379</u>

**Bonds Authorized but Unissued**

The total of authorized but unissued bonds at June 30, 2025 are as follows:

General Purpose	\$ 66,597,465
School	12,862,043
Sewers	4,527,141
Total	<u>\$ 83,986,649</u>

**Direct Borrowing Notes Payable**

The state of Connecticut under the Clean Water Fund Program issued these serial notes outstanding. The proceeds financed the Water Pollution Control Facility. The obligation will be paid from future user fees. The notes carry interest rates of 2%.

Direct borrowing notes payable to the state of Connecticut mature as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 3,897,712	\$ 609,129	\$ 4,506,841
2027	3,905,546	530,845	4,436,391
2028	3,894,412	453,104	4,347,516
2029	3,948,369	374,723	4,323,092
2030	2,142,416	305,697	2,448,113
2031-2035	6,105,858	1,144,848	7,250,706
2036-2040	6,105,858	534,262	6,640,120
2041-2042	2,238,816	42,911	2,281,727
Total	<u>\$ 32,238,987</u>	<u>\$ 3,995,519</u>	<u>\$ 36,234,506</u>

The Town's outstanding notes from direct borrowing notes payable contain provisions that in an event of default, the State may declare that the outstanding principal and interest are immediately due and payable in full automatically without further notice or demand of any kind. Additionally, the State may be entitled to injunctive relief from the Town in the event of default.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 7 LONG-TERM DEBT (CONTINUED)**

**Landfill Post-Closure Care Costs**

State and federal laws and regulations require that the Town place a final cover on its closed landfill and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The estimated total current cost of the landfill post closure care, aggregating \$9,755,489, is based on the amount estimated to be paid for all equipment, facilities and services required to cap, monitor, and maintain the landfills as of June 30, 2025. However, the actual cost of post closure care may be higher or lower due to differences between estimated and actual inflation, changes in technology, or changes in landfill laws and regulations. Costs will be funded through the issuance of general obligation bonds and state and federal grants. The Town is currently in discussions with the Department of Environmental Protection to develop and implement a superfund site plan, which needs to occur prior to the capping process. Therefore, there is no current portion of the liability reflected in the financial statements. Once an agreement is established the current portion will be reported.

**Bond Anticipation Notes Payable**

Bond anticipation notes outstanding at June 30, 2025 were as follows:

	<u>Amount</u>
Notes Payable, July 1, 2024	\$ 19,285,000
Notes Issued	19,285,000
Notes Retired	<u>(19,285,000)</u>
Notes Payable, June 30, 2025	<u>\$ 19,285,000</u>

During the year, the Town issued \$19,285,000 in general obligation bond anticipation notes dated January 29, 2025, with a maturity date of January 28, 2026, and an interest rate of 4.0%. These notes serve as temporary financing for various public improvements and school projects.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 8 FUND BALANCE**

The components of fund balance for the governmental funds as of June 30, 2025 are as follows:

	General Fund	Capital Projects	Nonmajor Governmental Funds	Total
Fund Balances:				
Nonspendable:				
Inventory and Prepaids	\$ 7,993	\$ -	\$ 73,607	\$ 81,600
Nonexpendable Trusts	-	-	3,251,605	3,251,605
Restricted for:				
Debt Service	-	-	421,046	421,046
Education	2,159,779	-	1,928,659	4,088,438
Human Development	-	-	232,652	232,652
Physical Development	-	-	2,729,062	2,729,062
Committed to:				
General Government	-	-	99,054	99,054
Education	-	-	899,798	899,798
Human Development	-	-	1,019,387	1,019,387
Physical Development	-	-	1,166,046	1,166,046
Public Safety	-	-	1,701,907	1,701,907
Student Activities	-	-	330,656	330,656
Capital Projects	-	37,344,565	-	37,344,565
Assigned to:				
Unassigned	22,556,178	(42,789,266)	(1,658,116)	(21,891,204)
Total Fund Balances	<u>\$ 24,723,950</u>	<u>\$ (5,444,701)</u>	<u>\$ 12,195,363</u>	<u>\$ 31,474,612</u>

The fund balance of the General Fund includes \$159,779 which is restricted for the Board of Education's nonlapsing account based on Connecticut General Statutes §10-248a. An additional \$2,000,000 is restricted for excess special education costs from the Town's fiscal year 2026 adopted budget.

**NOTE 9 EMPLOYEE RETIREMENT PLAN**

**Employee Defined Benefit Pension Plan**

**A. Plan Description**

The Town is the administrator of a single-employer defined benefit public employee retirement system (PERS) established and administered by the Town to provide pension benefits for its employees. The PERS is considered to be a part of the Town's financial reporting entity and is included in the Town's financial reports as the Defined Benefit Pension Trust Fund. Stand-alone plan reports are not available.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Employee Defined Benefit Pension Plan (Continued)**

**A. Plan Description (Continued)**

As of July 1, 2024, the date of the most recent actuarial valuation, membership consisted of the following:

Actives	147
Terminated Vested and Other Inactives	11
Retirees and Beneficiaries	636
Total	794

The Town covers all full-time salaried Town employees, noncertified employees of the Board of Education and all full-time uniformed and investigative employees classified as police officers and firefighters. The Town provides all retirement, death and disability benefits through a single employer, contributory, defined benefit plan. Under the plan, all employees are eligible to join after their probationary period.

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

**Basis of Accounting**

Plan financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs are funded with investment earnings of the plan.

**Method Used to Value Investments**

Investments are reported at fair value. Investment income is recognized when earned and gains and losses on sales or exchanges of investments are recognized on the transaction date. Unrealized gains and losses due to appreciation and depreciation of Plan assets are also recognized at fiscal year-end.

**C. Funding Policy**

The PERS is a contributory defined benefit plan. Participants in the State Teachers' Retirement System and officials elected by popular vote are excluded. Employees hired after age 45 are also excluded, but included in a separate defined contribution plan. Also, police and firefighters are included in a separate defined contribution annuity plan as well as the defined benefit plan.

Under the Town's defined benefit plan, all employees hired and working 20 hours or more per week are eligible. Employees are 100% vested after 10 years of service. The retirement benefit is calculated at 2.4% of average compensation during the 24 months immediately prior to retirement multiplied by up to 25 years of service. The calculation for service over 25 years varies by union contract. Employees are required to contribute 8% of their salaries to the defined benefit plan except for police hired after October 17, 1996, who contribute 7%.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Employee Defined Benefit Pension Plan (Continued)**

**C. Funding Policy (Continued)**

If an employee leaves covered employment or dies before 10 years of service, accumulated employee contributions and related investment earnings are refunded. The Town is required to contribute the remaining amounts necessary to finance the coverage for its employees. Benefits and contributions are established by the Town and may be amended only by the Town Council and Union negotiations.

**D. Investments Investment Policy**

The pension plan's policy, in regard to the allocation of invested assets, is established and may be amended by the Pension Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following was the adopted allocation policy as of June 30, 2025.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included in the pension plan's target asset allocation as of June 30, 2025, and are also summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
US Cash	2.5 %	0.80 %
US Core Fixed Income (Aggregate)	25.0	2.20
US High Yield Bonds	5.0	3.48
US Large Cap Equity	22.5	3.78
US Mid Cap Equity	10.0	3.73
US Small Cap Equity	5.0	4.22
Non-US Equity	17.5	5.35
Emerging Markets Equity	10.0	5.73
US REITs	2.5	4.46
Total	<u>100.0 %</u>	

**Concentrations**

The following investments have a fair value of more than 5% of the Town's PERS.

<u>Concentration</u>	<u>Percentage</u>
Pension:	
Prime Property Fund LLC	6.5 %
U.S. Real Estate Investment Fund LLC	5.6

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Employee Defined Benefit Pension Plan (Continued)**

**D. Investments Investment Policy (Continued)**

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.14%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Plan (DROP)

The Town offers a DROP to bargaining unit members employed on or after July 1, 2001. Any bargaining unit member who is a member of the Retirement Plan for full-time employees of the police Department of the Town upon completing his/her 25th year of service may elect the DROP at any time up to and through the completion of his/her 29th year of service. No bargaining unit member may elect the DROP after the completion of his/her 29th year of service. Upon the election of the DROP, no further pension benefits will accrue. During the DROP period, the employee's monthly pension benefits will be made to the employee's separately designated DROP account equal to 96% of the pension payment the employee was entitled to receive had that employee not elected the DROP. Upon separation from Town service, the monthly pension benefit shall increase to 100% of the monthly pension payment. During the DROP period, the employee will continue to make employee contributions equivalent to the amounts in effect at the time the DROP was elected, and these contributions will be made to the Town's Pension Fund, not the member's separate DROP account. The DROP period has a minimum length of one year and a maximum of five years. At June 30, 2025, there is one member participating in the DROP. The DROP account balance is \$421,814 at June 30, 2025.

Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2025 were as follows:

Total Pension Liability	\$ 335,327,202
Plan Fiduciary Net Position	264,575,085
Net Pension Liability	<u>\$ 70,752,117</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 78.90 %

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Employee Defined Benefit Pension Plan (Continued)**

**E. Actuarial Assumptions**

The total pension liability for the plan was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 %
Salary Increases	3.75 % for Police and Fire, rates that vary by age for all others
Investment Rate of Return	6.75 %

Pension plan mortality rates were based on the Pub-2010 Mortality (Public Safety variant for Police, Fire and Public Works employees and General variant for all others) with generational projection per MP 2021 Ultimate Scale.

**F. Discount Rate**

The discount rate used to measure the total pension liability was 6.75%. 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.

**G. Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2024	\$ 334,410,562	\$ 257,889,976	\$ 76,520,586
Changes for the Year:			
Service Cost	2,588,972	-	2,588,972
Interest on Total Pension Liability	21,954,666	-	21,954,666
Effect of Economic/Demographic Gains or Losses	253,389	-	253,389
Employer Contributions	-	6,553,881	(6,553,881)
Member Contributions	-	1,149,698	(1,149,698)
Net Investment Income	-	23,013,592	(23,013,592)
Benefit Payments, Including Refund of Employee Contributions	(23,880,387)	(23,880,387)	-
Administrative Expenses	-	(151,675)	151,675
Net Changes	916,640	6,685,109	(5,768,469)
Balances as of June 30, 2025	<u>\$ 335,327,202</u>	<u>\$ 264,575,085</u>	<u>\$ 70,752,117</u>

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Employee Defined Benefit Pension Plan (Continued)**

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

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 105,410,888	\$ 70,752,117	\$ 41,306,913

**I. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2025, the Town recognized pension expense of \$3,759,715. At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 84,463	\$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	7,814,222	-
Total	\$ 7,898,685	\$ -

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

Year Ending June 30,	Pension Expense
2026	\$ 8,583,847
2027	995,758
2028	(447,870)
2029	(1,233,050)
Total	\$ 7,898,685

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Connecticut Teachers Retirement System – Pension**

**A. 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).

**B. 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 three years of highest salary).

**Early Retirement**

Employees are eligible after 25 years of credited service with a minimum of 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum of 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.

**C. Contributions**

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

**Employer (School Districts)**

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

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

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**C. Contributions (Continued)**

*Employer (School Districts) (Continued)*

For the year ended June 30, 2025, the amount of “on-behalf” contributions made by the State was \$20,074,817 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 pensionable salary for the pension benefit.

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

At June 30, 2025, 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>203,663,925</u>
Total		<u><u>\$ 203,663,925</u></u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. At June 30, 2025, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2025, the Town recognized pension expense and revenue of \$23,360,690 in Exhibit II for on-behalf amounts for the benefits provided by the State.

**D. Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 %
Salary Increases	3.00 %-6.50 %, including inflation
Investment Rate of Return	6.90 %, net of pension plan investment expense, including inflation

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**D. Actuarial Assumptions (Continued)**

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

Assumption changes since the prior year are as follows:

- There were no changes in assumptions that affected the measurement of the TPL since the prior measurement date.

Benefit changes since the prior year are as follows:

- There were no changes in benefit provisions that affected the measurement of the TPL since the prior measurement date.

**Cost-of-Living Allowance**

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%.

**Long-Term Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**D. Actuarial Assumptions (Continued)**

Long-Term Rate of Return (Continued)

The current capital market assumptions and the target allocation as provided by the state of Connecticut treasurer’s office are summarized in the following table:

<u>Asset Class</u>	<u>Expected Return</u>	<u>Target Allocation</u>
Global Equity	6.80 %	37.00 %
Public Credit	2.90	2.00
Core Fixed Income	0.40	13.00
Liquidity Fund	(0.40)	1.00
Risk Mitigation	0.10	5.00
Private Equity	11.20	15.00
Private Credit	6.10	10.00
Real Estate	6.20	10.00
Infrastructure and Natural Resources	7.70	7.00
Total		<u>100.00 %</u>

**E. 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.

**F. 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.

**G. 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).

**H. 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.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Defined Contribution Pension Plan**

The Town administers a money purchase 401a defined contribution pension plan that was opened to new members and contributions beginning in 1999. Employees are vested after five years of service with the Town and contribute between 6-8% annually, depending on the union, with a 100% variable employer match.

The Town also administers a profit sharing 401a defined contribution pension plan for at will employees that was opened in 2022. All participants are 100% vested in the plan. Participants contribute between 6-8% annually, with a 100% variable employer match.

In a defined contribution plan, benefits depend solely on the amounts contributed to the plan plus investment earnings. Plan investments are reported at fair value. Benefits and contributions are established by the Town and may be amended by the Town Council and union negotiations. The Town's contributions to the 401a plans for the fiscal year ended June 30, 2025 totaled \$2,343,678.

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN**

**A. Plan Description**

The Town, in accordance with various collective bargaining agreements, provides retiree medical benefits for the lifetime of the retired member and covered dependents. The single-employer plan covers Town, Board of Education, police, and fire employees as further defined in collective bargaining agreements and other written materials. Eligibility and premium sharing information is detailed in the various collective bargaining agreements. The Town does not issue separate stand-alone financial statements for the plan. At July 1, 2024, plan membership consisted of the following:

Active Members	1,212
Retired Members Received Benefits	1,003
Spouses and Dependents Receiving Benefits	269
Total Participants	<u>2,484</u>

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**B. Funding Policy**

The Town has established an OPEB Trust Fund and makes contributions to the fund from various other fund types. This trust fund was opened for the purpose of segregating balances for postemployment benefits. The contribution requirements of plan members and the Town are negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

Town Hall

Generally, retirees and their dependents are covered after 23 years of continuous service by the retiree and, if hired after July 1, 1977, age 50, or 5 years of service and age 55.

Medical Benefits:

Retire prior to July 1, 1986 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Retire after July 1, 1986 and prior to signing of 1987-1990 collective bargaining agreement - Town pays 75% of the cost for the retiree and 50% of the cost for the dependents.

Retire after signing of 1987-1990 collective bargaining agreement - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

Retire before September 1, 1999 - \$5,000 until age 65.

Retire after September 1, 1999 - \$25,000 until age 70, \$5,000 thereafter.

Police

Generally, retirees and their dependents are covered after 25 years of service.

Medical Benefits:

Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

\$5,000 until age 65.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**B. Funding Policy (Continued)**

Firefighters

Generally, retirees and their dependents are covered after 25 years of service.

Medical Benefits:

Retire prior to July 1, 1987 - Benevolent Society pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Retire after July 1, 1987 and prior to July 1, 1989 - Town pays 50% of the cost for the retiree and 50% of the cost for the dependents.

Retire on or after July 1, 1989 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Public Works

Generally, retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after July 1, 1985, age 50, or 5 years of service and age 55.

Medical Benefits:

Retire prior to July 1, 1985 - Town pays 50% of the cost for the retiree and 50% of the cost for the dependents.

Retire after July 1, 1985 and prior to July 1, 1986 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Retire after July 1, 1986 and prior to July 1, 1987 - Town pays 75% of the cost for the retiree and 50% of the cost for the dependents.

Retire on or after July 1, 1987 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

\$5,000 until age 65.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**B. Funding Policy (Continued)**

Supervisors

Generally, retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after April 1, 1985, age 50, or 5 years of service and age 55.

Medical Benefits:

Retire prior to July 2, 1985 - Town pays 50% of the cost for the retiree and 50% of the cost for the dependents.

Retire after July 2, 1985 and prior to March 31, 1986 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Retire after April 1, 1986 and prior to September 4, 1987 - Town pays 75% of the cost for the retiree and 50% of the cost for the dependents.

Retire on or after September 4, 1987 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

Retire after August 2, 1985, \$5,000 until age 65.

BOE Custodians

Generally, retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after April 1, 1985, age 50, or 5 years of service and age 55.

Medical and Dental Benefits:

Board pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

\$15,000.

BOE Nurses

Generally, retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after July 1, 1977, age 50, or 5 years of service and age 55.

Medical and Dental Benefits:

Board pays 50% of the cost for the retiree only.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**B. Funding Policy (Continued)**

BOE Administrators

Generally, an administrator retiring under the Connecticut State Teachers Retirement System shall be eligible to receive health benefits for self and spouse.

Normal retirement for administrators is the earliest of age 60 with 20 years of service, or completion of 35 years of service regardless of age. Early retirement is the earliest of age 60 with 10 years of service, any age with 25 years of service, or age 55 with 20 years of service.

Medical and Dental Benefits:

Board pays 50% of the cost for the retiree only.

BOE Paraprofessional/Cafeteria Workers

Generally, retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after April 1, 1985, age 50, or 5 years of service and age 55.

Medical and Dental Benefits:

Board pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

\$7,000.

BOE Secretaries

Generally, retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after April 1, 1985, age 50, or 5 years of service and age 55.

Medical and Dental Benefits:

Board pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

\$15,000.

BOE Teachers

Generally, a teacher retiring under the Connecticut State Teachers Retirement System shall be eligible to receive benefits for self and spouse at the earliest age of 60 with 20 years of service, or completion of 35 years of service regardless of age. Early retirement is the earliest of age 60 with 10 years of service, any age with 25 years of service, or age 55 with 20 years of service.

Medical and Dental Benefits:

Board pays 50% of the cost for the retirees only.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**C. Investments**

Investment Policy

The OPEB Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan.

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on investments, net of investment expense, was 11.00%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

The components of the net OPEB liability of the Town at June 30, 2025, were as follows:

Total OPEB Liability	\$ 180,295,378
Plan Fiduciary Net Position	10,104,148
Net OPEB Liability	<u>\$ 170,191,230</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	5.60 %
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**E. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 %
Discount Rate	5.20 %
Discount Rate (Prior)	3.93 %
Healthcare Cost Trend Rates	Varies by Medical Plan, Group, and Age

Mortality rates for Board of Education Certified were based on the PubT-2010 Mortality Table for Employees and Health Annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP-2021 Ultimate Scale. The PubT-2010 Contingent Survivor Table projected generationally per the MP-2021 Ultimate scale and set forward 1 year for both males and females is used for survivors and beneficiaries.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**E. Actuarial Assumptions (Continued)**

Mortality rates for All Others were based on the Pub-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement. The Public Safety variant was used for the police and fire groups, the general variant was used for all other groups.

The actuarial assumptions used in the July 1, 2024 valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor. A full actuarial experience study has not been completed.

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

The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
US Cash	2.50 %	0.80 %
US Core Fixed Income	25.00	2.20
US High Yield Bonds	5.00	3.48
US Large Cap Equity	22.50	3.78
US Mid Cap Equity	10.00	3.73
US Small Cap Equity	5.00	4.22
Non-US Equity	17.50	5.35
Emerging Markets Equity	10.00	5.73
US REITs	2.50	4.46
Total	<u>100.00 %</u>	

**F. Discount Rate**

The discount rate used to measure the total OPEB liability was 5.20% (prior: 3.93%). The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**G. Changes in OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2024	\$ 207,256,005	\$ 9,003,962	\$ 198,252,043
Changes for the Year:			
Service Cost	7,120,929	-	7,120,929
Interest on Total OPEB Liability	8,220,366	-	8,220,366
Effect of Plan Changes	(4,668,237)	-	(4,668,237)
Effect of Economic/Demographic Gains or Losses	(4,721,548)	-	(4,721,548)
Effect of Assumptions/Changes or Inputs	(22,396,127)	-	(22,396,127)
Employer Contributions	-	10,616,010	(10,616,010)
Net Investment Income	-	1,000,186	(1,000,186)
Benefit Payments, Including Refund of Employee Contributions	(10,516,010)	(10,516,010)	-
Net Changes	(26,960,627)	1,100,186	(28,060,813)
Balances as of June 30, 2025	<u>\$ 180,295,378</u>	<u>\$ 10,104,148</u>	<u>\$ 170,191,230</u>

**H. 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 one percentage point lower, or one percentage point higher, than the current discount rate:

	1% Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
Net OPEB Liability	\$ 191,502,153	\$ 170,191,230	\$ 152,324,308

**I. 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 one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability	\$ 148,736,829	\$ 170,191,230	\$ 196,465,267

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

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

For the year ended June 30, 2025, the Town recognized OPEB expense (revenue) of \$(17,070,601). At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 31,537,405
Changes of Assumptions	5,644,737	42,640,554
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	904,476
Total	\$ 5,644,737	\$ 75,082,435

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

Year Ending June 30,	Amount
2026	\$ (28,368,400)
2027	(20,933,280)
2028	(11,858,877)
2029	(5,371,676)
2030	(2,905,465)
Total	\$ (69,437,698)

**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 postemployment 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).

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Other Post Employment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

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

Any member 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.

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 \$220 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Other Post Employment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**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.

**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 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.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Other Post Employment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**D. Contributions (Continued)**

Employer (School Districts)

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

For the year ended June 30, 2025, the amount of “on-behalf” contributions made by the State was \$281,066 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, 2025, 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		41,778,473
Total		\$ 41,778,473

The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2024. At June 30, 2025, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2025, the Town recognized OPEB expense and revenue of \$578,867 in Exhibit II for on-behalf amounts for the benefits provided by the State.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Other Post Employment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**F. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 %
Health Care Costs Trend Rate	Local Coverage – 6.25% for 2024, decreasing to an ultimate rate of 4.50% by 2031. Retiree Healthcare – Medicare rates known for 2025, 4.50% increase for all subsequent years rate of 4.50 % by 2031
Salary Increases	3.00 %-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	2027

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

The changes in the assumptions since the prior year are as follows:

- Discount rate changed from 3.64% to 3.93%.
- Expected annual per capita claims costs were updated to better reflect anticipated medical and pre prescription drug claim experience.
- Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change;
- Long-term health care cost trend rates

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 1.26%.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Other Post Employment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**G. Discount Rate**

The discount rate used to measure the total OPEB liability was 3.93%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2024.

In addition to the actuarial methods and assumptions of the June 30, 2024, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2027 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

**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. OPEB Plan Fiduciary Net Position**

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report at [www.ct.gov](http://www.ct.gov).

**J. 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.

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 11 PENSION AND OPEB TRUST FUNDS COMBINING SCHEDULES**

**Combining Schedule of Net Position – Trust Funds**

	Pension Trust Fund	OPEB Trust Fund	Total
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 7,014,347	364,892	\$ 7,379,239
<b>Investments:</b>			
Mutual Funds	13,426,048	808,949	14,234,997
Common Stock	132,043,895	7,527,917	139,571,812
U.S. Government Securities	12,079,909	1,326,475	13,406,384
U.S. Government Agencies	10,147,704	-	10,147,704
Corporate Bonds	46,138,436	75,915	46,214,351
Alternative Investments	43,724,746	-	43,724,746
Total Assets	<u>264,575,085</u>	<u>10,104,148</u>	<u>274,679,233</u>
<b>Net Position:</b>			
Restricted for Pension and OPEB Benefits	<u>\$ 264,575,085</u>	<u>\$ 10,104,148</u>	<u>\$ 274,679,233</u>

**Combining Schedule of Changes in Net Position – Trust Funds**

	Pension Trust Fund	OPEB Trust Fund	Total
<b>Additions:</b>			
<b>Contributions:</b>			
Plan Members	\$ 1,149,698	\$ -	\$ 1,149,698
Employer	6,553,881	10,616,010	17,169,891
Total Contributions	<u>7,703,579</u>	<u>10,616,010</u>	<u>18,319,589</u>
<b>Investment Income:</b>			
Net Appreciation in Fair Value of Investments	15,545,850	782,352	16,328,202
Interest and Dividends	8,154,138	254,028	8,408,166
Total Investment Income	<u>23,699,988</u>	<u>1,036,380</u>	<u>24,736,368</u>
Investment Fees	(686,396)	-	(686,396)
Net Investment Income	<u>23,013,592</u>	<u>1,036,380</u>	<u>24,049,972</u>
Total Additions	30,717,171	11,652,390	42,369,561
<b>Deductions:</b>			
Benefits	23,880,387	10,516,010	34,396,397
Other	151,675	36,194	187,869
Total Deductions	<u>24,032,062</u>	<u>10,552,204</u>	<u>34,584,266</u>
Net Increase (Decrease)	6,685,109	1,100,186	7,785,295
Net Position - Beginning of Year	<u>257,889,976</u>	<u>9,003,962</u>	<u>266,893,938</u>
Net Position - End of Year	<u>\$ 264,575,085</u>	<u>\$ 10,104,148</u>	<u>\$ 274,679,233</u>

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 12 OTHER INFORMATION**

**A. Risk Management**

The Town is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. The Town purchases commercial property, boiler, and machinery insurance for losses in excess of \$50,000 to the Town's real estate, third-party liability insurance up to \$10,000,000 for claims above a \$1,000,000 self-insured retention. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2025.

The Town is self-insured for medical, dental, workers' compensation, and heart and hypertension. The Town has opted to manage certain of its risks internally and has set aside assets for claim settlement in its Internal Service Fund.

The Internal Service Fund services employee health and workers' compensation claims for risk of loss. Under the program, the Town is obligated for claim payments. The Town has purchased a stop loss policy for individual claims exceeding \$500,000 for hospital and major medical. All departments of the Town participate in the program and make payments to the Internal Service Fund based on estimates of the amount needed to provide for normal occurrence of claims.

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

Health Benefit Fund

Fiscal Year	Claims Payable July 1,	Current Year Claims and Changes in Estimates	Payment of Claims	Claims Payable June 30,
2024	\$ 851,000	\$ 6,480,935	\$ 6,368,935	\$ 963,000
2025	963,000	5,407,711	5,455,711	915,000

**TOWN OF STRATFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 12 OTHER INFORMATION (CONTINUED)**

**A. Risk Management (Continued)**

Workers' Compensation Fund

Fiscal Year	Claims Payable July 1,	Current Year Claims and Changes in Estimates	Payment of Claims	Claims Payable June 30,
2024	\$ 12,875,862	\$ 3,273,148	\$ 2,968,702	\$ 13,180,308
2025	13,180,308	6,465,136	5,151,920	14,493,524

**B. Contingent Liabilities and Commitments 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 not covered by insurance resulting from such litigation would not materially affect the financial position of the Town. The Town has recorded in the government-wide financial statements \$1,000,000 to cover claims not covered by insurance. At this time, the Town has determined that none of the claims outstanding are due within the next 12 months, other than the current portion of risk management related claims.

Municipal Solid Waste Service Agreement

The Town has entered into a Greater Bridgeport Regional Solid Waste Interlocal Agreement which creates the Greater Bridgeport Regional Solid Waste Committee (Operating Committee) as a public body comprised of various southwest Connecticut municipalities for the purpose of, and with the authority to, contract with a solid waste facility for the disposal of municipal solid waste. Wheelabrator agreed to contract terms of \$61.22 per ton for a term of up to 20 years with a \$1.00 per ton decrease for each new 25,000 tons the Operating Committee attracts and an annual Consumer Price Index escalator at 75% of the change, subject to an executable contract and Wheelabrator Board approvals.

Federal and State Assistance Programs - Compliance Audits

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

**REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF STRATFORD, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Property Taxes:				
Current Levy	\$ 200,505,395	\$ 200,505,395	\$ 198,439,201	\$ (2,066,194)
Arrears	5,150,000	5,150,000	3,962,086	(1,187,914)
Interest and Lien Fees	565,000	565,000	558,894	(6,106)
Suspense Taxes	-	-	88,341	88,341
Payments in Lieu of Taxes - Local	226,500	226,500	114,727	(111,773)
Total Property Taxes	206,446,895	206,446,895	203,163,249	(3,283,646)
Intergovernmental Revenues:				
State:				
Education Equalization Grant	25,182,987	25,182,987	25,178,464	(4,523)
Special Education	3,500,000	3,500,000	3,901,358	401,358
Veterans' Additional Relief	78,000	78,000	56,040	(21,960)
In Lieu of State Property Tax	473,482	473,482	473,482	-
State Disability Exemption	7,000	7,000	7,125	125
State Health CGS 10-217A	69,000	69,000	44,304	(24,696)
State Telecom Personal Property	85,500	85,500	185,894	100,394
Municipal Grants-in-Aid	5,784,709	5,784,709	5,784,709	-
State Revenue Sharing	1,000,000	1,000,000	-	(1,000,000)
MV Property Tax Grant	4,626,763	4,626,763	4,626,763	-
Airplane Registration Fee	50,000	50,000	36,630	(13,370)
Mashantucket Indian Grant	30,567	30,567	30,567	-
Total State	40,888,008	40,888,008	40,325,336	(562,672)
Federal:				
Civil Preparedness	40,000	40,000	-	(40,000)
Total Intergovernmental Revenues	40,928,008	40,928,008	40,325,336	(602,672)
Departmental Revenues:				
Education	85,500	85,500	104,230	18,730
Economic Development	-	-	(1,251)	(1,251)
Finance	260,000	260,000	790,326	530,326
Fire Department	70,000	70,000	97,402	27,402
Health Department	100,300	100,300	107,295	6,995
Conservation	30,000	30,000	16,536	(13,464)
Planning and Zoning	105,000	105,000	124,289	19,289
Police Department	122,000	122,000	110,827	(11,173)
Public Works	464,000	464,000	368,403	(95,597)
Recreation Department	7,500	7,500	14,317	6,817
Sanitation	385,000	385,000	668,774	283,774
Senior Services	7,500	7,500	12,158	4,658
Town Attorney	-	-	127,408	127,408
Town Clerk	1,582,750	1,582,750	1,263,331	(319,419)
Total Departmental Revenues	3,219,550	3,219,550	3,804,045	584,495

**TOWN OF STRATFORD, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Licenses and Permits:				
Building Permits	\$ 1,024,000	\$ 1,024,000	\$ 1,110,075	\$ 86,075
Boothe Memorial Park Permits	30,000	30,000	12,803	(17,197)
Street and Sewer Permits	19,000	19,000	22,485	3,485
Beach Stickers/Concessions	120,000	120,000	136,052	16,052
Total Licenses and Permits	1,193,000	1,193,000	1,281,415	88,415
Investment Income	2,600,000	2,600,000	4,453,380	1,853,380
Other:				
Miscellaneous Rental:				
Cell Tower Rentals	170,000	170,000	125,328	(44,672)
Baldwin Rental	4,000	4,000	1,493	(2,507)
Beach House Rental	20,000	20,000	1,500	(18,500)
Rental Custodian Revenue	75,000	75,000	2,614	(72,386)
Other Insurance Recovery	25,000	25,000	-	(25,000)
Traffic Patrol	10,000	10,000	13,498	3,498
Gain on Sale of Land	2,500,000	2,500,000	436,195	(2,063,805)
Miscellaneous	50,000	50,000	204,708	154,708
Boothe Estates	110,000	110,000	101,510	(8,490)
Total Other	2,964,000	2,964,000	886,846	(2,077,154)
Total Revenues	257,351,453	257,351,453	253,914,271	(3,437,182)
Other Financing Sources:				
Transfers In	2,662,917	2,662,917	2,662,917	-
Total	\$ 260,014,370	\$ 260,014,370	256,577,188	\$ (3,437,182)

Budgetary revenues are different than GAAP revenues because:

State of Connecticut pension on-behalf contributions related to the Connecticut State Teachers' Retirement System for Town teachers is not budgeted	20,074,817
State of Connecticut OPEB on-behalf contributions related to the Connecticut State Teachers' Retirement System for Town teachers is not budgeted	281,066
Lease Revenue	62,626
Intergovernmental revenues credited against expenditures for budgetary purposes	146,901
Revenues Consolidated for GASB Statement No. 54	21,113

Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV

\$ 277,163,711

**TOWN OF STRATFORD, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
<b>Administration:</b>				
Council Clerk	\$ 100,260	\$ 100,260	\$ 87,538	\$ 12,722
Office of the Mayor	378,521	378,521	422,789	(44,268)
Human Resources	493,100	493,100	558,077	(64,977)
Town Attorney	1,970,786	1,970,786	2,516,502	(545,716)
Chief Administrative Officer	577,503	577,503	583,636	(6,133)
Department of Planning	462,334	462,334	469,236	(6,902)
Registrar of Voters	396,500	396,500	417,116	(20,616)
Town Clerk	437,706	437,706	437,058	648
Town Buildings	1,311,750	1,311,750	1,521,733	(209,983)
Agencies	238,185	238,185	142,366	95,819
Information Technology	798,149	798,149	785,139	13,010
Total Administration	7,164,794	7,164,794	7,941,190	(776,396)
Contingency	5,704,383	5,704,383	4,875,292	829,091
Employee Benefits	37,275,418	37,275,418	36,168,943	1,106,475
<b>Finance:</b>				
Administration	233,551	233,551	247,729	(14,178)
Accounting	598,583	598,583	608,126	(9,543)
Purchasing	198,539	198,539	153,825	44,714
Tax Assessor	651,406	651,406	545,421	105,985
Tax Collector	675,669	675,669	603,738	71,931
Total Finance	2,357,748	2,357,748	2,158,839	198,909
<b>Human Development:</b>				
Community Services	677,969	677,969	622,019	55,950
Economic Community Development	306,957	306,957	315,605	(8,648)
Health Department	1,139,056	1,139,056	1,134,711	4,345
Recreation Department	954,643	954,643	1,094,722	(140,079)
Senior Services	786,797	786,797	786,761	36
Sterling House	270,400	270,400	270,400	-
Stratford Library Association	3,676,530	3,676,530	3,676,530	-
Visiting Nurses Association	53,500	53,500	53,500	-
Total Human Development	7,865,852	7,865,852	7,954,248	(88,396)

**TOWN OF STRATFORD, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Physical Development:				
Public Works:				
Administration	\$ 643,782	\$ 643,782	\$ 633,326	\$ 10,456
Building Inspection	311,779	311,779	307,798	3,981
Building Maintenance	2,095,597	2,095,597	2,062,244	33,353
Engineering	391,199	391,199	330,689	60,510
Parks	3,328,118	3,328,118	2,997,465	330,653
Highways	3,001,649	3,001,649	2,921,363	80,286
Town Garage	1,019,778	1,019,778	1,042,312	(22,534)
Sanitation/Refuse	6,698,689	6,698,689	6,043,245	655,444
Total Physical Development	17,490,591	17,490,591	16,338,442	1,152,149
Public Safety:				
Fire Department:				
Administration	435,097	435,097	337,714	97,383
Fire Suppression	14,425,928	14,425,928	15,244,928	(819,000)
Fire Prevention	610,468	610,468	607,140	3,328
Communications Center	1,464,657	1,464,657	1,507,317	(42,660)
Police Department:				
Administration	741,763	741,763	740,732	1,031
Investigation	2,331,276	2,331,276	2,414,665	(83,389)
Patrol	7,752,699	7,752,699	8,070,145	(317,446)
Traffic	814,058	814,058	809,870	4,188
Professional Standards	715,145	715,145	836,279	(121,134)
Police Records	510,734	510,734	473,316	37,418
Total Public Safety	29,801,825	29,801,825	31,042,106	(1,240,281)
Board of Education	127,502,725	127,502,725	127,502,725	-
Debt Service:				
Bonds Payable:				
Principal and Interest	23,702,064	23,702,064	21,509,511	2,192,553
Total Debt Service	23,702,064	23,702,064	21,509,511	2,192,553
Total Expenditures	258,865,400	258,865,400	255,491,296	3,374,104

**TOWN OF STRATFORD, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Other Financing Uses:				
Transfers Out	\$ 1,148,970	\$ 1,148,970	\$ 1,122,470	\$ 26,500
Total	<u>\$ 260,014,370</u>	<u>\$ 260,014,370</u>	256,613,766	<u>\$ 3,400,604</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut pension on-behalf contributions relative to the Connecticut State Teachers' Retirement System for Town teachers is not budgeted	20,074,817
State of Connecticut OPEB on-behalf contributions relative to the Connecticut State Teachers' Retirement System for Town teachers is not budgeted	281,066
Encumbrances for purchases and commitments ordered in the previous year, that were received and liquidated in the current year are reported for financial statement reporting purposes.	32,195
Encumbrances for purchases and commitments ordered in the previous year, that were cancelled in the current year are reported as a reduction of expenditures for budgetary purposes.	(10,555)
Other Unbudgeted Items	63,507
Intergovernmental revenues credited against expenditures for budgetary purposes	146,901
Expenditures and Transfers Consolidated for GASB Statement No. 54:	
Board of Education Nonlapsing	2,840,221
Other Funds	<u>55,388</u>

Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV

\$ 280,097,306

**TOWN OF STRATFORD, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**PENSION**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total Pension Liability:</b>										
Service Cost	\$ 2,589	\$ 2,709	\$ 2,810	\$ 2,705	\$ 2,818	\$ 3,003	\$ 3,009	\$ 3,143	\$ 3,169	\$ 3,338
Interest	21,954	22,117	22,090	21,959	20,787	20,756	20,644	20,662	20,268	20,161
Effect of Economic/Demographic Gains or Losses	253	(3,355)	922	1,113	(2,018)	-	1,070	(1,327)	4,548	1,019
Effect of Assumption Changes or Inputs	-	-	(1,318)	-	19,193	-	-	-	-	-
Benefit Payments	(23,880)	(23,627)	(24,360)	(23,563)	(23,067)	(23,143)	(22,967)	(22,252)	(22,019)	(21,504)
Net Change in Total Pension Liability	916	(2,156)	145	2,214	17,713	616	1,756	226	5,966	3,014
Total Pension Liability - Beginning	334,411	336,567	336,422	334,208	316,495	315,879	314,123	313,897	307,931	304,917
Total Pension Liability - Ending (a)	335,327	334,411	336,567	336,422	334,208	316,495	315,879	314,123	313,897	307,931
<b>Plan Fiduciary Net Position:</b>										
Contributions - Employer	6,554	5,611	6,262	6,859	6,610	5,349	5,400	5,644	5,385	5,393
Contributions - Member	1,150	1,164	1,211	1,199	1,320	1,282	1,309	1,387	1,447	1,661
Net Investment Income (Loss)	23,013	13,171	10,308	(17,672)	68,689	6,376	15,456	22,479	28,887	(1,004)
Benefit Payments, Including Refunds of Member Contributions	(23,880)	(23,627)	(24,360)	(23,563)	(23,067)	(23,143)	(22,967)	(22,252)	(22,019)	(21,504)
Administrative Expense	(152)	(148)	(132)	(154)	(206)	(276)	(326)	(305)	(295)	(264)
Net Change in Plan Fiduciary Net Position	6,685	(3,829)	(6,711)	(33,331)	53,346	(10,412)	(1,128)	6,953	13,405	(15,718)
Plan Fiduciary Net Position - Beginning	257,890	261,719	268,430	301,761	248,415	258,827	259,955	253,002	239,597	255,315
Plan Fiduciary Net Position - Ending (b)	264,575	257,890	261,719	268,430	301,761	248,415	258,827	259,955	253,002	239,597
Net Pension Liability - Ending (a)-(b)	\$ 70,752	\$ 76,521	\$ 74,848	\$ 67,992	\$ 32,447	\$ 68,080	\$ 57,052	\$ 54,168	\$ 60,895	\$ 68,334
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.90 %	77.12 %	77.76 %	79.79 %	90.29 %	78.49 %	81.94 %	82.76 %	80.60 %	77.81 %
Covered Payroll	\$ 15,215	\$ 16,470	\$ 15,704	\$ 16,509	\$ 17,810	\$ 17,810	\$ 18,713	\$ 18,756	\$ 19,912	\$ 20,317
Net Pension Liability as a Percentage of Covered Payroll	465.02 %	464.61 %	476.62 %	411.85 %	182.18 %	382.26 %	304.88 %	288.80 %	305.82 %	336.34 %

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 6,049,000	\$ 6,087,126	\$ 6,243,502	\$ 6,878,195	\$ 6,610,201	\$ 6,241,601	\$ 6,088,400	\$ 5,830,217	\$ 5,470,701	\$ 5,212,079
Contributions in Relation to the Actuarially Determined Contribution	<u>6,553,881</u>	<u>5,610,521</u>	<u>6,262,481</u>	<u>6,859,206</u>	<u>6,610,201</u>	<u>5,348,880</u>	<u>5,399,899</u>	<u>5,643,634</u>	<u>5,385,385</u>	<u>5,393,200</u>
Contribution Deficiency (Excess)	<u>\$ (504,881)</u>	<u>\$ 476,605</u>	<u>\$ (18,979)</u>	<u>\$ 18,989</u>	<u>\$ -</u>	<u>\$ 892,721</u>	<u>\$ 688,501</u>	<u>\$ 186,583</u>	<u>\$ 85,316</u>	<u>\$ (181,121)</u>
Covered Payroll	\$ 15,214,700	\$ 16,469,870	\$ 15,704,334	\$ 16,508,932	\$ 17,809,917	\$ 17,809,917	\$ 18,713,339	\$ 18,755,885	\$ 19,912,480	\$ 20,317,247
Contributions as a Percentage of Covered Payroll	43.08 %	34.07 %	39.88 %	41.55 %	37.12 %	30.03 %	28.86 %	30.09 %	27.05 %	26.54 %

Notes to Schedule

Valuation Date: July 1, 2024  
 Measurement Date: June 30, 2025  
 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 Rate for Most Recent Year:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Payroll, Closed
Remaining Amortization Period	19 years
Asset Valuation Method	5-year, Non-asymptotic, no corridor
Inflation	2.50%
Salary Increases	3.75% for Police and Fire; rates vary by age for all others
Investment Rate of Return	6.75%
Retirement Age	Rates vary by length of service for Police and Fire; rates vary by age for all others
Mortality	Pub-2010 Mortality (Public Safety variant for Police, Fire and Public Works employees and General variant for all others) with generational projection per MP 2021 Ultimate Scale

**TOWN OF STRATFORD, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
PENSION  
LAST TEN FISCAL YEARS**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	9.14 %	5.17 %	3.94 %	(5.98)%	28.22 %	2.53 %	6.11 %	9.11 %	12.38 %	(0.40)%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Town's Proportion of the Net Pension Liability	- %	- %	- %	_%	_%	_%	_%	_%	_%	_%
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	203,663,925	222,523,618	241,376,381	196,576,197	248,199,613	221,298,534	170,634,027	169,755,214	179,093,051	138,076,507
<b>Total</b>	<b>\$ 203,663,925</b>	<b>\$ 222,523,618</b>	<b>\$ 241,376,381</b>	<b>\$ 196,576,197</b>	<b>\$ 248,199,613</b>	<b>\$ 221,298,534</b>	<b>\$ 170,634,027</b>	<b>\$ 169,755,214</b>	<b>\$ 179,093,051</b>	<b>\$ 138,076,507</b>
Town's Covered Payroll	\$ 62,126,272	\$ 61,741,733	\$ 60,572,332	\$ 59,465,140	\$ 58,257,295	\$ 56,384,995	\$ 53,913,000	\$ 53,337,000	\$ 51,654,000	\$ 49,711,000
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	- %	- %	- %	_%	_%	_%	_%	_%	_%	_%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.68 %	58.39 %	54.06 %	60.77 %	49.24 %	52.00 %	57.69 %	55.93 %	52.26 %	59.50 %

Notes to Schedule

Changes in Benefit Terms	None
Changes of Assumptions	None
Actuarial Cost Method	Entry Age
Amortization Method	Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
Amortization Period	25.9 years
Asset Valuation Method	4-year Smoothed Market
Inflation	2.50%
Salary Increase	3.00%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Investment Related Expense

Notes:

\_ The measurement date is one year earlier than the employer's reporting date.

**TOWN OF STRATFORD, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**OPEB**  
**LAST NINE FISCAL YEARS\***  
**(IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:									
Service Cost	\$ 7,121	\$ 6,751	\$ 6,901	\$ 10,746	\$ 9,012	\$ 10,105	\$ 9,059	\$ 9,287	\$ 10,903
Interest	8,220	7,727	8,681	6,357	7,280	10,321	10,954	10,221	8,890
Effect of Plan Changes	(4,668)	-	-	-	(4,729)	-	-	-	-
Economic/Demographic (Gains) or Losses	(4,722)	-	(30,221)	-	(67,527)	-	(13,465)	-	-
Changes of Assumptions	(22,396)	(7,072)	(8,824)	(52,238)	29,164	24,641	13,360	(13,028)	(36,171)
Benefit Payments	(10,516)	(10,092)	(9,726)	(10,494)	(9,624)	(9,259)	(8,968)	(8,427)	(8,447)
Net Change in Total OPEB Liability	(26,961)	(2,686)	(33,189)	(45,629)	(36,424)	35,808	10,940	(1,947)	(24,825)
Total OPEB Liability - Beginning (a)	207,256	209,942	243,132	288,762	325,186	289,378	278,438	280,385	305,210
Total OPEB Liability - Ending (b)	180,295	207,256	209,942	243,132	288,762	325,186	289,378	278,438	280,385
Plan Fiduciary Net Position:									
Contributions - Employer	10,616	10,192	9,726	10,544	9,674	9,310	9,018	8,477	8,497
Net Investment Income (Loss)	1,036	1,124	630	(1,143)	2,280	379	433	573	611
Benefit Payments	(10,516)	(10,092)	(9,726)	(10,494)	(9,624)	(9,259)	(8,968)	(8,427)	(8,447)
Administrative Expense	(36)	-	(2)	(4)	(3)	(2)	(11)	(43)	(2)
Net Change in Plan Fiduciary Net Position	1,100	1,224	627	(1,097)	2,327	428	472	580	659
Plan Fiduciary Net Position - Beginning	9,004	7,780	7,153	8,250	5,923	5,495	5,023	4,443	3,784
Plan Fiduciary Net Position - Ending	10,104	9,004	7,780	7,153	8,250	5,923	5,495	5,023	4,443
Net OPEB Liability - Ending (a)-(b)	\$ 170,191	\$ 198,252	\$ 202,162	\$ 235,979	\$ 280,513	\$ 319,264	\$ 283,884	\$ 273,415	\$ 275,942
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	5.60 %	4.34 %	3.71 %	2.94 %	2.86 %	1.82 %	1.90 %	1.80 %	1.58 %
Covered Payroll	\$ 104,687	\$ 104,687	\$ 103,885	\$ 103,885	\$ 103,885	\$ 79,532	\$ 79,532	\$ 71,201	\$ 71,201
Net OPEB Liability as a Percentage of Covered Payroll	162.57 %	189.38 %	194.60 %	227.16 %	270.02 %	401.43 %	356.94 %	384.00 %	387.55 %

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

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution (1)	\$ 21,641,312	\$ 20,374,013	\$ 26,594,245	\$ 24,704,615	\$ 26,133,040	23,177,582	\$ 22,133,340	\$ 20,679,264	\$ 21,050,753	\$ 19,699,700
Contributions in Relation to the Actuarially Determined Contribution	10,616,010	10,191,622	9,726,281	10,544,013	9,674,363	9,310,404	9,017,976	8,477,088	8,496,506	8,139,200
Contribution Deficiency	<u>\$ 11,025,302</u>	<u>\$ 10,182,391</u>	<u>\$ 16,867,964</u>	<u>\$ 14,160,602</u>	<u>\$ 16,458,677</u>	<u>13,867,178</u>	<u>\$ 13,115,364</u>	<u>\$ 12,202,176</u>	<u>\$ 12,554,247</u>	<u>\$ 11,560,500</u>
Covered Payroll	\$ 104,686,852	\$ 104,686,852	\$ 103,884,532	\$ 103,884,532	\$ 103,884,532	79,531,950	\$ 79,531,950	\$ 71,200,894	71,200,894	N/A
Contributions as a Percentage of Covered Payroll	10.14 %	9.74 %	9.36 %	10.15 %	9.31 %	11.71 %	11.34 %	11.91 %	11.93%	N/A

(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, 2024  
 Measurement Date: June 30, 2025  
 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 Rate for Most Recent Year:

Actuarial Cost Method: Entry age normal  
 Amortization Method: Level percentage of payroll, closed  
 Amortization Period: 13 years  
 Asset Valuation Method: Market value  
 Inflation: 2.50%  
 Healthcare Cost Trend Rates: Town pre-65 trend is 6.50%-3.90% over 49 years, Town post-65 trend is 6.30%-3.90% over 49 years.  
 BOE pre-65 trend is 6.50%-3.90% over 49 years, BOE post-65 trend is 14.50%-3.90% over 49 years, and BOE Medicare Part B trend rate is 3.40%-3.90% over 67 years.  
 Salary Increases: 3.75% for Police and Fire, graded by service for Teachers and Administrators, graded by age for all others  
 Investment Rate of Return: 3.93% (Prior: 3.65%)  
 Retirement Age: Retirement ages and rates vary  
 Mortality: Teachers and Administrators: PubT-2010 Mortality Table for Employees and Healthy Annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP-2021 Ultimate scale. The PubT-2010 Contingent Survivor Table projected generationally per the MP-2021 Ultimate scale and set forward 1 year for both males and females is used for survivors and beneficiaries.

All Others: Pub-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement. The Public Safety variant was used for the Police and Fire groups, the General variant was used for all other groups.

**TOWN OF STRATFORD, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
OPEB  
LAST NINE FISCAL YEARS\***

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	11.00 %	14.32 %	8.80 %	(13.78)%	38.18 %	6.84 %	8.54 %	12.83 %	15.98 %

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

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's Proportion of the Net OPEB Liability	-	-	-	-	-	-	-	-
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	<u>41,778,473</u>	<u>20,847,407</u>	<u>21,139,035</u>	<u>21,416,616</u>	<u>37,018,981</u>	<u>34,512,756</u>	<u>34,110,853</u>	<u>43,693,067</u>
Total	<u>\$ 41,778,473</u>	<u>\$ 20,847,407</u>	<u>\$ 21,139,035</u>	<u>\$ 21,416,616</u>	<u>\$ 37,018,981</u>	<u>\$ 34,512,756</u>	<u>\$ 34,110,853</u>	<u>\$ 43,693,067</u>
Town's Covered Payroll	\$ 62,126,272	\$ 61,741,733	\$ 60,572,332	\$ 59,465,140	\$ 58,257,295	\$ 56,384,995	\$ 53,913,000	\$ 53,337,000
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.40 %	11.92 %	9.46 %	6.11 %	2.50 %	2.08 %	1.49 %	1.79 %

Notes to Schedule

<p>Changes in Benefit Terms Changes of Assumptions</p>	<p>There were no changes to benefit terms since the prior Measurement Date Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2024 was updated to equal the SEIR of 3.93% as of June 30, 2024; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience; Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change; and Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.</p>
<p>Actuarial Cost Method Amortization Method Remaining Amortization Period Asset Valuation Method Investment Rate of Return Price Inflation</p>	<p>Entry age Level percent of payroll over an open period 30 years Market value of assets 3.00%, net of investment related expense including price inflation 2.50%</p>

Notes:

- This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date

## APPENDIX B – FORM OF APPROVING OPINION OF BOND COUNSEL FOR THE SERIES A BONDS

June \_\_, 2026

Town of Stratford  
Stratford Town Hall  
2725 Main Street  
Stratford, CT 06615

We have acted as Bond Counsel to the Town of Stratford, Connecticut (the “Town”) in connection with the issuance by the Town of its \$ \_\_\_\_\_ General Obligation Bonds, Issue of 2026, Series A (the “Bonds”) dated June \_\_, 2026. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents (including, but not limited to, a Tax Compliance Agreement of the Town dated the date hereof (the “Agreement”)) as we have deemed necessary to give the opinions below.

Regarding questions of fact material to the opinions below, we have relied on the certified proceedings and other certifications of representatives of the Town and certifications of others furnished to us without undertaking to verify them by independent investigation.

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

The Internal Revenue Code of 1986 (the “Code”) establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds.

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

Based on the foregoing, we are of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Code, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Town comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The Town has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. We express no opinion regarding other federal 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 excludable 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. We express no opinion regarding other state and other State of Connecticut tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Bonds.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances or changes in law that may come later to our attention or occur.

Respectfully,

PULLMAN & COMLEY, LLC

MJA/JXG

## APPENDIX C – FORM OF APPROVING OPINION OF BOND COUNSEL FOR THE SERIES B BONDS

June \_\_, 2026

Town of Stratford  
Stratford Town Hall  
2725 Main Street  
Stratford, CT 06615

We have acted as Bond Counsel to the Town of Stratford, Connecticut (the “Town”) in connection with the issuance by the Town of its \$ \_\_\_\_\_ General Obligation Refunding Bonds, Issue of 2026, Series B (the “Bonds”) dated June \_\_, 2026. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents (including, but not limited to, a Tax Compliance Agreement of the Town dated the date hereof (the “Agreement”)) as we have deemed necessary to give the opinions below.

Regarding questions of fact material to the opinions below, we have relied on the certified proceedings and other certifications of representatives of the Town and certifications of others furnished to us without undertaking to verify them by independent investigation.

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

The Internal Revenue Code of 1986 (the “Code”) establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds.

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

Based on the foregoing, we are of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Code, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Town comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The Town has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. We express no opinion regarding other federal 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 excludable 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. We express no opinion regarding other state and other State of Connecticut tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Bonds.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances or changes in law that may come later to our attention or occur.

Respectfully,

PULLMAN & COMLEY, LLC

MJA/JXG

## APPENDIX D – FORM OF APPROVING OPINION OF BOND COUNSEL FOR THE NOTES

June \_\_, 2026

Town of Stratford  
Stratford Town Hall  
2725 Main Street  
Stratford, CT 06615

We have acted as Bond Counsel to the Town of Stratford, Connecticut (the “Town”) in connection with the issuance by the Town of its \$ \_\_\_\_\_ General Obligation Bond Anticipation Notes, Issue of 2026, Series B (the “Notes”) dated June \_\_, 2026. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents (including, but not limited to, a Tax Compliance Agreement of the Town dated the date hereof (the “Agreement”)) as we have deemed necessary to give the opinions below.

Regarding questions of fact material to the opinions below, we have relied on the certified proceedings and other certifications of representatives of the Town and certifications of others furnished to us without undertaking to verify them by independent investigation.

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

The Internal Revenue Code of 1986 (the “Code”) establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Notes in order that interest on the Notes be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes to ensure that interest on the Notes shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Notes.

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

Based on the foregoing, we are of the opinion that interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Code, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Notes may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Town comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The Town has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Notes to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes. We express no opinion regarding other federal 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 excludable 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. We express no opinion regarding other state and other State of Connecticut tax consequences caused by ownership or disposition of, or receipt of interest on the Notes.

The rights of the owners of the Notes and the enforceability of the Notes are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Notes.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances or changes in law that may come later to our attention or occur.

Respectfully,

PULLMAN & COMLEY, LLC

MJA/JXG

**APPENDIX E – FORM OF CONTINUING DISCLOSURE AGREEMENT FOR THE SERIES A BONDS**

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

**In Connection With The Issuance and Sale of  
\$ \_\_\_\_\_ Town of Stratford, Connecticut  
General Obligation Bonds, Issue of 2026, Series A**

This Continuing Disclosure Agreement (“Agreement”) is made as of June \_\_, 2026, by the Town of Stratford, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of its \$ \_\_\_\_\_ General Obligation Bonds, Issue of 2026, Series A dated June \_\_, 2026 (the “Bonds”).

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

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Section 2 of this Agreement.

“EMMA” means the Electronic Municipal Market Access System as described in the 1934 Act Release #59062 and maintained by the Municipal Securities Rulemaking Board for the purposes of the Rule and as further described in Section 13 hereof.

“Final Official Statement” means the official statement of the Issuer dated June \_\_, 2026 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;

*Note to clause (a)(vii): For the purposes of the event identified in clause (a)(vii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.*

(viii) Bond defeasances;

(ix) rating changes; and

(x) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

(b) The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Bonds, notice of the occurrence of such event, if material:

(i) non-payment related defaults;

(ii) modifications to rights of Bondholders;

(iii) Bond calls;

(iv) release, substitution, or sale of property securing repayment of the Bonds;

(v) consummation of a merger, consolidation, acquisition involving the Issuer, other than the ordinary course of business, or the sale of all or substantially all the assets of the Issuer, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms;

(vi) appointment of a successor or additional trustee, or the change in the name of the trustee;  
and

(vii) incurrence of a financial obligation of the Issuer or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders.

*Note to clauses (a)(x) and (b)(vii): For purposes of the events identified in clauses (a)(x) and (b)(vii), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.*

**Section 5. Notice of Failure.** The Issuer agrees to provide or cause to be provided, in a timely manner to the MSRB, notice of any failure by the Issuer to provide the annual financial information described in Section 2(a) of this Agreement on or before the date set forth in Section 3 hereof.

**Section 6. Termination of Reporting Obligation.** The Issuer’s obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

**Section 7. Agent.** The Issuer may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

**Section 8. Amendment; Waiver.** Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) the Agreement as so amended would have complied with the requirements of the Rule as of the date of the Agreement, taking in account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

**Section 9. Additional Information.** Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communications, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**Section 10. Indemnification.** The Issuer agrees to indemnify and save its officials, officers and employees harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any such liabilities due to any such person's malicious, wanton, or willful act. The obligations of the Issuer under this Section shall survive, notwithstanding that such person may no longer be serving in such capacity.

**Section 11. Enforceability.** The Issuer agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. The present address of the Issuer is Stratford Town Hall, 2725 Main Street, Stratford, Connecticut 06615, Attn: Director of Finance. 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 STRATFORD, CONNECTICUT**

By: \_\_\_\_\_  
Dr. David Chess, Mayor

By: \_\_\_\_\_  
Caitlin Bosse, Director of Finance

**APPENDIX F – FORM OF CONTINUING DISCLOSURE AGREEMENT FOR THE SERIES B BONDS**

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

**In Connection With The Issuance and Sale of  
\$ \_\_\_\_\_ Town of Stratford, Connecticut  
General Obligation Refunding Bonds, Issue of 2026, Series B**

This Continuing Disclosure Agreement (“Agreement”) is made as of June \_\_, 2026, by the Town of Stratford, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of its \$ \_\_\_\_\_ General Obligation Refunding Bonds, Issue of 2026, Series B dated June \_\_, 2026 (the “Bonds”).

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

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Section 2 of this Agreement.

“EMMA” means the Electronic Municipal Market Access System as described in the 1934 Act Release #59062 and maintained by the Municipal Securities Rulemaking Board for the purposes of the Rule and as further described in Section 13 hereof.

“Final Official Statement” means the official statement of the Issuer dated June \_\_, 2026 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;

*Note to clause (a)(vii): For the purposes of the event identified in clause (a)(vii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.*

(viii) Bond defeasances;

(ix) rating changes; and

(x) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

(b) The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Bonds, notice of the occurrence of such event, if material:

(i) non-payment related defaults;

(ii) modifications to rights of Bondholders;

(iii) Bond calls;

(iv) release, substitution, or sale of property securing repayment of the Bonds;

(v) consummation of a merger, consolidation, acquisition involving the Issuer, other than the ordinary course of business, or the sale of all or substantially all the assets of the Issuer, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms;

(vi) appointment of a successor or additional trustee, or the change in the name of the trustee;  
and

(vii) incurrence of a financial obligation of the Issuer or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders.

*Note to clauses (a)(x) and (b)(vii): For purposes of the events identified in clauses (a)(x) and (b)(vii), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.*

**Section 5. Notice of Failure.** The Issuer agrees to provide or cause to be provided, in a timely manner to the MSRB, notice of any failure by the Issuer to provide the annual financial information described in Section 2(a) of this Agreement on or before the date set forth in Section 3 hereof.

**Section 6. Termination of Reporting Obligation.** The Issuer’s obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

**Section 7. Agent.** The Issuer may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

**Section 8. Amendment; Waiver.** Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) the Agreement as so amended would have complied with the requirements of the Rule as of the date of the Agreement, taking in account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

**Section 9. Additional Information.** Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communications, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**Section 10. Indemnification.** The Issuer agrees to indemnify and save its officials, officers and employees harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any such liabilities due to any such person's malicious, wanton, or willful act. The obligations of the Issuer under this Section shall survive, notwithstanding that such person may no longer be serving in such capacity.

**Section 11. Enforceability.** The Issuer agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. The present address of the Issuer is Stratford Town Hall, 2725 Main Street, Stratford, Connecticut 06615, Attn: Director of Finance. 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 STRATFORD, CONNECTICUT**

By: \_\_\_\_\_  
Dr. David Chess, Mayor

By: \_\_\_\_\_  
Caitlin Bosse, Director of Finance

**APPENDIX G – FORM OF CONTINUING DISCLOSURE AGREEMENT FOR THE NOTES**

**FORM OF CONTINUING DISCLOSURE AGREEMENT FOR NOTES  
BY THE TOWN OF STRATFORD, CONNECTICUT**

**In Connection With The Issuance and Sale of  
\$ \_\_\_\_\_ Town of Stratford, Connecticut  
General Obligation Bond Anticipation Notes, Issue of 2026, Series B**

This Continuing Disclosure Agreement (“Agreement”) is made as of June \_\_, 2026, by the Town of Stratford, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of its \$ \_\_\_\_\_ General Obligation Bond Anticipation Notes, Issue of 2026, Series B, dated June \_\_, 2026 (the “Notes”).

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

“EMMA” means the Electronic Municipal Market Access System as described in the 1934 Act Release #59062 and maintained by the Municipal Securities Rulemaking Board for the purposes of the Rule and as further described in Section 10 hereof.

“Final Official Statement” means the official statement of the Issuer dated June \_\_, 2026 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;

*Note to clause (a)(vii): For the purposes of the event identified in clause (a)(vii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.*

(viii) Note defeasances;

(ix) rating changes; and

(x) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

(b) The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the 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;  
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 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 Stratford Town Hall, 2725 Main Street, Stratford, Connecticut 06615, Attn: Director of Finance. 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 STRATFORD, CONNECTICUT**

By: \_\_\_\_\_  
Dr. David Chess, Mayor

By: \_\_\_\_\_  
Caitlin Bosse, Director of Finance

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