



State

of the

Town

January 28, 2019

First Selectman Mike Tetreau

Good evening. Thank you Mr. Moderator, members of our Board of Selectmen, members of our Board of Finance, Board of Education, School Administration, members of our Representative Town Meeting, our State Delegation, other elected officials and members of the public for this opportunity to provide you with an update on our Town.

Let's start with one very important announcement. The main branch of the Fairfield Public Library will re-open tomorrow morning. Special thanks to Fire and DPW personnel who were on the job at 3am on a very cold Thanksgiving morning to limit the damage and begin the clean-up.

We have recently heard that Dr. Toni Jones will be leaving us at the end of this school year. I would like to thank her for her contributions to our community and our schools. We wish her well in her new school district.

Award Winning Town

Fairfield is a special place and a very special community. We don't want to ever take our town or our quality of life for granted. We need to remain vigilant and continuously look for opportunities for improvement.

Let's take a look at a few comparisons and what other people are saying about us.

Fairfield was given an A+ on the 2018 *Niche* report card of "Best Places to Live" in Connecticut. The grading took into account quality of schools, crime rates, housing trends, employment statistics and access to amenities.

Fairfield is ranked the #1 Most Business Friendly Town in Connecticut. *The Yankee Institute* stated "Fairfield's economic vitality and transportation infrastructure push it to No. 1 on our list." They went on to state further "Our aim is to bring a new statewide focus to the potentially positive power of local decision-making." This award is truly a team award that recognizes the efforts across all town departments and a commitment by all town managers and employees to make our town more business friendly.

Our Economic Development Director, Mark Barnhart, pointed out recently that on average we had one Ribbon-cutting a week for the past year welcoming new businesses to town. This is a measure of economic vitality that easily outdistances any other town in the State. It should also be noted that a significant number of our businesses are now women-owned. This growth in women leaders is also reflected in the make-up of our RTM with women making up 45% of the elected members.

Fairfield earned top honors as a Sustainable CT Community. We were one of only five towns to receive the Silver Award and were the town with the highest score – making us #1 in the State! A big thank you to the volunteers on the Sustainable Fairfield Task Force led by (Fairfielder of the Year) Mary Hogue and Bob Wall. This is another team award for our town employees because it is a comprehensive measure of the efforts by so many town departments.

Fairfield was named a top safe community. *SafeWise* published its report on the Safest Communities in Connecticut and ranked Fairfield in the top twenty. We really need to thank our dedicated public safety teams – Police, Fire and Emergency Communications for all they do to keep us safe every day.

Fairfield was ranked #11 among the top 50 safest College Towns in America. Fairfield was one of six towns repeating from last year. We know this has special meaning for Fairfield University and Sacred Heart University. The reports states “Fairfield which is considered one of the Northeast’s top communities is a safe college town that offers a high quality of life, abundant outdoor recreation and a stellar safety record. Fairfield has a population of 61,000 residents which make its low crime rate even more impressive.” Another big thanks to our Police Officers and the security teams at both universities.

This would be the time to congratulate our new Police Chief Chris Lyddy who will be leading our department going forward.

Fairfield American Little League won the State Championship for the 3rd year in a row. This continues a strong culture of success for both the Fairfield American and the Fairfield National programs. These young men not only display winning ways on the field but also off the field. They make our town proud with how they handle themselves in victory and defeat. They are a great example for all of us. A big thank you to the League volunteers and coaches that provide this opportunity for our young athletes.

The Fairfield Little League Girls Softball teams also have a strong tradition of success including this year’s unprecedented achievements. Four teams were District Champions. The Juniors made it four consecutive years that they have competed in the State Championship game. The 10U team lost in the playoffs to the eventual State Champions. The 11U team brought the State Championship home to Fairfield. The 12U team won the State Championship and went on to compete in the Eastern Regionals before their season came to an end. What an amazing year! Again, a very special thank you to the volunteers and coaches that make this experience possible for our young athletes.

The American Institute for Architects bestowed on Pequot Library the 2018 CT Treasures Award. Pequot was voted the top architectural Treasure in this statewide People’s Choice competition based on its iconic Romanesque Revival design. Southport has been home to Pequot Library for over 100 years and now the rest of the State is discovering just how special a treasure it is.

Our Town Clerk, Betsy Browne, was nationally recognized, receiving the E-Recording Catalyst Award. This award is in recognition of achieving faster turnaround time and higher service levels through the use of technology.

Fairfield’s Water Pollution Control Authority won the 2018 New England Water Environment Association Energy Management Achievement Award. This award recognizes the progress our

team is making in reducing the amount of energy used per unit of water treated. In addition, John Bodie, Assistant Superintendent, was selected as the 2018 NEWEA Operator of the Year for the State of Connecticut. Congratulations to John and the entire team at our Water Pollution Control Facility.

These are just a few of the achievements that should make us all proud of our Town.

Top Performing Schools

Fairfield's top quality education has always been a source of great pride for our town. We really need to recognize the leadership of our Superintendent Dr. Jones, our Board of Education and the dedication of our teachers, administrators and staff. If you talk to Realtors, you will hear that the quality of our school system is the number one reason home buyers choose to move to Fairfield. We spend about 65% of our annual budget on our school system, or 65 cents out of every tax dollar. This is a very real measure of the value we place on education.

Our Board of Education points out the value of the comprehensive education that we provide. I know from personal experience at Holland Hill, Tomlinson and Ludlowe what a great foundation we provide and the opportunities our educational system creates. It enabled me to be accepted at one of the top universities in the nation. I am still quoting critical learning experiences from high school. I know the lasting impact of every one of my elementary school teachers. I am so fortunate that I had the opportunity to grow up in Fairfield. I am so proud to call Fairfield my hometown.

Let's look at some of the achievements of our schools and students from just this past year (this is limited to a select list of academic, athletic & artistic State and National level awards):

- FWMS 8th Grader Lily Bolash placed first in the State in the CT History Day competition – qualifying for a trip to the Nationals.
- Holland Hill student Cristian Santa parlayed his Legos expertise into membership in the Legoland Creative Crew.
- Warde Boys Lacrosse player Ted Orben and Ludlowe Boys Lacrosse player Josh Evans received CHSKCA Academic All-American recognition.
- The Fairfield Girls' Co-op Ski team finished 1st and the Boys Co-op Ski team took 2nd at the State Championships.
- Warde Girls Lacrosse Libby McKenna received US Lacrosse High School All-American recognition.
- Ludlowe Indoor Track & Field's Tess Stapleton won the 55 meter hurdles at the CIAC State Open meet helping her team to finish 6th overall.
- Ludlowe Boys Track & Field team placed 8th in the State thanks to Ian Barlett's 1st Place finish in the 800 meter competition.
- Ludlowe Girls Track & Field team placed 7th in the State on the strength of Maya Mocarski's 1st Place finish in the 100 meter competition.

- The FLHS Cheerleading Team took top prize at the AmeriCheer International Championships in Florida.
- Warde's Sean Conway was named to the All USA Connecticut Boys Basketball team.
- The Fairfield Public Schools Music program was recognized by the NAMM Foundation for their excellence as one of the Best Communities for Music Education in the nation.
- Stratfield Elementary School student Sydney McKernan place 3rd at the National PTA Reflections Competition.
- Warde and Ludlowe music programs announced that a combined total of 34 students had been accepted to the Music Educators Association's All-State Festival.
- The Warde Dance Team finished in the top 10 at Nationals.
- Students from Riverfield Elementary and Bridgeport's Cesar Batalla School are competing and bonding over Chess.
- Art students from Warde and Ludlowe produced such a professional level of work that their art hangs in our Downtown Railroad stations, Sullivan Independence Hall and seasonally on banners along the Post Road. They are really, really well done. What a great way to welcome visitors to our town.

This is a broad range of excellence in activities in addition to the stellar academics our school system provides. A Special Thank You to BOE member Jessica Gerber for continually keeping us updated on these and many more achievements.

Two Universities and a Strong Commitment to our Community

Fairfield University has a growing national reputation. It was recently ranked the #1 Best Regional University in the North by *US News & World Report's* Best Colleges Report. The Dolan School of Business' new 86,000 square foot facility, scheduled to open this spring, will include simulated trading, a business analytics lab, an entrepreneurship center and much more. The university also has a growing impact on our town, from the Fairfield Center bookstore to the cultural events at the Quick Center and the Fairfield University Museum at Bellarmine Hall.

The University continues to work with the town and neighbors to help integrate and manage the impact on our neighborhoods of off campus student housing. They have contributed innovative ideas, staff and funding to improve the relationships. They are demonstrating a real commitment to working with us to maintain the quality of life for these neighborhoods.

Sacred Heart University is working to redefine its relationship with the town. We are beginning to have a true partnership across a series of important initiatives. Sacred Heart University has become an important and stable partner in adding real value to our town.

Sacred Heart has plans for adding a new swimming pool and ice rink facility on the recently purchased West Campus site. These projects would add significant new amenities to our town. Both these projects are just beginning to go through the Town Commission approval process. The University is stating that these resources will be available for resident and school team use.

Our town is looking for a new home for our Emergency Communications (911) Call Center and Sacred Heart has offered the use of a facility on their campus rent-free. With rising sea levels, it is time to move our Call Center out of its current location in a basement in the flood zone.

As we expand and update our sewage lines throughout our town, we need a new pumping station near Sacred Heart. This will help us serve the University expansion and the surrounding neighborhoods. The University is offering to invest \$1 million towards this \$2 million project to ensure it moves forward on a timely basis.

Sacred Heart is bringing an innovative business incubator program to campus in a joint venture with Verizon and Alley. This will provide a very significant education opportunity for their students. It will also be a key initiative in helping provide new business growth and new jobs to our town. This is an important step in helping us grow our commercial tax base.

Financial Strength

Fairfield has a strong financial foundation. We continue to properly fund our Long-term Liabilities like Pension and OPEB (Retiree Medical). We are one of only four towns in the state with AAA ratings from the nation's top 3 Credit Rating Agencies. Key descriptions from our recent rating report include:

- “Very Strong Management” – S&P
- “History of strong operating performance” – Moody’s
- “The Bond ratings reflect expectation for Fairfield to maintain healthy financial flexibility throughout economic cycles, consistent with a strong operating performance and budget controls” – Fitch
- “Careful expenditure management combined with moderate tax rate increases and conservation financial forecasting has led to growth in reserves” – Fitch
- “Strong budgetary flexibility and very strong debt and contingent liability position” – S&P
- Chief Fiscal Officer Bob Mayer pointed out that “S&P upgraded the Town’s Financial Management Assessment (FMA) to the highest score S&P gives. Only one-third of the AAA rated towns in Connecticut have S&P’s highest FMA rating.” A special thank you to the entire Finance team for helping earn this recognition.

In the midst of a very turbulent economy and decreasing support from the State, we have averaged a tax increase of 2% per year over the last five years. The rating agencies have called this moderate and Fairfield’s Board of Finance has labeled these increases reasonable. We have kept our Mill Rate to one of the lowest in Fairfield County. By maintaining tight control over our expenses, we have also achieved one of the lowest cost of services per capita in Fairfield County. This is one of the best overall measures of town work force productivity.

Regional Shared Services

One approach to managing our costs is to join with other towns. We have a number of shared service initiatives underway to lower costs and improve service levels. Let's review a few of them.

We have joined with eleven other towns to form a cooperative venture to lower our costs for solid waste removal. We are saving several hundred thousand dollars every year.

We have joined forces with many of the same towns to lower our costs for Recycling. Just two years ago, we were being paid for our recyclables. With changes overseas, we are now paying to remove these products. This collaboration means we get the best pricing in a highly volatile market.

We are evaluating combining our Emergency Call (911) Center with Westport. Both centers would move to the Sacred Heart campus. In the long run, this will reduce costs and improve service levels.

We are working with Bridgeport and Trumbull to mitigate the impact of Rooster River flooding. Recent events have caused damage to homes and raised significant concern among our residents. We are working with our neighboring towns to develop plans and to seek funding to protect our neighborhoods.

We are working with MetroCOG to update our town Hazard Mitigation plan. MetroCOG is the regional planning organization comprised of Fairfield, Bridgeport, Stratford, Trumbull, Easton and Monroe. This plan addresses actions to mitigate flooding along the coast and along our rivers. This also helps us qualify for the Community Rating System (CRS) providing discounts on flood insurance premiums for our residents.

Our economic development efforts have been expanded as we work with the Fairfield 5 – Greenwich, Stamford, Norwalk, Westport and Fairfield. We are joining together to use our combined economic development resources to market our towns and Fairfield County to businesses currently located in or considering moving to the Tri-State area. If your business is in NYC, Westchester or northern New Jersey, Fairfield County has lower costs and a higher quality of life. There may be other areas we can collaborate in the future.

Grants

We look to use State and Federal Grants wherever possible to fund capital projects. This directly saves tax dollars. Here is a list of some of the more significant awards from the last few years totaling over \$6 million:

- Flood Mitigation
 - Riverside Drive Resiliency - \$200,000
 - Pine Creek Dike Evaluation - \$300,000

- Security
 - Port Security - \$328,000
 - Body Cameras for Police - \$742,000
- Economic Development
 - Fairfield Center Streetscapes - \$250,000
 - Burr Homestead Renovations - \$500,000
 - Fairfield Center Drainage Improvements - \$300,000
 - Metro Center Sewer Line Replacement - \$750,000
 - Stratfield Center Streetscape Improvements - \$650,000
Timing could not be better. A new private preschool was just announced to be developed on the site of the old Stratfield market.
 - Black Rock Turnpike Safety Study - \$375,000
 - Southport Community Connectivity Grant - \$360,000
 - Post Road Safety Study - \$375,000
 - Metro Center Transit Oriented Design Planning - \$200,000
 - Fairfield Theatre Company Renovations - \$950,000
- Southport Harbor Improvements
 - Channel Dredging and Boat Ramp Reconstruction - \$266,000

Economic Development

Connecticut towns are more dependent on property tax revenue to fund our operations than towns in any other State in the nation. While Fairfield has one of the lower Mill Rates in Fairfield County and one of the lowest cost of services per capita, there is more we can do. We need to grow our commercial tax base, grow our Grand List.

Only 4.5% of our land area is zoned commercial. Yet, this land generates 10% of our tax revenues. A 1% increase in our commercial zoned land will decrease the residential tax burden by 2%.

We need to look to our Town Plan and Zoning Commission to build this commercial growth into our Plan of Conservation and Development. This plan can guide us as to where development is most beneficial while protecting our neighborhoods, our downtown, Southport Village and historic areas. Target areas may include the Fairfield Metro Center, our old industrial areas and Commerce Drive.

The options are clear: we either grow our commercial tax base or watch our Mill Rate increase. The Plan of Conservation and Development will help us protect our town's character and charm while increasing value and improving affordability.

Bridgeport recently received \$7 million to provide needed updates to Sikorsky Airport. Due to recent advances in aircraft technology, new planes coming off the production lines will make commercial flights viable at Sikorsky. These planes can operate off the Sikorsky runways and

have range to reach Florida, Texas and Illinois. This provides a significant asset for Fairfield County businesses.

The Fairfield 5 is teaming up to build on these positives to market the benefits of our towns and Fairfield County. When you take a close look at Fairfield County, here is what you will find:

- Fairfield County is the only county in CT that has grown in population the last five years
- Fairfield County has a net gain in population from NYC and Westchester County
- Fairfield County has 25% of all CT jobs
- Fairfield County has 30% of all CT employers
- Fairfield County has 42% of all CT Income Tax revenues
- A recent study by *Fitch Ratings* talks about “the strong underlying economic trends that will support growth in Fairfield County”. It goes on to say that “Fairfield County’s low property taxes relative to New York City is another draw” and that “a growing number of millennials are fleeing the big cities in search of the traditional American dream of homeownership in the suburbs”
- “Fairfield County offers good schools, upscale shopping and a lower cost of living compared to New York City.”
- Joseph Fontana, lead analyst for Fitch, says that “Fairfield County often represents a flight to affordability for companies looking to escape the high rents of New York City. “
- Jim Fagan of Cushman & Wakefield “sees companies following their talented millennial works out to the suburbs and taking space in office buildings throughout Fairfield County particularly along major transportation lines.”

These are just some of the trends that show why our town and our county are such a great value.

Next Steps

The Strategic Plan currently being developed will help provide the guidance from our community on how to maintain and grow Fairfield’s value. A special thank you to the Strategic Plan Committee for their comprehensive efforts to engage our community in the planning process.

We do need to look to our TP&Z Commission for the road map in an updated Plan of Conservation and Development (POCD). This plan will show us the way to grow our town while protecting our charm and character.

The Federal government has a new tax plan. We will see and feel the impact in less than 90 days. The severe limitations on State and Local Tax (SALT) deductions seem to be targeted at residents in Connecticut. The impact of these changes will be hitting us right in the middle of our budget approval process.

The State has a new Governor and some new representation in the Legislature. We are cautiously optimistic about how they will work together to solve the fiscal challenges facing our State. The new Governor did commit not to make reductions to Municipal Aid. This is a very good sign.

As we have seen in the past with proposals to cut ECS funding or to transfer state pension costs to the towns, we need to stand ready to fight for Fairfield's future. We will need help from our Federal and State Delegations in the weeks and months ahead.

One topic to be the center of discussion throughout our entire budget process will be this year's Board of Education request for a five percent increase. This is five percent increase on the largest expense driver in our budget. This request comes at a time when we are still missing millions of dollars due to recent reductions in State Aid and Tax revenue. It is the highest request in over a decade. In fact, it is more than double the average increases over the past ten years. I know this is going to be a struggle for all of our Boards on how to integrate this into a budget with a reasonable tax increase.

In Summary

The major takeaway from tonight should be that even though some significant challenges exist, we have a strong foundation to build on. We have accomplished a great deal despite these challenges. We all came to Fairfield and stayed here for the great schools, a great quality of life, and a great location with easy access to local and regional amenities. These are some of the reasons that still create Fairfield's value today.

John Traynor is a Senior Vice President at People's United Bank and recent speaker at the Chamber of Commerce's Economic Outlook Breakfast. He is a source of valuable insight on the national, regional and local economy. In last year's presentation, he referred to Fairfield as the model for how Connecticut towns should manage in this economy. This year, he shared with us how often he talks about Fairfield in his presentations throughout the Northeast and how he is now referring to Fairfield County as the "engine that drives the CT economy."

Moving forward, we are all going to have to work together to continue to build Fairfield's value and keep Fairfield affordable for all.

Thank you.